



Jewish Telegraphic Agency

DAILY NEWS BULLETIN

660 FIRST AVENUE

NEW YORK 16, N. Y.

Contents Copyright: Republication only by previous arrangement

Vol. XXIX

Wednesday, February 28, 1962

No. 41

ISRAEL GOVT. SUBMITS \$785, 670, 000 BUDGET TO KNESSET; DEVALUATION STRESSED

JERUSALEM, Feb. 27; (JTA) -- A draft budget totaling 2,357,000,000 pounds (\$785,670,000) for 1962-63 was presented to the Knesset, Israel's Parliament, today by Finance Minister Levi Eshkol. While the budget estimate for the coming fiscal year is 363,000,000 pounds (\$121,000,000) more than this year's, the bulk of the increase is due to the devaluation of Israel's currency carried out two weeks ago.

A surplus of 40,000,000 pounds (\$13,333,000), to be set aside to meet anticipated price increases, makes this the first surplus budget in Israel's history.

In presenting the budget, Mr. Eshkol pointed out that the new dollar exchange rate in Israel will cost the Government 277,000,000 pounds more to pay for the foreign currency needed for the country's security needs, capital goods and services and to pay capital and interest on foreign debts.

A feature of the new budget is the absence of export premiums which totaled 160,000,000 pounds (\$53,333,000) in the previous year and which would have totaled 200,000,000 pounds next year if the new Government economic policy had not provided for the abolition of such payments, Mr. Eshkol stressed. The only subsidies to be maintained will be 35,000,000 pounds for vital edible products to keep such prices down.

Direct taxes will account for 43 percent of government income compared with 36 percent in the previous year's budget. Indirect taxes, mainly from customs duties will be proportionately less in the coming year.

Expenditures under the new budget are: 410,000,000 pounds for security; 162,000,000 pounds for education; 73,500,000 pounds for health needs; 47,300,000 pounds for the Labor Ministry; 44,400,000 pounds for the police; 36,000,000 pounds for the Foreign Ministry; 31,800,000 pounds for the Social Welfare Ministry; 13,300,000 for the Agriculture Ministry; 9,500,000 pounds for the Justice Ministry; 6,400,000 pounds for the Religious Affairs Ministry and 4,000,000 pounds for tourism.

Development Budget Totals 520,500,000 Israeli Pounds

The Development budget, totaling 520,500,000 Israeli pounds (\$173,500,000) included the following allocations, in the dollar equivalent: nearly \$67,000,000 for housing; over \$27,000,000 for agricultural projects; over \$20,000,000 for the national water project; \$38,000,000 for communications; \$21,500,000 for industry and workshops; \$14,500,000 for postal services; \$4,100,000 for tourism and fairs; \$6,000,000 for mines and quarries; \$3,333,333 for electricity; and \$4,333,333 for ports and harbors.

Predicting the outlook for the coming year, Mr. Eshkol forecast a 9 to 10 percent rise in the gross national output. The budget assumed immigration of several tens of thousands newcomers, and provided accordingly for immigrant housing. Mr. Eshkol also envisaged a "considerable" increase in agricultural yields.

Industrial exports are expected to grow more rapidly, Mr. Eshkol continued, while air and other transport services are to be made more profitable by the new exchange rate. Imports of capital, he predicted, will continue to be high, but he foresaw changes in the sources of these funds.

The Finance Minister expected German reparations to decrease, while the amounts of personal restitution and capital transferred by institutions will rise. He also predicted more private investments from abroad, as well as a rise in foreign currency balances. He expressed the hope that the rate of increase in prices, profits and wages will be limited.

The 1962-1963 allocations include 6,000,000 pounds (\$2,000,000) for development of Arab and Druse villages under the five-year plan recently approved by the Cabinet. The money is earmarked for new classrooms, roads, water, electricity, agricultural expansion and the encouragement of industry and crafts.

SHTARKES TO APPEAL TO HOUSE OF LORDS AGAINST EXTRADITION TO ISRAEL

LONDON, Feb. 27; (JTA) -- The Divisional Court here, presided over by Lord Parker of Waddington, Lord Chief Justice of England, today upheld the right of the Government of Israel to demand the extradition of Shalom Shtarkes, 22-year-old Israeli religious teacher. The latter, held in a London prison without bail since last August, is charged with having kidnapped his nephew, 10-year-old Yossele Shumacher, because Yossele's parents feared the child would not receive an education sufficiently based in traditional Orthodoxy.

