



Jewish Telegraphic Agency

DAILY NEWS BULLETIN

660 FIRST AVENUE

NEW YORK 16, N. Y.

Contents Copyright: Reproduction only by previous arrangement

Vol. XXX - 45th year

Friday, August 2, 1963

No. 146

SENATE FOREIGN RELATIONS COMMITTEE HELDS HEARING ON JEWISH AGENCY

WASHINGTON, Aug. 1. (JTA) -- Chairman J. W. Fulbright of the Senate Foreign Relations Committee at an open Committee hearing today sought to establish that pro-Israel organizations and individuals supported by the Jewish Agency came under the provisions of the Foreign Agents Registration Act.

The witness at today's hearing was Isadore Hamlin, executive director of the Jewish Agency -- American Section, of New York.

The main thrust of Sen. Fulbright's detailed line of questioning pertained to interlocking relationships of various groups with the Jewish Agency, and whether the Agency sought to accomplish covertly through others what it did not register as openly performed in its statements to the Department of Justice. He alleged that others received payments indirectly through the Agency, which is registered as a foreign agent, and claimed that they were, in effect, also foreign agents.

In opening today's hearing, Sen. Fulbright stressed that "this committee's interest in the Agency's activities in Israel are not at issue. There can be little but respect for an organization which over the last 15 years has resettled 1,150,000 refugees in Israel -- indeed, American Jews have shown their support for the Agency through contributions of over one billion dollars, and the United States Government has over the past 15 years supplied another \$878,000,000 in grants and loans to Israel for similar purposes."

Sen. Fulbright said that he was interested, however, in the activities of the Jewish Agency's agent, acting in the United States "not because of the nature of its foreign principal, nor because of the cause or nation it espoused, but rather because of the methods and techniques it has employed in the United States and their relationship to the workings of the Foreign Agents Registration Act."

He pointed out that, while the representative of the Jewish Agency had been registered with the Department of Justice for almost 20 years, it was within the last year "when this committee called attention to the matter" that the registrant was required to itemize two large items of expenditures within the United States -- "grants and subventions" and "payments to affiliates."

Sen. Fulbright Cites Payments to American Zionist Council

Sen. Fulbright drew attention to the fact that from January 1, 1955 through December 31, 1962, the Jewish Agency made payments totaling \$5,100,001.02 to the American Zionist Council. He recalled testimony that the Jewish Agency had provided about 80 per cent of the American Zionist Council's funds and "at the same time used the Council as a conduit for Agency funds destined for other groups, organizations or individuals."

The Senator charged that "through its failure to require itemization, the Department of Justice and therefore the public was unaware of the public relations activities in the interests of Israel carried on within the United States by the Agency. And the Jewish Agency supported organizations and individuals without itemization of such financial support publicly in its Justice Department reports."

Sen. Fulbright was sharply challenged at one point by Maurice M. Boukstein, who appeared as counsel for the witness, when the Arkansas democrat referred to the Jewish Agency as an agent of the Israel Government. Mr. Boukstein described the Jewish Agency as "a completely independent body composed of representatives of Zionist organizations from all over the free world." The status of the Jewish Agency came up at another point, when Sen. Fulbright read into the record a letter from Victor Rabinowitz of New York, head of the Rabinowitz Foundation, in which he

said Mr. Boukstein had told him that the Jewish Agency was "a representative of the Israeli Government." Mr. Boukstein denied both the contention and the assertion that he had made the statement. "It just isn't so," he asserted.

The main target area of the Fulbright attack appeared to be the issue of why the Jewish Agency acted through the American Zionist Council instead of directly. Sen. Fulbright emphasized that his interest pertained to only those activities conducted in the United States. He stressed that he was more concerned with finding what was, in effect, the actual relationship of various groups to the Jewish Agency than to a "rigamarole" involving "narrow, technical legal distinctions."

It was Sen. Fulbright's allegation that the Jewish Agency did this circuitously through interlocking relationships with others, and thus avoided making a full statement of its activities to the Department of Justice. He repeatedly made a point that the Jewish Agency had failed to be specific in its filed statement. But Mr. Hamlin replied that the Agency had complied with everything asked by the Justice Department and received no complaint from that Department. When the Department asked for more details, Mr. Hamlin said, the method of reporting was changed.

Inquires into Payment to Synagogue Council and Presidents' Conference

Throughout his questioning, Sen. Fulbright repeatedly asked why the Agency failed to make payments direct to the ultimate recipient, specifically citing I. L. Kenen, editor of the Near East Report, and a Russian research project into current Soviet anti-Semitism carried on by Dr. Moshe Dector. He also cited grants to a number of universities through the Hebrew Cultural Foundation out of funds allocated to the Foundation by the Jewish Agency. He wanted to know if the benefiting universities were aware that the money came from a foreign agent. A letter from Columbia University to the Jewish Agency acknowledging financial assistance was offered by the witness, and indicated that the university knew the source of the funds.

