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MOSLEMS IN CONSTANTINE ATTACK JEWISH HOMES; ACCUSE JEWISH COMMUNITY

PARIS, Feb. 12; (JTA) -- Quiet prevailed in Constantine, Algeria, today following attacks on Jewish homes and stores yesterday by Moslems charging the Jewish Consistory of that city with responsibility for throwing a grenade into a Moslem cafe, killing one Moslem girl and wounding 17 other Moslems.

Strong army and police patrols today guarded the Jewish quarter of Constantine to prevent any possible resumption of anti-Jewish attacks. The Jewish Consistory issued a statement last night denying the accusations against the Jewish community. "The Jewish Consistory has always preached peace and understanding between Moslems and Jews," the statement said. "It now raises a strong and indignant protest against the allegation that the crime was committed by a Jew."

Police investigating the bombing of the Moslem cafe so far have not found any clue to the perpetrators of the crime. Square Negrier from where the grenade was thrown is situated in the heart of the Jewish quarter. However, since the departure of a large number of Jews from the city, the majority of the population in that area has become Moslem. There were 14,000 Jews in Constantine two years ago. Today less than half have remained in the city.

KNESSET ASSURED BY GOVERNMENT ON EFFECT OF CURRENCY DEVALUATION

JERUSALEM, Feb. 12; (JTA) -- Finance Minister Levi Eshkol today assured the Knesset, Israel's Parliament, that the implementation of Israel's new economic policy would be carried out "with the least hardship" on Israel's population. The Government launched the new economic program last Friday with the announcement of the devaluation of the Israel pound from 1.8 to the dollar, to three to the dollar.

In line with the Government's efforts to ease the burden of the change in the foreign currency rate, Mr. Eshkol told the Knesset today that holders of loans and mortgages linked to the dollar exchange rate would have their periods of repayment extended by one-third to compensate for the increase in the Israel-pound value of such obligations. He said other concessions were planned.

A spokesman for the Investment Authority said today that enterprises approved by the Government will retain the privileges they now enjoy. These include exemption from customs duties on imported equipment and raw materials for an initial period and from income taxes and local rates for the first five years of operation of the enterprise. Foreign investors in Israel were visibly gratified today at the sharp increase in the rate of exchange for their capital transfers.

Budgets of the Jewish Agency and other institutions receiving income from abroad are now being revised upward following the change in the foreign currency rate. Of the Agency's 272,000,000-pound budget approved last month, 119,000,000 pounds were expected from revenues of the United Jewish Appeal and other campaigns abroad.

Large Industrial Firms Announce They Will Not Increase Prices

A number of large industrial firms announced today that they will not increase prices on their products, declaring they wish to help the Government attain the goals comprising the motivation of the new policy.

Under the new regulations for holders of foreign-currency accounts, only the recipients of restitution and compensation paid to Nazi persecutees will be entitled to hold their foreign currency in accounts enjoying special privileges. All other recipients of foreign currency will have their money transferred to ordinary foreign-currency accounts, but the interest rate will be raised to seven percent if deposited for a year--and by lesser increases for lesser periods.

Banking and financial circles in Israel stated today that the Government's announcement of a new economic policy is "welcome" at least as a change from the uncertainty that has prevailed in recent months in regard to a possible move toward devaluation of the pound. Now that the exchange rate has been fixed and unified, these circles held, the step should help increase investments in Israel.

Bankers feel that the plan will achieve its goal if a general price increase can be averted or at least postponed, and if the price increases can be held to small sums. Financial experts here feel that Israel can now put itself in a good position to compete

with the European markets, and actually participate in world markets; However, the fiscal circles felt, the real effect depends on what the public reaction will be to some of the steps announced by Mr. Eshkol. These include lowering the customs barriers and import duties, linking any wage increases to an increase in the national production, abolishing export premiums, and putting Israel's industry on a competitive basis;

Manufacturers Association Urges 'Total Freeze' of Wages

M. Weinglass, chairman of the Manufacturers Association, declared last night, after a special meeting of the group's executive committee, that devaluation would be beneficial only if it is followed by a "total freeze" of wages and production costs. The Merchants' Association expressed anxiety over the effect of the new policy on small merchants "who are uncertain as to the possibility of renewing their stocks."

