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## SHARETT OUTLINES ISRAEL'S STAND ON NEW "BIG THREE" PROPOSAL

TEL AVIV, June 23. (JTA) -- Israel's Premier Moshe Sharett last night outlined the stand of the Israel Government toward the American-British-French proposal to strengthen the United Nations truce machinery in Palestine. He spoke at the opening session of the national convention of the General Zionist Party of Israel which is the major partner of Mr. Sharett's Mapai Party in the government coalition.

"We shall consider carefully and with goodwill every suggestion that might bring near peace for Israel and stability to the Middle East," he said. "However, any settlement suggested - total or partial - to us must satisfy" the following four conditions: Israel's existence as a state would have to be guaranteed; its security would have to be guaranteed; its independence would have to be guaranteed; and its development possibilities must be left unhampered.

"We will neither purchase peace nor the prospects of a rapprochement" by sacrificing even one of these conditions, the Premier stressed. He added that relations between Israel and all other countries would be weighed in terms of these four points.

### Anti-Israel "Trend" in U.S. Policy Regretted; Aid Hailed

Dr. Peretz Bernstein, leader of the General Zionist Party, told the 400 delegates and the several thousand observers and guests at the party's most important gathering in its history that American-Israeli relations had taken an acute turn for the worse. He expressed regret that the U.S. policy had taken this anti-Israel trend. However, he hailed the American contribution to Israel's economy.

Turning to the economy of Israel, he said that it had made progress towards self-sufficiency since the centrist party had joined the government coalition. He called for currency decontrol, asserting that such action would increase production, attract investments and help develop Israel's foreign trade. He opposed any wage increases at this time, stating they would hamper efforts to make Israeli products competitive in the world markets.

Commenting on the tasks facing the Zionist movement, Dr. Bernstein demanded new measures to attract more Jews to Israel, noting that the world's Jewish problems had not yet been solved as the Zionists felt it should be--by the concentration of all Jews in the Jewish homeland. He said that the second generation which is growing up in Israel is unaware of the emotional background which brought Zionism into being.

In conclusion, Dr. Bernstein reported that the Progressive Party had shown a readiness to discuss a merger with the General Zionist Party, but added that for the present he had no definite proposals to bring to the membership of the party.

Negotiations between the two parties were continuing, he reported. He called on the party to prepare for the coming election campaigns for the Knesset, local offices and the World Zionist Congress.

The convention was also addressed by Berl Locker, co-chairman of the Jewish Agency and a Mapai leader, who discussed the situation in the world Zionist movement, Minister of Interior Israel Rokach, a General Zionist leader, Meir Grossman, and Chief Rabbi Isaac Herzog also spoke.

### Ben Gurion Proposes Two-Party System for Israel

A suggestion that the General Zionist convention discuss the establishment of the two-party system to replace the multiplicity of parties on the Israel political scene, was made by former Premier David Ben Gurion. Replying to an invitation from Dr. Bernstein that he address the parley, Mr. Ben Gurion wrote that the two-party system would bring greater stability to the state. The former Premier, who is recovering from an illness which forced his hospitalization several weeks ago, expects to be able to return to his home at Sdeh Boker this week.

The conference received greetings from General Zionist parties and leaders from abroad, including top American Zionist figures. Dr. Abba Hillel Silver, in a cable, assured the conference that American Jewry would remain loyal to its undertakings to help Israel's upbuilding and defense. Rabbi Irving Miller, president of the Zionist Organization of America, hailed the achievements of the centrist party in the country's development. Dr. Israel Goldstein, president of the World Confederation of General Zionists, expressed the pride of General Zionists throughout the world in the party's participation in the Israel coalition government.

### EISENHOWER URGES CONGRESS NOT TO CUT U.S. AID FOR MIDDLE EAST

WASHINGTON, June 23. (JTA) -- President Eisenhower, in a message to Congress today, recommended that the requested American aid of \$570,000,000 for the Near East, Africa and Asia should not be cut. This includes funds for economic and technical assistance for Israel and the Arab states.

The Foreign Operations Administration has announced during the last few days several authorizations for Israel totalling \$2,306,000. The authorizations include motor vehicles, tractor parts, tinplate, cattle hides, raw cotton and vegetable fats and oils.