The Senator posed a question of a payment to the Synagogue Council of America for educational work, and sought to link that with the Council's testimony before Congress favoring economic assistance to Israel. He inquired into the Presidents' Conference, an ad hoc consultative body made up of presidents of 19 major American Jewish organizations. He wanted to know how many of these organizations the Jewish Agency supports financially. The Agency responded that it provided 50 per cent of the cost of the Conference administrative expenses. The Senator asked if such payments to the Conference expenses were itemized in the Jewish Agency statement to the Justice Department.

The Senator charged that the reports to the Justice Department avoided disclosure of what was actually done with the money expended in the United States and held that the Agency was merely a "conduit." He thought that a drastic change in the law was required to tighten up regulations. He reverted briefly to the relationship of the Jewish Agency and the Jewish Telegraphic Agency. In response to questions, Mr. Hamlin said the JTA was no longer receiving funds from the Jewish Agency, and that arrangements were being completed for the transfer of ownership of JTA.

Intense interest was exhibited by Sen. Fulbright in the role of Mr. Kenen, who emerged as a main subject of the investigation. The Senator charged that Mr. Kenen was not an independent entrepreneur, but in effect an employee of the American Zionist Council, financed either directly or through purchase of Mr. Kenen's personal publication, "The Near East Report."

Noting that Mr. Kenen was a registered lobbyist under the domestic lobbying law, Sen. Fulbright asked why he should not be required to register under the Foreign Agents Registration Act. In the view of Sen. Fulbright, Mr. Kenen was perhaps in closer contact with attempts to influence Congress than the Jewish Agency itself, and therefore should be registered as a foreign agent. The Senator made it apparent that he was dissatisfied with Mr. Kenen's failure to register and would further pursue the matter.

Hamlin Outlines Importance of Jewish Agency at Hearing

Mr. Hamlin, appearing at the open hearing today, told the Senate committee that "recent developments in Africa, Asia and other parts of the world, and quota restrictions in many countries, forecast a continuation of mass migration into Israel." He said that the Jews of the world "have reacted magnificently and responsibly to the needs for help and will continue to do so."

The executive director of the Jewish Agency-American Section said that the world had recognized the "unique achievements" of the Jewish Agency in helping to

settle 1,200,000 Jews in Israel since World War II, and stressed that these "free, productive citizens" could "attest to the effectiveness of the work of the Jewish Agency."

Mr. Hamlin's appearance before the Committee today followed an executive hearing on May 23, at which Gottlieb Hammer, former executive director of the Jewish Agency in New York, and now executive vice-chairman of the Jewish Agency for Israel, Inc., which is controlled by American citizens, and Mr. Hamlin, were exhaustively questioned by Senator Fulbright on the work and activities of the Jewish Agency and its relationships with a number of other organizations and agencies. The witnesses cooperated fully with the Senate Committee and sought to portray the full and complex role of the Jewish Agency units and the activities supported in this country. Their testimonies were made public today by the Senate Committee.

In the course of his statement today, Mr. Hamlin described the origin of the Jewish Agency, with special status accorded it by the League of Nations as the agency to assist the Mandatory Government in the establishment of the Jewish National Homeland in Palestine, and outlined its major role in organizing immigration and resettlement and development of the country. The Agency's political role, he pointed out, ended in 1948 with the proclamation of the State of Israel. In the 14 years since then, he reported, the Jewish Agency in Israel has spent \$1,500,000-000 on rescue and resettlement work, of which about forty per cent represented American charitable donations through the United Jewish Appeal.

To clarify the organizational picture into which Senator Fulbright delved deeply in executive hearing, Mr. Hamlin described the Jewish Agency -- American Section as the representative in the United States of the Jewish Agency for Israel, which he described in turn as the executive arm of the World Zionist Organization. He pointed out that the American Section of the Jewish Agency was registered under the Foreign Agents Registration Act, and regularly filed periodical reports with the Department of Justice.

The major functions of the Jewish Agency, he said, outside Israel, were caring for Jewish refugees seeking a haven in Israel, preparing them for immigration, and transporting them. Within Israel, he outlined a comprehensive program carried on by the agency to receive the newcomers, and integrate them into the life of the country.

The American Section, he said, had as its major functions to help provide incentives for the realization of the second objective of the Zionist heritage - to preserve and extend the Jewish cultural heritage and to keep the American public informed of the work done in Israel, and to assist the fund-raising agencies to obtain imperative financial support for the continuation of this work.

