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February, 1969

ENDOWMENT FUND FOR ISRAEL INSTITUTIONS OF HIGHER EDUCATION

Internal Memorandum on Project for a Proposed Endowment
Fund from Meyer W. Weisgal to Meyer W. Weisgal

In January, 1969, Pincus Sapir, Minister in the Israel Cabinet, made a proposal for the establishment of an Endowment Fund, for the benefit of Israel's Institutions of Higher Learning. Envisaged in his proposal is a \$500 million fund to be raised; the income derived from its investment to be used to cover operating budgets of the institutions encompassed within it; and to be matched by a Government contribution equivalent to the sum to be derived from the investment of another \$500 million.

The purpose of this memorandum is to clarify my own thoughts concerning the proposal and thereby also to create a basis for possible discussion with other parties, if and when the proposal for a combined Endowment Fund becomes reality.

Clarification would be served by a review of various attempts of the Weizmann Institute of Science, from its earliest beginnings, to set up its own Endowment Fund, and also the efforts to eliminate competition (sometimes rather ugly) among the Institutions of Higher Learning in Israel.

When the Weizmann Institute of Science was conceived in 1944, no great hardships were encountered in securing funds for it, in view of the identification with it of Chaim Weizmann, then certainly the most prestigious personality on the Jewish scene. Between 1944 and 1949, the American Committee raised in cash and pledges \$4,500,000 at a cost of less than 5%, and without a public campaign.

Fund-raising plans for operational budgets and the creation of an Endowment Fund were part of the Institute's initial blueprints.

That a more solid financial foundation for the Institute does not exist is due primarily to the fact that each time we were about to launch an effort capable of insuring that solid financial foundation, we were estopped from proceeding, since 1949, either by the Israel Government or the Jewish Agency or the United Jewish Appeal or Israel Bonds -- whichever happened to be the decisive factor at the moment. This has been going on under various pressures since the establishment of the State.

Not only were our public fund-raising efforts curtailed, but our lay leadership was pressed into the U. J. A. , Bonds, and any deviation from these activities, however worthy or important, was looked upon as treason. In 1954, we were totally estopped from public fund-raising, except for our annual New York Dinner and our much discussed Endowment Fund.

In 1945, in pre-State days, we had made preparations for a fund-raising campaign in 1946 to insure the future of the Institute. We were asked to defer our 1946 campaign until the completion of the U. J. A. campaign. Our leaders were co-opted to head the U. J. A. campaign both in the United States and Britain. Promised an adequate allocation for the Institute, we received, in the end, less than one-third of what we could have expected to raise on our own behalf.

In 1949, Dr. Weizmann, after his election as President of the State of Israel, came to the United States exclusively for the Institute to fulfil a promise made two years before. The U. J. A. stepped in and we were prevented from proceeding with our plans, on a solemn promise that we would get \$3 million in compensation. In an unusual outpouring of affection for Dr. Weizmann, the U. J. A. in two days raised in cash \$38 million, in those days an unheard-of sum. The U. J. A. pledge to the Institute, in the sum of \$3 million was never paid; after two and one-half years of negotiation, it was reduced to \$550,000 and another \$450,000 pledged -- but not paid to this day.

Until 1955, principal sources of funds for the Institute were individual gifts from donors in the U. S. , Britain and elsewhere; the annual dinner in the U. S. , welfare fund allocations. In the year 1948-49, welfare fund allocations to the Institute totalled \$500,000, more than the combined allocation to the Hebrew University and the Technion.

In 1954, the Government of Israel and the Jewish Agency, eager to retain our leadership and their outstanding fund-raising capacity for their own fund-raising needs, offered the Institute subsidies to approximate 60% of the Institute's current budget.

Public fund-raising, including allocations from welfare funds, was barred, except for the annual New York Dinner. The agreement, initially for a trial period of 15 months, has remained in operation, at the insistence of the Government and Jewish Agency, with several adjustments in allocation, but never sufficient to build or maintain the Institute.

The inadequacy of this agreement was very soon apparent as the pace of the Institute's development accelerated. But the Institute continued to grow on "faith", individual gifts, all kinds of financial improvisations and loans.

The urgent development needs of the Institute were met in part by a \$25,000,000 loan I was able to negotiate with the United States Government. Begun in 1960, these negotiations were not completed and implementation did not take place until August 1963. And when it became effective, costs of construction and material had risen enormously. Under the terms of the agreement, this loan must be repaid in dollars over a period of 20 years. Repayments and interest are being made on a quarterly basis.

As successive attempts were made to finance deficits and to create a sound foundation for the Institute through the Endowment, new Israel emergencies and the preoccupation with them of our leaders, still in the forefront of Israel's various campaigns, permitted the status quo to continue in deference to Israeli needs.

Alone among the Institutions of Higher Learning, the Institute has consistently subordinated its own cardinal interests to make room for the financial priorities of Israel's national emergencies. And it has scrupulously abided by the terms laid down in these emergencies, to its own detriment, to this very day.

It is relevant to mention that in September 1955, when we withdrew from the Welfare Funds, we asked that the funds which would have been allocated to us should be granted either to the United Jewish Appeal or the American Friends of the Hebrew University or the American Technion Society.

Endowment Fund

At least eight times since 1949, the Board of Governors was urged to establish an Endowment; authorization to establish the Endowment Fund was given in 1949. But renewed attempts to launch such an Endowment Fund in 1956, 57, 58, 59, 61, 62, 64 failed to secure authorization -- in deference to Israel's priority needs.

Lord Rothschild and Endowment Fund

The most recent chapter in this record of frustration and deference to Israel's priority emergency needs occurred in 1968.

On November 19, 1968, Victor, Lord Rothschild was the principal speaker in New York at the annual dinner for the Weizmann Institute. More than six months earlier he had accepted my invitation, in order to launch a \$200 million Endowment Fund for the Institute at the dinner. Under the pressures of the new Israel emergency, that announcement was deferred.

On December 11, 1968, following his return to London, Lord Rothschild wrote me, *inter alia*:

"On two occasions I have now appealed for an Endowment Fund for the Weizmann Institute. The first was a private dinner in General Sarnoff's house some time ago; the second was the other day at your Dinner in New York. I would like to know what the policy is."

To this letter, I replied on December 22, 1968, portions of which follow:

" It goes without saying that I am just as unhappy about the decision regarding the Endowment Fund as you are. But I can also understand the point of view of those who, in the light of the continuing emergency, press us to withhold any major public action at this time. Besides, as I said in my speech to the Board, 'The greatest fund-raiser in the world cannot circumvent the demands of a national emergency, nor can the strongest spokesman of a single institution compete with even the weakest government. There is a certain charisma about government epaulets with which no private individual can compete.'

"We were forced, as you well know, to cope not only with the Government, but with the Jewish Agency, the U. J. A. and Bonds organization which are governments within a government. The emergency is, of course, real, but whether the Government and its various agencies are using correct methods or pursuing the best possible course is quite another story.... Let me... proceed to answer the question posed in your letter to me of December 11.

"It is my deepest conviction that we must establish a sizeable Endowment Fund of some \$100 million. Equally, I am convinced, that the most appropriate time possible for launching a public campaign to this end would be November 2, 1969 -- thus also making use of our 25th Anniversary. This does not necessarily mean that we should wait till then to start working. On the contrary, we should begin, quietly, to pursue a list of selected individuals from various parts of the world -- people who are likely to contribute large sums towards such an Endowment Fund.

"It is also my opinion -- and I have discussed this with Messrs. Sapir and Eshkol for several years and secured their agreement, at least in principle -- that the Government should agree to match an Endowment Fund, if and when established, dollar for dollar.... With your incentive and support, I am quite sure that within 1969-1970, we could actually get the \$100 million we so desperately need."

How Sapir's Proposal Emerged

This correspondence (in copy) I sent to Pincus Sapir, who had been interested for some time in an Endowment Fund for the Israel Institutions of Higher Learning.

Mr. Sapir enlarged on the idea and proposed a campaign for \$500 million, whose income would be used to finance the operating budgets of Israel's Institutions of Higher Learning; with an amount equivalent to this income to be set aside for this purpose by the Israel Government.

As is his custom, Mr. Sapir allowed no grass to grow under his feet. He arranged to stop in London en route to the U.S., to meet on January 24 with Lord Rothschild on this matter. Mr. Sapir invited me to attend this meeting. I did not think it appropriate to do so; moreover, preparations for my scheduled trip to Latin America precluded acceptance.

Two days before this meeting, attended also by Mrs. James de Rothschild, Lord Rothschild (then in New York) phoned me in Geneva to ask my opinion. My reply was that, in principle, I saw no objection to the concept. But I underscored the need for the most meticulous advance understandings, commitment and preparations, if the fiasco of the U. I. T. (University, Institute, Technion combination of former years) was not to be reenacted.

I also indicated that my own commitment to the project would be influenced by the agreement of Lord Rothschild to serve as the Chairman of a Board of Trustees to be created as the overseers for the entire project. Lord Rothschild entered no objection to this, although he did not make a commitment to so serve.

Immediately after this telephone conversation with Lord Rothschild, I called Mr. Sapir in Kfar Saba, Israel, to relate its substance to him. He was pleased with my suggestion re the chairmanship of the Board of Trustees and said that he would also extend such an invitation to Lord Rothschild.

On January 25, 1969, at Kennedy Airport, I met Mr. Sapir, then enroute to Florida. He reported with enthusiasm on his luncheon with Lord Rothschild and Mrs. James de Rothschild. He sent a cable to Prime Minister Levi Eshkol reporting on his London visit, recalling also Mr. Eshkol's proposal three years ago on the same subject, and clearly indicating the primacy of the Institute in the effort.

Since there was not enough time for serious discussion at the Airport, we agreed to meet again in Florida on February 7th, where I would stop over enroute to Latin America. Attending the meeting would be Mr. Sapir, who had invited Sam Rothberg of the Hebrew University; Dewey D. Stone, Chairman of the Institute's Board of Governors, and Harry Levine, Treasurer of the American Committee, whom I invited to participate with me.

So much for history.

Comments

General Frame of Reference

The general frame of reference for an examination of Mr. Sapir's proposal with a view to implementation should include the following :

- (1) Avoidance of an exercise in futility. Since national emergencies are a constant of Israeli life, planning the implementation of Mr. Sapir's proposal could be an exercise in futility unless a priori the Israel Government firmly accepts the premise that support of the Institutions of Higher Learning is a necessity, not a luxury and binds itself to the implementation of an

agreed plan, exempt from obliteration or subordination to any new national emergency campaigns.

- (2) On the part of the beneficiary institutions, there is equal need for the kind of advance commitment, hitherto lacking, that once agreements are reached, they will be scrupulously observed in spirit and in practice, without the depredations, open and under cover, which too frequently mar the fund-raising scene. (This was the experience of U. I. T.)
- (3) If agreement is reached on the proposal, implementation should be vested in a specially designed organization for this purpose, representative of all the parties to the agreement, plus such personnel as the organizations may decide.

In evaluating Mr. Sapir's proposal, there are many apparent advantages, as well as disadvantages, some hidden and others apparent.

Its most obvious advantage is, of course, the fact that the proposed project would have the backing and participation of the government and its organs, thus providing effective stimulus to maximum results.

Basic Problems

Basic problems would revolve around maintenance of the integrity of the beneficiary institutions; safeguarding against interference into their normal activities (non-fund raising); assurance to them of a means of acquiring funds for non-operational undertakings, which are certain to arise. But whatever the source of income or purpose, each of the parties must report its receipts to the central agency.

It is assumed, in advance, that existing endowment funds of each of the institutions, unpaid pledges, and bequests remain the property of each, outside the Endowment Fund's purview.

Once an agreement on principles is reached, planning for the implementation of so formidable an undertaking will take at least six months, involving, as it will, blueprints; personnel, voluntary and professional; setting up lists of potential donors, individuals, organizations and foundations; scheduling operations; setting up an organization, etc.

Since the actual raising of the funds may take from three to five years, three fundamental questions immediately arise :

- (1) When is independent fund-raising to be discontinued by the beneficiary institutions ?
- (2) If before the funds actually have been raised, who, in the interim, is to guarantee the operating income? My own thought would be the

Government of Israel and/or the Jewish Agency.

- (3) Under whose auspices is the fund-raising to take place?
- (4) What yardstick is to be used in allocating the funds?

Obviously the yardstick cannot be the number of students attending any one of the beneficiary institutions. The yardstick must be the fundamental purpose served.

The Weizmann Institute stands in the forefront of Israel's scientific establishments. The gauge of its value is hardly the number of students in its Graduate School. As a research institute, it is unique in the country and for that matter, in the world at large, and so recognized by scientists everywhere.

My suggestion for a formula for the Endowment Funds is as follows:

Hebrew University	25%
Weizmann Institute	20%
Haifa Technion	20%
All other institutions To be divided among them	35%

Other questions requiring definitive reply are:

-A-

IS FUND RAISING FOR THE ENDOWMENT FUND TO BE A ONE TIME MAJOR EFFORT?

WHAT IS THE TIME PERIOD FOR COMPLETION OF THE GOAL?

IN WHAT COUNTRIES SHOULD THE EFFORT TAKE PLACE?

UNDER WHAT AUSPICES IS FUND RAISING TO BE CONDUCTED?

WHAT MACHINERY IS TO BE SET UP FOR THE FUND RAISING?

WHO SUPERVISES THE INVESTMENT?

HOW ARE DECISIONS OF THE FUND TO BE REVIEWED AND WHEN?

WHEN IS INCOME TO BE PAID OUT TO THE BENEFICIARIES?

WHEN IS FUND TO COME INTO EFFECT? WHEN THE FINANCIAL GOALS HAVE BEEN ACHIEVED, OR BEFORE?

IF BEFORE, HOW ARE THE OPERATING BUDGETS OF THE BENEFICIARIES TO BE MET?

WHAT FORMS OF AGREEMENT ARE TO BE SET BETWEEN THE BENEFICIARIES AND THE ENDOWMENT FUND? BETWEEN THE TRUSTEES OF THE ENDOWMENT AND THE GOVERNMENT?

WHERE ARE THE FUNDS TO BE KEPT?

HOW ARE BENEFICIARY INSTITUTIONS TO BE REPRESENTED IN THE FUND DECISION-MAKING MACHINERY?

-B-

IF ENDOWMENT FUND DISTRIBUTION TO EACH OF THE BENEFICIARY INSTITUTIONS DOES NOT COVER IN FULL OPERATIONAL BUDGETS, HOW ARE THE INSTITUTIONS TO COVER THE BALANCES NEEDED FOR OPERATIONAL BUDGETS, WITHOUT ADDITIONAL FUND RAISING?

WHAT PROVISIONS WILL BE MADE TO ENABLE EDUCATIONAL INSTITUTIONS TO SECURE FUNDS FOR NON-OPERATIONAL PURPOSES, SUCH AS MEETING PAYMENTS ON DOLLAR OBLIGATIONS PREVIOUSLY INCURRED; NEW FACILITIES; EXPANSION OF EXISTING FACILITIES; NEW EQUIPMENT; REPLACEMENT OF EQUIPMENT; PARTS REPLACEMENT AND THE LIKE.

HOW ARE SPECIAL GIFTS TO BE HANDLED, SUCH AS THOSE DIRECTED TO AN INDIVIDUAL INSTITUTION BY A DONOR FOR A CHAIR, SCHOLARSHIP AND THE LIKE IN HIS NAME?

DO THESE GO TO THE FUND? OR ARE THEY RETAINED BY THE INDIVIDUAL INSTITUTION WITHOUT BEING DEBITED FOR IT IN THE FUND?

HOW DOES ONE AVOID A SNOWBALLING OF SO-CALLED "SEITENSPRUNG" FUND RAISING THIS COULD OPEN UP?

-C-

IN THE EVENT OF A SURPLUS IN A GIVEN YEAR, DOES A BENEFICIARY INSTITUTION RETAIN THAT SURPLUS WITHOUT BEING DEBITED BY THE FUND?

IF AFTER A THREE YEAR EXPERIENCE THE WORK OF THE ENDOWMENT IS REVIEWED AND A DECISION REACHED TO DISCONTINUE OPERATION, HOW IS THE MONEY IN THE ENDOWMENT FUND TO BE HANDLED?

SHOULD IT BE DISBURSED TO THE BENEFICIARY INSTITUTIONS?

SHOULD ITS INCOME CONTINUE TO BE DIVIDED ON A PROR, AGREED PERCENTAGE BASIS AMONG THE ORIGINAL BENEFICIARIES, OR WHAT?

Answers to these and related questions are obviously essential before basic decisions can be reached.

A Proposal For A Campaign
To Be Conducted By the Israel Education Fund Of The United Jewish Appeal
In The United States
On Behalf Of All Institutions of Higher Education In Israel

Preamble

To achieve the current level of somewhere around 15 million dollars annually which they are raising for the Universities they represent, the 5 "American Friends" organizations have an unduplicated aggregate 440 lay leaders serving on their Boards; maintain professional staffs totaling 52 persons; incur annual expenses averaging 15% of total gross receipts; and hold public fundraising functions in approximately one dozen major cities.

By and large the men involved work diligently, but it is obvious that something must be done to raise the level to somewhere around 50 million dollars per year, which is the estimate of what is required for both maintenance and capital, over a 10 year period, assuming the same Government participation as at present.

In any restructuring of an American fund-raising instrument in support of higher education in Israel, the continued efforts of the lay leadership of the current individual organizations should and must be enlisted. Through any centralization of campaigning which is instituted, the current individual organizations, which engage in many other productive activities besides fund-raising should and must continue as entities. Separating fund-raising from the cultural, educational, recruiting, archival and other functions of these distinguished American societies cannot, in fact, help but lead to an improvement and expansion of those valuable activities.

1. Purpose of Campaign

To increase the fundraising in the United States for all institutions
by:

- A. coordinating all activities in one office
- B. eliminating conflicting and competitive requests to communities for campaign dates
- C. assembling the best possible lay leadership for solicitations, acting in concert for the one campaign
- D. building the best possible professional staff
- E. eliminating some duplicated expenses, thus
- F. approaching the total organized Jewish community in a totally unified manner.

Stated very simply, there are two outstanding advantages to be derived from this approach: first, the universities must benefit, because more money will be raised; second, the communities will benefit because they will be approached only once on behalf of higher education instead of several times, with all the resulting annoyances.

2. Scope of Campaign

Using available estimates of the student growth and capital needs over

the next ten years (1970-1979), and assuming a 70% government participation in maintenance funds and 30% in capital or development funds - an average amount of \$50 million per year will be required for all institutions.

This must be the scope of the proposed campaign.

3. Method of Campaign

Since two different types of funds are being sought, two different methods should apply.

A. Capital funds should be solicited in large units, on an individual basis, after clearance with the community (to make certain that the annual gift to the current UJA campaign has been made) following the customary Israel Education Fund procedure.

The size of the unit is not specified here, because some analysis should be made of the total list of requirements of all the institutions in order to see if any basic minimum common denominator figure emerges. This analysis should also determine into which category a specific item falls, i.e., a building is clearly a capital fund, a scholarship is clearly maintenance fund; what is an endowed chair? There will be many such questions. It is obvious, however, that the minimum gift in the capital fund category must be high - whether \$100,000 or somewhat lower or somewhat higher is to be determined.

B. As for the maintenance gift, this should be solicited on a community-wide basis, with no minimum, or perhaps a very low minimum, such as \$100 or \$250. Once each year, at a time and for a period to be decided upon in consultation with the community, a united campaign on behalf of Israel's higher education should be conducted throughout the entire community, with all appropriate professionalism, a fixed goal, publicity, dinner or dinners, important speakers, pre-solicitation at small parlor meetings - in other words, a complete campaign, in miniature.

The national maintenance goal should be divided into equitable community shares, in a public process of consultation with the major communities, so that all may know what each is being asked to produce, and no single city feels it is being unfairly exploited. Once agreement is reached on this, all may be expected to work with vigor to achieve their "fair share."

No one city will have an inordinately large quota. The community-wide campaign to raise it should be completed inside of one month, with possibly one month required in advance for preparation.

Parallel and simultaneous with this, the capital fund effort will go on, with selected individuals. It is not necessary for this to be confined to a short period, for this program does not disturb the whole community. It is advantageous to finish it as quickly as possible, but the pursuit of large individual donors must conform to its own dynamics.

4. Specific Elements of the Campaign

There must be created in Israel one central address with which the Israel Education Fund can have its liaison. This might be a Minister of Higher Education, if one were to be appointed; or an Authority, representing all the institutions; or any other form of umbrella organization embracing all. This person, group, council, committee, authority or whatever is felt by the institutions to be most practical, has two functions: to determine the specific needs of a given year's campaign and to enter into discussions with the IEF far enough in advance so that those needs can be

properly advertised and presented for the next campaign (in other words, make up a total "needs list," bring it to the IEF and agree on what will be "sold" during the coming campaign); and secondly, to serve as the channel through which each institution will receive what it has been agreed in advance it shall receive (in other words, divide the proceeds, according to a pre-campaign formula which all schools agree upon).