### EBAN EXPRESSES DISPLEASURE OVER ALLEGATIONS OF U.S. OFFICIALS

WASHINGTON, June 23. (JTA) -- Ambassador Abba S. Eban of Israel, meeting with Assistant Secretary of State Henry A. Byroade, expressed displeasure over allegations of Israel "expansionism" repeated to the House Foreign Affairs Committee by Mr. Byroade and Arthur Z. Gardiner, it was learned here today.

Mr. Gardiner is chief political and economic advisor of the Near Eastern Division of the State Department which Mr. Byroade heads. Both testified before the House body on pending Mutual Security legislation that Israel's "expansion" was a factor in the Middle East tension.

Mr. Byroade gave currency to this contention in his speech before the American Council of Judaism and it was subsequently repeated in testimony before the House committee. Israel diplomats here, it is known, have vigorously contested this in discussions with the State Department and challenged assertions that immigration into Israel would force the Jewish State to burst its boundaries and seek more space at the expense of the Arabs.

The Israelis have pointed out to State Department officials that this argument conflicts with modern economic thought and fails to consider the results of scientific development.

STATE DEPT. NOTIFIES ISRAEL OF U.S. DECISION TO CUT ECONOMIC AID

WASHINGTON, June 23. (JTA) -- The State Department has notified the Israel Government that the United States has decided to cut short the amount of economic aid Israel was led to expect during the current fiscal year. This was learned today and confirmed from official sources.

Israel was told it could count on aid this year amounting to a figure somewhere between \$55,000,000 and \$70,000,000. To date \$52,000,000 has been granted and Israel has been informed that this is all she will get. Meanwhile, Israel was advised to expect less assistance in the new fiscal year beginning July 1.

An Israel request for \$15,000,000 from current funds to buy urgently needed supplies was rejected, and Israel was informed that she has used up all funds that she can expect during the current fiscal year. Harold E. Stassen, Foreign Operation Administrator, acting on a State Department decision, informed Ambassador Abba Eban of this by letter.

Mr. Stassen said less economic help is forthcoming for Israel and that it should plan accordingly. It was noted by State Department sources that the Israel Government informed the Knesset on June 14 that \$74,000,000 was expected from the United States during the current fiscal period. Mentioning this specifically, Mr. Stassen said no such sum could be expected by Israel in view of Administration plans to increase aid to the Arab states.

The Stassen letter was in answer to Israel's request for the \$15,000,000 Israel had reason to expect it was to receive as the remainder of undrawn aid. Israel was told that \$52,500,000 has been granted and this is adequate in view of improvements the United States feels Israel has achieved in its economic life.

U.S. ENVOY REJECTS ISRAEL PROPOSAL ON WATER DEVELOPMENT SCHEME

TEL AVIV, June 23. (JTA) -- Eric Johnston, President Eisenhower's personal envoy, has turned down an Israeli proposal for inclusion of the waters of the Litani River in Lebanon in the regional water development scheme being discussed by the United States team headed by Ambassador Johnston and the Israeli ministerial committee led by Premier Moshe Sharett, it was learned here today.

The Israel Cabinet met this morning to hear a report from the ministerial committee on the course of negotiations. It is understood that the talks will be completed tonight, although there has been a complete news blackout from the sessions with communiques merely announcing that the talks continue.

ARMISTICE COMMISSION CENSURES ISRAEL FOR MEVOOT BETAR INCIDENT

JERUSALEM, June 23. (JTA) -- The Israel-Jordan Mixed Armistice Commission, with the Israeli delegation boycotting the session as it has for months, condemned Israel today for the incident at Mevoot Betar last Saturday in which three Israeli members of a five-man patrol were killed in a Jordanian ambush.

Elaborating on the MAC communique later, MAC press officer Hamilton Fisher said that the UN observers had been unable to find footprints or traces of the bodies of the three men having been dragged across the border from Israel to Jordan, nor were they able to explain how the bodies got across the frontier if there were no footprints. He said the observers were not able either to explain the mutilation of the bodies of the victims nor the stealing of their clothes and personal effects. Israeli spokesmen had charged that the bodies of the murdered men had been moved across the frontier by the Jordanians.

Israeli units were fired on by Egyptians and Jordanians today in two separate incidents, one north of Kissufim, in the Gaza demilitarized area, and the other near Neve Ilan. No casualties were reported.

Z.O.A. CONVENTION OPENED; U.S. CRITICIZED FOR "CODDLING" ARABS

NEW YORK, June 23. (JTA) -- Rabbi Irving Miller, president of the Zionist Organization of America, tonight asserted that American Zionists "time and again have fought to uphold America's true policies and real interests in the Middle East," adding that it was fortunate "not only for the Jewish people but for the good name of America and the future of democracy, that we were on guard to defend the traditional policy of our country."