(See page 4 for story on relationship between Jewish Agency and J.T.A., as explained to Sen. Fulbright).

SYRIANS RESUME HEAVY FIRING AT ISRAELI WORKERS IN FRONTIER AREA

TEL AVIV, Aug. 1. (JTA) -- Syrian gun positions on the heights overlooking Israel's northern border lobbed heavy fire against Israelis at work in an area adjacent to the frontier yesterday. It was the third successive day of Syrian firing against Israelis in the frontier area. Israel did not return the fire.

The latest target was a tractor and its driver. United Nations observers near the scene not only saw the attack, but rescued the driver. He was unhurt.

Israeli authorities protested today to the United Nations Truce Supervision Organization and requested that the U.N. observers on the Syrian side warn the Damascus Government against a repetition of the attacks. UNTSO was asked to request Syria in strong terms to restrain its soldiers on the border and keep them from further firing on Israelis.

ISRAEL SEEKS TO PROTECT CLAIMANTS OF ASSETS FROM SWISS BANKS

JERUSALEM, Aug. 1. (JTA) -- The Knesset, Israel's Parliament, today passed the first reading of a bill limiting the types of persons or institutions authorized to deal with claims under the recently passed Swiss law under which assets left in Swiss banks by Jews and others who perished during the Nazi holocaust, will be revealed.

Under Israel's draft measure, only attorneys will be empowered to handle claims under the new Swiss law. However, the law would also empower the Israel Attorney General and certain public institutions to represent claimants. The Swiss law does not go into effect until September 1, but various agents are already canvassing potential claimants in Israel.

RELATIONSHIP BETWEEN JEWISH AGENCY AND J. T. A. EXPLAINED TO FULBRIGHT

WASHINGTON, Aug. 1. (JTA) -- The relationship between the Jewish Agency and the Jewish Telegraphic Agency was explored by Sen. J.W. Fulbright, chairman of the Senate Foreign Relations Committee, during his questioning of Jewish Agency representatives, as part of his Committee's study of non-diplomatic activities of representatives of foreign governments. The transcript of the executive hearing, held May 23, was issued here today.

Gottlieb Hammer, who was executive director of the Jewish Agency until 1960, told Sen. Fulbright how the Jewish Agency had become involved in the JTA situation. He referred to the JTA's financial difficulties in 1950, and declared:

"The Jewish Agency stepped into the picture in order to preserve the existence of a news agency which specialized in the dissemination of Jewish news of particular interest to communities in the United States and throughout the free world, wherever Jewish communities existed.

"Our purpose at that time was to make certain that there would be uninterrupted operation of the Jewish Telegraphic Agency or JTA as it is commonly known, and that at some point as soon as we could arrange it, there would be a transfer of this property, not only transfer of the share ownership, which is something that is not of great value in view of the deficit position of the JTA, but also the burden of financing it, to other people.

"In the middle 1950's," Mr. Hammer continued, "I personally undertook negotiations with representatives of the Council of Jewish Federations and Welfare Funds, leading to their extending support to and participating in a reorganized JTA, and these negotiations went on for several years.

"During that period, the Jewish Agency for Israel, Inc., provided the budget or provided the funds necessary to cover the deficit of JTA to keep it going. I understand that the process of transfer to a reorganized board of the JTA, and the transfer of stock is taking place, and has almost reached the final stages of conclusion."

Lipsky Informs Sen. Fulbright on the J. T. A. Reorganization

Eleazar Lipsky, president of the Jewish Telegraphic Agency, in a letter, dated yesterday, to Senator Fulbright on behalf of the JTA Board of Directors, reviewed the relationship that existed between the Jewish Agency and the JTA, and emphasized that the reorganization of the JTA as an independent entity, operating in the interests of the Jewish community and the free world, is now nearing completion.

"In 1951," Mr. Lipsky wrote, "the JTA was in acute financial difficulties which severely constricted its operations and, in fact, jeopardized its continued existence. To prevent the total collapse of this news service which was considered vital to the well-being of the Jewish community, the Jewish Agency was requested by the JTA to intervene and provide the funds to permit JTA to continue functioning on what was expected to be a provisional basis. It became nominally the owner of the Jewish Telegraphic Agency through ownership of the voting shares by transfer from the late Jacob Landau, founder of the JTA. For a long time, the JTA regarded advances by the Jewish Agency as interest-free loans.

"The Jewish Agency did not interfere or attempt to interfere in the editorial operation of the Jewish Telegraphic Agency, its policies, its news content, its selection and treatment of news, its reporting or the management of its business.