Histadrut, the Israel Federation of Labor, was considering today a discussion with employers soon about a cost-of-living allowance in union contracts. There is a clause in the agreement between the Manufacturers Association and the trade union, providing for such a discussion next July if the pound should be devalued.

Political activity was rife among all parties in Israel today as a result of the announcement of the new policy. The Mapam Party central committee, meeting last night at Kibbutz Merhaviah, declared itself staunchly opposed to the new policy, announcing it will move in the Knesset for a motion of non-confidence in the Government.

Mapam leaders were in touch with leaders of Ahdut Avodah, another left-wing party which, unlike Mapam, is a member of the coalition Government. It is understood that at the special Cabinet meeting, where the new policy was voted, Ahdut Avodah abstained on the issue; Ahdut was concerned about the effects of the new policy on wage earners, and there were some calls inside that party that it leave the coalition.

The National Religious Party approved the new policy. The Liberal Party not only approved the policy but called it "a sound move toward improving the State's economy." Both extreme parties, the right-wing Herut and the Communists, will request full-scale debate of the new policy in the Knesset.

Israel's Devaluation Was Encouraged by International Monetary Fund

NEW YORK, Feb. 12: (JTA) -- Israel's decision to devalue its currency was taken with full endorsement and encouragement of the International Monetary Fund, the world financial agency said in a statement in Washington. One effect of the currency devaluation would be to make imports more expensive, thus serving as a means of "natural protection" for Israeli industry, it was pointed out. The International Monetary Fund serves in a regulatory role in helping to naturalize exchange rates of its foreign members.

In New York, banking circles noted that the move was a step toward convertibility but said full convertibility would have to await a demonstration that Israel's economy could support the currency at its new level. They emphasized that Israeli bonds and other foreign obligations would be unaffected by the move as they are denominated in dollars or tied to the value of the dollar.

Foreign exchange traders in New York say there have been practically no large-scale transactions in Israeli pounds in this country. They also say there is no likelihood of a change in that situation soon, and practically all purchases from Israel or sales to Israel are priced in U.S. dollars.

EDWARD KENNEDY ARRIVES IN ISRAEL; DISCUSSED ISSUES WITH U.S. PRESIDENT

TEL AVIV, Feb. 12: (JTA) -- Edward Kennedy, a younger brother of President John F. Kennedy, arrived here last night for a two-day visit to Israel as part of a tour of several countries in Europe and the Middle East. He will meet with President Izhak Ben-Zvi, Prime Minister David Ben-Gurion and other Israeli leaders.

Addressing a news conference today, Mr. Kennedy said he was here "on a private visit as a private citizen," but conceded that he had discussed Israel with President Kennedy. "You all know," he added, "my brother's ideas, which he has repeated and reiterated."

Z.O.A. SEMINAR HELD IN UNITED NATIONS; ADDRESSED BY DIPLOMATS

UNITED NATIONS, N.Y., Feb. 12: (JTA) -- More than 1,000 leading members of the Zionist Organization of America, including many from cities outside of New York, today attended a seminar arranged by the ZOA in the United Nations.

The seminar was addressed by Armand Berard, chairman of the French delegation to the United Nations; Ambassador Avraham Darom, Israel's Deputy Permanent Representative at the U.N.; and Pierre Iboudo, Charge d'Affaires on the Upper Volta delegation to the UN. It opened with a tribute to the memory of the late UN Secretary General Dag Hammarskjöld delivered by Moses Schonfeld, ZOA observer at the United Nations.

M. Berard said that the French Government is "very pleased" with the development of warm relations with Israel. The French diplomat expressed hopes that the European Common Market would admit Israel to membership, declaring that "the great majority of French people consider that, culturally, Israel is a European nation."

SIX EX-NAZIS ARRESTED IN BERLIN FOR MURDER OF 11,000 JEWS; FIVE CONFESS

WEST BERLIN, Feb. 12; (JTA) -- Six former Nazis are under arrest on charges of having participated in the murder of 11,000 Jews in Soviet areas occupied by the German Army, during July and October 1941, it was announced here today by the Berlin State prosecutor.

