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EISENHOWER URGES ISRAEL TO WITHDRAW FROM GAZA AND AKABA AREAS

WASHINGTON, Feb. 6. (JTA) -- President Eisenhower today urged Israel to withdraw its forces from the Gaza Strip and the Gulf of Akaba. He told a press conference he personally believes Israel has a decent respect for world opinion and, therefore, feels Israel will withdraw. He pointed out that Israel was established by the United Nations which had now voted with only two dissensions for evacuation by Israel of positions seized last November.

The President did not want to speculate on such possible future actions by the United Nations or the United States as the application of sanctions against Israel to force withdrawal, although he would say the United States would support the United Nations in this connection.

Asked about his view of enforcement of a 1951 UN resolution calling for passage of Israel shipping through the Suez Canal, Mr. Eisenhower said there had been discussion of this issue for some time but that he was not aware of any enactment by the UN to do anything about it.

A reporter asked the President about protection of Israel's rights if she withdraws. Mr. Eisenhower replied that he hoped no one would believe the United States was not trying to assure the rights of all in every respect. He said the whole gamut of complaints must be looked into and studied.

Mr. Eisenhower said he thought the prospect of a united and peaceful Middle East was advanced by King Saud's visit. Lauding the King, Iraqi Crown Prince Abdul Ilah, and Lebanese Foreign Minister Charles Malik, Mr. Eisenhower said he was grateful for their "reasonable attitude" toward efforts of the United States to keep peace in the Middle East. He said King Saud has assured America of his friendship and understanding of what this nation is trying to do.

41 Republican, 75 Democratic Congressmen Back Israel

The number of Republican members of the House of Representatives subscribing to a Republican factional request that the United States oppose any further withdrawal of Israeli troops until Egypt begins to negotiate the disputed issues in good faith reached 41 today. The Republican Congressmen also back Israel's stand on maintaining its troops in the Gaza and Akaba areas until effective disposition of the United Nations Emergency Forces is made.

A similar request was submitted to Secretary of State John Foster Dulles by 75 Democratic members of the House. The group urged that the United States insist on free passage for all shipping through the Suez Canal and the Akaba area "before the area is prematurely abandoned."

Replying today to the 75 Democratic Congressmen, Secretary Dulles said that "the important thing at the present is to take measures to insure that developments in this area do not lead to the resumption of hostilities." Urging prompt withdrawal of Israel forces, Mr. Dulles said it seemed to him "that the implementation by all parties of the pertinent recommendations in Mr. Hammarskjold's report of January 25, 1957, would be a means of insuring against a return of the conditions which obtained on October 29, 1956."

Mr. Dulles conceded that the Strait of Tiran, in the Akaba area, was an important issue. He held that "the problem of whether the straits are international or territorial waters is one which could be determined by the international court of justice." He admitted that the positioning of units of the United Nations Emergency Force in this area "would be a constructive step." However, he stressed as most important at present the evacuation by Israel of its forces.

On Suez passage, Secretary Dulles said Mr. Hammarskjold was now endeavoring to bring about resumption of negotiations on a Suez Canal regime on the basis of the six principles endorsed last October 13 by the Security Council. He said one of these principles concerns free and open transit without discrimination. The United States, he said, was supporting the United Nations in this area and has made clear to Egypt the importance America attaches to an early settlement consonant with the six principles.

Secretary Dulles' statement was immediately and severely criticized by chairman Emanuel Celler of the House Judiciary Committee. Rep. Celler said it was now likely Egypt would resume its blockade of the Tiran Strait if Israel withdraws because Egypt is now provided justification in the form of Mr. Dulles' "free legal advice" to Egyptian

President Nasser that the status of the strait be judged by the International Court of Justice. Mr. Celler stated he was "greatly alarmed" by Mr. Dulles' position on Tiran. He called it a "new and dangerous concession to Cairo."

"Mr. Dulles' hint yesterday that the United States might join in United Nations sanctions against Israel shows that we are exerting the most reprehensible pressure against that country," Rep. Celler stated. He termed it "another monumental blunder" and predicted it would encourage "the Soviet and Arab blocs to pressure for economic sanctions against Israel" to force retreat from strategic positions so Egypt can renew its blockade.