5. Preserving Identity of Individual Institutions

It is most desirable and necessary that the identity of the seven participating institutions be maintained, and not be lost in the anonymity of the unified campaign. The reasons for this are obvious. The whole is not greater than the sum of the parts, in this case. The parts are most important. Institutions have developed loyal constituents, over the course of years, and these loyalties should rightfully be exploited. The unified campaign is a vehicle, a method, a tool - but the individual institutions must be kept prominently visible before the eyes of the public from whom contributions are sought. As a matter of fact, the enlarged unified campaign will enhance the visibility of the individual institutions and spread it to a larger public than ever before.

Some specific steps which can guarantee the maintenance of individual institutional identity are:

1. Retaining of individual offices and addresses of academic purposes, as described above.
2. Appearance of each university president before many more community-wide audiences than has ever been possible under the present system. Theoretically, each university president should be prepared to appear in 15 - 20 communities per year, during the one month height of the campaign.
3. Acceptance of earmarked gifts for specific institutions. The details of this procedure are complex, and, therefore, need not be set down in this paper - but in principle it should be possible to solicit earmarked gifts.

6. Forming a Lay Board

Since it is impossible and even unnecessary at this point to chart a completely detailed structure of board, executive committee, administrative committee, officers, or whatever else might be required, it is suggested that simplicity and pragmatism prevail at the inception.

There are at present key individuals identified with the individual institutions. These men, plus others, calling themselves an organizing committee, should meet for a detailed discussion, together with some key individuals of the IEF, UJA and CJFWE to plan the minimum structure necessary to start the unified campaign. Future events will themselves dictate additional organizational needs.

The first organizing meeting should be under the chairmanship of Charles J. Bensley, President of the IEF, until a permanent structure is created.

7. Forming a Professional Staff

Since it is contemplated that the unified campaign will be conducted by the IEF, the Executive Director of the IEF will be the chief executive officer. The staff requirements, budget, assignments, recruitment of personnel are all matters to

be spelled out - but the general operating principle is that the campaign headquarters will be sited at the national UJA office, to take obvious advantage of all facilities, and that desirable professional staff members of the currently separate campaigns will be absorbed into the new campaign staff.

8. Forming an Academic Advisory Board

The value of such a group to the lay board is self-evident. This advisory body can help pass judgment on the requests coming from Israel; can provide supporting arguments which will be valuable in campaigning; can give the lay leaders greater assurance; can conduct surveys in Israel which will authenticate needs; can make speeches and statements on behalf of the campaign; and can make its own suggestions.

The prestige value of an advisory board of scientists and academicians of this stature is beyond estimate.

9. Legal Matters

It does not appear necessary that the procedures followed by IEF with regard to the high school campaign be employed in this university campaign. Each institution of higher learning enjoys its own tax-exempt status, and therefore no additional corporate structure or agent is required. The IEF can distribute the funds raised directly to the beneficiary institutions.

It might be worthwhile for the IEF to file a memorandum with the Internal Revenue Service, indicating the nature of the new university campaign being undertaken.

Counsel for the UJA must obviously participate in the organizational process described in #8 above, and in the writing of any by-laws or procedural rules.

10. America-Israel Cultural Foundation

It is a moot question as to whether this organization should be included in the unified campaign. Arguments can be presented on both sides. The organizing committee should take the matter under advisement and make a decision. This writer's opinion is in the affirmative.

11. Steps to be taken in Implementation of this Memorandum

- a. Internal discussions inside UJA - i.e. its executive committee, its IEF officers, its constituent agencies - to obtain an affirmative consensus
- b. Discussions with CJFNF - to achieve agreement on major principles, particularly operations.
- c. Discussions with authorities in Israel - i.e. university presidents, government officials.
- d. Convening of organizing committee, with following agenda:
 1. Decide on name for new campaign
 2. Decide on time-table
 3. Appoint finance committee, for purposes of budget, staff, and other related questions

January 1969.

Herbert A. Friedman

SUGGESTED PLAN FOR UNIFYING FUND RAISING
IN THE UNITED STATES ON BEHALF OF ALL
INSTITUTIONS OF HIGHER LEARNING IN ISRAEL

I. Present methods of operation in the United States

HAF - You can put under #1 - chart and table. What each school has raised over a period of years...for five year period...capital fund...maintenance fund. What does it cost to raise. There is a serious discrepancy between ASH from Israel and the CJFWF. How do we reconcile this. What is meant by funds raised or transferred. Are ASH figures higher?

DM - No. Lower. ASH figures are in Israel.

HAF - Are these raised figures.

CB - Leave blank space for that.

HAF - Go over to executive directors of each organization and say this is what you alleged you raised for each or 5 years. This is the information we received from Israel. You say you raised so much as reported to CJFWF. ASH got these from Technion in Israel. Under #1 put what is raised now. Do you want to describe fund raising set up in every organization as it exists. How much personnel.

DM - Too much detail at this point.

CB - Stay away from this point.

DM - Do you want expenses.

CB - What higher education consists of now in its capital form - its building.

HAF - Is this relevant

CB - One of the main reasons that you want to have unified form is because of the ~~need~~ constantly growing nation; due to the fact that industry...population is growing rapidly and you will have to expand these universities.

CB - In August, 1957, Eshkol said that for the next 10 years we must increase our GNP by 9%. That would be 100% increase in the next decade which would mean that 300,000 new would have to be found. We must expand our educational facilities particularly in the higher area where we will need para-professionals and professionals.

HAF - Chapter #1 should be "Projected Needs." # 2 should be present performance and so there is a wide discrepancy. # 3 should be remedy how to close this gap.

CB - Take old report and show what we did for secondary education.

HAF - # 1 - Meaning of education in the growth and development of the country. Educational needs must be described. Who has five year projections. For each school.

DM - We could break it down from ASh figures. I got 168 million - 218 million for both maintenance and development. Sam figures from RIG who got them from Agmon. They check out.

HAF - what schools are included in these figures?

CB - We want to win friends and adherents to this plan - of the present authorities for Bar Ilan and Haifa. By for their own benefit their maximum needs for 5 to 10 years. Because you need so much money for all these institutions we are trying to devise a plan to help you raise this money. We realistically foresee your tremendous needs and sympathetically we join with you in this plan to accomplish all the educational needs.

HAF - We must get the figures. No one has projected figures for 10 years.

CB - Haifa U. is having a function next 18th. Parker has asked me to join as trustee. Parker knows. Lookstein knows for Bar Ilan.

HAF - You have another research problem. You have blanket figures but you don't know what they represent.

DM - They are projections. No indication if they include Haifa U.

CB - One of the success of the IEF was inability of projecting the needs at its maximum. We were thus able to talk in terms of 100,000 plus.

HAF - I agree with you on higher figures. We must get closer with this than we did with the high school figure.

CB - The best way for us to check figures is to go to each university and ask what is your overhead for operating and how much for your capital now for each year. We can then check against budget bureau figures.

HAF - 33-43 million per year for 5 years.

CB - How does the government know where to get its figures. Somebody should try to get figures from universities. All we have here is percentages. We want to win the confidence of the universities. We are here to help, not hurt.

HAF - You check further projections.

Government bureau makes a projection on what the government will have to put in. It is possible to check it by going to universities and asking them what do they need for 5 - 10 years. We must ~~provide~~ provide them with a figure. How much capital and how much maintenance.

CB - We want to help their dream. We should begin to get through to them that we have only one reason - for the purpose of help to programs needed for growth of Israel.

HAF - Get their specific needs for 5 - 10 years.

DM - ASH has same figures in bulk. For five years:

Hebrew University	125 million
Tel Aviv	100 million
Technion	75 million
Bar Ilan	40 million
Haifa	50 million
Negev	25 million
Weizmann	50 million
	<u>IL 465 million</u>

\$ 133 million

\$ 27 million annually.

AF- Maintenance - It is estimated that as the average over next five years maintenance costs would be something around 280 million IL per year for all schools combined, or \$80 million. Working on the assumption that the government would continue to provide 70% of this or \$56 million, the increment required for maintenance would be \$24 million annually.

The rough total therefore would be \$26 million for capital and \$24 million for maintenance, or \$50 million per year.

HAF - Maintenance for year is IL 280 million or \$80 million. If you say to government - stabilize yourself at that we must come up with \$50 million.

CB - Not even talking about expansion for increase of operation, expansion of universities. The minimum is \$50 million per year. American fund raising organizations provide 10 to 12.

CB - We must avoid earmarking of funds wherever possible. You must have a tax conduit organization if a friend want to give to IEF and not to HU or ~~Ex~~ Technion.

HAF - IEF now gives money to an agent...the UIA. It says executive this. That agent goes ~~to~~ to another agent and ~~says~~ says - execute this. In your suggestion a man makes a gift of \$ 5 million undesignated. He does not earmark. He gives \$5 million to IEF for higher learning. You distribute it. What do we do legally. Can our Board legally then decide to give \$1 million here and \$1 million someplace else, directly to the schools. The schools are tax deductible. Do we need in between agents?

CB - That's a legal question for which we need attorneys. It might very well be that a unified college fund would not need the two intermediary agencies. Mr. X says here is \$ 5 million with one stipulation. Give it to at least 4 different universities in the nature of priority of need. But I authorize you to do so. At this point, we call a meeting of our Board and we say - these are the needs of this university and we decide and ~~transmit~~ transmit it to the different universities. Are we legally correct in doing this. We do not in any way effect a tax deductibility or do we need ~~intermediary~~ intermediary agencies as we have needed in the past in IEF.

CB - How much ~~of~~ of this should we be prepared to talk about.

HAF - Only to say that we are working up a memorandum, a draft. We will have something on paper. We will circulate it to you between now and the ~~Williamsburg~~ Williamsburg retreat on May 16. You study it. We will have a full discussion at Williamsburg and you will give your full backing. ~~Then~~ Then, with your backing of May, your officers can go into the conference in June on behalf of the UJA.

TO: Herbert A. Friedman

DATE: March 10, 1969

FROM: David Mark *DM*

SUBJECT: ITEMS FOR CONSIDERATION: IEF WORKING MEETING, MARCH 11.

- ① 1. Working methods for solicitation of operating funds.
- ② 2. Working methods for solicitation of capital funds.
- 3. Ownership, maintenance and administration of capital projects built.
- ④ 4. Mechanism for fixing fund-raising dates (dinners).
- ① ✓ 5. Advantages of a united fund:
 - a. To the communities: streamlined, non-conflicting, non-abrasive:
 - b. To the universities: increased returns.
- 6. Publicity, publications and propaganda. *mandatory identity of institute*
- 7. Table of Operations:
 - a. In Israel: central body to select projects (?); Agency personnel.
 - b. In U.S.: UIA; UJA/IEF; personnel from existing organizations.
- 8. Budget.
- 9. Staff (see 7b above).
- 10. Existing organizations:
 - a. Retention of independent headquarters.
 - b. Retention and strengthening of non-fund-raising functions.
- ② 11. Boards and Structures: particularly, to include key leaders of current organizations.
- 12. Involvement of intellectuals, educators, scientists.

③ *reality of Central Body in Israel*
 ④ *Working Procedures*
Earmark - ?

DM:SS

cc: CJB

⑤ *Administration*
10, 9, 8, 6

⑥ *Legal problems*
3

Israel Education Fund

HAF

51 West 51st Street

New York, New York 10019

PLaza 7-1500

President
CHARLES J. BENSLEY

National Chairmen
JACOB FELDMAN
JOSEPH H. KANTER
ALBERT PARKER
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JOSEPH MAZER
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SAMUEL M. MELTON
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MRS. LOUIS J. REIZENSTEIN
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LEONARD ROSEN
WILLIAM ROSENWALD
LEO ROSNER
SAM ROTHBERG
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DR. DEWEY D. STONE
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ROBERT J. WISNICK
MALCOLM WOLDENBERG
MORRIS B. ZALE

Honorary Chairman
JOSEPH MEYERHOFF

March 12, 1969

Mr. Abraham S. Hyman
6 Vitkin Street
Tel Aviv, Israel

Dear Abe:

Since you and Ralph "deserted" this unsinkable ship and aliya'd your way to the land of promises, I have little time for such amenities as writing friendly notes to departed colleagues, so, while reading this long and detailed business letter, you'll have to take my friendly feelings on faith. The business at hand involves reliable facts and figures, always hard to come by and particularly crucial at this time when I'm getting down to preparing the basic higher education material in advance of, and for, the June conference.

The reliable figures we need concern a)- the sums raised and expenses incurred by the various institutions of higher learning through their American "friends" or whatever; and b)- figures reflecting projected maintenance and development needs for the institutions for a future five to ten year period.

In the first category, the problem is that spot-checking the figures you sent in against material available from the CJFWF on the Hebrew University and Technion results in discrepancies as wide as the one you found between the Budget Bureau figures for the Weizmann Institute and the figures you were given by the Institute itself. Since you have not reported a reconciling of that Weizmann discrepancy in the five weeks intervening, I assume you're having trouble with it. Let me add to that by telling you of my troubles with the other two outfits...

Hebrew University.

Your figure of total sums raised for 1965/6 is IL 5,068,000 or \$1,624,000 at the exchange rate prevailing then. The CJFWF figures for the same year, for sums "transmitted to or disbursed on behalf of Hebrew University" are: \$1,620,659 for Building Fund; \$621,415 for General Fund and \$787,616 for Special Funds (which are defined as "earmarked funds, including endowment funds"): for a total of \$3,029,690.

An inspired conclusion from the above might be that the figure you were given was limited to the sum raised for the Building Fund, since the two figures are so close. But an inspection of the 1966/7 figures deflates that idea. The total figure you were given is IL 4,355,000, which converts to a little more than \$1,450,000 at the 3-for-1 rate. The CJFWF figures are: \$1,931,824 for

*Deceased

Mr. Abraham S. Hyman

March 12, 1969

Building Fund, \$994,087 for General Fund and \$1,024,086 for Special Funds... for a total of \$3,949,997. (And the difference between the Building Fund figure and your total figure is too great for any kind of inspiration.)

Technion

Your 1964/5 total-raised figure is IL 3,566,000, or about \$1,189,000. CJFWF figures are: \$1,703,249 for Building Funds, \$329,215 for General Funds and \$1,309,857 for "Restricted Funds" which are not defined but probably are earmarked and/or endowment funds (and which include about \$500,000 in investment income)... for a total disbursed to Technion of \$3,342,321.

Your 1965/6 total-raised figure is IL 2,489,000 or about \$830,000. CJFWF figures are: \$1,613,100 for Building Funds, \$259,940 for General Funds and \$1,019,123 for Restricted Funds... for a total of \$2,892,163.

Your 1966/7 total-raised figure is IL 2,397,000, or almost \$800,000. CJFWF figures are: \$1,299,452 for Building Funds, \$338,343 for General Funds and \$1,623,634 for Restricted Funds... for a total of \$3,261,429.

There are no comparable figures available to me at this end as yet on Weizmann, Bar-Ilan or Tel-Aviv, but you've already been hit with the Weizmann discrepancy and I'm almost sure the others would turn up mis-matched figures as well. You can see the confusion, and the problem. It could be solved easily if, for example, we accepted the CJFWF figures for Hebrew and Technion for 1965/6 and the Weizmann figure given you by the Institute for that year. The three figures would add up to \$11,452,812, which would bear out a statement in the 1968 American Jewish Year Book that the three organizations raised "more than \$11,000,000" in 1965/6. But, since the Budget Bureau gave you such substantially lower figures (totalling \$3,882,000 for the same year), we can't help wondering if a)- the organizations' figures are padded; or b)- the Bureau's figures are 'way off. In preparing our material, of course, we can't afford to wonder; we have to know.

In the interest of pinning down the figures at this end, Herb has suggested that I contact the Executive Directors of the American fund-raising organizations directly. This I have started to do, but I don't know how much cooperation we'll get or how much clarity we'll achieve with this approach and I'm frankly not very optimistic (Ed Vajda of Technion, for example, says he has not yet himself been able to get a satisfactory accounting and is using the CJFWF figures...)

All of which leads to an urgent request that you find some swift way of getting reliable figures there by going back - with the conflicting figures in hand - to the institutions and/or the Budget Bureau, or by finding a third, demonstrably accurate source. In doing so, it would be helpful if you could get the total-raised figure broken down into sums raised for maintenance and for development (the third breakdown unit used by CJFWF, such as Restricted or Special Funds, would - if you run into them - have to be broken down into the two main categories.)

Mr. Abraham S. Hyman

March 12, 1969

In the second area of search - projected maintenance and development needs in the next five to ten years - we're seemingly on firmer grounds. What we need here primarily is a double-check confirmation of the estimates you've been given for development (capital investment) for the next five years, as well as a year-by-year breakdown for Tel Aviv U. (which gave you only an overall figure). In addition, there is the consideration that in our report, we want to project needs starting with 1970/1, whereas I'm assuming the "next-five-years" figures you've been given begin either with 1968/9 or 1969/70.

Bearing that consideration in mind, you have not yet been given any figures projecting maintenance costs for the period 1970/1 through 1974/5. These will be necessary for the chart and reports we're preparing, for each institution and broken down year-by-year. (Incidentally, all Executive Directors I've contacted say they don't have these projections and don't expect them, and that they have¹ come from the institutions themselves in Israel.)

A final consideration in this area is that, for our purposes, a ten-year projection might be more effective. If you can get projections covering 1970/1 through 1979/80, therefore, so much the better.

For your information and use as a guidepost in gathering this material, I'm enclosing a set of projections, dated March 6, 1968, which Avraham Agmon gave Ralph last year. They are overall projections for all institutions of higher learning (presumably including Haifa and Negev, although that could be verified) from 1968/9 through 1973/4. Please note that (with some complex figuring which I wouldn't suggest you repeat) the maximum annual development projection is about IL 85,000,000 whereas a projection of IL 96,000,000 could be established on the basis of the figures you have been given. There is also the consideration that part of the Bureau's development projections is based on an increase of 5,000 students during the period covered, whereas the Bureau's own chart seems to project an increase of 15,000 for that same period; the figures you got covering periods ranging from three to five years, add up to an increase of about 12,000; this merits re-checking. Another thing to check would be the actual development (building) plans of the two newest institutions - Haifa and Negev - which would seem to me, logically, to entail more than the projected annual development sums given you.

To put the problem in its simplest terms: on the basis of various figures from various sources, we could report an annual fund-raising capacity for the American organizations campaigning on behalf of the institutions of higher learning, of anywhere from under \$5 million to about \$15 million; and we could project annual needs of the Institutions, beyond government participation, of anywhere from \$35 million to about \$65 million. Old gap-narrowers though we may be, those are mighty big gaps to narrow. I'll keep doing my best at this end but hoping that you can break through, and quickly, at your end.

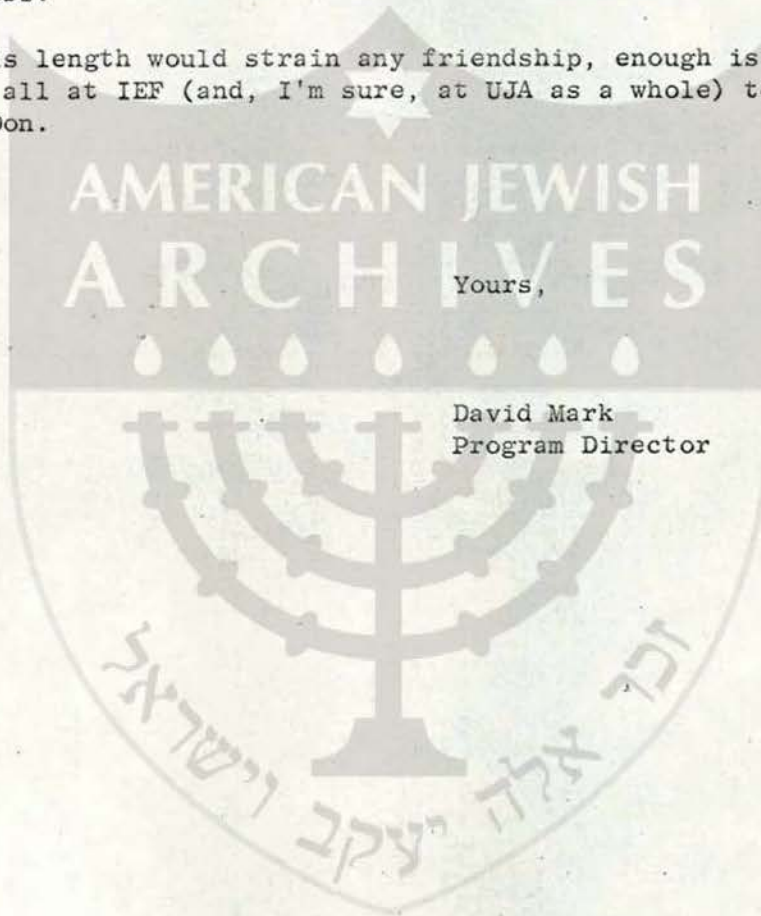
I'm attaching several copies of a blank chart, indicating the exact figures we're after. Your successful and accurate filling in of the blanks - in thousands of \$ or IL - and speedy return to sender will be worthy of at least a footnote below miracles created for, by and in the name of Israel, the UJA and the IEF. (Since you have written that you cannot obtain expense figures there, we will assume the figures you supply are net.)

