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U. S. DELEGATION ARRIVES IN ISRAEL TO DISCUSS \$75, 000, 000 LOAN

TEL AVIV, July 15. (JTA) -- A four-man delegation of the United States Export-Import Bank is scheduled to arrive here tonight in connection with Israel's application to the bank for a \$75, 000, 000 loan.

The delegation will study, among other projects, Israel's four-year irrigation plan which involves development of regional and local water supplies for irrigation, irrespective of the Jordan River project. The 485, 000, 000 Israeli pound plan will require the spending of \$85, 000, 000 for equipment to be bought in the United States.

Theodor Kollek, General Director of Premier Ben Gurion's Office, said today that Israel has repaid \$47, 000, 000 in capital and interest on \$135, 000, 000 in loans previously granted by the Export-Import Bank.

BEN GURION WARNS SYRIA; SAYS SOVIET ARMS DON'T FRIGHTEN ISRAEL

JERUSALEM, July 15. (JTA) -- Israel ardently wants peace but is very well able to fight back despite the continuing flow of Soviet arms to Syria, Premier David Ben Gurion told Parliament today in fighting off a Herut challenge to his security policy. A Herut demand for a formal debate was turned down 51 to 2.

The army has its instructions, he said, and if the situation worsens along the Syrian border, whether as a result of internal Syrian problems or because of the Soviet arms flow, the Israel army's instructions will be changed. He denied allegations by Herut leader Jacob Meridor that the Israeli withdrawal in the Gaza Strip resulted in last week's clash between Israeli and Syrian troops in which Israel lost one dead and ten wounded.

The United Nations move along the Israel-Syrian border was temporary, the Premier asserted. It has been learned that only five observers have been added to the regular truce teams in the demilitarized zone.

A Communist demand that military rule be abolished in all Arab areas of Israel was met with a review of the recent relaxation of restrictions on Arab movements in most of Israel. Unfortunately, the Premier continued, the situation still demands continuation of some restrictions.

To further criticism of a policy which drafted Druze into the Israel army but rejected Arab citizens, the Premier noted that the Israel army will never be called on to fight the American, French or British forces, but may be called on to fight its neighbors. It would be tragic, he underlined, to expose Israeli Arabs to the prospect of fighting their fellow Arabs.

U. N. Establishes Posts on Israel-Syrian Border; Observers Keep Watch

TEL AVIV, July 15. (JTA) -- United Nations observers today ensconced themselves along the Israel-Syrian border to keep watch on the dangerously tense demilitarized zone.

With the permission of Israeli authorities, the observers set up posts on hills commanding the view of the border area. The observers have been reinforced by officers on loan from the UN Emergency Force in the Gaza Strip and by equipment trucked from Gaza to Galilee. Although the Israelis agreed to the UN guard, they are pessimistic concerning its value, noting that similar observation in the Gaza area had not kept the Egyptians from launching numerous raids on Israeli settlements.

It was revealed today that the rescue of ten wounded Israelis in the clash with the Syrians last week was accomplished only after a tank was brought up and it blasted Syrian gun positions on a 400-foot ridge commanding the Israeli position. Meanwhile, significant Syrian troop movements continue in the area behind the demarcation line.

(A United Nations spokesman denied today that Col. Byron V. Leary, Acting Chief of Staff of the UN Truce Supervision Organization, had made his report of the recent Israel-Syrian clash above Lake Huleh. Rumors of the report had been persistent over the past four days. Despite the official denials, one excellent source at the UN, not connected however with the Secretariat, said that Col. Leary's findings were very much closer to the Israeli version of the affair than Syria's.)

PAKISTAN PREMIER URGES ARABS TO ACCEPT ISRAEL; WILLING TO MEDIATE

WASHINGTON, July 15. (JTA) -- A significant future role for Pakistan in the Arab-Israel situation was indicated here in the wake of detailed conversations involving Prime Minister H.S. Suhrawardy and President Eisenhower. The two leaders discussed the roles their nations could play in bringing Arab-Israel peace.

Prime Minister Suhrawardy revealed yesterday on a national television program that he was "afraid there is no other alternative" but for the Moslems to accept Israel's existence as a fact of life. He said: "The Israeli problem has got to be solved if we are ever going to be certain about peace in the Middle East. I think that it is the duty of all persons of goodwill to do whatever they can in bringing about the solution."