All but one of the six have confessed, the prosecutor's office stated. Among those who have confessed is Dr. Alfred Filbert, the man charged with having commanded the einsatzkommando which committed the mass murders. The others are Gerhard Schneider, Wilhelm Greivenberger, Konrad Fiebig and Heinrich Tunnat. The sixth defendant, Bodo Struck, has denied complicity in the murders. The trials for all six are expected to start next spring.

The State prosecutor in Munster today demanded nine-year prison sentences for two former SS physicians charged with complicity in the murder of 98 camp inmates at the Sachsenhausen concentration camp. The men, charged in the Munster Jury Court with having committed the crimes during the Nazi regime, are Dr. Heinz Baumkoetter and Dr. Alois Gaberle.

SOVIET COURT SENTENCES FOUR VILNA JEWS TO DEATH; OTHERS TO PRISON

LONDON, Feb. 12, (JTA) -- Four Jews were sentenced by a Soviet court in Vienna to death before a firing squad, and four others were given prison sentences ranging from four years to 10 years, after being convicted of alleged "currency speculation," it was reported here today in a cable by Tass, the Soviet news agency.

Those given death sentences were named as F. Kaminer, Michael Rabinovich, and Aaron and Basia Reznitsky. The prison sentences, for alleged complicity in the crimes, were reported to have been imposed on M. Melamed, R. Vidri, Zelda Zismanovich and Michael Kaminyar.

KHRUSHCHEV'S SON-IN-LAW ANGERED OVER QUESTION ON ANTI-SEMITISM IN RUSSIA

RIO DE JANEIRO, Feb. 12; (JTA) -- "Who gave you the right to speak in the name of Soviet Jews?" was the angry reply given here by Alexis Adjubei, editor of Izvestia, official organ of the Soviet Government, and son-in-law of Soviet Premier Nikita Khrushchev, when asked at a press conference about discrimination against Jews in the Soviet Union.

The Soviet editor told the press conference that there are synagogues functioning in the Soviet Union and that Jews occupy "high posts" in the Soviet armed forces. He said that there are 10 Jews on the staff of Izvestia, and one of them is the assistant editor of the newspaper.

Asked about the arrests of Jewish communal and religious leaders on charges of being "Zionist agents," and the long prison sentences meted out to them, Mr. Adjubei replied: "I give you my word of honor that I know absolutely nothing about this."

JEWS DEPUTY IN TURKEY RELEASED FROM JAIL; WAS ARRESTED BY NEW REGIME

ISTANBUL, Feb. 12; (JTA) -- Isaac Altavev, a former Democratic deputy in the Turkish National Assembly, who was serving a jail sentence at Kayseri, in central Turkey, has been released because of his health, and was returned to his family here today. He is now under medical treatment.

The Jewish deputy, who served in Parliament from 1957 until 1960, when an army coup overthrew his party, was tried with other Democratic leaders and deputies at Yassida. He was sentenced to four years and two months in jail, and one year and four months of exile at Kayseri for "violating the Constitution and sharing the political crimes of the previous regime."

Mr. Altavev is suffering from a heart condition, and has been under treatment at the prison hospital. In view of his worsening condition, the authorities decided to release and return him to his family "conditionally." He is to return to jail to serve his term if and when he recovers. A second Jewish deputy, who was an active Democrat, died last year at Yassi island, during his trial.

LONDON COURT REJECTS SHTARKES APPEAL FOR RELEASE FROM JAIL ON BAIL

LONDON, Feb. 12; (JTA) -- Shalom Shtarkes, the young religious teacher wanted in Israel in the kidnapping of his nephew Yosselle Schumacher, remained in prison today after rejection of an appeal against the refusal of a magistrate to allow him bail. The rejection was delivered by Lord Chief Justice Parker in support of a lower court ruling by Magistrate Sir Robert Blundell.

Appearing for Israel which is seeking to extradite the teacher was Leonard Caplin. The Israeli attorney said that the Israel Government felt there had been no change in the situation since the magistrate's hearing which sent Shtarkes to jail to await an extradition hearing. Therefore, said Caplin, the Israel Government opposed bail.