Mr. Abraham S. Hyman

March 12, 1969

There is one other set of figures needed, which shouldn't cause you too much trouble: a chart of how the institutions support themselves now; that is, how much they receive in the form of tuition, government subsidy, fund-raising abroad (broken down to U.S. and other) and any other sources of income not covered by the above. The figures for the current - or last reported - operating year for each institution would probably do, although it wouldn't hurt to go back a couple of years.

A letter of this length would strain any friendship, enough is enough, and the very best from all at IEF (and, I'm sure, at UJA as a whole) to you, Rina, Eytan and Don-Don.



Yours,

David Mark
Program Director

DM:SS
Encs:

cc: CJB
HAF
RIG

CONFIRMED SUMS RAISED

	<u>1964/5</u>		<u>1965/6</u>		<u>1966/7</u>		<u>1967/8</u>		<u>1968/9</u>	
	Maint.	Devel.	Maint.	Devel.	Maint.	Devel.	Maint.	Devel.	Maint.	Devel.
HEBREW										
TECHNION										
WEIZMANN										
TEL-AVIV										
BAR-ILAN										
HAIFA										
NEGEV										

PROJECTED NEEDS*

	<u>1970/1</u>		<u>1971/2</u>		<u>1972/3</u>		<u>1973/4</u>		<u>1974/5</u>	
	Maint.	Devel.	Maint.	Devel.	Maint.	Devel.	Maint.	Devel.	Maint.	Devel.
HEBREW										
TECHNION										
WEIZMANN										
TEL-AVIV										
BAR-ILAN										
HAIFA										
NEGEV										

	<u>1975/6</u>		<u>1976/7</u>		<u>1977/8</u>		<u>1978/9</u>		<u>1979/80</u>	
	Maint.	Devel.	Maint.	Devel.	Maint.	Devel.	Maint.	Devel.	Maint.	Devel.
HEBREW										
TECHNION										
WEIZMANN										
TEL-AVIV										
BAR-ILAN										
HAIFA										
NEGEV										

*1969/70 is the swing-year, and its figures are not absolutely essential for our charts and material, but we should have them for sake of completeness of information.

Budgets Dept. 6/3/68 - A. Current-Budget & Development-
Budget of the Universities & Governmental Participation
in them (estimates for fiscal years 1969/70-1973/74)

	1968/69	1969/70	1970/71	1971/72	1972/73	73/74
Current Budget						
# of students	29,000	32,000	35,000	38,000	41,000	44,000
Total Current Exp. (Millions of IL) (1)	205	227	248	269	290	312
Gov't Participation (Mill. of IL) (2)	130	159	174	188	203	218
Total Development Budget (3)	50-60 Millions IL. every year					
Government Participation (4)	15-24 Millions IL. every year					

Handwritten notes:
 25% - 11%
 33% - 18%
 20% - 10%
 30%
 1150, 1100, 1100, 1100
 1150, 1100, 1100, 1100
 1150, 1100, 1100, 1100

(1) It is assumed that real expenditure per student will remain constant, i.e. IL 7000 per year. Examination of expenditure per student in the past showed that real expenditure is nearly constant. The nominal yearly increase of this expenditure was 5-10%. The above estimates are in fixed prices and do not take into account possible increases in prices and salaries.

(2) Gov't participation is assumed to be 70% of total current expenditures. In 1966/67 it was 53%, in 1967/68-60%. In 1968/69 participation is estimated to be 63% of total expenditures.

(3) The estimate was prepared in light of the yearly development projects and their ability to carry them out.

(4) Gov't participation is estimated to be 30% of total development expenditures.

B. Budgets required for 5000 additional Jewish students
 Total development expenditures estimated for additional 5000 students in the period 1969/70-1973-74: 114-125 millions IL, of which:

IL 40	M - for dormitories
IL 60-70	M - for 1500 students in the natural sciences
IL 14-16	M - for 3500 students in the Humanities and Social Sciences

Included in development expenditures, are expansion of research facilities for additional teachers in the natural sciences faculties.

Total Current Expenditures - IL 50 Million annually, for 5000 students, of which IL 35m. are for current teaching expenses, and IL 15 m. are for board and lodging.

Handwritten notes:
 15-20,000,000 ש"ח
 5,000 STUDENTS Request:
 12,250,000,000 - MAINTENANCE
 24,000,000 CAPITAL

TO: Mr. Herbert A. Friedman

FROM: David Mark *DM*

SUBJECT: RESEARCH FOR JUNE CONFERENCE

DATE: March 12, 1969

The early scoreboard on contacts with Executive Directors of the university fund raising organizations is not encouraging:

Sy Fishman, Hebrew U. - is leaving for Israel tomorrow, for Board of Governors meeting, will be gone three weeks. Cannot delegate anybody else to speak with me while he's away. Is not sure he would be authorized to give me any information; says the entire subject of the June conference and what might come out of it will be discussed at the Board meeting. Wants me to put my request in writing (to be mailed to him in Israel) and he will take it up with the Board. Says best source of figures, anyway - especially future projections - would be University itself in Israel.

Ed Vajda, Technion - says he has been trying for 18 months to get an accurate accounting on past campaigns, even hired an outside accountant to set up a check system, but has been unable himself to come up with figures he can be sure are accurate; meanwhile, he has to live with the CJFWF figures. Is willing to meet with me, however, and go over what he has on campaign figures and structure; I'm seeing him Tuesday. Says he "wouldn't dare" attempt to make projections; has not been given any by Technion; we'd have to go directly to Technion for those.

Martin Newmark, Tel Aviv U. - actually did not know anything about the June conference; it was, really, news to him. Also doesn't know if he would be authorized to give out figures and information; will "get back to me". Shall I try Joe Kanter? Or Leonard Bell?

Harold Blond, Bar-Ilan - also not sure he could give out figures; said something about an audit recently completed which needed checking, then said he would see what he had available, would put some figures together and send them to me "next week"; did not want to see me "just yet". Instinctively, I have no faith in this source and I think a lay leader like Phil Stollman should be called. I've been after him, however, to confirm his IEF pledge - almost a year old now - and it might be better if someone else called.

David Weisgal, Weizmann Institute - out of office today; will try again tomorrow.

..... more.....

TO: Mr. Herbert A. Friedman
DATE: March 12, 1969
FROM: David Mark
SUBJECT: RESEARCH FOR JUNE CONFERENCE - ;continued

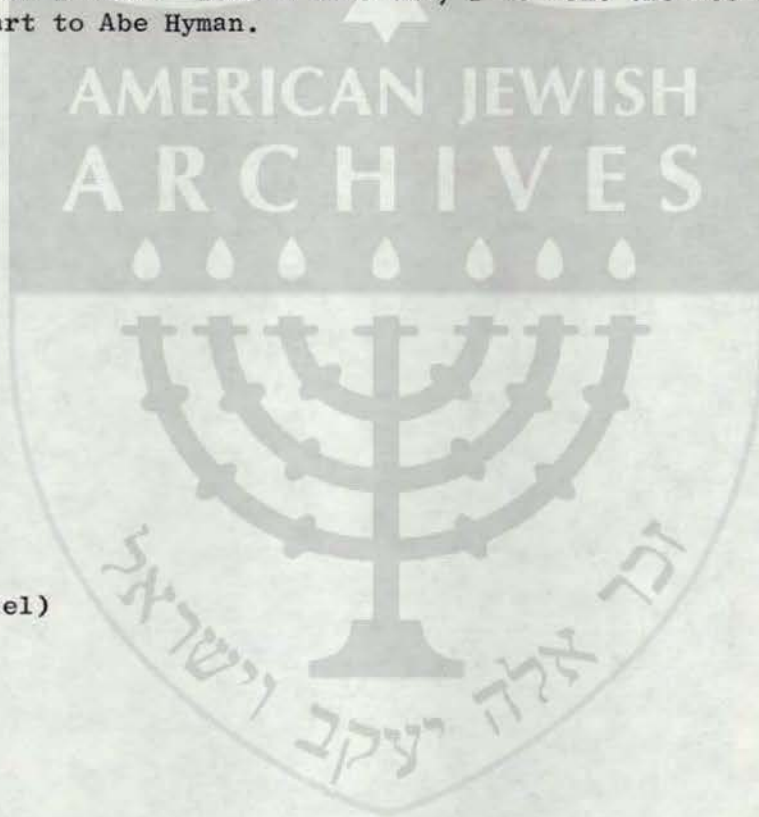
Haifa U - Al Parker will, of course, cooperate. Wants a memo with specifics, to which he will respond; I'm preparing same.

I have the feeling that, in the long run - except for expense figures which we'll have to get here somehow - the basic figures will have to be tracked down in Israel. Toward that end, I've sent the attached letter and blank chart to Abe Hyman.

DM:MS

att.

cc: CJB
RIG (Israel)



TO: Herbert A. Friedman

DATE: April 2, 1969

FROM: David Mark *DM*

SUBJECT: RESEARCH FOR PAPER ON UNITED UNIVERSITY FUND

Here is the full box score to date on my contacts with the Executive Directors of the American societies raising funds for the universities:

Ed Vajda, Technion. Gave me full cooperation, providing me with: basic fund-raising information for the past five years through 1967/8; description of the operation including professional personnel, campaign locations and non-fund-raising activities, and a rundown on all lay leaders on his various boards.

Sy Fishman, Hebrew U. As previously reported, Fishman did not want to provide the information requested without consulting his Board, which has been meeting in Israel. He is returning next week and I will follow him up then. I do have the CJFWF Budget Digests on Hebrew U. for five years, through 1967/8.

David Weisgal, Weizmann Institute. Says he took up my request for information with Dewey Stone and his Board and has been instructed by them not to provide any information.

Martin Newmark, Tel Aviv U. Newly appointed and uncertain, he turned my request for information over to Daniel Ross, his Board Chairman, who told him "he would take care of it." I called Ross today. He said the matter had just been brought to his attention, there were more pressing matters to take care of and he would get back to me "in a few days."

Harold L. Blond, Bar-Ilan U. Said, in effect, that he didn't think he would be free to reveal fund-raising figures; will see me on April 14 about the other items of information; said the projections for the next five-ten years would come out of a mid-May meeting in New York of the American and Israeli Boards of Bar-Ilan.

The information on Haifa U. will be provided by Albert Parker later this month.

Except for Technion, the general picture is one of caution and resistance. I expect that I'll be able to get all the non-funding-raising information we need in due course... but not the fund-raising figures of Weizmann, Tel-Aviv and Bar-Ilan. On reflection, I'm not sure this creates too much of a problem for us, since we will be getting (any day now) Abe Hyman's double-checked figures on what the institutions in Israel actually received from the U.S. during the past five years for their maintenance and development budgets. That after all is the key figure representing the actuality, and is the one which will have to be used to measure fund-raising capacity against the projected needs for the future.

TO: Herbert A. Friedman

FROM: David Mark

SUBJECT: RESEARCH FOR PAPER ON UNITED UNIVERSITY FUND

DATE: April 2, 1969

Page 2

In view of this - although I will follow up all the men named above - I don't think I ought to spend much more time and energy pursuing the societies' fund-raising figures. When Abe's figures come in, though, I want to send each of the execs a copy of the ones concerning his institution, for his comment. If he refuses comment, that should be noted in our report (at least in Williamsburg); if he says the figures are low, or wrong, he'll have to put up his own figures to prove his assertion... and if he can't or won't, that should be noted in the report.

I'm going to start working on the paper over this long holiday weekend and should have a very rough draft by Monday, April 7. I think it would be helpful to get your comments at that time, perhaps your "think-aloud" suggestions, before starting a more advanced draft. I recommend that we meet for this purpose at your convenience on April 7 or 8.

DM:SS

Translation from
the Hebrew

MINISTER OF FINANCE

Jerusalem, Apr. 15, 1969

Mr. M. Weisgal
President, Weizmann Institute of Science
Rehovot

Dear Sir,

Re: Establishment of a Joint Endowment Fund for
the Institutions of Higher Learning in Israel

Further to our conversations on the above mentioned subject, I attach a proposal in principle, for the creation of such a Joint Fund.

This proposal was drafted by the Minister, Mr. Pinhas Sapir, and by myself, taking into consideration the comments made at our meetings.

I would be most grateful if I could have your observations regarding this proposal as soon as possible.

Most sincerely,

(Sgd.)

Zeev Sharef

Enc.

A PROPOSAL, IN PRINCIPLE, FOR THE CREATION OF A
JOINT FUND FOR THE INSTITUTIONS OF HIGHER LEARNING
IN ISRAEL

During the past five years, the number of students in Israel's institutions of higher learning has doubled. It has risen from 16,000 in 1964 to approximately 33,000 in 1969. The current expenditure budgets of these institutions have approximately trebled during the same period of time.

A substantial increase in the number of students is to be expected within the next few years, the more especially so in the light of the establishment of new institutions of higher learning in this country.

This development necessitates finding additional, and substantial, sources of income, such as cannot be mobilized in the usual way.

To avoid proliferation of "organizations of friends and supporters overseas," which otherwise will accompany the opening of new institutions in Israel, and to steer clear of competitive fund-raising in order to cover the current outlays of local institutions, it is proposed that:

- (1) A Joint Fund be established for Israel's institutions of higher learning, amounting to \$500-million. This sum will be invested in Israel and the returns on it would be devoted to financing the activities of these institutions. This is seen as complementary to the participation in these budgets by Government and by the national institutions, to tuition fees and to other income.
- (2) This money is to be obtained by direct personal approaches made to a number of people of means who will be asked to contribute IL. 1-million and more (\$300,000 or £125,000 stg.). An effort should be made to raise this amount within three years.
- (3) It must be guaranteed that contributions to this Joint Fund will be supplementary to all obligations undertaken by these donors regarding the regular Appeal and the Emergency Campaign.
- (4) The distribution of returns from the Joint Fund will be determined, in future, by the Directorate of the Fund taking into consideration the number of students in the various disciplines.

During the initial first two year period of the Fund's existence the following index should be fixed:

The University in Jerusalem	24%
The Technion, Haifa	17%
The Weizmann Institute of Science	17%
The University of Tel Aviv	14%

Bar-Ilan University	10%
The University College of Haifa	8%
The University College of Beersheba	4%
For additional distribution	6%

- (5) Mobilization of funds for development purposes is to continue along the same lines as at present, but the money is to be remitted to the institutions of higher learning through the Joint Fund.
- (6) The "friends and supporters" of the institutions will continue to exist for the purpose of fund-raising as hitherto.
- (7) During the next two years, fund-raising for the ordinary budgets of the institutions is to be maintained by the "organizations of friends and supporters," as has been done until now, subject to the approval of the Directorate of the Emergency Campaign.
 - a. The Government and the national institutions are to guarantee the actual income of the ordinary budgets for 1968/69 on condition that the "organizations of friends and supporters" raise, at least, 80% of this income.
 - b. If the actual income does not reach 80%, as aforesaid, the guarantee will be decreased proportionately.
 - c. If the income is increased above the sum raised in 1968/69, the additional amount is to be allocated as follows: One-half of the additional amount is to be remitted to that institution whose "friends" collected it, while the second half is to be distributed according to the ratio of distribution of returns by the Joint Fund.
- (8) Money collected by the "organizations of friends and supporters" for funding the indebtedness of the institutions in foreign currency is not to be included within this arrangement.

ACADEMIC FREEDOM AT THE EXPENSE OF THE TAXPAYER
by Yuval Elitzur
(From Ma'ariv, April 25, 1969 - transl: I.Ivry)

A yellow brochure is now being submitted to many government offices and it contains a proposal to establish a "university institute of technology" in Holon. The brochure bears the emblem of Holon Municipality. Within two months or less Holon will begin the registration of the 120 first students. A public committee on behalf of this institute is headed by Uzi Narkis. In the autumn the school will be open.

One item is missing: the government is supposed to finance 70% of the expenditures of the budget of the school and for the time being the government is not ready to give a penny. Moreover, a spokesman of the treasury warned the public that even if the institute finds other means of financing, it will be a risk for the students to enter the school because the continuity of its existence is not assured. A committee was established recently to determine the needs of Israel in technological manpower for the next ten years, but even after the committee submits its conclusions there is serious doubt that it will satisfy the ambitions of the Mayor of Holon in this regard.

There is already a long line of new technological institutions which expect financing from the government treasury and it is highly doubtful that Holon will be among them. The government has already approved the enlargement of the Haifa Technion so that an additional 1,000 students can register - an increase of 20%. In addition, the government has approved the establishment of a technological institute in Beersheba with up to 1500 students.

And that is not all. The President of Tel Aviv University, Dr. George Wise, insists that the university should also have a technological institute. Even the Hebrew University in Jerusalem would like to have an engineering faculty. In view of all this "competition" why does the Mayor of Holon continue with his propaganda for a technological institute in Holon and why have public figures given him their support? The reason is simple. Whenever somebody in Israel finds it necessary to establish an academic institute he opens a campaign and gathers a group of public figures to

support him, then he organizes a ceremony of cornerstone laying and in his graciousness he asks the taxpayer to foot the bill whether necessary or not.

Recently the Haifa City Council approved the establishment of a medical school in Haifa named after Abba Khoushi. Who decided that Haifa needs a medical school and if Israel needs it why in Haifa and not in Beersheba, for example, where a medical school is really needed near the central hospital of the Negev?

Haifa did not wait for the conclusions of the committee appointed by Health Minister Barzilai which is looking into the question of a new medical school. The Government Treasury is opposed to any new medical schools because the authority for manpower planning has found that Israel already has one physician for every 450 inhabitants which is a world record. This year 300 newcomer physicians will arrive and some say their number may be as high as 500. Most of them will be young in age.

True, there is a lack of physicians in the border areas in many villages and in the development towns of the Negev. The Treasury says this is not the result of a lack of physicians but rather of an exaggerated demand for them because Israelis like to go to the doctor. The average annual number of visits to the doctor's office is among the highest in the world.

Haifa's refusal to wait for the findings of the Government committee repeats an earlier experience in the area of education. It established the University Institute in Haifa on its own and now receives IL 5.5 million per year from the Government and the Agency. One can see that a little initiative does not hurt.

Tel Aviv University was also established without Government approval. When Bar Ilan University was established the founders even promised the Government not to ask for any participation in its budget. This lasted only for a few years and this year Bar Ilan will draw from the Government and the Agency IL 12 million or 65% of the university's budget.

In 1969/70 the Government and Agency will spend more than IL 200 million for

financing the budgets of the institutions of higher learning. This is about one quarter of all the funds in public budgets for educational institutions. This, despite the fact that the 33,000 university students are only 5% of all those who benefit from Government financing. In other words the Government and the Agency, on the average, spend on every university student five times as much as they spend on every school pupil. And despite this fact the Government has no voice about how and when to spend the funds.

This is a curious situation, the money givers having no voice about how the funds should be spent. Most institutions of higher learning have an agreement with the Government that they will obtain 65% of their operating budgets and also a considerable part of the development investments. The Finance Committee of the Knesset approved the agreement. The Hebrew University in Jerusalem being the University of the Jewish people is even paid 70%. But it looks as if sooner or later Tel Aviv University will also enjoy the same privilege. Dr. Wise recently said: "Do the students of Tel Aviv not shed their blood as do the students of Jerusalem?"

The Government has reached a situation of helplessness in its relations with the institutions of higher learning. The reason for it is that most institutions are in direct contact with the Treasury and not with a special department which could select the budgetary demands according to their importance. This situation developed four years ago when Minister of Education Zalman Aranne decided that he didn't want to have anything to do with the universities.

In 1965, the Sharef committee recommended the establishment of a special authority for higher education which would determine the budgets of the academic institutions of Israel. When the Government began to carry out the recommendations of the Sharef committee it couldn't reach agreement with the academic institutions about the proposed authority. Minister Aranne then declared that he washed his hands of the matter. The council of higher education deals only with matters of graduation, recognition of academic institutions and accreditation of degrees; it has nothing to

say in matters of budget.

The discussion which led to the recommendation for establishing the authority centered around "academic freedom". The representatives of the institutions of higher learning said they would not permit bureaucrats to dictate how to teach and how to organize the schools. Since the Middle Ages the universities had enjoyed academic freedom and they could not permit the Government to interfere. Budgetary supervision, they held, is like censorship. It begins with limiting a certain number of faculties and it ends with a diktat of what to teach and whom to teach.