Outlining what Pakistan and the United States could do, the Prime Minister said "they could bring the two parties together; they could try and reason with them." He suggested that the United States could act as an individual mediator. He thought that Pakistan would also be willing to be a mediator. He admitted that Pakistan has opposed recognition of Israel.

Mr. Suhrawardy said he thought "that the creation of Israel was wrong. But after all," he added, "there is Israel, and everyone realizes there must be an agreement between the Arab world, between the Arab nations that resent the existence of Israel, and Israel itself. Now an agreement of this nature connotes that they recognize the existence of Israel, that they recognize that if there is an agreement between the two parties, then one of the parties is not exterminated."

He said he was "afraid there is no other alternative" than for him to advise all Moslem nations to accept Israel as a fact of life. Defining the role Pakistan desires to play in the Moslem world, he said: "All that I have been wanting to do is to bring the Moslem world together so they can sit down at the same table, discuss matters amongst themselves... These disputes which exist between the member nations may be resolved, with regard to international disputes we may be able to put forward suggestions which may help to resolve them."

(In Israel, Premier Suhrawardy's statement that he is willing to act as mediator between Israel and the Arabs received a mixed reaction. A Foreign Ministry spokesman said it represented progress inasmuch as it indicates that a Moslem political leader sees the necessity of advising other Moslem leaders to recognize the existence of Israel. "It is to be hoped that the realization of such necessity will also be adopted by Arab leaders," the spokesman said. However, he added that Israel feels that any Arab-Israel talks should be direct and not through a third party.)

AMERICAN-ISRAEL RELATIONS IMPROVED, MRS. HALPRIN REPORTS IN JERUSALEM

JERUSALEM, July 15. (JTA) -- Relations between Israel and the United States have improved decidedly, Mrs. Rose Halprin reported at a press conference here today. She quoted an authoritative American as stating that the American-Israel relations are now "on an even keel."

Speaking in her capacity as acting chairman of the American section of the Jewish Agency, Mrs. Halprin reported that there is a heartwarming unity in the American Jewish community with regard to Israel and that this unity was displayed during the Sinai campaign. She expressed the belief that next year there will be twice as many American Jewish youths leaving for seminar study in Israel as immigrants, and on organized tours.

Replying to questions on the newly formed American Jewish League for Israel, she stated that neither the Jewish Agency nor the Hadassah took any stand on this development. She said that the founders of the League are "good Zionists" who have a non-party approach to the Zionist movement. The League, she declared, has still to move into the communities in the United States and its activities are being watched with keen interest.

Mrs. Halprin admitted inactivity on the part of American Zionists on carrying out the resolution of the last Zionist Congress to counter the Arab boycott against Israel. She said that this is a complex problem which is under study by many Jewish groups in the United States which expect initiative from the Israel Embassy and consular agencies in the United States.

HOUSE MAJORITY LEADER URGES EISENHOWER TO INCREASE AID TO ISRAEL

WASHINGTON, July 15. (JTA) -- House Majority Leader John W. McCormack of Massachusetts today made known that he has urged President Eisenhower in a personal letter to support the increase of U.S. economic aid to Israel in view of the increased flow of refugees.

Rep. McCormack recommended adoption of an expanded U.S. aid program in Israel that would respond to emerging needs. The Democratic leader said Israel was making a great humanitarian contribution by providing a home for the immigrants including many from Iron Curtain lands. He suggested that the United States, as leader of the free world, share Israel's burden. This burden, he said, should not be borne only by Israel and its philanthropic sources.

BEN GURION DEFENDS HIS STAND ON SEEKING DIPLOMATIC RELATIONS WITH GERMANY

JERUSALEM, July 15. (JTA) -- The Israel Parliament rejected today, by a vote of 41 to 16, a Herut motion to debate a proposed establishment of diplomatic relations with West Germany, after Premier David Ben Gurion advised the Knesset to look to the needs of the future, not the sufferings of the past.

The motion was introduced by rightist deputy Esther Razieli-Naor who scored the Premier for a statement to foreign correspondents that diplomatic relations should be established between the two states. Mr. Ben Gurion replied that his statements to the newsmen were made in his private capacity, not speaking for the government.