"The Jewish Telegraphic Agency is grateful to the Jewish Agency for having made it possible to continue its operations and render important services to the Jewish community. We believe that the American Jewish community is under a deep obligation to the Jewish Agency for having preserved this service for it.

Stresses Importance and Effectiveness of J. T. A. to World Jewry

"The Jewish Telegraphic Agency has served the Jewish people, the American Jewish community and the free world generally for more than 46 years," Mr. Lipsky continued. "Its sole purpose and its sole function has been to report as accurately and objectively as human frailties permit those developments anywhere in the world of special concern or interest to the Jewish people, to bring to light information which their wellbeing required and to provide the information on which Jewish leadership could take informed action.

"The importance and effectiveness of the JTA was acknowledged over the years by the Jewish leadership here and abroad and its journalistic proficiency by the long list of newspapers which relied on its services. The Jewish Telegraphic Agency has always freely and publicly acknowledged this relationship with the Jewish Agency. The American Jewish federations and welfare funds were aware of it and

were kept apprised of the continuous efforts to establish a new basis for JTA. The Jewish Agency almost immediately took the initiative in discussing with the leadership of the American Jewish community reorganization of JTA to ensure its independent operation and financial stability.

"As a result of its endeavors, an agreement was reached in 1960 for the future organization of JTA. The reorganization of JTA as an independent entity operating in the interests of the Jewish community and the free world, is now nearing completion. Only some technical details remain to be effected. A distinguished Board of Directors, composed of representatives of many facets of American Jewish life and including distinguished publicists, is now directing the affairs of JTA and will shortly assume direct ownership of the news agency as trustees for the community. The new Board is completely independent of the Jewish Agency or of any other organization and its revised constitution will assure that this will continue to be the fact.

"The financial responsibility for the service is being increasingly assumed by the American Jewish federations and welfare funds, more than 135 of which are now directly participating in its work.

"An outstanding committee of American editors and publicists is now being formed to study and review the operations of JTA and to formulate recommendations for its future programs. This committee's recommendations will guide the JTA Board in its efforts to make JTA a most effective instrument of the American Jewish community and a trusted, dependable, useful source of information for the world press," Mr. Lipsky concluded.

NUCLEAR TEST-BAN MAY PAVE WAY FOR ARAB-ISRAEL TALKS, GOLDA MEIR SAYS

JERUSALEM, Aug. 1, (JTA) -- Lessening of tensions between the East and the West, as a result of the partial ban on nuclear testing agreed to in Moscow last week by the Soviet Union, the United States and Britain, will undoubtedly prove to be a decisive factor in the relations between the Arab states and Israel, Mrs. Golda Meir, Israel's Foreign Minister, declared in a radio broadcast here last night. Israel announced yesterday that it would adhere to the nuclear test-ban treaty.

An understanding between the Eastern and Western blocs, said Mrs. Meir, opens up the possibility of achieving an understanding and peace between the Arab states and Israel.

Asked whether Israel's adherence to the treaty would not affect Israel's friendly relations with France, which has announced that it would shun the pact, Mrs. Meir replied that Franco-Israeli friendship is so deep that it contains even the "negative" element, whereby each State acts on its own when its interests dictate such action. France, she declared, has never tried to influence Israel's attitude on an issue which Israel's Government deems to be right for Israel.

Commenting on the fact that Egypt promptly announced its willingness to adhere to the East-West pact, while Israel apparently hesitated for a couple of days, Mrs. Meir said: "I wish Egypt would enjoy another scoop -- to be known as the first to desire a general disarmament agreement with Israel."

ESHKOL DISCUSSES REPLY TO KENNEDY WITH U. S. AMBASSADOR IN ISRAEL

JERUSALEM, Aug. 1, (JTA) -- Prime Minister Levi Eshkol conferred here yesterday with United States Ambassador Walworth Barbour, and they were believed to have discussed the awaited reply from Mr. Eshkol to President Kennedy resulting from an exchange of letters between Mr. Kennedy and the Israel Government. Mr. Kennedy initiated the correspondence when David Ben-Gurion was still Prime Minister, and the exchange has continued since Mr. Eshkol succeeded Ben-Gurion following the latter's resignation.

Mr. Eshkol also conferred today with Israel's Ambassador to Washington, Avraham Harman, who is here for general consultations with the Government. The exchange with Mr. Kennedy was believed to have been one item of that talk. The contents of Mr. Kennedy's communications to Israel, first to Mr. Ben-Gurion, then to Mr. Eshkol, and the replies thus far sent to the American chief executive, have not been disclosed.