The main difficulty is that one cannot find a compromise in the matter of academic freedom, and all forecasts about the needs are only rough estimates. Let's say that we decide today to open a school for engineers. The results of this decision will be visible only ten years from now, because planning and carrying out the training of engineering students is a rather protracted process. Who can tell now what Israel's needs for engineers will be in ten years time?

The Government people say: we are so pressed for funds how can we spend money on higher education without any limitation? We would do an injustice not only to Israel's urgent needs but to the students themselves. Was it not an injustice that many electrical engineers came out from our schools with no employment after completing their studies at the Technion? Does not the diploma mean that its owner must leave Israel to look for work in his field?

At present there are 800 Israelis studying medicine in Italy. Let us assume that Israel will undertake to pay for their education in Israel (each student of medicine necessitates a budget of IL 150,000 from public monies). What will all these medical students do after completing their studies? Will they not be forced to leave Israel looking for work?

One expert feels that the problem of establishing new institutions of learning or new faculties must be separated from the supervision of the operating budgets.

Under present conditions it is the Government which must be responsible for a decision about whether a new institution or faculty should be established. Some mayors and other public figures are successful in extorting money from the Government but this is only proof of the Government's unjustified weakness.

Let us also remember, says the same expert, that in the U.S. universities and colleges which are not operated by the states enjoy great support from industries and private donors. Such sources are not available to Israel's universities. It is a necessity that the Government which foots most of the bill should also decide how the budgeted funds should be spent. If Israel wants academic freedom, the Government cannot interfere with the administration of the budgets and cannot bring about more efficiency in this administration. All the Government Comptroller can do is to check on whether the funds are spent according to the rules. The big questions arise when one has to decide whether to establish a faculty for engineering or a faculty for medicine at a cost of scores of millions of pounds.

It seems that the Treasury is ready for a compromise, intervening only in the question of establishing big and costly faculties. But who will coordinate the plans of the various universities and institutes to avoid overlapping which is very costly indeed. This question has found no answer until now. The expert for archives, Shlomo Porat, found that had the academic institutions in Israel agreed to cooperate among themselves in planning the development of libraries and archives, hundreds of thousands of pounds or even millions could have been saved annually. In rich America there is such cooperation in existence among "competing" universities and colleges because the purchase of rare books and even old manuscripts can be very expensive and the use of such items is rather rare. It is more practical to send a book by helicopter from one university to another than to maintain reserves of copies of such books. There is also a great deal of specialization in the libraries of American universities, based on a mutual understanding. Such an understanding does not exist in Israel.

It seems therefore that if Israel wants to save funds and curtail giant budgets of the institutions of higher learning, the Government must introduce basic changes in current conditions. In the long run this will also be to the benefit of the institutions of higher learning in Israel.

URBAN
INVESTMENT AND
DEVELOPMENT CO.

May 5, 1969

401 NORTH MICHIGAN AVENUE □ CHICAGO, ILLINOIS 60611 □ TELEPHONE: AREA CODE 312/321-1810

PHILIP M. KLUTZNICK
CHAIRMAN OF THE BOARD

Rabbi Herbert A. Friedman
United Jewish Appeal
1290 Avenue of the Americas
New York, New York 10019

My dear Herb:

I had an opportunity over the weekend to look at the draft of your proposal for a "UJA Appeal on behalf of All Institutions of Higher Learning in Israel". Permit me a few minor comments:

1. While I think the whole idea has a great deal of merit, I feel that before it could be effective at this end, there ought to be the creation of a University of Israel at the other end, with each of the independent institutions a part thereof. They should be able to maintain their own identity but under an umbrella.

2. It would be interesting to have a breakdown as between capital funds raised and maintenance funds raised in the United States. This would merely be the introduction to the notion that, perhaps, the only thing that should be raised are capital and capital support funds, leaving the maintenance for local funding. I realize that there may be some disadvantage to this but, on the other hand, it would clearly delineate responsibility

... continued

Rabbi Herbert A. Friedman
Page Two
May 5, 1969

and could probably be more productive.

On page two, under the Purpose of the Campaign, in the third full paragraph, third line, I would insert the word "net", which is what I have in mind. A division between maintenance and capital with capital our responsibility might result in more net money raised.

3. If we went to the capital campaign alone, then it would be a natural for communities to adopt certain buildings to have certain institutions named after them which they might support over a period of years.

4. My whole concept is to clean up the campaigning. Give it one university with departments or separate schools with their presidents. One campaign here for capital purposes.

Maybe this is all too simple. With best wishes.

Cordially,



Philip M. Klutznick

PMK:s

MEMO

June 2, 1969

TO: BIG 16 EXECUTIVES

RE: HIGHER EDUCATION IN ISRAEL

The matter of higher education in Israel will be a priority concern on the agenda of the Conference on Human Needs in Israel; and at the briefing meeting we will hold at lunch on Sunday, June 8.

As you know, our Council has been on record for unified fund raising for these institutions. While the Hebrew University and Technion combined their maintenance appeals to Welfare Funds in the U-T campaign, the capital drives have not been unified; Weizmann Institute raises funds through two national dinners in New York and Chicago; and the situation is becoming more complicated with the development of the Tel Aviv University (expecting an enrollment of over 10,000 students in Fall); the growth of Bar Ilan University; and the establishment of the universities in Beersheba and Haifa.

The matter received considerable attention at the meeting of the UJA Executive Committee at their recent Retreat in Williamsburg, which I attended. The UJA Executive Committee strongly favors unified fund raising for these institutions, to be conducted by UJA. This too is in keeping with the position of our Council, that the UJA should embrace as many overseas needs as possible, rather than have fragmentation and competition of such appeals.

The UJA Executive Committee stressed that the development of unified fund raising for this field should be timed so as not to affect the priority needs of the Israel Emergency Fund whether in 1970 or 1971 or other appropriate time.

A proposal has been brought by Lord Rothschild of England to the Israelis to establish a large united endowment fund for higher education. It would obtain endowment gifts of at least \$500,000 (other versions put the floor of gifts at \$1 million, or at \$300,000).

The UJA Executive Committee felt that this should not be launched in America at this time (British Jews and others could undertake it if they wished under their conditions) for a variety of reasons: the sequestering of large gifts (with principal restricted) to use only the income would conflict with the credibility of the urgent pleas for massive giving for the Israel emergency, with the desperate need for immediate cash payments; the amount of earned income generated by the endowment gifts would still leave the institutions' major capital and maintenance needs to be met by other fund raising; there would not be any major quick flow of even capital income, because gifts of that magnitude are usually paid out over a period of a few years.

On the other hand, it was felt that at the appropriate timing of a united fund for higher education, endowment gift opportunities could be made part of the capital fund options given to contributors.

Herb Friedman has been discussing the possibility of having a Higher Education Fund replace the Israel Education Fund of UJA for capital needs; and a combined appeal for maintenance in communities to a limited number of givers (those who give \$100 or more to the Welfare Fund, or \$500 or more, or some other minimum), possibly immediately following the annual Spring drives. This would be worked out by UJA with each Welfare Fund, would be under its control, and would involve only the givers cleared by each Welfare Fund.

An alternative might be to limit the combined appeal to capital, scholarship, equipment, and endowment, and have maintenance needs met by Israel and other countries, or through the regular UJA.

The Hebrew University and Technion have been receiving about \$650,000 directly from Welfare Funds annually. All of the institutions of higher learning are now receiving close to \$33 million from Welfare Funds and New York UJA through the Israel Emergency Fund of UJA. Their own direct income from their global fund raising is estimated as up to \$18 million per year.

The attraction of united fund raising to the institutions would be the prospect of greater income to meet their burgeoning needs. They receive direct gifts not only from a small number of cities each year, and from a limited number of givers. The unified fund raising would greatly broaden their support.

Underlying a united fund raising arrangement is the requirement for some authority in Israel -- a Ministry of Higher Education or another type of authority -- to define the priority needs to which contributors can respond.

Another premise is that united fund raising would not destroy the identities of the universities. Earmarked capital gifts would be permitted. The institutions would have their "friends" groups. And the academic freedom of their teaching would not be affected.

We will need to give this the most careful consideration so that we can crystallize our thinking insofar as possible on the basic elements at our meetings June 8-9, and then convey the views of our communities at the meetings in Israel. Of course any arrangement would have to be worked out with the participation of all of the parties concerned.

I hope you will share not only directly in the meetings, but will discuss it with your lay leaders who will be involved, so that they will be as fully prepared as possible.

AMERICAN JEWISH
ARCHIVES

PHILIP BERNSTEIN



1119A/6-2-69

PRINCIPLES FOR ESTABLISHING AN ENDOWMENT
FUND FOR INSTITUTIONS OF HIGHER EDUCATION
IN ISRAEL

=====

During the past five years the number of students in institutions for higher education in Israel has doubled (from some 16,000 in 1963/64 to approximately 33,000 in 1968/69). The current budget of these institutions have almost tripled during this period.

In the coming years, a substantial growth is expected in the number of students - especially in view of the establishment of new institutions.

This development calls for finding additional sizeable sources of income, which cannot be obtained in the heretofore traditional methods.

In order to avoid a growing number of Organizations of "Friends Of" the new institutions being established in Israel, as well as competition in collection of funds for the current expenditure of these and the existing institutions, it is hereby suggested that:

1. A Endowment Fund for institutions for higher education be established, and that the 500 million dollars collected by it be invested in Israel. The returns from this investment would be devoted to financing the activities of these institutions - over and above the Government and National Agencies participation, fees and other forms of income.
2. This would be obtained by directly approaching well-to-do individuals to contribute IL one million (\$ 350,000 or £ 125,000). A special effort will be made to collect the total sum within 3 years.
3. It must be assured that these contributions will be in addition to the doner's pledges to the UJA and the Emergency Appeal.
4. The distribution of the fund's return among the various institutions will be decided upon by the fund's management according to the number of students and the subjects studied.

During the first two years the following will be the ratios:

The Hebrew University in Jerusalem	24%
Technion - Israel Institute of Technology	17%
The Weizmann Institute of Science	17%
Tel-Aviv University	14%
Bar-Ilan University	10%
Haifa University College	8%
University Institute in Beer-Sheba	4%
Reserve	6%

5. Collection of funds for development purposes will continue along the present lines. However, the contributions will be directed to the institutions through the Endowment Fund.
6. The Friends organizations of the various institutions will continue exist for raising of funds along the present lines.
7. In the next two years the collection of funds for the ordinary budgets of the institutions will continue to be done through the organizations of Friends and subject to the confirmation of the Emergency Appeal - as the case currently is.
 - a. The Government and National Agencies will guarantee the actual income for the ordinary 1968/69 budget, provided the Friends organizations will raise at least 80% of the income.
 - b. Should this actual income not reach 80% of the budget - the guarantee will decrease at the same rate.
 - c. Should the actual income in the coming two years be higher than the 1968/69 collections, the "surplus" will be divided into two halves: one half will be credited to the institution, the friends organizations of which collected it; and the other half will be distributed according to the ratio described in point 4 above.
8. Any collections made by the organizations of friends for the purpose of repaying debts of the institutions in foreign currency will not be included in this arrangement.

W

DAVID MARK
Israel Education Fund

51 West 51st Street

New York, New York 10019

TO: MR. CHARLES J. BENSLEY

PLaza 7-1500

SIX COMMUNITY COLLEGES WILL BE ESTABLISHED IN THE NEXT TWO YEARS

From: Ha-aretz, May 25, 1969

The Ministry of Education is preparing plans to open six community colleges within the next two years. In the first stage three colleges will open in Ashdod, Kiryat Shemona, and Hadera. Within the next two years, three more city colleges will be opened in cooperation with the local municipal authorities. The possibility also exists of opening a Merchant Marine College.

Minister Aranne recently contacted the director of the Hebrew University and met with the University Senate of Tel Aviv University. The Minister suggested that both universities prepare study plans for pre-university colleges and agree to approve teachers lists and supervise instruction.

Tel Aviv University decided to support the idea and the Minister's initiative. When the University Senate approves of it, practical steps will be taken for the establishment of a college in Tel Aviv.

The planned community colleges will enable all high school graduates to continue their studies. Some will complete their education as graduates of the college. Others will be taking university preparation courses for which they will receive credit when they enter a university. There will be two years of

...more...

study, as in the junior colleges of the U.S.

The purpose of these community colleges is to enable all students who have not received sufficient preparation for university study to be absorbed into universities after 14 years of study (including 12 years of elementary and above-elementary grades). The colleges will also enable certain students to bridge the gap between a trade and a technological profession. Others will be able to prepare themselves for research work in various institutes in Israel.

The main stress will be on applied sciences as distinct from theoretical study. Some will take courses in Industrial Management, others in various services, still others in agriculture. There will be basic courses in art and literature.

The regional educational institutions of the Kibbutzim will also be turned into regional colleges, which will serve not only the kibbutz members but also the other inhabitants of the region. The Kibbutzim are willing to cooperate in this matter.

In the community colleges of the cities there will be evening and day courses in philosophy, sociology, natural sciences and technology. There will also be special courses in certain trades which Israel's economy may need.

4 June 1969

TO: HERBERT A. FRIEDMAN

May 2, 1969

FROM: PHILIP BERNSTEIN

Having now seen the proposal for the endowment fund for higher education, it underscores that your original doubts about timing, etc. were sound -- and that something more planful and basic will be needed. Attached are some of my reactions.




Comments OnENDOWMENT PROPOSAL FOR HIGH EDUCATION IN ISRAEL

1. Solicitation for a massive endowment fund that would sequester funds, at the time of the Israel Emergency Fund, would throw into doubt the urgency of the Emergency Fund and will undermine its success.
2. If a large endowment fund is to be sought, is higher education the foremost priority for Israel for such funding?
3. It would be well to examine the experience of American universities in the magnitude of endowment funds, time period over which collected, and the income of endowment funds in relation to total budgets.
4. Although a handful of people may have expressed an interest and support, what does this actually add up to, is it concentrated thus far in England, is not further exploration required to test it, as is done with any major venture, before it is undertaken? Would it make sense to try it in England before coming to any decision about its possibilities elsewhere?
5. It has been suggested that there would be several hundred prospects for gifts of \$500,000 or more -- or even \$1 million or more. Before such a plan could be considered seriously, it would be necessary to draw up a list of such names, realistically.
6. A further premise is that a number of such contributions might come from people who are not making large gifts to the Israel Emergency Fund. While there have been such individuals, previous experience demonstrated that major projects for Israel cannot depend basically on non-givers or peripheral givers to UJA.
7. A premise for the proposal is that it would rather quickly bring very substantial income of foreign currency to Israel. This is contrary to experience, in which such gifts are paid over a period of years.
8. For the next two years fund raising would continue "along the present lines" -- thus the present fragmented fund raising efforts would continue. The endowment fund would add an appeal, not consolidate appeals.
9. The provision that the Friends organizations will be expected to raise 80 per cent of the income for the ordinary budgets is not clear. The present relationships must be examined to see whether this would be a realistic incentive factor.
10. There is no projection of the earned income from such an endowment fund. In the first few years it might be small, and would still require other funding for the bulk of the needs. For such income, and such impact on needs, is this the most beneficial form of assistance, or would emphasis on alternatives be more productive in terms of the impact?

TO: HERBERT A. FRIEDMAN

DATE: JUNE 3, 1969

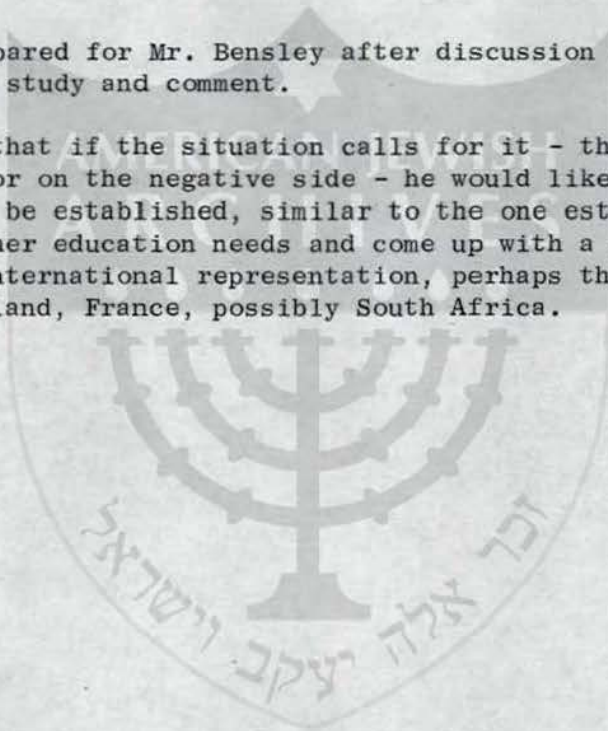
FROM: DAVID MARK 

SUBJECT: CJB COMMENTS AT HIGHER EDUCATION WORKSHOP

The "script" I've prepared for Mr. Bensley after discussion with him yesterday is attached, for your study and comment.

He told me yesterday that if the situation calls for it - that is, if the reaction is indecisive or on the negative side - he would like to propose that an Educators' Mission be established, similar to the one established prior to IEF, to study the higher education needs and come up with a program. He thought this one might have international representation, perhaps three from the U.S. and one each from England, France, possibly South Africa.

DM:gf
Enc.



Israel Education Fund

MEMORANDUM

HAF

TO: CHARLES J. BENSLEY

DATE: JUNE 3, 1969

FROM: DAVID MARK *DM*

SUBJECT: HIGHER EDUCATION WORKSHOP

Attached are your suggested notes for the Workshop presentation, in line with our discussion yesterday. This outline is complete and has a logical structure, so that it can be used either as is or as a kind of general "script" for your improvisation - depending on what develops between now and the Workshop and on what you sense in the "audience."

DM:gf
Enc.

cc: HAF



SUGGESTED CJB COMMENTS TO HIGHER EDUCATION WORKSHOP

1. BACKGROUND. Five years ago, the UJA came before the American Jewish community with a proposal to help the people of Israel break through a serious impasse in high school construction and create a free, universal and effective system of secondary education. The American Jewish community endorsed the proposal and the Israel Education Fund was created.

The Results: almost 70 schools established all over the country (about 40 in operation this coming September, the others in a year or two); high school education is now free to all in development towns, to most everywhere else; the effectiveness of IEF's network of comprehensive and vocational schools is reflected in: lower dropout rate, higher morale in development towns, creation of manpower skills for the future and a growing sense of population unity.

2. PROPOSAL. Today, the UJA is coming before the world Jewish community with a proposal to help the people of Israel catch up with and get ahead of an exploding need to expand their universities and create a system of higher education to guarantee national strength and growth in the last third of this century and beyond. The proposal, which is before you, is for a united university fund campaign in the United States, to be conducted by the Israel Education Fund.

3. SUMMARY. Those of you who have had a chance to read the proposal will, I am sure, have many valuable comments to make. Before opening that discussion, however, I'd like to summarize the proposal for those who have not had a chance to read it through:

A. BASIC AIM. Israel's survival and strength depend - as they have depended through three wars and twenty turbulent years - on the quality of its manpower: its technically skilled, professionally trained manpower.

B. CURRENT SITUATION. Israel's seven universities, although doing an excellent job of educating and training more than 33,000 young men and women - the flower of Israeli and world Jewish youth - are hampered by inadequate facilities and deficit operations.

C. EXPANSION NEEDS. The university population is exploding. In Israel's twenty years of existence it has increased sixfold. Cautious projections - cold statistics - say the 33,000 will double in ten years. The Hon. Pinhas Sapir, who knows the human dynamics of Israel's needs as completely as any man, says it will double in five years.

D. MAINTENANCE. By conservative budgetary calculations, it will cost more than \$1 billion to maintain and operate Israel's universities for the decade 1970-9. The government of Israel has said it will try to assume 70% of that cost. This is far too high. We, the Jews of the rest of the world, cannot allow it...certainly not in these continuing Emergency Fund years, when we have undertaken to meet the entire cost of Israel's social welfare programs. At a minimum, we should share the university maintenance costs equally with Israel's people. American Jewry's share should be a minimum average of \$31 million a year.

E. DEVELOPMENT. How much it will cost to develop and expand the seven universities in the ten years is, in a sense, anybody's guess. A very conservative estimate - again, cold statistics - is that the ten year figure for construction and other expansion programs will approach \$400 million. Our own projection - which we feel is itself conservative - is about \$500 million. Of this, we calculate that American Jewry's fair share would be a minimum average of \$22 million a year.

F. PERSONAL INTERJECTION. My personal feeling is that this combined sum of \$53 million a year is a low figure and could easily be doubled.

1. I say this instinctively, knowing that our people in Israel have always aimed at the highest, not the lowest; have always exerted maximum effort, not minimum.

2. I say it on the basis of my experience for 13 years as Chairman of the Committee on Buildings and Sites of the New York City Board of Education, when I learned that a really growing system of education grows geometrically, not mathematically. During those 13 years, my committee approved construction of almost a billion dollars' worth of schools: far, far more than anybody could have projected when I first started.