Leading Senators Oppose United States Action Against Israel

William F. Knowland, Senate Republican leader, in a statement last night, declared that it would be "immoral" and "insupportable" for the United States to consider punishing Israel while other countries ignored United Nations resolutions with impunity. He said the United States should not support United Nations sanctions against Israel unless the world body was prepared to take the same action against the Soviet Union.

To apply economic punishment to Israel, which has "at least partially complied" with United Nations orders, would be use of a "double standard," Sen. Knowland said. To punish Israel while "sidestepping" the "larger aggression" of the Soviet Union in Hungary would be "most immoral and, in good conscience, insupportable," Mr. Knowland added.

Sen. Paul H. Douglas, Illinois Democrat, said in a Senate address that a United Nations resolution to force Israel out of Gaza and the Tiran Strait was "dangerous" and might result in "disaster." He pointed out that if Israel forces move out, Egypt will resume its blockade and harassing activities. This, he said, would give Egypt complete control of oil routes from the Persian Gulf to the Mediterranean. Not only would Egypt exercise complete control of Suez, Sen. Douglas warned, but it would also dominate the Gulf of Akaba.

Rep. Alvin Bentley, Michigan Republican, said today it was an "unfortunate occasion" when the United States, in connection with the United Nations, considers sanctioning a small nation like Israel when the Soviet Union is only lectured to for its flouting of the UN on Hungary.

King Saud Reportedly Assured by U.S. on Forcing Israel to Withdraw

WASHINGTON, Feb. 6. (JTA) -- King Saud of Saudi Arabia told a press conference today, when asked the possibility of Arab-Israeli peace, that "the importance of resolutions and the Charter of the United Nations" must be considered. The Arab ruler termed the Eisenhower Doctrine "a good one which is entitled to consideration and appreciation." U.S. officials said he was pleased with the explanation he received of the proposal.

It was learned that he was assured the United States would take firm measures to force Israel withdrawal from the Gaza Strip and the Strait of Tiran. He complained particularly about the presence of Israel forces in the Strait of Tiran, calling it a hostile base for aggression which concerns Saudi Arabia more than any potential Soviet threat.

Lebanese Foreign Minister Charles Malik made known today after a lengthy talk with President Eisenhower that Lebanon will seek increased military assistance from the United States in an effort to build up its armed forces. Mr. Malik also said he would work for Arab support of the Eisenhower Doctrine.

ISRAEL PREPARES TO SUSTAIN IMPACT OF POSSIBLE FREEZE OF U.S. AID

JERUSALEM, Feb. 6. (JTA) -- A considerable drop in living standards for the people of Israel was forecast today in plans to put Israel on an austerity basis to sustain the impact of a possible freeze of American aid and other consequences of the Israel stand on Gaza and Akaba withdrawal.

The Finance Ministry announced plans to dismiss 2,000 to 2,500 government workers and to impose a temporary high surtax on upper income brackets. The proposed cut in civil servants would represent about five percent of the total of such workers. The savings would help to reduce a slash of 100 million pounds in the forthcoming national budget considered required by the prospect of reduced foreign aid.

The surtax would be levied on incomes above 5,000 pounds and could reach 95 percent of any income over 9,600 pounds (\$5,350). Prices of basic commodities probably will be increased and the government is expected to demand agreement by organized labor for a freeze in cost of living allowances as the only means of avoiding a disastrous inflation.

On the other hand, the weekly fiscal summation issued by the State Bank today established that Israel's financial position is currently better than it was on the eve of her launching of the Sinai campaign. The State Bank reports, suspended as a security measure when military operations began, were resumed today.

Currency in circulation increased by 6,000,000 pounds between October 30 last and today, but other fiscal indicators were positive. Total gold reserves spurted from 2,000,000 to 11,000,000 pounds while foreign currency reserves stand at a high of 86,000,000 pounds. Treasury notes and government land bonds dropped 5,000,000 pounds, a deflationary development.

ISRAEL CABINET MEETS; SENDS INSTRUCTIONS TO ISRAELI DELEGATION AT U.N.