Opening the 57th annual convention of the Zionist Organization of America at the Waldorf-Astoria Hotel, the Zionist leader termed preposterous "the Arabs' ability to fight the Soviet Union in the tragic event of a world conflict" and maintained that the Arab States "would never take up arms in defense of Western democracy."

Rabbi Miller attacked the State Department's policy of "coddling the Arabs under the slogan of impartiality" as one which instead of modifying Arab opposition to a peaceful settlement with Israel, "has only served to encourage the Arab politicians to believe that they can continue and even intensify their hostility against Israel with impunity."

He rebuked Assistant Secretary of State Henry A. Byroade for his recent appearance before the American Council for Judaism, "that small but loud organization whose sole reason for existence is its bitter hatred of Israel," and called upon the leaders of our government "to make it clear by a word and deed that his statements do not represent the policy of our country."

"Israel's enemies in and out of government are once again seeking to undermine the traditional friendship of the American people for the Jewish State," he charged. "If their current propaganda has a familiar ring, it is undoubtedly due to the fact that its authors include some of those who conceived the fabrications of the 'forties."

"It is the same little group of embittered men, smarting over repeated repudiations and thirsting for revenge -- the same pro-Arab propagandists and missionary elements, now calling themselves the American Friends of the Middle East, plus the same American Council for Judaism, plus some of the same officials of the State Department."

Opening Session Dedicated to Herzl

The opening session, dedicated to the 50th anniversary of the death of Dr. Theodor Herzl, founder of the world Zionist movement, was further highlighted by speeches by Louis Lipsky, chairman of the American Zionist Committee for Public Affairs, and by Dr. Harris J. Levine, chairman of the convention committee.

Mr. Lipsky, who delivered the memorial address in honor of Herzl, reviewed the tragic history of his life and its final victorious consummation in the Proclamation of the State of Israel in May, 1948.

Sounding the keynote of the convention as one of hope and trust in the future of the State of Israel, Dr. Levine called upon all Zionists to close ranks in "the face of the great struggle for the security and welfare of Israel and for the American support which should rightfully go to Israel's democracy."

Rabbi Miller decried the offering of arms to Arab states, as our government has done in the case of Iraq, "which has openly proclaimed its aggressive designs against Israel," as a policy hardly calculated to bring about peace and stability in the Middle East.

The ZOA president reminded the American people of the behavior of the Arab states throughout World War II as well as "the open blackmail which they have been employing - with considerable success - in their dealings with the West. This should make it unmistakably clear that these countries would never take up arms in defense of Western democracy," he asserted.

FORMATION OF JEWISH-CHRISTIAN-MOSLEM COUNCIL PROPOSED

LONDON, June 23. (JTA) -- A proposal that a Council of Christians, Jews and Moslems be formed was made here today at the second conference of British Commonwealth Jews by Canon C.E. Raven, chairman of the British Council of Christians and Jews.

Canon Raven made his proposal after expressing concern over the Palestine situation. He suggested that perhaps the time had come for an approach to Moslems for the formation of the more inclusive Council and said that this might have a positive effect on the Palestine situation. Canon Raven's proposal evoked considerable interest among the delegates to the conference including P. Gourgy of India.

G. Sharon of South Africa, reviewing inter-group relations in his country, said that despite the fact that the Council of Christians and Jews was more or less defunct in South Africa, inter-group work was getting on. He reported that in the past there had been some difficulties because of the division of churches in the country, but now relations between the Jews and the various churches, including the Dutch Reformed Church, were quite satisfactory. He said that the Dutch Reformed Church was now showing a great interest in Jewish matters and that there was a real desire to know what the Jewish community felt and needed.

Value of Jewish Clubs Discussed at Commonwealth Parley

During a discussion of the value of special clubs for Jews as a means of fighting discrimination, Mr. Sharon outlined the growth of such Jewish clubs in South Africa. Rev. A. Livingston of London, however, opposed such clubs commenting that very often people thought racial prejudice existed--especially in schools--when there was nothing of the sort.

Neville Laski, British leader, said that part of the difficulties of Jewish communities was a "certain separateness" that existed between them and non-Jews. In certain respects, he went on, they were different from non-Jews and "the price was worth paying."