3. And I say it as president of the Israel Education Fund, which is building a network of high schools that is going to create a demand for higher education - from all elements of the population - which will far exceed anybody's imagination. If we don't see to it that Israel is ready for that demand in the next decade, we will have failed Israel's youngsters and ourselves. If we do see to it that Israel is ready -

and stays ready indefinitely - for that demand, we will be carrying our education work there to its logical conclusion...and our vision of a strong, free Israel, land of total opportunity, to its full realization.

G. PRESENT U.S. FUND-RAISING. The societies in the U.S. now raising funds for five of Israel's universities have been great and creative organizations. Through their maximum efforts and devotion, they have literally made the universities what they are, and they are doing all they can to supply them with the funds they need for maintenance and development. But the most they have raised in any one year has been about \$13 million. The potential of these five separate campaigns, plus the two others which could be added, may not be more than \$15 million. This is far short of the need.

H. SHORTCOMINGS. Despite the heroic efforts of all concerned, the system of multiple fund-raising may be self-defeating. There is implicit and actual duplication of effort, unfortunate rivalry and competition, campaign complications within communities and an unavoidably high level of campaign expense.

I. SOLUTION. The proposed unified campaign will solve these problems, throw the organizational weight of the UJA behind the single effort and inevitably raise more money. The present societies will retain their cultural and educational activities, their traditions, their addresses... in short, their valued, historic identities. Their key leadership will continue their dedicated efforts, within the unified campaign, on behalf of the institutions they have created. A mechanism will be established in Israel - a committee, an authority, perhaps a Ministry - on which all universities will be represented and which will guarantee to each a

..more..

fair share of all funds raised, without sacrificing a single iota of academic freedom.

J. STATUS OF THE PROPOSAL. This proposal has been presented to the UJA Executive Committee, which received it favorably. It has also been received favorably by the Council of Jewish Federations and Welfare Funds on behalf of all communities in the United States which raise funds for Israel. It is now before you, Israel's premiere partners in the world Jewish community...for your consideration, discussion, analysis, amendments, alternatives, suggestions for counterparts in other countries.

This conference is, literally, preparing for the Israel of the 21st century. The expansion and consolidation of higher education in Israel is absolutely fundamental to that preparation. This workshop, in considering this proposal - or any others which will be put forward - will be performing a crucial, historic function...and I step down now to await your deliberations with a sense of great anticipation.

6/3/69

Israel Education Fund

MEMORANDUM

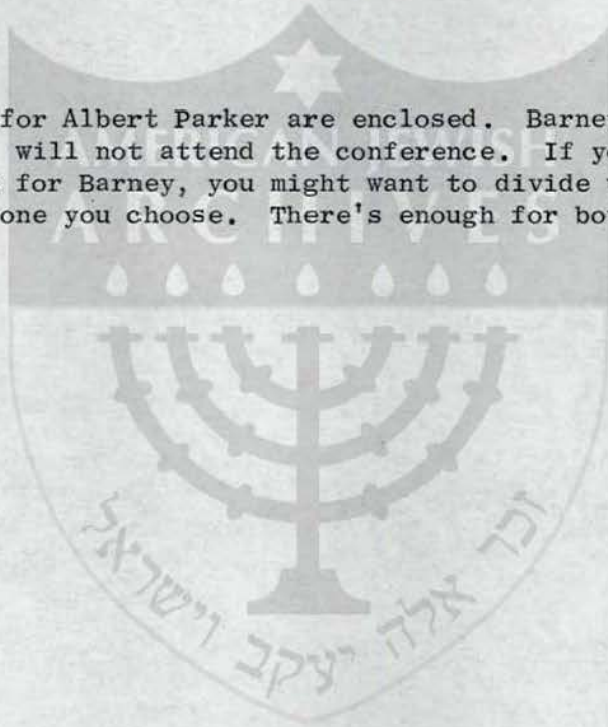
TO: Mr. Herbert A. Friedman
DATE: June 6, 1969

FROM: David Mark

SUBJECT: NOTES FOR "SECONDING" COMMENTS AT HIGHER EDUCATION WORKSHOP

Notes prepared for Albert Parker are enclosed. Barney Barnett, according to latest word, will not attend the conference. If you and Charlie decide on a substitute for Barney, you might want to divide up the notes between Albert and the one you choose. There's enough for both.

DM:MS
att.



NOTES FOR ~~HIGHER EDUCATION~~ REMARKS AT HIGHER EDUCATION WORKSHOP
OF CONFERENCE ON HUMAN NEEDS, IN SUPPORT OF UNITED UNIVERSITY FUND

In expressing my support of the proposal for a united university fund in the United States, I don't want to address myself primarily to the facts and figures but to broader, perhaps more basic and underlying considerations. The one comment I would make about the projected costs of running our universities is this: From long experience and active concern with ~~the~~ several of the individual campaigns, I know how quickly estimates become outdated, I know how costs can rise, and I have felt deep personal regret at seeing so many qualified applicants denied admission because our universities did not have space for them. For that last reason alone, although I commend the conservative way the figures were prepared in the proposal, I completely endorse Charlie Bensley's thought that the estimates may be too low. I urge you, therefore, to consider the \$50 million annual figure an absolute minimum and to be prepared for legitimately higher needs as the years go by. We simply cannot afford to cheat any youngster of his birthright of the highest education possible because we have estimated our ~~if~~ cost figures too closely.

What I want to urge upon you even more is something that goes to the heart of the nature of the American Jewish community - and, I believe, of the world Jewish community as well - and its relation to the people of Israel. It is the idea of partnership - the deep and abiding partnership between American Jews and ~~their~~ our brothers in Israel, which has been so instrumental in forming and ~~creating~~ sustaining the ~~great~~ great immigrant society that is the ^{State} ~~shape~~ of Israel. The reason that partnership has been so effective is that it is based on the unified fund-raising instrumentality of the United Jewish Appeal. I shudder to think of what these ~~30~~ ^{like} 20 years would have been ^{if}, instead of a United Jewish Appeal, there had been competitive, multiple campaigning for Israel in the Jewish communities of the United States.

There were those, 30 years ago, who believed or feared that the local programs and institutions supported by the individual Jewish communities - the really great health, education and social welfare programs - would suffer in a united campaign stressing Israel's needs. On the contrary, they have benefitted greatly. Giving - Jewish giving - is most forceful and effective when it is united, and individual beneficiaries are the gainers, not losers. This method has been so effective, it has been adopted by the non-Jewish fund-raising bodies in American communities, to their great advantage.

The same thing, I am convinced, applies to the proposed united university fund. The individual institutions will gain much and lose absolutely nothing. I say this not only as a UJA leader but as the president of the fund-raising arm of ~~the~~ Haifa University. ~~xxxxx~~ I want Haifa University to succeed, to be the great university of the north it is intended to be, above all to be able to open its doors to every qualified young man and woman who applies for admission. I will, if I must, try to get that job done through an individual campaign. But I know in my heart that, should that happen and the other universities in Israel - some of which are older and have greater, costlier needs - do not succeed... then I, too, will have failed. We are the universities of all the people of Israel - in a sense, perhaps, of the Jewish people everywhere... and a comparative, competitive success by one or two while the other struggle and have to turn away applicants is no success at all. We must take that whole view. We must support each other. We must unite.

Some people, ^{deeply} dedicated to individual universities, have expressed the fear that they would be swallowed up under united fund-raising, that they would lose their identities as unique institutions, that centralizing fund-raising would lead to purse-string control and loss of academic freedom and flexibility. These are serious fears and I do not want to treat them lightly... but, because I am convinced, I must give a simple three-wprd answer to all those fears: NOT AT ALL,

In no truly democratic society have institutions of higher learning ever been seriously subverted, repressed or made into passive organizations. In no truly democratic society has denial of funds ever successfully been used as a threat to bring ~~the~~ universities into some line or other. If anything one thing distinguishes a democratic society from a despotic one, it is this tendency - this insistence, I should say - on preserving academic freedom in all senses, and preserving it completely. This has been true in the United States no matter what the political coloration of the national or state administrations involved. Many of our largest and most distinguished universities were founded with land grants - gifts of incalculable value - from the federal government, ~~and~~ ^{yet} the universities have remained - and will continue to remain - independent and creative entities in their own right, with no interference. The very large state university systems of New York and California are other apt examples. Both these states have populations of over 16 million, more than five times that of Israel; both have central authorities in the state capitals which provide the funds and approve the projects of the individual universities in the state system, and those funds are approved by the legislatures of both states. There exists ample opportunity under this system for legislators, blocs of legislators, even bureaucrats to apply persuasion, financial and otherwise, ~~on~~ ^{to} the universities. There is even, in California, a state administration considered hostile to the policies of several of the universities in the state. But even under those conditions, the universities have remained stubbornly independent and confirmed their policies. No attempt to change that situation has succeeded. Why? Simply because a free people will not allow it.

This is true of free Americans. It must be true - perhaps more so - of free Jews everywhere who are passionately devoted to their freedom and to the universities they are sustaining = Jews in Israel, in America and, I dare say, in England and France and everywhere else that Jews do exist in freedom.

What about the fund-raising societies themselves in America, some may ask. Without fund-raising, won't they wither away? What about the devoted men and women who have given so much of their time and energy to the cause of ~~maintain~~ founding and sustaining the universities. With fund-raising centralized, won't ~~with~~ they be shunted aside?

To these questions, there is the same brief - but heartfelt and serious answer - ~~not at all~~ NOT AT ALL.

Think of how much happier, healthier and more satisfying a situation it will be when these very distinguished men and women - really, the elite of our community and our country - can hold a technological conference, conduct a student recruitment drive, arrange a summer studies program, collect books and equipment and art objects for their universities and ~~do~~ engage in other high-level educational and cultural activities on behalf of their institutions... without being concerned with how those ~~fun~~ activities will effect fund-raising and, perhaps even more important, without the anguish of worrying about conflict ~~with~~ and competition with their brothers and colleagues who are working on behalf of other universities.

As to the ~~most~~ possibility of current university-society leadership being shunted aside: there is even a briefer answer - one word - NEVER. The Jewish community of the United States is ~~the~~ ^{American} united Jewish community ~~of the United States~~ never will give up an effective leader, lay or professional. This is a "tyranny" we all know and welcome. Every ~~lay~~ leader possible, lay and professional, will be welcomed into the united organization... will, in fact, be needed more than ever. Their knowledge and expertise, in addition to their devotion to their individual institutions, will be the very foundation and strength of the united campaign... this time backed up by the invaluable experience of the Israel Education Fund and the sweeping strength of the United Jewish Appeal.

If you have any such fears, set them aside. The history of our people, of the nature of democracy in action, of the United Jewish Appeal's 30 years all clearly ~~tell us: there is no ground for fear and every ground for hope that we will - with~~ (OVER)

other Jews the free world over - get the job done .. the united way.



Israel Education Fund

MEMORANDUM

TO: Mr. Herbert A. Friedman

DATE: June 6, 1969

FROM: David Mark

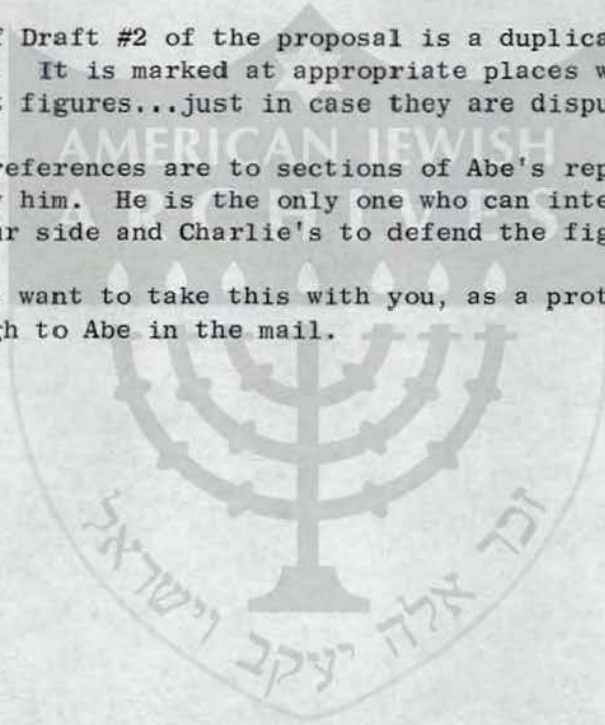
SUBJECT: Sources of Figures in United University Fund Proposal

The enclosed copy of Draft #2 of the proposal is a duplicate of one I've mailed to Abe Hyman. It is marked at appropriate places with the sources of all the important figures...just in case they are disputed.

Many of the source references are to sections of Abe's report and to other material provided by him. He is the only one who can interpret them clearly and should be at your side and Charlie's to defend the figures if necessary.

I thought you might want to take this with you, as a protection, in case it didn't get through to Abe in the mail.

DM:gf
Enc.



A Proposal For A Campaign

To Be Conducted By the Israel Education Fund Of The United Jewish Appeal

In The United States

On Behalf Of All Institutions Of Higher Education In Israel

The Dynamics of Education

In the Jewish tradition, education has always been a living force. It has been and always will be valued for its own sake, for the reinforcement it gives to the moral and ethical bases of Judaism, for the fulfillment it makes possible of individual human potential, for the foundation it creates for responsible social action. The People of the Book have always considered the attainment of the highest level of education possible for each individual to be a Jewish birthright and a basic human need.

In the dynamics of every free immigrant society, education has been a powerful integrating force. The upward mobility of immigrant groups was made possible in America by the creation of a free, universal and compulsory system of secondary education. Absorption at all levels of society continues to be possible because of a widespread, expanding system of higher education. This process is being repeated today in Israel's 21 year-old immigrant society, which is progressing rapidly toward a totally effective secondary education system and is on the threshold of an explosive expansion of its system of higher education.

It has long been recognized that for Israel - poor in natural resources, surrounded by hostile neighbors and faced with enormous problems of cultural and economic integration - the one great resource, the corner-

stone of survival itself, must be the quality of its manpower. To a large degree that quality is dependent on the scope and effectiveness of its secondary and post-secondary education. To a man, Israel's foremost leaders have said that the crucial measurable difference between the contending armies in the Six-Day War of June, 1967 - beyond such measureless qualities as pride and courage - was the skill, training and basic education of Israel's fighting men and women.

Manpower for the Future

Beyond survival, that skill and training will be increasingly needed as the years go by for Israel's economic strength and soundness and for its technological efficiency in the modern world. On August 4, 1967, the late Prime Minister, Levi Eshkol, told a gathering of world Jewish leaders that Israel must produce a skilled manpower capable of raising the Gross National Product by nine or 10 per cent each year for the following ten years. Since that date, it has been demonstrated that an annual GNP increase of 13 per cent is not only attainable but should be considered the new minimum required.

Former Prime Minister David Ben Gurion has declared that Israel's paramount need is "to educate and train a highly cultured technological younger generation to increase productivity."

The predictable growth of Israel's professional and industrial capacity will obviously require the addition to the labor market of tens of thousands of people with university and graduate training during the next decade.

Part of this highly skilled new manpower will become available through immigration into Israel, from Europe, ^{the} United States and other areas of the western world. The bulk of it, however, will have to be created within Israel. To accomplish this, a large-scale expansion of Israel's universities - geographically and in terms of physical plant and student enrollment - seems both inevitable and imperative. It is to this historical imperative, and to the role which the resources of world Jewry - especially U.S. Jewry - must play in accomplishing it, that this paper is directed.

Israel's Growth in Education: a Partnership

In constructing its system of education, Israel has twice before faced such historical imperatives and each time has met them successfully. Each time, it has had significant assistance from American Jewry.

Only a few short months after the State of Israel was born and while still at war fighting for its very existence, Israel boldly proclaimed that elementary education would be free and compulsory for every child in the land from the age of five to the age of fourteen. This was done with the knowledge that hundreds of thousands - eventually millions - of displaced and oppressed Jews would come pouring into the country through gates that were held unrestrictedly open for them. It was done, as well, with the knowledge that the resources of the new nation would not be able to meet the expense of both bringing the immigrants in and providing free education for their children.

It was done with an instinctive faith in the ability of the American Jewish community, through the United Jewish Appeal, to finance the immigration and initial resettlement of the vast numbers who would come. That faith proved justified: the annual single, exclusive campaign on behalf of immigration to Israel conducted by the UJA, even though never enough to cover all the needs,

freed the people of Israel to meet basic internal obligations, including their commitment to provide, free to all, the eight grades of elementary education which they had made compulsory.

By 1964, Israel was threatened with a disastrous polarization between the generally educated and productive western elements and the relatively undereducated and underproductive Afro-Asian elements of the country's population. A severe shortage of high schools - especially in development towns and other immigrant sectors where families of Afro-Asian origin predominated - was tragically denying the children of those families the chance to rise above their fathers' unskilled, unschooled level of achievement. The continued absence of those schools would surely make the dangerous population split a bitter, permanent fact of life in Israel. The establishment in five years of from 60 to 72 high schools emphasizing productive modern vocational training became historically imperative.

Again, Israel's people knew they could not bear the expense of this basic construction while meeting the enormous costs of defense, absorption and economic development. Again, they turned in faith to their partners in the U.S. Again, the American Jewish community - through the UJA's single, exclusive Israel Education Fund campaign on behalf of secondary education in Israel - has responded to the challenge. Sixty-six high schools have been established by UJA/IEF donors to date, mostly in development towns and other immigrant sectors. The minimum goal has been surpassed; the maximum goal may be met within the five years. The threat of a tragic population split has receded.

With elementary education successfully established and available to all, with secondary education taking productive shape and with two additional years of compulsory schooling to be in force by 1975... all of which

has developed with the direct or indirect assistance of overseas partners... the people of Israel have provided a solid sub-structure for the system of higher education which they must now consolidate and expand.

It is already clear, from the volume of needed university skills mentioned above - and will be even clearer from the level of needed future funds to be presented below - that the people of Israel cannot meet the needs of their universities in the next decade without massive overseas aid. In a sense this is a truism, because higher education in Israel literally owes its creation to gift funds from world Jewry long years before the State came into being and has ever since depended heavily on this source of funds for its continuity and growth.

Up to now, however, support of higher education in Israel by American Jewry has not taken the form of a single, exclusive campaign, with the exception of a brief experiment. Five separate societies in the U.S., for varying numbers of years, have been raising funds for as many institutions of higher learning in Israel: the Hebrew University, Technion, the Weizmann Institute, Bar-Ilan University and Tel Aviv University. A sixth society is currently being formed to raise funds for the University of Haifa. Following this pattern of separate institutional fund raising for higher education, the formation of a seventh society - to raise funds for the fledgling University of the Negev - would be expected.

In the light of the historic imperative in education facing Israel today - the final, the most significant and very likely the most costly of all - the question of which fund raising process American Jewry should use to meet it is an urgent one. Are the multiple campaigns effective enough to meet the need in their concentrated and segmented way, and should they continue? Or can the American Jewish community most effectively provide the

overall support needed, once again, through a single, exclusive campaign on behalf of higher education in Israel?

Israel's Institutions of Higher Learning

In confronting the need to break through to the future in higher education, Israel is fortunately on more solid ground than it was when faced with the task of founding its elementary school system or of swiftly creating a network of high schools to give the greatest possible opportunity to the greatest possible number. Its seven universities - ranging in seniority from the Technion-Israel Institute of Technology and the Hebrew University, for both of which the cornerstones were laid more than 50 years ago, to the four year old Institute of Higher Learning in the Negev - represent an accomplishment and a potential, in a 21 year old country, as great as any in world history.

The division of Jerusalem which accompanied the birth of Israel in 1948 brought with it the loss of Palestine's largest single university campus, on Mt. Scopus. The Hebrew University, which began operations in 1925 with a few hundred students and had been nurtured by world Jewry into one of the Middle East's leading centers of higher education, was forced to begin all over again. Driving hard to achieve its double aim of becoming the world center of Jewish learning and scholarship while providing Israel with the core of its professional manpower, it has swiftly regained and surpassed its previous heights.

In 1968/9, operating on Mt. Scopus again as well as its four other campuses, the Hebrew University offered a wide range of studies, including

1968/9 enrollment figures
-7- supplied to ASH by universities
(Page 9, last ASH draft submitted).

outstanding courses in medicine and law as well as in the basic humanities and sciences, to a total enrollment of 12,501 students.

The Technion-Israel Institute of Technology began operations in Haifa in 1924 with an enrollment of 30 students. Growing steadily since, it pursues the aim of providing Israel with the engineering manpower it needs for its science-based industries, one of the most important elements in the creation of the viable economy the country is seeking.