The case came before the court on an application by Shtarkes' defense for a writ of habeas corpus, claiming that Israel had no jurisdiction over Jerusalem, where the crime is alleged to have occurred. Lord Parker was joined on the bench by two Queen's Bench judges, Sir John Ashworth and Sir Fenton Atkinson. The court's verdict, rejecting the habeas corpus application, was unanimous.

Rejecting an application for bail for Shtarkes, the court remanded the young teacher back to Briton Prison, permitting the defense to appeal the case to the House of Lords. However, the court stated it would grant an application for an early hearing before the House of Lords, so that Shtarkes would not be imprisoned any longer than necessary.

The court ruled that Israel was the de facto power that has jurisdiction over Jerusalem, holding that, to exclude Jerusalem from the right to demand extradition would render the Angle-Israeli extradition treaty ineffective "and lead to an absurd situation." Yossele's grandfather, elderly Nachman Shtarkes, is in jail in Israel, having refused to reveal the boy's whereabouts.

BILL BANNING PIG-BREEDING STIRS DEBATE IN KNESSET; PASSAGE ASSURED

JERUSALEM, Feb. 27. (JTA) -- A proposal to ban pig-breeding in Israel was debated heatedly last night and today on a first reading in Israel's Parliament. Passage is assured.

The bill was submitted by six Knesset deputies as private members. It provides a fine of 1,000 pounds (\$333) both for pig breeders and owners of the premises used for that purpose. The measure also would empower confiscation of pigs. It would exempt Nazareth and other Christian Arab localities in the Galilee.

The sponsors, who included two members of Prime Minister David Ben-Gurion's dominant Mapai party, three Religious Bloc deputies and a Herut deputy, advanced the traditional arguments against pigs. They stressed that the national aspect was not less than the religious one, arguing that much of Jewish martyrdom through the centuries was associated with its rejection.

Criticism of the proposal ranged from arguments against "religious coercion" to statistics citing a progressive increase of pigs throughout the world. The statistics were submitted by Yaacov Rifkin of the leftist Mapam, who asserted that pig meat was the cheapest source of nutrition; that in the United States, it provided 42 percent of meat consumption; and that he saw no reason to yield to "psychological terror."

Other deputies assailed Mapai for supporting the measure -- which assured its passage -- charging that this was a coalition deal with the religious parties, rather than representing a sincere expression of Mapai views.

Measure Exempts Christian Arabs; Nazareth Deputy Regrets Exemption

An Arab deputy, Ahmad Draher, of Nazareth, expressed regret that the measure would not apply to his city. Urging that Nazareth be included, he said pigsties would offend the city's large Moslem population and that it would also detract from religious sanctions.

S. Z. Abramov, a Liberal party deputy, announced that the party had given its deputies freedom to vote as they choose on the measure. For himself, he said, he would not support the measure. He said he felt that elimination of pork from Israel could best be obtained by persuasion, not legislation.

Nahum Mir of leftist Achdut Avodah argued that Israel was not a theocracy and that the bill therefore would be tantamount to compulsion. He also argued that two-thirds of the budget of a village south of Tel Aviv, Azur, was derived from pig-breeding. He said he had received a petition to this effect from the villagers.

The bill will become law after three readings. The first is the most important, the other two being merely formal.

DEVALUATION FORCES ISRAEL TO CANCEL PARTICIPATION IN NEW YORK FAIR

JERUSALEM, Feb. 27; (JTA) -- The Israel Government disclosed today it had decided to cancel Israel's projected participation in New York City's 1954 World's Fair.

The decision was prompted by the large expenditures which would be entailed, estimated at about \$2,000,000 which, under the new exchange rate, means an outlay of 6,000,000 Israel pounds. The Government decided in principle last year to participate.

TRIAL OF NAZI ACCUSED OF KILLING 20 JEWS OPENS IN GERMANY

STUTTGART, Feb. 27; (JTA) -- A trial of former SS leader Felix Landau on charges of ordering the shooting of 20 Jews in Nazi-occupied Poland in July, 1941 opened here today with 26 witnesses from the United States, Israel, France and West Germany scheduled to testify.