E.J. Horowitz, South African leader, called for greater unity of Jewish groups at the United Nations. His sentiments were echoed by a number of other delegates who complained of the lack of machinery for adequate consultation among the Jewish bodies of different Commonwealth countries.

DR. GOLDMAN OUTLINES PROGRAM OF W.J.C. AT PARIS CONFERENCE

PARIS, June 23. (JTA) -- The program of the World Jewish Congress calls for the establishment of a world Jewish community with common interests while at the same time emphasizing the neutrality of the Jewish people in international affairs, Dr. Nahum Goldmann declared here at a conference of the French section of the WJC. Dr. Goldmann stressed that it must be left to the Jewish community of each country to decide its own position on world problems without interference from the WJC.

Dr. Goldmann stressed the importance of the activities of the French section and underlined the necessity for ameliorating the political, cultural, material and social situation of North African Jews. He also called upon Jews outside Israel to help strengthen the Jewish State.

Mr. Noah Barou, chairman of the Congress' European executive, spoke of the special responsibility of French Jewry in the world Jewish battle for protection of the rights of Jews. Dr. Barou charged that the denazification program had proved ineffective in Germany because of the attitude of both the German Government and the Allied Commission. Edmund Fleg presided over the conference which was attended by several hundred delegates.

2,000 NON-JEWS REPORTED CONVERTED ANNUALLY TO JUDAISM IN U. S.

PIKE, N. H., June 23. (JTA) -- Some 2,000 non-Jews, prompted by attachments to their Jewish spouses, are converted annually by Orthodox, Conservative and Reform Rabbis, it was reported here today by the annual convention of the Central Conference of American Rabbis, Reform rabbinical group.

Various Reform leaders today urged the rabbis to translate the teachings of Jewish faith into social action on the broader scene, to advance the cause of adult Jewish education and to "seek out the un-synagogued and even un-churched" for Judaism. Dr. Maurice N. Eisendrath, president of the Union of American Hebrew Congregation and Dr. Solomon B. Freehof announced the formation of a joint UAHF-Central Conference commission on adult education. Other speakers today were Dr. James Heller, Rabbi David Max Eichhorn and Rabbi Albert Goldstein, all of New York.

COMPANIES DRILLING OIL IN ISRAEL PERMITTED TO SELL SHARES IN U. S.

NEW YORK, June 23. (JTA) -- Mediterranean Petroleum Corporation and Pan-Israel Oil Company, Inc., today announced that registration statements filed with the Securities and Exchange Commission under which each company will make a public offering of voting trust certificates representing 250,000 shares of common stock have become effective.

The total of 500,000 shares, which have been admitted for trading on the American stock exchange, are being offered at \$2.125 per share. The appearance of the shares of these companies on the American exchange marks another business milestone in the six-year development of the State of Israel, since they are actually the first shares of corporations devoted exclusively to an Israeli project to be traded on a stock exchange in the United States.

A joint announcement made by representatives of the companies, stated that funds from the sale of these shares will be used to defray partly the cost of exploration work and drilling on the more than 800,000 acres of prospective oil properties which they hold under concession in the State of Israel.

BOMB EXPLODES NEAR DENVER SYNAGOGUE; NO BIAS SUSPECTED

DENVER, June 23. (JTA) -- Denver police are investigating a bomb incident in front of the BMH Temple which resulted in slight injuries to one man and some damage to a car parked in front of the synagogue. The bomb was placed in the car, while its owner was in the temple.

Detectives ascribe the incident to youthful vandals. An Anti-Defamation League official said that so far "there is no trace of racial prejudice." A similar auto bombing occurred at the same site last year following another incident in which small bombs were placed in trash cans in the synagogue alley.

SENATE VOTES MEDAL TO IRVING BERLIN FOR HIS PATRIOTIC SONGS

WASHINGTON, June 23. (JTA) -- The Senate approved legislation authorizing President Eisenhower to present a gold medal to Irving Berlin in recognition of his patriotic songs. The bill, which now goes to the House, authorizes the appropriation of \$1,500 for the design and striking of a gold medal for Mr. Berlin.

ISRAEL MINISTER ARRIVES IN CUBA TO PRESENT HIS CREDENTIALS

HAVANA, Cuba, June 23. (JTA) -- Hundreds of leading Jews turned out at the airport here joining representatives of the Cuban Government in greeting Dr. Joseph Kessary, Israel Minister, upon his arrival here. Dr. Kessary, who is also Israel's diplomatic representative in Mexico, came here to present his credentials as Israel Minister to Cuba.