Student enrollment on Technion's expanding campus in Haifa in 1968/9 was 5,688. In addition, Technion has a directly affiliated Technical High School and Junior Technical College; maintains a branch in Beersheba under the budding University of the Negev program; offers refresher courses for thousands of working engineers and technicians in Tel-Aviv, Jerusalem, Haifa, Beersheba and smaller communities; and operates an active program in behalf of the emerging countries of Africa and Asia, training students from those countries in Haifa and sending graduates to them to give instruction in the skills they need. (Lack of space and facilities caused Technion to turn away 800 applicants in 1968/9, many of whom met entrance qualifications.)

The Weizmann Institute of Science in Rehovot is Israel's magnificent center for education and pure and applied research in the natural sciences. Founded in 1944 around the nucleus of the ten year old Daniel Sieff Research Institute, its cornerstone was laid in 1946. In 1968/9 it had a student body, all graduate students, of 324 and a permanent research, instructional and technical staff of about 700, and this combined total was engaged in more than 200 research projects in nuclear physics, experimental biology, electronics, mathematics, cell biology and other areas of importance

This figure culled from a list provided to ASH by the Institute.

Figures on students denied admission supplied to ASH by universities
(Page 24, last ASH draft submitted).

to Israel and mankind. This Institute now ranks among the very best in the world.

When Bar-Ilan University opened its doors to its first 80 students in Ramat Gan in 1956, it was the realization of a six year old vision of creating a religiously oriented university, grounded in Jewish culture and tradition, which would be a powerful force in keeping alive an ancient heritage. In 1968/9, offering basic courses in Jewish studies, the humanities and the natural and social sciences, providing specialized training in social work and criminology and operating extension courses in the towns of Ashkelon on the Mediterranean and Safed in the Galilee, it had a student body of 3,785. (Bar-Ilan, lacking space, turned away 1,600 applicants in 1968/9, slightly more than the number admitted; many of those rejected were academically qualified.)

The long-standing need for a major university in Israel's largest and most cosmopolitan city began to be met in 1962 when Tel-Aviv University opened as a small college of biology and the humanities with 1,400 students. Its growth has been phenomenal. In 1968/9, with faculties in the humanities, sciences, medicine, law, social sciences and business administration, it had an enrollment of 7,400. (In 1968/9, it had to turn away 1,800 applicants, most of them qualified, because of lack of space.)

Until the advent of Haifa University College in 1963, the entire north of Israel - although it could boast the presence of Technion and its matchless program of technological training - was completely devoid of any facilities for higher education in the social sciences and humanities. By June of 1968, at the end of the College's fifth year of operation, it could be truly said that it had "rescued the north, from Hadera to the border, from

academic isolation."* Operating under an initial five year working agreement with the Hebrew University, and with construction of Oscar Niemeyer's unique massive design for the coming Haifa University under way, the College had a student body in 1968/9 which had grown from the original 650 to 2,700. (For the past academic year, it had to turn away 1,000 applicants, most of them qualified, because of lack of space.)

Following a similar pattern in providing a future university center for the south of Israel, the Institute of Higher Learning in the Negev started giving courses for 250 students in temporary quarters in Beersheba** in 1965. It is planned to evolve into a grand University of the Negev, not only a seat of learning but a research and development center as well for the vast desert region in such vital areas as desalination, dry-farming and the discovery, mining and processing of mineral and possibly oil deposits.

In 1968/9, with plans for its new campus under active study, it began a five year working agreement with the Hebrew University, which supplies most of its teachers of courses in biology, the humanities and social sciences. With other courses given under the auspices of Technion and the Weizmann Institute, it had an enrollment of 1,010.

*: Retiring Dean of Faculties, Professor Jehoshua Praver, during an interview reported in the Jerusalem Post, June 14, 1968.

** : Hias House, the internationally renowned former hostel. In an appealing and welcome action earlier this year - and, hopefully, a harbinger of American organizational cooperation to come in support of higher education in Israel - the United Hias Service cancelled the debt of the Municipality of Beersheba for rental of the temporary quarters and gave the building outright to the University.

Rate of Growth in Higher Education

The brief facts and figures above represent an enormous accomplishment. When Israel was established late in the 1947/8 academic year, the Technion campus in Haifa had about 1,500 students, the Hebrew University's students on Mt. Scopus quickly became homeless, the Weizmann Institute in Rehovot was in its formative years and the four other institutions were unborn. In 1955/6, there were still fewer than 5,000 students on Israel's campuses. The number has skyrocketed since then, reaching 33,408 in 1968/9. (See Table A). This represents an increase of more than 500% since 1955.

estimate by Ed Vajda

Barring unforeseen massive immigration, of course, it is very unlikely that this extreme percentage of growth will continue. The numerical increase in enrollment, however, will be substantial. The increase this past academic year alone was 4,888 or 17% higher than the year before.

A. ENROLLMENT IN INSTITUTIONS OF HIGHER LEARNING IN ISRAEL....

Statistical Abstract Universities to ASH

<u>Institution</u>	<u>1967/8</u>	<u>1968/9</u>
HEBREW UNIVERSITY	11,586	12,501
TECHNION	5,115	5,688
WEIZMANN INSTITUTE	307	324
BAR-ILAN UNIVERSITY	3,111	3,785
TEL AVIV UNIVERSITY	6,308	7,400
HAIFA U. COLLEGE	1,829	2,700
NEGEV U. INSTITUTE	264	1,010
TOTALS:	28,520	33,408

This surge will continue to prevail in the foreseeable future. Natural increase of population will remain high. Immigration is still in the tens of thousands annually. Perhaps most significant of all, the ongoing breakthrough in secondary education is turning out more and more eligible candidates for higher education... and the expansion of Israel's high school system is still in its early stages. Particularly, there is bound to be a sharp increase in eligibility for university entrance among the growing numbers of boys and girls of North African and Asian family origin in the high schools.

Conservative Israel government calculations forecast a rise in the university population to over 47,000 by 1973.* *Budget Bureau* Projecting that average 3,000 annual increase to the end of the 1970's indicates that Israel's universities will have a student population of at least 64,000 by the beginning of the 1979/80 academic year.

How has the cost of this university population explosion (six times greater than that in the United States) been met? Who paid the costs in 1968/9 of maintaining seven university plants serving more than 33,000 students? Who, in the next decade, can be expected to meet the cost of educating a minimum additional 31,000 students?

Maintenance Costs of Higher Education in Israel

The total cost of operating the seven universities on behalf of the 33,408 students during the past academic year was \$58.6 million.

(See Table B)

* This estimate is apparently based on cautious projections of student increase for the next five years by the institutions themselves. Unofficial but informed projections are higher. The 5,200 applicants turned away in 1968/9 by the four reporting institutions lends support to the higher estimates, as does the fact that the increase in enrollment from 1967/8 to 1968/9 was almost 5,000.

Figures and Table on this page based on Appendix 4, Table 2 - p. 68 of last ASTH draft submitted - except that the

Average operational cost per student was about \$1,750. *column "Other"*

The largest share of these operational funds came from the Government of Israel, which supplied \$38.9 million, or 66.4%. *contains percentage figures inserted at HQF direction*

Tuition provided \$6.2 million, or 10.6%.

Other sources within Israel (see footnote, Table B) added \$9.4 million, or about 16%. *To create horizontal totals of 100%.*

World Jewry's 8.7% share amounted to \$5.1 million...., of which the estimated U.S. portion was \$4 million. *Sources: the universities, Ministry of Finance*

B. SOURCES OF OPERATING INCOME, 1968/9
BY PERCENTAGE OF PARTICIPATION....

<u>Institution</u>	<u>Operating Budget</u>	<u>Govt. of Israel</u>	<u>Tuition</u>	<u>Other*</u>	<u>World Jewry</u>
HEBREW UNIV.	\$21,200,000	69.7%	10.4%	9.9%	10.0%
TECHNION	11,900,000	73.0	8.2	5.0	13.8
TEL AVIV UNIV.	11,700,000	56.1	13.7	17.8	2.4
WEIZMANN INST.	7,200,000	63.6	----	22.2	14.2
BAR-ILAN UNIV.	3,900,000	67.6	20.7	11.7	----
HAIFA U. COLL.	1,900,000	55.5	20.5	24.0	----
NEGEV U. INST.	800,000	71.5	17.2	11.3	----
TOTALS:	\$58,600,000	66.4%	10.6%	14.3%	8.7%

These percentages, late in the decade of the Sixties, are painfully unbalanced in the disfavor of Israel's people, and a simple comparison with the situation early in the decade reveals that they are becoming increasingly unbalanced. For the 1961/2 academic year, the Hebrew University and Technion,

*: Other sources of income, all within Israel, include: grants by local governments, local gifts, research, grants from Ministries, interest from income, payments on individual loans granted, rents, operation of cafeterias, deficit-covering loans and miscellaneous.

which encompassed the vast majority of Israel's university students at that time, received 70% of their operating income from the government and other Israeli sources, and 30% from world Jewry (of which about 22% was from the U.S.).

At a minimum, the percentage of participation in operating the universities - by Israel's people through their national budget on the one hand, and by world Jewry on the other - should be equalized. Assuming that income from tuition and other Israeli sources will continue at about 25%*, the Israel budget and world Jewry should each supply 37.5%. American Jewry's share, based on past performance, should be 30%.

The Israel government has projected a total maintenance cost for all institutions in 1969/70 of \$68.6 million, in 1970/1 of \$74.6 million and estimates identical \$6 million increases for the following three academic years. Retaining that unchanging increase through 1979/80 - obviously an ultra-conservative assumption - the total cost of maintaining the seven institutions for the ten year period of 1970/1 through 1979/80 will be \$1.04 billion**.

Of that sum, using the 30% share established above, the American Jewish community should provide about \$310 million, or an average of \$31 million each year.

*: A questionable assumption, since the increase in enrollment by Afro-Asian students from families less able to meet tuition payments than others will probably lower this source of income and create a greater need for scholarships.

**:

Budget Bureau

This includes approximately \$30 million needed for maintenance of an estimated 1,000 new students from abroad each year. (This, again, may be an ultra-conservative figure: the Hebrew University alone has projected the addition of 1,500 new students from abroad next year.)

Govt. estimate reported by ASA - page 45, last submitted draft.

Development Costs of Higher Education in Israel

The expected increase in university enrollment cannot be successfully absorbed by the seven institutions without significant expansion of their current services, facilities and programs. Carrying out such expansion is a continuous process in university life everywhere and is funded through what are generally called "development" budgets.

The term includes capital funds for the building of new structures and the remodeling and enlarging of existing ones. It may also include the cost of equipping and conducting research projects beyond those which are a normal part of instructional routine; the cost of instituting new services and programs beyond those which have become a part of operational routine; and endowments establishing "chairs" or used for any other purposes than normal daily operations.

Hard facts for use in projecting the development needs of Israel's universities for the decade of the Seventies are somewhat elusive, partly because it is sometimes difficult to assign individual items of income or expense to "operations" or "development" and partly because of problems in definition. Some university budget breakdowns, for example, include "normal" and "special" development costs, the latter apparently applying to capital expenditures, while some have a single budget which must be analyzed into component parts.

The current estimate of the Israel Bureau of the Budget is that development budgets of the seven institutions, including development costs related to the projected 1,000 new students from abroad each year, will total *Budget Bureau (IL 130 million - see p. 45, ASH last draft submitted)* about \$37 million annually. The ten year projection on this basis would be \$370 million. Like all official budgetary predictions, it is based on the actuality of recent figures and may or may not have a relationship to future developments. When it is considered that the seven universities have announced

Gross total of all units listed in Appendix 5, ASH report (last draft submitted)

plans for new construction, with specified unit costs, for the next three to five years which alone total \$137 million, the Bureau's projected figure may be low.

For our purposes, it is possible on the basis of the various sets of facts available - and with a working definition of "development" as any cost beyond normal day-to-day operation and maintenance - to project what may be a more reasonable minimum development figure for the decade in question.

The Hebrew University's projected development budget for the next five years, announced this March at \$80 million, has since been reportedly revised downward to \$49.1 million for new construction only; no revised sum for other development purposes has been indicated. It is not yet clear if the projects represented by the sum eliminated from the March estimate have been re-scheduled for the ensuing five years, so that a ten year projection for the academic decade of 1970/1 through 1979/80 is not possible on the basis of a concrete master plan. It is possible, however, using the University's 1968/9 development budget of \$5.4 million as a base and applying a conservative rule-of-thumb 10% annual increase, to project the University's total development needs for that decade at \$105 million.

ASH - p. 47, Par. 2

ASH - Appendix 4, Table 1 - p. 67

Technion is also in the midst of a five year construction program, for which it is currently seeking \$15.4 million. This is entirely apart from its normal development budget, which was \$1.7 million in 1968/9. Adding a ten year rule-of-thumb projection from that figure to a proportionate balance of the five year construction sum at the beginning of the 1970/1 academic year yields a probable total development need of \$47 million.

ASH - p. 46: Gross - IL 65 million

ASH - Appendix 4, Table 1 - p. 67

(\$12 million)

ASD letter in course of
research, reporting conversation with
Institute official.

-16-

The Weizmann Institute's overall 1968/9 budget includes a sum, over and above listed operational expenses, of \$6.4 million, mainly for research, its lifeblood. For our purpose of establishing a reasonable minimum, we shall assume the \$6.4 million as a fixed annual figure for the ten years. In addition, the residue need in 1970 of the Institute's current five year construction program can be calculated at about \$5 million. Combined projection for the decade 1970/9, therefore, is \$69 million.*

Bar-Ilan University's current four year construction program will probably require a balance of about \$4 million to be raised at the start of the 1970/1 academic year. Bar-Ilan's 1968/9 normal development budget was about \$1.2 million. Projecting that base figure in the same manner as above** and adding it to the capital need yields a ten year total of about \$27 million.

Tel Aviv University's five year capital expansion program requires a sum of close to \$27 million. This alone would match the predictable total development budgets of this institution for the five years, based on its 1968/9 budget of about \$4.3 million. It is therefore ultra-conservative to use that base figure for total development projection and arrive at a ten year need of about \$74 million.

*: This does not take into account a listed development budget figure in 1968/9 of \$1.3 million, since it is not clear if this is included in the \$6.4 million. Adding a projection based on that figure would increase the Institute's ten year need to about \$100 million. It also does not take into account the possible addition of an undergraduate program, which would add considerably to all costs.

** : Actually, Bar-Ilan has projected a 1969/70 development budget of about \$1.7 million, an increase of more than 40%. This may, however, include a portion of the cited construction needs.

Figures submitted by Haifa U. to ASH during course of research

Haifa University College, combining capital and other development needs, has projected development budgets of \$3.7 million in 1970/1 and \$4 million in 1971/2. Considering the magnitude of the architectural plan for the evolving Haifa University (at an estimated raw construction cost of \$28 million), this indicated level of increase - below the rule-of-thumb 10% - seems needlessly low. Even retaining it, however, the minimum development need for this institution for the 1970/9 period would be about \$52 million.

The planners of the forthcoming University of the Negev estimate a development expense, largely for capital construction purposes, of \$57 million over the next 20 years. Conservatively reducing that sum for the ten years in question almost by half yields a figure of \$30 million. (Double checking this by applying the 10% rule-of-thumb annual increase to the projected 1969/70 development budget of about \$1.7 million yields almost exactly the same figure.)

To these sums must be added development costs for the 1,000 new students from abroad who, according to the cautious estimates cited above, will be added annually to Israel's university population. The Israel Bureau of the Budget poses an \$8.6 million annual development cost for these students, mainly for dormitory and related facilities. The ten year figure, then, is \$86 million.

The total estimated minimum development needs of all seven institutions for the decade 1970/9 is \$490 million.

TABLE C. ESTIMATE OF ALL DEVELOPMENT NEEDS
FOR DECADE 1970/9

Hebrew U. .	\$105,000,000
Technion	47,000,000
Weizmann	69,000,000
Bar-Ilan	27,000,000
Tel Aviv	74,000,000
Haifa	52,000,000
Negev	30,000,000
	<u>\$ 490,000,000</u>

Government of Israel participation in development budgets of the universities has varied widely from year to year and from institution to institution. In making its projections, the Israel Bureau of the Budget has assumed an overall 30% Government participation. Tentative schedules of Government participation in the current construction programs of the seven universities, indicates a figure above 35%. Using the latter as our guide, we can estimate that the Government is prepared to cover about \$170 million of the total projected, leaving a sum of \$320 million to be covered by outside sources.

As figures on world fund raising which will appear in the next section of this report indicate, American higher education fund raising for all purposes has supplied 70% of the total raised by world Jewry for these purposes.

Since the bulk of fund raising to date has been for development purposes, we can fairly safely maintain this ratio in our projection. Leaving aside the question of whether or not this is a fair ratio, and whether or not it reflects the real potential of the American Jewish community, it appears that American Jewry's obligation toward development funds needed by Israel's universities for the decade of 1970/9 would therefore be about \$220 million, or roughly \$22 million annually.

Adding that sum to the \$31 million previously established as a fair and reasonable minimum share of the decade's maintenance expenses by American Jewry indicates that campaigning in the United States for Israel's universities should yield a total of \$53 million each year.

Considering the facts that the projected maintenance costs are based on a patently low estimate of enrollment increase, that there is no way of fairly predicting the level of demand which will be created by the continuous broadening of the base of Israel's secondary education, and that none of the figures above reflects the cost to the universities of paying interest on current debts*, the responsibility of American Jewry may be considerably higher.

*:		Current annual carrying charges on
debts reported:	Hebrew U. -	\$1 million
	Tel Aviv U.	\$908,000
	Technion	\$186,000
	Weizmann	2% per annum on debt of \$45.7 million
	Haifa	6-11% on debt of \$5.2 million
	Bar-Ilan	up to 7% on debt of \$1.6 million
	Negev	5.5-8.5% on debt of \$129,000

*submitted by universities to
ASJ - Table 11, p. 23*

U S. Fund-Raising for Israel's Universities

Who is going to raise that kind of money? What are the instruments currently available in the United States, and how much money have they been raising for Israel's institutions of higher learning?

In this area, too, establishing absolute figures is not a simple task for various reasons, including the overlapping of calendar, campaign, fiscal and academic years which makes the coordination of figures difficult; the submission of gross figures by some sources and net figures by others; the complexities of currency conversion; the deferment of earmarked or endowment funds beyond the year of collection; in one case the actual lack of specific annual sums raised because those sums are being used to pay off a large long-term loan and not transmitted to the beneficiary institution, and other mechanical, essentially book-keeping factors.

The analysis made in this section is based primarily on figures supplied by the institutions themselves, coordinated with audited figures available in the United States and with material published by the Israel Bureau of the Budget. As much of this material as is both clear and complete appears at the end of this section, on page 22, as Table D. In this table, in all cases involving conflicting sets of figures for 1964/5 - 1967/8, the highest figure has been used.

Just as it was the intention of this report in establishing the level of future need, above, to promulgate a reasonable minimum, so it is the intention of this section's analysis to render the capacity of American fund-raising organizations in the form of a reasonable maximum.

From this analysis, it appears that, over the past five academic years (1964/5 - 1968/9), the five existing American fund-raising organizations have transmitted to their beneficiary institutions these total net sums:

-20- For U.S. figures, see Table D.
World figures calculated from

For the Hebrew University, from the American Friends of the Hebrew University: \$22.6 million. (From all other world Jewish sources, outside of Israel: \$14 million).

breakdowns given ASH by the universities during course of research

For Technion, from the American Technion Society: \$13.6 million. (From all other world Jewish sources: \$4 million.)

For the Weizmann Institute, from the American Committee for the Weizmann Institute of Science: \$18.1 million. (From all other world Jewish sources outside of Israel: \$7 million.)

For Bar-Ilan University, from its American office which has the same name: \$1.9 million. (From all other world Jewish sources outside of Israel: \$200,000.)

For Tel-Aviv University from the American Friends of Tel-Aviv University: \$6.6 million. (From all other world Jewish sources outside of Israel: \$2 million.)

TOTAL: about \$63 million. (From all others outside Israel: about \$27 million)

ANNUAL AVERAGE: \$12.6 million. (Others: \$5.4 million.)

It is difficult to assess the additional value of possible future campaigns in the United States on behalf of the nascent Haifa and Negev Universities. Chances are that, with their addition, the average grand annual total would not reach \$15 million.

The inevitable conclusion is that the capacity of the seven possible American organizations falls far short of the need.

To achieve their current level of net proceeds for the universities they represent, the five current organizations have an (unduplicated) aggregate

of (440) distinguished lay leaders serving on their boards; maintain devoted professional staffs totalling (52); hold public fund-raising functions in at

least 10 major cities, and incur annual expenses averaging about 15% of total gross receipts.*

*: In comparison, annual expenses of the Israel Education Fund of the United Jewish Appeal averaged 4%.

based on C.F.W.F. audited figures (1964/5-1966/7) for Hebrew U. & Technion, plus estimates given ASH by other universities

BAJ

rough figures based on letter heads & other scraps of information

Nothing in the above, which is a straightforward recitation of facts, is in any way intended to be deprecatory of the current organizations, their leaders or their achievements. On the contrary, it must be insisted that these men and their organizations have been outstanding; indeed that, in large measure, they are the architects of Israel's system of higher education. Without them, Israel's universities could not possibly have achieved their current scope of operations or level of effectiveness.