The 51-year-old former forced labor chief, who was cited by Hitler for his efficiency, also was accused of murdering an old man detailed to work in his garden in Droschbyce, near Lodz during the same period; The trial is expected to last three weeks.

GERMAN COURT ORDERS CONFISCATION OF ANTI-SEMITIC FILM 'JUD SUESS'

KARLSRUHE, Feb. 27; (JTA) -- The Federal court here ordered the seizure of all remaining copies of the notorious anti-Semitic film "Jud Sues"; While most of the copies of the film, which was made during the Hitler regime, had been confiscated after the Second World War, several have turned up since then. The court order also bans showing the film in German theatres.

Judge K. Ehrlich, who handed down the decision, declared in his judgment that the picture was an anti-Semitic production which destroys the honor of the Jewish people and also, at the same time, endangered the image of the German people in foreign countries.

RUMANIAN JEWS IN CANADA ALERTED TO ELIGIBILITY FOR COMPENSATION

MONTREAL, Feb. 27; (JTA) -- The Canadian Jewish Congress announced today that some Rumanian Jews in Canada persecuted by the Nazis in Rumania during the war might be eligible for compensation.

Some of those Jews did not put in compensation claims for deprivation of liberty and property because until recently West Germany maintained that it was the Rumanian and not the German officials who were responsible for the persecutions during the war; West Germany has now recognized that responsibility and applications will be accepted, the Congress reported.

Generally, individuals can apply who were outside of Rumania on October 1, 1953 when the indemnification law became effective, the Congress stressed; The Congress said such individuals could get help in filing claims from the United Restitution Organization.

RABBI ADDRESSES PROTESTANT MINISTERS ON RELIGION IN PUBLIC SCHOOLS

WASHINGTON, Feb. 27; (JTA) -- A leading Reform rabbi said here today that some compromise on the question of religion in the public schools might be possible if emotionalism can be removed from the discussions.

Rabbi Norman Gerstenfeld of the influential Washington Hebrew Congregation told a meeting of Protestant ministers that "there is a valid place in our public schools for intercultural education which would sympathetically present the variant forms of the Judeo-Christian heritage." However he warned that there must be guarantee along with it to keep public schools from becoming "religious schools in the sense of teaching ritualistic observance or credal indoctrination."

Rabbi Gerstenfeld expressed fear that the current controversy might stir up animosity among religious groups. "Let us state our differences not in terms of sectarian conflict but as Americans who respect each other's right to differ," he told the Protestant churchmen. The rabbi said that while teaching about religion in the public schools might be acceptable, we should be careful not to stray from the principle that "religious education rightly and competently belongs in the church, the synagogue and the home."

SECRETARY OF COMMERCE AWARDED JEWISH THEOLOGICAL SEMINARY MEDAL

MIAMI BEACH, Feb. 27; (JTA) -- Secretary of Commerce Luther H. Hodges today was awarded the Seminary Medal at a special convocation here of the Jewish Theological Seminary of America. The only other recipient of the award today has been Israel's Prime Minister David Ben-Gurion.

The award to Mr. Hodges cited the Cabinet member for exemplifying "the human potentiality to develop in the market place and in the councils of Government the ethical and moral principles of mankind." More than 1,000 educators, scholars, public officials and business leaders attended the ceremonies, at which the award to Mr. Hodges was given by Dr. Louis Finkelstein, chancellor of the Seminary.

Later, at the third annual Seminary convocation dinner, six Jewish communal leaders were given the Seminary's National Community Service Awards. That award is a bronze plaque conferred upon leaders whose "distinctive and continuing service to the community at large perpetuates the Jewish tradition of involvement in, and concern for, the well-being of all men." The leaders honored with plaques were Samuel J. Halperin, of Miami Beach; Harry I. Hoffman, of Chicago; Bertram I. Loeb, Ottawa; Philip Leff, New York; Irving Maidman, Upper Nyack, N. Y.; and Louis Stein, Philadelphia.