However, he insisted that the Germany of today is not the same country as that of the Nazi regime. He pointed out that despite the skeptics, Bonn had scrupulously observed its reparations agreements both with respect to Israel and to the Jews in general. Germany is fulfilling an important role in a united Europe, he pointed out, and Israel must look forward to establishing relations with that entire region, particularly since the Jewish State is planning to embark on gigantic projects which are well beyond the strength of Israel and world Jewry alone.

Mr. Ben Gurion warned that it was "not healthy" for Israel to depend solely on aid from the United States, although both political and economic ties with the U.S. will grow deeper. Mrs. Naor reminded the Premier that when the original decision to accept the reparations pact was passed in the Knesset by a mere three vote margin five years ago, its supporters--including members of the present government--had stated that diplomatic relations with Bonn were not envisioned. She declared that a decision of such momentous import must first be brought to the Knesset.

SALARIES IN ISRAEL TO RISE TODAY; INCREASE DUE TO HIGHER LIVING COST

JERUSALEM, July 15. (JTA) -- Salaries throughout Israel will rise by six to 16 pounds a month beginning tomorrow, it was officially announced here today. The increase results from labor-management contracts which pegs the cost of living bonuses to the government computed cost of living index.

The increases granted for a six-month period beginning tomorrow are computed on an index of 258--with September 1951 as the base of 100. However, heavy government subsidies for necessities whose prices go to making up the index, reduced the index during May and June from 270. Otherwise the increases would have been much greater.

Since wage increases are granted only on a six-month basis, the government can save money by withholding subsidies until the last month or two of a period when heavy grants can force down prices just before increases are computed. This practice has let the government in for a good deal of criticism, most of which holds that this is merely a fictional manipulation of the real price index.

CHINESE COMMUNIST PREMIER ATTACKS ISRAEL; PROMISES AID TO ARABS

LONDON, July 15. (JTA) -- Chinese Communist Premier Chou En-lai charged here yesterday that Israel has "become an indivisible part of Western imperialism's aggression," according to a dispatch received from Cairo which the Premier is visiting.

In a swipe at the United States, Mr. Chou asserted that had it not been for the U.S., "Israel would not have been so dangerous." The Premier promised his country's "political, material and cultural support for the Arab peoples, including Egypt."

SEN. HUMPHREY INTRODUCES IMMIGRATION BILL; SEEKS ADMISSION OF REFUGEES

WASHINGTON, July 15. (JTA) -- Sen. Hubert H. Humphrey today introduced a bill that would provide sanctuary in the United States for a number of Egyptian Jewish refugees and make a number of other liberalizing changes in basic immigration law. It would also strengthen the President's authority to admit emergency refugees under parole.

Sen. Humphrey linked his bill with one introduced previously by Sen. John Kennedy, Massachusetts Democrat. He made known he is co-sponsoring the Kennedy Bill and said his bill supplements it.

CANADIAN JEWISH CONGRESS TO PRESENT ITS VIEWS TO NEW GOVERNMENT

MONTREAL, July 15. (JTA) -- A Canadian Jewish Congress delegation will soon call on the new Prime Minister, John Diefenbaker, to place before the new Conservative Government CJC views on civil rights, immigration act amendments, special immigration provisions for Egyptian and Polish refugees, and other matters of interest to the Jewish community, it was decided at the just concluded meeting of the CJC national executive in Toronto.

Emphasis will be placed, during the meeting with the Prime Minister, on the need for admitting Egyptian exiles and Polish refugees currently in Western Europe, as well as close relatives in Morocco of Canadian citizens. A joint representation with the United Zionist Council will be made on a variety of matters affecting Israel.

BOOK ON NAZI OFFER TO TRADE JEWS FOR U.S. TRUCKS PUBLISHED IN GERMANY

COLOGNE, July 15. (JTA) -- A detailed account of the Nazi offer in 1944 to "trade" 1,000,000 Hungarian Jews for 10,000 American heavy trucks, as well as developments which followed this offer, is presented in a book published here today entitled "The Case of Joel Brand."