It is because they have done as much as they have that the universities have grown to the point where their needs have far outstripped the capacity of their organizations. It is because they have done as much as they have that the historical imperative in higher education is not a crisis of desperation but one of challenge and opportunity.

In any restructuring of an American fund-raising instrument in support of higher education in Israel, the continued efforts of the lay leadership of the current individual organizations should and must be enlisted. Through any centralization of campaigning which is instituted, the current individual organizations, which engage in many other productive activities besides fund-raising* should and must continue as entities. Separating fund-raising from the cultural, educational, recruiting, archival and other functions of these distinguished American societies cannot, in fact, help but lead to an improvement and expansion of those valuable activities.

*: Recruitment of American students for the universities; organization of summer studies programs; student and faculty exchange programs; active liaison between U.S. and Israeli intellectuals, educators, scientists, industrialists and engineers; acquisition of collections of books and reference materials; securing of gifts in kind, such as books, equipment and supplies, and a broad range of cultural and educational activities.

How will the proposed restructuring take place? How centralized must it be? To repeat and embellish the question which began this section: Who will raise that kind of money... more than \$50 million a year... from American Jews who are currently giving, at most, somewhere around \$15 million for higher education in Israel?

TABLE D. FUNDS TRANSMITTED BY FIVE AMERICAN SOCIETIES TO INSTITUTIONS OF HIGHER LEARNING IN ISRAEL. ACADEMIC YEARS 1964/5 - 1968/9

FOR	1964/5	1965/6	1966/7	1967/8	1968/9*	TOTAL
HEBREW U.	CJFWF \$2,232,489	CJFWF \$3,029,690	Univ. to ASH Appendix 4, Table 3 p.69 \$4,571,429	SAME \$5,428,571	Chart from Univ. to ASH - more than \$9 million gross, less 20% expenses \$7,300,000	\$22,562,179
TECHNION	CJFWF 3,226,910	CJFWF 2,344,790	CJFWF 2,885,307	App. 4, Table 3 1,485,714	Based on chart from Techn. to ASH late in research 3,700,000	13,642,721
WEIZMANN**	Institute chart to ASH during research 3,709,667	→ SAME 6,078,333	App. 4, Table 3 3,542,857	App. 4, Table 3 3,485,714	Same as above 1,300,000	18,116,571
BAR-ILAN	Estimate based on same % of world figures as 1965/6 100,000***	Univ. chart to ASH 75,000	→ SAME 614,900	→ SAME 799,258	→ SAME 325,000	1,914,158
TEL AVIV	Univ. chart to ASH 1,265,011	Univ. chart to ASH 1,889,417	App. 4, Table 3 1,028,571	App. 4, Table 3 1,914,285	Same as above 500,000	6,597,284
TOTAL	\$10,534,077	\$13,417,230	\$12,643,064	\$13,113,542	\$13,125,000	\$62,832,913

*: 1968/9 figures listed are estimates based on figures supplied by the universities early this year. Later sets of figures for income received from abroad, not broken down into U.S. and other nor clearly indicating if they are gross or net sums, were submitted just before publication of this report: Hebrew U.: \$8.9 million; Technion: \$4.8 million; Weizmann: \$2.2 million; Bar-Ilan: \$500,000; Tel Aviv: \$2 million. TOTAL: \$18.4 million. } Appendix 4, Table 3

** : Weizmann figures represent sums received from counterpart funds in the U.S. on the basis of a \$25 million loan secured from A.I.D. in 1963. They do not represent actual money raised by the American Committee.

*** : Bar-Ilan 1964/5 figure is an estimate.

The United University Fund

As suggested earlier, the answer to bridging that annual \$38 million gap - and to avoiding wasteful duplication of effort in the face of major needs - should, logically, be the historic answer of the American Jewish community: the formation by the United Jewish Appeal of a single, exclusive, fund raising campaign on behalf of higher education in Israel.

The history of the UJA shows the effectiveness of this central approach to the raising of massive sums. In addition, the UJA possesses a successful and experienced instrument of educational fund raising, its Israel Education Fund (IEF). Operating with a professional staff averaging two people a year, but with the inestimable advantage of having the human and organizational resources of the parent UJA at its disposal, the IEF has been in operation since September, 1964.

In its five year initial campaign, now three months short of completion, it has sought funds for a total of 66 schools officially submitted, with plans, by the Israel Ministry of Education and Culture as priority construction projects. It has received pledges for all of them. Overall, including libraries, community centers and pre-kindergartens, the Ministry has certified and submitted plans for 120 construction projects eligible for IEF solicitation; IEF has obtained donations for 109 of them, or 90.8% overall.

It is not inconceivable that, in the last three months of its first phase program, IEF will reach a level close to - possibly even at - 100%*.

*: It is noted in passing that, for the past two years, IEF has been operating with the same restraints imposed by the primacy of the Emergency Fund as have other American Jewish fund raising organizations - or perhaps even greater restraints - for the UJA, which controls the Education Fund, permitted it almost no activity.

The UJA, then, has both the historic credentials and the specific instrument for organizing the United University Fund. In broadest outline, and without spelling out all details, it is therefore proposed that a united campaign be conducted on behalf of all institutions of higher learning in Israel by the Israel Education Fund of the UJA, according to the following suggestions:

1. Purpose of Campaign

To increase the fundraising in the United States for all institutions by:

- A. coordinating all activities in one office
- B. eliminating conflicting and competitive requests to communities for campaign dates
- C. assembling the best possible lay leadership for solicitations, acting in concert for the one campaign
- D. building the best possible professional staff
- E. eliminating some duplicated expenses, thus
- F. approaching the total organized Jewish community in a totally unified manner.

Stated very simply, there are two outstanding advantages to be derived from this approach: first, the universities must benefit, because more money will be raised; second, the communities will benefit because they will be approached only once on behalf of higher education instead of several times, with all the resulting annoyances.

2. Scope of Campaign

As developed above - using available estimates of the student growth and capital needs over the next ten years (1970-1979), and assuming a 70% government participation in maintenance funds and 30% in capital or development funds - an average amount of \$50 million per year will be required for all institutions.

This must be the scope of the proposed campaign.

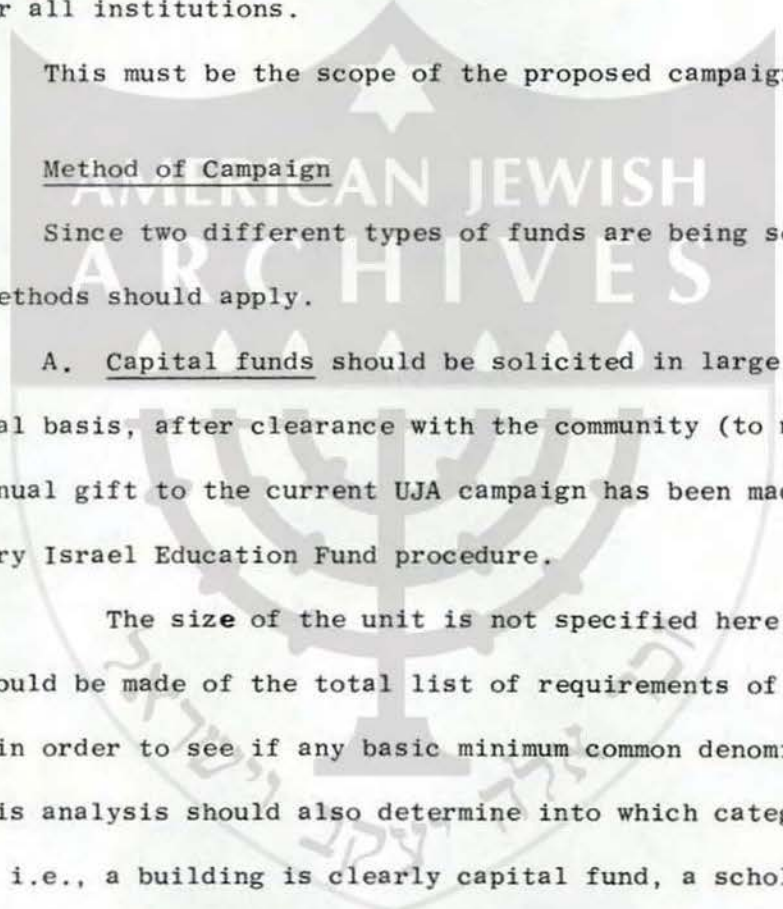
3. Method of Campaign

Since two different types of funds are being sought, two different methods should apply.

A. Capital funds should be solicited in large units, on an individual basis, after clearance with the community (to make certain that the annual gift to the current UJA campaign has been made) following the customary Israel Education Fund procedure.

The size of the unit is not specified here, because some analysis should be made of the total list of requirements of all the institutions in order to see if any basic minimum common denominator figure emerges. This analysis should also determine into which category a specific item falls, i.e., a building is clearly capital fund, a scholarship is clearly maintenance fund; what is an endowed chair? There will be many such questions. It is obvious, however, that the minimum gift in the capital fund category must be high - whether \$100,000 or somewhat lower or somewhat higher is to be determined.

*not correct -
see p. 13, Par. 2*



B. As for the maintenance gift, this should be solicited on a community-wide basis, with no minimum, or perhaps a very low minimum, such as \$100 or \$250. Once each year, at a time and for a period to be decided upon in consultation with the community, a united campaign on behalf of Israel's higher education should be conducted throughout the entire community, with all appropriate professionalism, a fixed goal, publicity, dinner or dinners, important speakers, pre-solicitation at small parlor meetings - in other words, a complete campaign, in miniature.

The national maintenance goal should be divided into equitable community shares, in a public process of consultation with the major communities, so that all may know what each is being asked to produce, and no single city feels it is being unfairly exploited. Once agreement is reached on this, all may be expected to work with vigor to achieve their "fair share".

No one city will have an inordinately large quota. The community-wide campaign to raise it should be completed inside of one month, with possibly one month required in advance for preparation.

Parallel and simultaneous with this, the capital fund effort will go on, with selected individuals. It is not necessary for this to be confined to a short period, for this program does not disturb the whole community. It is advantageous to finish it as quickly as possible, but the pursuit of large individual donors must conform to its own dynamics.

4. Specific Elements of the Campaign

There must be created in Israel one central address with which the Israel Education Fund can have its liaison. This might be a Minister of Higher Education, if one were to be appointed; or an Authority, representing all the institutions; or any other form of umbrella organization embracing all. This person, group, council, committee, authority or whatever is felt by the institutions to be most practical, has two functions: to determine the specific needs of a given year's campaign and to enter into discussions with the IEF far enough in advance so that those needs can be properly advertised and presented for the next campaign (in other words, make up a total "needs list", bring it to the IEF and agree on what will be "sold" during the coming campaign); and secondly, to serve as the channel through which each institution will receive what it has been agreed in advance it shall receive (in other words, divide the proceeds, according to a pre-campaign formula which all schools agree upon).

5. Preserving Identity of Individual Institutions

It is most desirable and necessary that the identity of the seven participating institutions be maintained, and not be lost in the anonymity of the unified campaign. The reasons for this are obvious. The whole is not greater than the sum of the parts, in this case. The parts are most important. Institutions have developed loyal constituents, over the course of years, and these loyalties should rightfully be exploited.

The unified campaign is a vehicle, a method, a tool - but the individual institutions must be kept prominently visible before the eyes of the public from whom contributions are sought. As a matter of fact, the enlarged unified campaign will enhance the visibility of the individual institutions and spread it to a larger public than ever before.

Some specific steps which can guarantee the maintenance of individual institutional identity are:

1. Retaining of individual offices and addresses for academic purposes, as described above.
2. Appearance of each university president before many more community-wide audiences than has ever been possible under the present system. Theoretically, each university president should be prepared to appear in 15 - 20 communities per year, during the one month height of the campaign.
3. Acceptance of earmarked gifts for specific institutions. The details of this procedure are complex, and, therefore, need not be set down in this paper - but in principle it should be possible to solicit earmarked gifts.

6. Forming a Lay Board

Since it is impossible and even unnecessary at this point to chart a completely detailed structure of board, executive committee, administrative committee, officers, or whatever else might be required, it is suggested that simplicity and pragmatism prevail at the inception.

There are at present key individuals identified with the individual institutions. These men, plus others, calling themselves an organizing committee, should meet for a detailed discussion, together with some key individuals of the IEF, UJA and CJFWF to plan the minimum structure necessary to start the unified campaign. Future events will themselves dictate additional organizational needs.

The first organizing meeting should be under the chairmanship of Charles J. Bensley, President of the IEF, until a permanent structure is created.

7. Forming a Professional Staff

Since it is contemplated that the unified campaign will be conducted by the IEF, the Executive Director of the IEF will be the chief executive officer. The staff requirements, budget, assignments, recruitment of personnel are all matters to be spelled out - but the general operating principle is that the campaign headquarters will be sited at the national UJA office, to take obvious

advantage of all facilities, and that desirable professional staff members of the currently separate campaigns will be absorbed into the new campaign staff.

8. Forming an Academic Advisory Board

The value of such a group to the lay board is self-evident. This advisory body can help pass judgment on the requests coming from Israel; can provide supporting arguments which will be valuable in campaigning; can give the lay leaders greater assurance; can conduct surveys in Israel which will authenticate needs; can make speeches and statements on behalf of the campaign; and can make its own suggestions.

The prestige value of an advisory board of scientists and academicians of this stature is beyond estimate.

9. Legal Matters

It does not appear necessary that the procedures followed by IEF with regard to the high school campaign be employed in this university campaign. Each institution of higher learning enjoys its own tax-exempt status, and therefore no additional corporate structure or agent is required. The IEF can distribute the funds raised directly to the beneficiary institutions.

It might be worthwhile for the IEF to file a memorandum with the Internal Revenue Service, indicating the nature of the new university campaign being undertaken.

Counsel for the UJA must obviously participate in the organizational process described in #6 above, and in the writing of any by-laws or procedural rules.

10. America-Israel Cultural Foundation

It is a moot question as to whether this organization should be included in the unified campaign. Arguments can be presented on both sides. The organizing committee should take the matter under advisement and make a decision. This writer's opinion is in the affirmative.

11.

Steps to be taken in Implementation of this Memorandum

- a. Internal discussions inside UJA - i.e. its executive committee, its IEF officers, its constituent agencies - to obtain an affirmative consensus.
- b. Discussions with CJFWF - to achieve agreement on major principles, particularly operations.
- c. Discussions with authorities in Israel - i.e. university presidents, government officials.
- d. Convening of organizing committee, with following agenda:
 1. Decide on name
 2. Decide on time-table
 3. Appoint finance committee, for purposes of budget, staff, and property of present organizations.

Herbert A. Friedman

27 May 1969

RESOLUTION ON HIGHER EDUCATION
FOLLOWING MR. SAPIR'S CONSULTATION
JUNE 15, 1969

1. The future of the institutions of higher learning in Israel depends on the assurance of maintenance funds at a level adequate to provide for their academic advancement, the growth of the student population, and their increasing response to the needs of Jewish students from abroad.

The people of Israel cannot meet this problem alone.

Accordingly, it is recommended that an Endowment Fund be set up for the benefit of all the institutions in Israel. Contributions for this Fund will be limited to individuals willing to contribute a minimum of one million dollars. The Fund shall be invested in Israel and its value shall be guaranteed by the Government.

In Israel, an organizing committee (hereinafter referred to as the Israel Committee for Higher Education) shall be set up comprising one representative each of the Weizmann Institute, the Hebrew University, the Haifa Technion, the Bar Ilan University and the Tel Aviv University. In addition, one member shall be nominated by the Jewish Agency and one member by the Government of Israel. Representatives of the Haifa University Institute and the Institute of Higher Education in the Negev shall be invited to attend the meetings of the Committee.

The Israel Committee for Higher Learning shall determine all the details of the Endowment Fund, including the formula of allocation of its income to the beneficiary institutions.

It is understood that this matter requires further consultation with the United Jewish Appeal and the Council of Jewish Federations and

Welfare Funds in the U.S.A. Accordingly, a commission comprising the Israel Committee for Higher Education, representatives of the United Jewish Appeal, the U.I.A., the Council of Jewish Federations and Welfare Funds and of the respective Friends Organisations of Israel institutions of higher learning in the U.S.A., shall be convened in September 1969 to discuss the modalities of this project. (This commission is hereinafter referred to as the U.S.-Israel Commission on Higher Education.)

2. Since the proposed Endowment Fund will not assure the maintenance requirements of the institutions of higher learning in Israel, it is agreed that immediate consideration be given by the above Israel Committee and the U.S.-Israel Commission on Higher Education to the launching of an annual campaign for the operations budgets of all the institutions of higher learning in Israel. The decisions on the scope, timing and method of this Fund in the U.S.A. will be discussed by the U.S.-Israel Commission on Higher Education at its meeting in September 1969.

3. In regard to capital funds, the view was put forward that, as at present, each institution continue to conduct individual solicitations for capital projects provided that no public campaigns are undertaken and that the existing agreement with the United Jewish Appeal regarding the Emergency Fund is respected. Another view submitted was that solicitation for capital funds, too, be coordinated. It was agreed that further study be devoted to this question at the meeting of the U.S.-Israel Commission on Higher Education at its September meeting.

3.

4. As far as the U.S. is concerned, a planning committee will be set up to prepare for the meeting of the U.S.-Israel Commission on Higher Education to be held in September. This committee will comprise:



AMERICAN JEWISH
ARCHIVES

It is understood that the decisions of the U.S.-Israel Commission on Higher Education are dependent on the approval of the United Jewish Appeal, the Council of Jewish Federations and Welfare Funds and the respective institutions of higher learning in Israel.

CONFIDENTIAL
BACKGROUND PAPER

PROPOSED PRINCIPLES FOR ESTABLISHING AN ENDOWMENT
FUND FOR INSTITUTIONS OF HIGHER
EDUCATION IN ISRAEL

June, 1969

During the past five years the number of students in institutions for higher education in Israel has doubled (from some 16,000 in 1963/64 to approximately 33,000 in 1968/69). The current budget of these institutions have almost tripled during this period.

In the coming years, a substantial growth is expected in the number of students - especially in view of the establishment of new institutions.

This development calls for finding additional sizeable sources of income, which cannot be obtained in the heretofore traditional methods.

In order to avoid a growing number of Organizations of "Friends Of" the new institutions being established in Israel, as well as competition in collection of funds for the current expenditure of these and the existing institutions, it is hereby suggested that:

1. An Endowment Fund for institutions for higher education be established, and that the 500 million dollars collected by it be invested in Israel. The returns from this investment would be devoted to financing the activities of these institutions - over and above the Government and National Agencies participation, fees and other forms of income.
2. This would be obtained by directly approaching well-to-do individuals to contribute \$500,000 - 1,000,000. A special effort will be made to collect the total sum within 3 years.

3. It must be assured that these contributions will be in addition to the donor's pledges to the UJA and the Emergency Appeal.
4. The distribution of the fund's return among the various institutions will be decided upon by the fund's management according to the number of students and the subjects studied.
5. Collection of funds for development purposes will continue along the present lines. However, the contributions will be directed to the institutions through the Endowment Fund.
6. The Friends' organizations of the various institutions will continue to exist for raising of funds along the present lines.
7. In the next two years the collection of funds for the ordinary budgets of the institutions will continue to be done through the organizations of Friends and subject to the confirmation of the Emergency Appeal - as is currently the case.
 - a. The Government and National Agencies will guarantee the actual income for the ordinary 1968/69 budget, provided the Friends organizations will raise at least 80% of the income.
 - b. Should this actual income not reach 80% of the budget - the guarantee will decrease at the same rate.
 - c. Should the actual income in the coming two years be higher than the 1968/69 collections, the "surplus" will be divided into two halves: one half will be credited to the institution, the Friends' organizations of which collected it; and the other half will be distributed according to the ratio described in point 4 above.
 - d. Any collections made by the organizations of Friends for the purpose of repaying debts of the institutions in foreign currency will not be included in this arrangement.

OUTLINE: PRESENTATION TO HIGHER EDUCATION WORKSHOP
OF CONFERENCE ON HUMAN NEEDS IN IDRAEL - JUNE, 1969

I. INTRODUCTION.

A. Education as a living force in Jewish tradition. For its own sake (Tora Le'shma). Basis of individual growth. Basis of responsible social action. A BASIC HUMAN NEED.

B. Education as an integrating force in an immigrant society. The proven American experience. The Israel experience in process. Essential for population unity.

C. Education as the foundation for: survival... economic strength... technological efficiency in the modern world... an open and mobile democracy.

D. Israel's particular need for an educated, trained, united population. The need for paraprofessionals and professionals (Sapir). The need to raise GNP on basis of skilled manpower (Eshkol).