\$2,500,000 HISTADRUT SCHOLARSHIP FUND ESTABLISHED BY U.S. GROUP

NEW YORK, Feb. 12: (JTA) -- A \$2,500,000 Histadrut Scholarship Fund to aid vocational trainees, graduate students and research scientists in Israel will be set up by the National Committee for Labor Israel, according to an announcement made here by Rabbi Jacob J. Weinstein, national chairman of the committee.

The fund, which will be raised through the means of cash gifts to the Israel Histadrut Campaign and long-term commitments through the American Histadrut Development Foundation, will provide two types of scholarships. Perpetual scholarships may be established by donors of units of \$2,500, while one-time single year scholarships may be sponsored for \$250.

Besides scholarship aid at the secondary school level, the fund will grant stipends to university students in Israel and to budding scientists. During the past four years, Histadrut has granted 148 stipends for research and graduate studies in five major areas: social sciences and the humanities; labor economics; engineering; agriculture and natural sciences; and medicine. Research projects will be approved only if they are related to the immediate or future needs of Israel.

Rabbi Weinstein stressed that the new program would help "establish real equality of opportunity among the children of Israel, regardless of the present social, economic or cultural status of their parents." He pointed out that "there must be no sense of frustration or bitterness among the youth, whose publicly supported education ends at the 8th grade.

MAJORITY OF JEWISH CHILDREN IN MONTREAL ATTEND PROTESTANT SCHOOLS

MONTREAL, Feb. 12: (JTA) -- The vast majority of Jewish children in Montreal and its suburbs, on both the elementary and high school levels, attend Protestant schools, as compared with the number of pupils attending Jewish day schools, a survey conducted by the Canadian Jewish Congress revealed here today.

The Congress compiled the figures for Montreal and the city's suburbs in preparation of its official position on the school issue to be given before a Royal Commission on Education in this Province of Quebec. The Congress position, when it is submitted to the Royal Commission, will indicate whether organized Jewry here prefers government support for the Jewish, parochial day schools or participation in the Protestant school system.

According to the Congress survey, there are 22,083 Jewish children of school age here. A total of 14,936 are in the elementary schools, while 7,147 are in high school. Of the 14,936 in elementary schools, 10,912, or 73 percent, attend Protestant schools, while 4,024, or 27 percent, go to Jewish day schools. Of the 7,147 Jewish children in high school, 6,813 or 95.3 percent, attend the Protestant high schools, while 4.7 percent are enrolled in the Jewish high schools.

Of the 63,194 Montreal children in the Protestant elementary and high schools, a total of 17,725, or 28 percent are Jewish. Jewish children make up 25.1 percent of the total Protestant elementary school population, and 34.5 percent of the total enrollment in the Protestant high schools.

POPULATION COUNCIL OF NEW YORK GRANTS \$675,000 TO WEIZMANN INSTITUTE

NEW YORK, Feb. 12: (JTA) -- A grant of \$675,000 has been given to the Weizmann Institute of Science at Rehovot, Israel, by the Population Council of New York, it was announced here today by the American Committee for the Weizmann Institute.

The grant, to be applied to construction of laboratory units and animal facilities at the Rehovot facility, will support a research program in the physiology of reproduction. The fund will also permit purchase of equipment, and cover the research project's budget over a period of five years.

CANADIAN HADASSAH-WIZO HOLDS TEN-DAY CONVENTION IN JERUSALEM

JERUSALEM, Feb. 12: (JTA) -- A decision to raise \$150,000 for a cancer research foundation at the Hebrew University was adopted here today at the 19th biennial convention of the Canadian Hadassah-Wizo organization which opened last night with a convocation by Chief Rabbi Yitzhak Nissim. Mrs. Harry Cohen was re-elected president of the organization.

The more than 540 delegates to the ten-day convention heard Finance Minister Levi Eshkol deliver a report on Israel's new economic policy in which he said that the Canadian group would benefit from the change in Israel's rate of foreign exchange since their contributed funds would go farther.

The convention delegates later participated in the dedication of Vincent Massey Hall at the Jewish National and University Library, where Professor G. Racah, rector of the university, paid tribute to the former Governor General of Canada, for whom the facility is named. In a message read to the delegates, Mr. Massey expressed his gratitude for the honor.