TEL AVIV, Feb. 6. (JTA) -- The Israel Cabinet met today in the residence here of Premier David Ben Gurion and discussed latest developments at the United Nations. At the conclusion of the meeting a communique was issued stating that "instructions had been sent the Israel delegation at the United Nations."

Observers here considered the announcement significant. They noted that even after the passage of the two General Assembly resolutions the government had not announced that new instructions had been sent to Ambassador Abba Eban. Today's announcement followed Monday evening's lengthy conference between Secretary General Dag Hammarskjöld and Mr. Eban.

ISRAEL DELEGATION REVEALS DETAILS OF ITS TALKS WITH U.N. CHIEF

UNITED NATIONS, N.Y., Feb. 6. (JTA) -- The Israel delegation here issued a statement summarizing Israel's position on implementation of the General Assembly resolutions calling for withdrawal of its armed forces. It pointed out that an area of 50,000 square kilometers of Egyptian territory has been evacuated in Sinai and that proposals have been made by Israel on the Gaza and Akaba areas.

"In conversations with the UN Secretary General, the Israel representative, Ambassador Abba Eban, sought an assurance from Egypt of mutual abstention from belligerent acts, and raised the question of Sharm el Sheikh, which is the last area of Sinai under Israel's control," the statement said. "The main points submitted by Israel in these negotiations have been:

"1. declaration that Israel will cooperate with any United Nations effort designed to establish peace in the area based on the United Nations Charter.

"2. A request to the Secretary General to ask the Government of Egypt whether it agrees to the mutual and full abstention from belligerent acts by land, air and sea on the withdrawal of Israel troops.

"3. A reference to the Sharm el Sheikh area and the related question of measures designed to prevent interference with free navigation in the Strait of Tiran and in the Gulf of Akaba.

"The Israel representative pointed out that a renewal of interference with shipping bound to and from Elath would be a hostile act and thus have the opposite result to that sought by the United Nations," the statement continued. "Accordingly, he asked whether on the withdrawal of Israel forces from the Sharm el Sheikh area the United Nations Emergency Force would be so deployed as to ensure freedom of navigation in the Strait of Tiran and the Gulf of Akaba until a permanent and agreed arrangement were reached.

"It will be recalled," the statement pointed out, "that the United States and other governments have advocated a solution on these lines and that the second resolution is based on the assumption of a solution of this kind. The Israel Government believes that a positive response to these questions from all concerned will facilitate the fulfillment of the United Nations objectives as set forth in the General Assembly resolutions.

"It is awaiting a response to the points which it has raised and upon their receipt it will continue its efforts to reach a solution to the problems dealt with in the General Assembly resolutions," the statement concluded.

Later, a spokesman for the Israel delegation amplified the statement somewhat by declaring: "Israel's proposals do envisage withdrawal of armed forces from both areas. In accordance with the objectives of the second resolution, we believe that the withdrawal should be accompanied by related measures in order to prevent the renewal of hostile acts."

It was noted that the spokesman's amplification, referring to the Gaza area, spoke only of Israel's willingness to withdraw "armed forces" but did not mention Israel's stand regarding the retention of the civil administration of the Gaza Strip.

Meanwhile, Israel's delegation chief, Abba Eban, pointedly refrained today from seeing Secretary General Dag Hammarskjöld. It was understood he was awaiting an answer from Egypt, via Mr. Hammarskjöld, to the key question of further exercise of what Cairo calls the "right to belligerence." Without an answer--whatever its contents, positive or negative--the Israelis here apparently felt that further talks with Mr. Hammarskjöld could serve no useful purpose.

ISRAEL CANCELS ITS ORDER FOR 24 SABRE JET FIGHTERS IN CANADA

OTTAWA, Feb. 6. (JTA) -- Israel has cancelled its order for 24 Canadian-manufactured Sabre jet fighters, it was announced here today. This was immediately confirmed in Commons by Trade Minister C. D. Howe.

Israel will receive some \$2,000,000 advanced toward the price of jets, which are still standing in warehouses of Canadian Ltd., Montreal. The Canadian Government approved the sale of the jets last year, but cancelled the export permit when Israel entered the Sinai Peninsula.