The book, which is equipped with a documentary annex, was written by Austrian physicist Alex Weissberg in close cooperation with Joel Brand, on whose memoirs it is based. Brand, Jewish intermediary in the monstrous wartime "Jews for trucks" deal, which constituted one of the most fantastic interludes in the Nazi extermination program, was born in Transylvania, grew up in the German city of Erfurt and after Hitler's advent moved to Budapest, where he started a knitting mill. His father had founded the Budapest Telephone Company, his grandfather was postmaster of Munkacs in Carpatho-Ruthenia and at the end of his life built the "Hungarian Houses" in Jerusalem.

Together with Dr. Israel Kastner, for whose killing in Israel earlier this year three persons are currently being tried in a Tel Aviv court, Joel Brand was under the Nazi occupation of Hungary among the top leaders of the Zionist Emergency Council for Relief and Rescue in Budapest. The Council, which was instrumental in helping many Jews escape, evolved into a headquarters of Zionist underground activity in the course of the war.

Certain Gestapo leaders, who had already engaged in profitable "business transactions" by saving Slovakian Jews from the gas chambers in return for considerable cash payments, approached the Council in Budapest with similar proposals in 1944. Brand negotiated with such notorious SS chieftains as Dieter von Wisliceny, Kurt Becher and Adolf Eichmann, the top specialist for "liquidating" the Jews of Europe. He contacted the Jewish Agency representatives in Istanbul and, with their encouragement, flew to Turkey on a Nazi courier plane for a two-week mission.

While en route to Jerusalem to confer with Moshe Shertok, then a member of the Jewish Agency executive and later Premier of Israel, Brand was arrested by the British and held in custody at Cairo for several months.

JEWS MAY CHANGE JEWISH-SOUNDING NAMES IN GERMANY, COURT RULES

BERLIN, July 15. (JTA) -- The complaint of a Jewish tavern owner against the local police chief has won the assent of the Administrative Court here, which ruled that "a Jew may rightfully feel threatened when his racial affiliation becomes known."

The innkeeper, who operates a tavern in the working class suburb of Neukoelln, brought suit when the Police Department rejected his application to permit the adoption of a new and less Jewish-sounding family name. He pointed out that, as long as he retains his present name, he has reason to be afraid of anti-Semitic outbursts by his guests. The court upheld his contention and reversed the Police Department decision.

CZECH JEWS TO ASK GERMANY FOR INDEMNIFICATION AS NAZI VICTIMS

LONDON, July 15. (JTA) -- The Jewish community of Czechoslovakia plans to ask the West German Government to end its "discrimination against Czechoslovak citizens" in the matter of compensation legislation, it was reported here today from Prague. The Bonn Government presently refuses to apply its laws for indemnification of Nazi victims to residents of countries with which it does not have diplomatic relations.

The report said that "Vestnik," official publication of the Council of Jewish Communities of Bohemia and Moravia, listed the principal categories of compensation and indemnification for which individual victims might be eligible and asked that all details of such claims be sent to the Council together with information as to whether the claims had been filed with West German authorities.

The announcement in "Vestnik" said that it seeks claims information from individuals in order "to obtain a clear picture of those in our ranks who have suffered damage" from Nazi persecution.

BRITISH LEADER, FIGHTING BIGOTRY, GETS THREATENING K. K. K. LETTER

LONDON, July 15. (JTA) -- Maurice Orbach, Labor MP and secretary of the Trade and Advisory Council, a body which works against discrimination under the auspices of the Board of Deputies of British Jews, has turned over to Scotland Yard a threatening letter from the Ku Klux Klan which was mailed in Waco, Texas.

The letter, signed simply "Ku Klux Klan," warned Mr. Orbach to "lay off" his denunciations of racial discrimination in industry. Similar letters have been received by other prominent Britons fighting discrimination, including Fenner Brockway, another Labor MP.

5,000 JEWS REPATRIATED FROM RUSSIA NOW SEEK AID IN POLAND

LONDON, July 15. (JTA) -- More than 5,000 Jews repatriated from the Soviet Union are now seeking aid in Poland, it was reported at a Jewish meeting in Lodz, according to the latest issue of "Folkstimme," Warsaw Yiddish newspaper reaching here today. Most of them are in need of dwellings and work, the paper reported.