MASSACHUSETTS STATE LEGISLATURE HAS 32 BILLS ON SUNDAY CLOSING LAW

BCSTCN, Feb; 27; (JTA) -- A total of 32 bills involving amendments to or liberalizing Sunday closing laws of Massachusetts are now before the State Legislature for action at this session, the New England region of the American Jewish Congress reported today.

Among them is one submitted by the organization jointly with the Jewish Community Council which would permit those merchants who observe Saturday as their Sabbath to conduct their business on Sundays.

The regional office also reported that only one bill is before the Legislature in the area of church-state separation; The measure would substitute a non-sectarian prayer for the traditional prayer recited in public schools each morning. The Congress has signified opposition to this measure as a violation of the church-state constitutional principle.

PALESTINE ECONOMIC CORPORATION INVESTED \$4, 447, 000 IN ISRAEL IN 1961

NEW YORK, Feb; 27; (JTA) -- The Palestine Economic Corporation invested a record of \$4,447,000 in various Israeli projects during 1961, according to a statement by PEC president Joseph Meyerhoff in the annual report for 1961 distributed today to the corporation's 11,500 stockholders throughout the United States; In addition a total of \$3,278,000 has already been committed for investment in 1962.

"To help finance these new investments, PEC is currently offering 120,000 shares at \$25 par value each according to a prospectus filed with the Securities and Exchange Commission," Mr. Meyerhoff reported "total common stock outstanding as of December 31, 1961, amounted to 616,730 shares for a total of \$15,418,260." Net income for 1961, exclusive of \$100,000 stock dividends received, amounted to \$799,629 after taxes. A cash dividend on the common stock of \$1.25 per share was paid today to stockholders of record as of December 29, 1961.

Nearly \$1,750,000 of last year's investments were directed to the Dead Sea Works as part of a development program for increased production of potash and other minerals from the Dead Sea, according to the annual report. Over a half a million dollars is being provided for the new Israel Petrochemical Enterprises, marking the founding of a petro-chemicals industry in Israel. Other areas benefiting from PEC investments in 1961 included construction and land development, citriculture, publishing and printing, transport and marketing, and a variety of industries.

FIVE GOVERNORS EMPHASIZE IMPORTANCE OF AMERICAN-ISRAEL RELATIONS

LAKEWOOD, N.J., Feb; 27; (JTA) -- Five governors joined today in emphasizing the importance of America-Israel relationships and in hailing the work of the Mizrachi Women's Organization of America in the development of close ties between the two countries. In messages sent to the Eastern Seaboard Conference of Mizrachi Women, which opened here tonight, the chief executives of Maine, New York, New Jersey, Pennsylvania and Maryland stressed the role of Israel as a stabilizing influence in the Middle East.

The keynote session of the conference tonight heard David Rivlin, Consul of Israel in New York and Philadelphia, in an address on Israel's new perspectives; Tomorrow Mrs. Tamar Eshel, director of Israel's student exchange program, and a representative of Israel on several of the specialized agencies of the U.N., will address delegates representing 20,000 Mizrachi Women on the Eastern Seaboard.

STRIKE IN INSTITUTION MAINTAINED BY JEWISH BOARD OF GUARDIANS ENDS

NEW YORK, Feb; 27; (JTA) -- The striking personnel at the Jewish-sponsored Hawthorne Home for emotionally disturbed children returned to work today after a week-long strike.

The Home, an institution of the Jewish Board of Guardians, has 200 children. The 35 employees walked out in protest against working conditions after their union voted to accept a new two-year contract with the Board of Guardians.

RABBI LAZARUS, FORMER DEPUTY CHIEF RABBI OF BRITAIN, DIES IN LONDON

LONDON, Feb; 27; (JTA) -- Rabbi Harris M. Lazarus, a former Deputy Chief Rabbi of the British Commonwealth and a member of the Rabbinical Court of the United Synagogue, died here yesterday at the age of 82. He was born in Riga, Latvia and came to England in 1897.

He served as Deputy Chief Rabbi following the death of Chief Rabbi J.H. Hertz in 1946 until the election two years later of Dr. Israel Brodie. He edited and published a volume of unpublished poems of Salomon Ibn Gabirol and was author of "The Ways of Her Household." He also translated several tractates of the Talmud for the Soncino edition.