A. F. L. - C. I. O SUPPORTS ISRAEL'S POSITION ON GAZA-AKABA ISSUE

MIAMI BEACH, Feb. 6. (JTA) -- The Executive Council of the American Federation of Labor-Congress of Industrial Organizations meeting here today adopted a resolution warning the United Nations that unless it acts to guarantee freedom of navigation in the Gulf of Akaba and the Suez Canal and to prevent the Gaza Strip from being used as a base for attacks on Israel, it will "only be putting the clock back to where the October fighting began." The council proposed:

1. Congress should accept the Eisenhower Doctrine with the aforementioned additions.
2. The United States should strive to replace the present Arab-Israeli Armistice with a permanent treaty of peace and a Mutual Non-Aggression Pact between Israel and her Arab neighbors.
3. All Egyptian territory evacuated by Britain, France and Israel should be held in trust by the UN until such time as a peace treaty is concluded between Israel and Egypt and effective measures have been taken to assure continuous operation and freedom of navigation in the Suez Canal and the Gulf of Akaba.
4. Towards improving the relations between the people of the Middle East, Egypt, Israel, Jordan and Saudi Arabia--as the nations bordering on the Gulf of Akaba--should be strongly urged to sign a treaty safeguarding freedom of navigation in this waterway for all ships, without regard to their national registry.
5. Towards furthering economic development and social progress in the Middle East, the UN Economic and Social Council and its other appropriate agencies should prepare plans and projects for industrial development and improved living standards.
6. Immediate steps should be taken by a broad consortium of free nations, or by the International Bank, to survey the possibilities and recommend the steps to be taken for providing alternative routes to the Suez Canal and additional means of transport and communication, such as a fleet of super tankers, new pipeline construction via Turkey, Iraq and Israel, in order to prevent Nasser or anyone else from having a dangerous monopoly on such vital channels of international commerce and prosperity.
7. Until the conclusion of an Israel-Egypt peace treaty, our government should seek to have the UN demilitarize the Sinai area.
8. Towards improving the economic conditions of and providing employment for the residents and refugees of the Gaza Strip and towards turning this area into a model of harmonious relations between the peoples of the Middle East, Israel should, under the direction of an International Authority, be permitted to initiate vital agricultural and industrial projects.

Israel's Stand on Gaza and Akaba Backed in Canadian Senate

OTTAWA, Feb. 6. (JTA) -- Spokesmen of both major Canadian political parties backed Israel's position in relation to the Gaza and Akaba areas during a debate in the Senate last night on a Canadian loan of \$1,000,000 to the United Nations for the work of clearing the Suez Canal.

Arthur Roebuck, Liberal, expressed the hope that Israel would remain in the Gaza Strip until she obtained the security guarantees she required. Sen. John T. Haig, Conservative (Opposition) leader in the Senate, advised Israel to refuse to quit Egyptian territory until she were assured that there would be no more aggression and that she would have freedom of navigation through the Suez Canal.

Defense Minister Ralph Campney told the House of Commons yesterday that the government was studying a UN request for 170 more army personnel, including an armored reconnaissance unit, for service with the UN Emergency Force in Egypt. Canada already has 1,100 army and air force personnel serving with UNEF.

RABBINICAL CONFERENCE ASKS U.S. TO INTERVENE FOR EGYPTIAN JEWS

ATLANTIC CITY, Feb. 6. (JTA) -- The American Orthodox rabbinate's "deep concern and distress" at Egyptian persecution of the Jews was expressed here last night at the close of a special two-day conference of the Rabbinical Council of America. The council claims to represent 700 Orthodox rabbis.

In a resolution, the rabbinical delegates urged the United States Government to use its good offices with the Nasser regime to end the Hitler-like mistreatment of Jews. Another resolution appealed for restoration of peace in the Middle East and the security of Israel.

It was announced that the council was considering the appointment of a committee to make a study of the spiritual needs of Western European Jewry. This action was in response to an appeal, voiced at the council conference, by Dr. Immanuel Jakobovitz, Chief Rabbi of Ireland, to American Jewry to furnish social workers and spiritual counselors to Jews in Western European countries.