Meanwhile, general foreign relations evaluations were proceeding on the highest governmental levels here. In addition to Mr. Harman, the major Israeli diplomats here now include Walter Eytan and Michael S. Comay, Ambassadors, respectively, to Paris and the United Nations. The principal Ambassadors are expected to attend next Sunday's regular weekly meeting of the Cabinet.

NUMBER OF JEWS REQUIRING J. D. C. AID IN 1962 WAS LARGEST IN 12 YEARS

NEW YORK, Aug. 1. (JTA) -- A greater number of Jews overseas, many of them refugees, required assistance in 1962 than in any year since 1950, the Joint Distribution Committee reported today. The JDC's 17th annual statistical abstract listed aid last year to 277,385 men, women and children in 26 countries of Europe, North Africa and the Middle East, including Israel. This figure compares with 252,000 who required aid in the preceding year, an increase of 25,500.

The abstract reported that, in Morocco, Algeria, Tunisia, Iran and other Moslem countries, more than 98,000 of the Jewish population of 258,400 received some form of JDC aid. This included cash relief, medical care, feeding and other welfare and rehabilitation programs. In Israel, 84,000 were aided through Malben, the JDC welfare program for aged, ill and handicapped immigrants, the JDC cultural and religious program and vocational training. This represents an increase of more than 6,000 over the previous year.

In addition to needy Jews assisted in North Africa and Israel, JDC aid went to close to 90,000 needy Jews in 13 countries of continental Europe, about 13 per cent of the remaining Jewish population of over 683,000 residing outside the Soviet Union.

In a foreword to the abstract, Moses A. Leavitt, JDC executive vice-chairman, noted that Jewish migration had ebbed in 1959 and 1960, began to rise again in 1961, and reached the 200,000 mark in 1962. "As a result," he said, "the very structure of the Jewish communities in North Africa and France underwent a radical change. Within a two-year period, France became the fourth largest Jewish community in the world, exceeded only by the United States, Russia and Israel. The Jewish community in Algeria almost disintegrated, and the number of Jews in Morocco and Tunisia decreased considerably."

The Jewish population of Algeria, Morocco and Tunisia decreased from 380,000 to 178,400, Mr. Leavitt reported. At the same time, he added, the Jewish population in France increased from 350,000 to 500,000. The bulk of them, particularly those from Algeria, found asylum in France, he said, and their plight overshadowed all other problems faced by JDC in 1962.

"This plight gained urgency with the approach of the summer of 1963, when French citizens repatriated from Algeria will have exhausted their monthly allowances provided by the French legislation for a period of one year," Mr. Leavitt said.

B'NAI B'RITH PROTESTS CONVICTION OF MOSCOW JEWS FOR SELLING MATZOH

WASHINGTON, Aug. 1. (JTA) -- B'nai B'rith has protested in a letter to Soviet Ambassador Anatoly F. Dobrynin against the conviction of four Moscow Jews for baking and selling matzoh. Label A. Katz, president of the organization, called on the Soviets to review the case and take corrective action.

Mr. Katz pointed out that the testimony of the Chief Rabbi of Moscow and other witnesses emphasized that the defendants acted on Soviet assurances "that it was legal and proper" to bake and distribute matzoh. B'nai B'rith also protested the "unwarranted" four-month imprisonment of the accused, while awaiting trial. The advanced age of some of the accused was cited.

BOOK ON JEWS IN FRANKFURT DURING NAZI YEARS PUBLISHED IN GERMANY

FRANKFURT, Aug. 1. (JTA) -- The first volume of a projected two-volume work to detail the fate of the Jews of this ancient city, from the rise of the Hitler power in 1933, until the defeat of the Nazis in 1945, was published here today. The present volume contains documentation from Government and Nazi Party files. A second volume will contain a description of the events connected with the documents.

The book was edited by Dietrich Adernacht and Dr. Eleanor Sterling, former West German correspondent for the Jewish Telegraphic Agency. Mayor Werner Bockelman, of Frankfurt, wrote a foreword to the volume, stating: "In comparison with comparable publications, more emphasis is here laid on the initial years of Nazi rule. It is in the beginnings, not the end, that we find right abandoned. The very magnitude of the catastrophe can all too easily obscure the fact that injustice always begins in small things."

DENVER CENTER TO HOLD REFERENDUM ON SATURDAY AFTERNOON ACTIVITIES

DENVER, Aug. 1. (JTA) -- The problem of whether or not to open the Jewish Community Center here for physical and cultural recreation on Saturday afternoons, will be decided by a referendum, it has been announced by Sam Tatarsky, president of the Center. The Center's board of directors, he said, has decided to let the members make the final decision.