E. Israel's three steps toward effective universal education:

1. Institution of free, universal, compulsory elementary education. Proclaimed with the birth of the State on the basis of unrestricted mass immigration... which has been and continues to be successfully carried out by a united and exclusive fund-raising campaign (UJA).

2. Creation of an effective (and eventually free, universal and compulsory) system of secondary education... in the process of accomplishment over the past five years with the significant help of a united and exclusive fund-raising campaign (UJA/IEF).

Outline of Higher Education Presentation - 2.

3. The bold expansion of a multi-discipline, geographically accessible (and eventually free and universal) system of higher education. Question: can this too be best accomplished by a united and exclusive fund-raising campaign?

II. THE CURRENT POSITION

A. Number and identity of the institutions of higher learning.

B. Current enrollment. Capacity of current plant. Rate of increase in past five years and inability of existing plant to keep pace with demand. Thousands of qualified candidates turned away annually.

C. Location of the institutions. Four of five established ones crowded into Jerusalem-Tel-Aviv complex. Need to expand nationally, based on two newest institutions in Haifa and Beersheba.

(Following items to be supported by figures, graphs and tables covering past five years, including current year, for all institutions: collectively and individually):

D. Maintenance costs. Gross. Per student. Increase over past five years.

E. Development (capital) costs. Outlay this year. Increase (or fluctuation) over past five years.

F. Sources of income to meet both maintenance and development costs, annually.

1. Percentage provided by tuition and fees. Conclusion: a small, fairly fixed percentage with little room for increase.

2. Percentage provided by government. Ideally: 70% for maintenance, 30% for development. Conclusion: five-year figures may show gradual increase but participation has not yet reached these levels... and is always subject to fluctuation because of primacy of defense needs.

Outline of Higher Education Presentation - 3.

3. Percentage provided by loans. Conclusion: limited source; payment of interest on debt reduces net gain.

4. Percentage provided by fund-raising abroad (specifically, fund-raising in U.S.) Conclusion: an increase here is the one best hope for obtaining funds of the magnitude needed.

Question: what is that magnitude? What are the...

III. PROJECTED HIGHER EDUCATION NEEDS
IN ISRAEL FOR NEXT FIVE (TEN) YEARS?

A. A FULL ACCOUNT IN PROSE AND GRAPHIC FORM -- USING FIGURES STILL TO BE SUPPLIED --- OF PROJECTED NEEDS FOR BOTH MAINTENANCE AND DEVELOPMENT OF ALL THE INSTITUTIONS, COLLECTIVELY AND INDIVIDUALLY.

B. Conclusion: assuming a fixed tuition income (maximum, based on highest projected enrollment which assumes maximum capital development); assuming an ideal percentage of government subsidy; assuming a maximum (but still relatively small) loan income, and assuming a maximum (but still relatively small) income from non-U.S. fund-raising abroad... the annual sum needed by the institutions of higher learning for the next five (ten) years from American Jewry is about \$50 million.

Question: who is going to raise this kind of money? What are the instruments currently available? What is the...

IV. PRESENT FUND-RAISING CAPACITY OF
SOCIETIES IN THE U.S.?

A. A FULL ACCOUNT IN PROSE AND GRAPHIC FORM - USING THE MOST AUTHENTIC FIGURES MADE AVAILABLE - OF COLLECTIVE AND INDIVIDUAL U.S. OPERATIONS OVER THE PAST FIVE YEARS, INCLUDING:

Outline of Higher Education Presentation - 4.

1. Funds raised for maintenance.
2. Funds raised for development.
3. Expenses incurred in raising these funds.
4. Cities covered by campaigns.
5. Lay boards and structures (including names of key leaders?)
6. Professional staffs.
7. Non-fund-raising functions.

B. Conclusions:

1. Non-fund-raising functions valuable and should be retained. Traditions, loyalties, identities to be respected.
2. Lay leaders a powerful and effective force; should maintain eminence and importance in any new framework.
3. But: campaigns compete, overlap, may cause internal conflict, external friction.
4. Expenses high (compare with UJA/IEF?)
5. Fund-raising capacity falls far short of projected need.

Question: what is the alternative? Clearly, it is a:

V. UNITED UNIVERSITY CAMPAIGN

A. UJA the logical instrument:

1. Its general history of effectiveness as united, exclusive campaign for immigration and absorption. (Education the highest form of absorption):
2. The IEF Story
 - a. Its success in secondary education (Facts and Figures).
 - b. Post-secondary education the logical next step. Community Colleges. Then (intertwined): higher education.

Outline of Higher Education Presentation - 5.

B. General Advantages:

1. To the communities: streamlined, non-competitive, non-abrasive.
2. To the universities: increased returns.
3. To fund-raising efficiency: lowered expenses.

C. General Structure:

1. In the U.S.: Lay Boards

a. To include active participation of key lay leaders of current organizations, who would maintain their individual and family traditions involving loyalties to individual institutions while working for the greater general good of higher education.

b. To involve a broad spectrum of intellectuals, educators and scientists.

c. Separate offices (reduced staff, less space, lower cost) to be maintained by the current organizations for their important non-fund-raising functions, improving and refining those functions through concentration on them... thus retaining, even enhancing their identities.

2. In Israel: one "central address".

a. Central body (ministerial, inter-ministerial, extra-ministerial) on which all institutions will be represented.

b. All to get weighted-fair share of annually set maintenance funds and of priority capital projects.

c. No interference with academic freedom.

3. Working Procedures:

a. Projected methods of solicitation, for both maintenance and capital funds:

(1). Individual solcitation.

(2). Single fund-raising dinners in all major communities.

Outline of Higher Education Presentation - 6.

b. National fund-raising timetable: to be coordinated with CJFWE, communities and National Chairmen and professionals representing all component institutions of united fund.

c. Minimum gift for capital projects (cf IEF experience).

d. Possible minimum gift for maintenance fund (?)

e. Publicity, publications and propaganda.

5. Administration:

a. Includes Table of Operations - defining national staff and regional staff if needed - and budget.

b. To be studied, discussed and worked out with representatives of all component institutions (with the UJA experience in running a nationally-headquartered campaign based on individual solicitation and community fund-raising as a guiding force).

6. Legal Structure:

a. The American corporation through which funds raised will be channeled.

b. The representative agency in Israel.

c. The technical ownership, maintenance and operation of capital projects established.

SUMMARY

A. Education a prime human need.

B. Higher education the highest form of that need.

C. Dimensions of higher education need: next five (ten) years.

D. United campaign historically most effective in meeting need of this magnitude. UJA the logical instrument.

E. Consolidation of higher education effort will not limit but expand opportunities of each institution.

F. Identity of institutions will be strengthened, not weakened.

G. Academic freedom will be inviolate.

July 11, 1969

TO: For The Record

From: Zelig S. Chinitz

Subject: Report on Meeting with Representatives
of Institutions of Higher Learning in
Israel, Held at the Dan Hotel, Tel Aviv,
July 10, 1969

A. Purpose of Meeting

To review the Resolution on Higher Education following Mr. Sapir's consultation of June 15, 1969, in order to prepare for the meeting with the United Jewish Appeal and the Council of Jewish Federations and Welfare Funds to be held in New York on September 4-5, 1969.

B. The meeting was convened and chaired by Mr. Louis A. Pincus. In attendance were:

Hebrew University, Jerusalem

Mr. A. Harman - President
Prof. Yaakov Katz - Rector

Tel Aviv University

Brig. Aharon Doron - Executive Deputy and
Director-General
Prof. Chaim Sheba - Vice President for Academic
Affairs

Technion - Israel Technological Institute - Haifa

Mr. Alexander Goldberg - President
Mr. Yosef Ami - Vice President for Administration
and Finance

Bar Ilan University

Mr. Mattityahu Adler - Director General
Prof. A. H. Fish - Rector
Prof. M. Z. Kadari - Deacon of the Faculty of
Humanities and Sociology

University Institute, Haifa

Mr. A. Rafaeli - Director General
Negev Institute for Higher Education

Invited but representatives unable to attend.

Weizmann Institute for Science - Rehovot

Mr. Meyer Weisgal - President

Jewish Agency

Mr. L. Dulzin - Treasurer
Mr. M. Rivlin - Director General
Mr. Z. Chinitz - Recorder

C. The following concensus emerged from the meeting:

1. Each of the seven institutions listed above will submit to Mr. Pincus a detailed set of development plans for the next five years and general development plans for an additional five year period. Mr. Pincus will discuss these plans with the proper authorities of the Israel Government.
2. Solicitation of capital gifts is to remain on an individual institutional basis.
3. A more clearly defined method of clearance prior to solicitation will be worked out at the forthcoming New York meeting with the UJA and the CJFWF.

4. All capital gifts solicitations will be conducted within the scope of the development plans submitted by the seven institutions of higher learning.

5. Further thought must be given to the precise definition of an individual capital gift. Is there to be a minimum amount which will be adhered to by all institutions engaged in capital fund solicitation? If so, a solution must be found to the perennial problem of the "short-fall".

6. Discussions must be held in connection with bequests and how they are to be handled.

7. The above seven institutions of higher learning constituting the Israel Committee for Higher Education, will be represented at the September New York meeting, by two individuals from each institution.

8. Prior approval of the seven present institutions of higher learning must be obtained before any other institution of higher learning in Israel can negotiate with the Americans at the September meeting or at any time thereafter.

9. A unified annual campaign for the operations budgets of the seven institutions of higher learning in Israel should be launched in the United States as soon as possible.

10. The Sapir Endowment Plan was again approved, in principle, with the understanding that the one-million-dollar-minimum will be strictly adhered to and that the project not be launched publicly. Discussion at the September meeting in New York will deal only with details of the Endowment Plan.

11. Further thought must be given to the question of who decides on the distribution breakdown of Endowment income for the seven institutions of higher learning.

12. It was strongly urged and agreed upon that all legal problems pertaining to the Endowment Plan be thoroughly investigated, prior to the New York September meeting.

13. Haifa University and the Negev Institute for Higher Learning are to be accorded the status of full membership in the Israel Committee for Higher Education.

14. Mr. Harman was co-opted to prepare a draft memorandum on the subject of a National Authority on Higher Education in Israel.

15. The views on this subject (National Authority) of the Israel Commission on Higher Education will be conveyed to the fund-raising leadership in the United States at the September New York meeting.

16. The seven institutions listed above will adhere, in 1970, to the campaign guidelines agreed upon in 1969 in the light of the Emergency Fund campaign which will very likely be conducted in the United States next year.

17. The Chairman will send a summary report on the July 10 Tel Aviv meeting to all members of the Commission who will, in turn, submit their comments and suggestions to the Chairman together with their respective development plans in preparation for the New York September meeting.

18. The next meeting of the Israel Commission on Higher Education will be held at the Dan Hotel in Tel Aviv on Thursday, August 14, 1969 at 10:00 AM.

האוניברסיטה העברית בירושלים
THE HEBREW UNIVERSITY OF JERUSALEM



DATE: July 14, 1969

CURLEY

Mr. S. Rothberg
4739 Grand View Drive
Peoria, Ill. 61614
U.S.A.

Dear Sam,

For the sake of good order I am sending you a copy of the Resolution on Higher Education Following Mr. Sapir's Consultation on June 15, 1969.

I am sending copy of this also to Milton Handler and Fishman, together with a copy of this letter, in which I shall now report in brief on the first meeting of the Israel Committee for Higher Learning which was held at the Dan Hotel, Tel Aviv, on Thursday, July 10, 1969.

1. Mr. Pincus was the Chairman of the Committee and in the absence of Government representatives was also delegated to serve as the Government representative.
2. There was a long discussion on Capital Funds and it was decided as the unanimous view of the Committee that capital funds shall continue to be solicited as at present, namely: no communal capital funds projects; individual solicitations; personal solicitations to be cleared with UJA as per our agreement with UJA of last year; all institutions in Israel to clear their development plans for the next 5 years with the government (we have already done this); all projects on these cleared plans will be brought to the attention of the Welfare Funds so that they can bear these needs in mind and steer the Friends to potential contributors.
3. Re Endowment Funds, it was agreed that the Israel Committee should suggest at the September meeting that the Endowment Funds be started without any publicity with a 1/2 billion dollar goal and an initial target of 100 million dollars, to be raised within two years or so. (I have meanwhile mentioned this to Mr. Sapir who is pleased with this decision).
4. Regarding the Joint Maintenance Funds it was the view of Mr. Pincus that there was no prospect that such a joint maintenance campaign would be held before the fall of 1971. Goldberg of the Technion suggested that in the interim period the Government could be responsible for 100% of the maintenance funds of all institutions.

Mr. S. Rothberg, 14.7.69

NR PD



- 2 -

I suggested that it should be agreed that the compensation made at the end of 1968 be continued for an additional year for the time being. Pincus is to discuss this with Sharef and Sapir.

5. There was no concrete discussion on the allocation of the income of the Endowment Funds of the Joint Maintenance Fund. However the following points were agreed:

- a) The Israel Committee for Higher Learning would inform the American side at the September meeting that an agreed allocation formula would be worked out in Israel; this formula would be objective and would bear all factors in account and not only the number of students.
- b) Allocations would be made only to the seven institutions represented and to no other institution whose establishment was not previously agreed upon by the Government.
- c) In addition there was a discussion on the need for a planned Higher Education Authority in Israel, and it was decided that this subject would be gone into in a concrete way with a view to the Institutions themselves preparing an agreed plan for adoption by the Knesset.

A further meeting of the Israel Committee of Higher Learning was set for August 18th, at 10 a.m. .

I would welcome any comments from you in advance of this meeting.

Sincerely,

Avraham Horman

13 July 69

Dear Irving and Phil -

Louis Pincus and I have spent considerable time discussing the meetings we agreed to have in September to continue the talks on formulating plans for united fund-raising for higher education, including the endowment fund. We have discussed the following matters, concerning which we would appreciate your reactions. Please share this with Eddie, Max, Lou Fox - and give us their reactions as well. It would be most helpful to hear from you as soon as possible, because there will be another meeting on 14 August of university presidents here, under Pincus' chairmanship (which Sapir conferred on him.)

1. Size of Meeting

There really are two stages of discussion, when one speaks of "involving" the organized American Jewish community: the largest cities (which the UJA designates as the 21 Headquarter Cities, and which the CJFWF designates as the LCBC Cities); and the balance of the cities (up to a total of 130) where there are full-time executive directors. In order to reach and obtain the active support of the entire community, there is no doubt that the consultative process must include all 130 cities, and perhaps even more than that, for there is still an additional group of about 100 more cities, where there is a part-time executive director.

The total consultation could take place in two stages - the first in Sept. 1969, involving the group of bigger cities; the second in May 1970, after next year's campaign has been substantially launched, to involve the total list of communities.

Pincus thinks that a group involving 20-30 communities is too large. He had in mind 25 Americans, or the smallest possible number of authoritative people who should reach agreement on details. He thinks that a meeting of this size (as described in the following paragraph) is too unwieldy.

My reaction is that a small group (such as we had in Jerusalem, for instance) is good for discussion, but represents no sounding board. To reach agreement on details requires the involvement of the people who will be expected to implement those details. There are no czars who can commit anyone. Concensus must be built by involving ever larger groups in ever widening circles.

I think if we have another meeting in Spt of a very small group, we will not be progressing beyond June. The next step, it seems to me, is to call together the group described below. Although Pincus thinks this is too large, hw will be guided by our judgment.

2. Composition of Meeting

- A. President, Chairman, Director of each city invited
- B. Selected Officers of UJA (5-10 persons)
- C. Selected Officers of CJFWF (5-10 persons)
- D. President and Director (where existent) of each of the "American Friends" groups
- E. Presidents of Israeli Universities (or designees)
- F. Israel Government and Jewish Agency officials.

(Depending on whether 3 persons come from each of 20-30 communities, this meeting would be approximately 100-125 persons.)

3. Dates of Meeting

The question really is whether this university meeting (which will require at least 1½ days, including small pre-meeting of a few hours to do a final review of the agenda) should take place before or after the already-scheduled series of 5-7 Sept. on Emergency Fund 1970.

The argument in favor of before is that it might be easier to get a better representation beginning Wed. noon, 3 Sept and finishing Thursday, before dinner, because then many lay leaders who are not staying for the balance of the discussions could go home.

The argument in favor of after is that the discussion and decision re E.F.1970 should be concluded first, and only then a new topic introduced. The rebuttal to that, however, is that the subject of university fund-raising is no longer a secret, the leadership of the communities is aware that the item is on the agenda for implementation one of these years, the whole matter was openly discussed at the Human Needs Conference, and the leadership is mature enough to make two decisions on two subjects, in either order.

Here again there is a difference of opinion between Pincus and myself, although again neither one of us is adamant. He thinks the EF 1970 topic should be discussed and decided first, because it is the more important and immediate of the two, and if placed second, it loses significance. He feels the discussion of EF 70 must produce not merely acquiescence, but there must be an enthusiastic and dedicated mood to raise even more in 1970. He feels this is not possible if the topic is treated perfunctorily by being placed second on the agenda.

I agree completely with the objectives of achieving a spirited and enthusiastic attitude toward EF 70. On the other hand,

I feel that the introduction of the new subject should be done when people are at their freshest (i.e. at the beginning of a five-day period, rather than at the end). Because this is a new responsibility which contributors and communities are being asked to undertake; because it will be controversial; because it is complicated and requires much discussion; because we must have the best possible attendance, I think we should tackle it first. We will not be settling everything at this first meeting (with the exception of the Endowment Fund, which could possibly get settled), but I think we should open the subject under the best possible conditions.

I repeat, these ~~diff~~ differing opinions of ours do not find us at sword's point. But it is necessary to decide dates, so/h that all parties can be informed. The two alternatives for higher ed. are Wed-Thurs 4-5 Sept, or Sunday night and Monday, 7-8 Sept. On this matter, could you please cable me your joint opinion(s) as soon as possible.

Using the first set of dates, I offer the following suggested agenda. If you think the second set of dates is preferable, simply shift the sessions as follows :

- A. Pre-meeting - 3 or 4 PM - Sun - 7th
- I. Dinner - Sunday - 7th
- II. Morning - 9:30 (after breakfast) - Mon - 8th
- III. Lunch - Mon - 8th
- IV. After Dinner - 8:30 - Mon - 8th

4. Agenda of Meeting

- A. Pre-meeting, smallest possible group - Sapir, Sharef (if both are present), Pincus, Ginsberg, Fisher, Fox, Rothberg, Friedman, two Bernsteins - morning
- Wednesday, 4th, - general meeting begins at lunch.

I. Lunch - 12:30 - Wed - 3 Sept

Chairman; Edward Ginsberg

1. Presentation of Needs of Institutions of Higher Learning, with particular reference to the role these institutions play in developing Israel's quality, aiding her defense, and serving non-Israeli Jewish students
(Institutions to provide one spokesman)
2. Relationship between above Needs and all other of Israel's needs during this emergency period of no-peace continuous-war
(Louis Pincus)
3. Presentation of Campaign Plan, Organization and Methods, including Endowment Fund
(Hebert Friedman)
4. Discussion - until 5 P.M.
(recess - resume 8:30 P.M.)

II. Evening Session - 8:30 PM - Wed - 3 Sept

Chairman: Max Fisher

1. Continue general discussion - adjourn 11 P.M.

III. Morning Session - 9:30 AM (after breakfast) - Thurs - 4 Sept

Chairman: Sam Rothberg

1. Continue general discussion - until 12:30 PM

IV. Lunch Session - 12:30 PM - Thursday - 4th Sept

Chairman: Lou Fox

1. Presentation of Resolutions (Edward Ginsberg)

- a.) To conduct discussions in each community as to this need, and to establish a climate of willingness to assume this new responsibility.
- b.) To appoint a committee to work on the Campaign Plan and obtain its ratification in communities.
- c.) To convene a larger conference of all communities in May or early June 1970, to involve everyone in final decisions as to date of launching, goals and methods.
- d.) To authorize the conduct of the Endowment Fund under an agreed-upon set of conditions.

5. Miscellaneous Items

- A. Writing of campaign and organization plan to be done by Friedman. This should be circulated before Sept meeting.
- B. Also circulated in advance should be "Higher Education in Israel", written by Abe Hyman and distributed at the Human Needs Conference.
- C. Legal opinion must be obtained as to whether new corporations are required; how funds should flow; many other questions.
- D. While united-university-fund is at least 1½ years away, Sapir wants to start Endowment Fund immediately. Therefore, following items must be discussed immediately, by you in U.S., and by Pincus and myself here with Sapir:
 1. Structure of Endowment - how will it function?
 2. Policy on Publicity
 3. Mechanics of clearance of names.

III. Morning session - 9:30 A.M. (after breakfast) - Thursday 4 Sept.

Chairman: Sam Rothberg

continue discussion until 12:30 P.M.

IV. Lunch session - 12:30 P.M. - Thurs., 4 Sept.

Chairman; Lou Fox

1. Presentation of Resolutions (Edward Ginsberg)

- a. To conduct discussions in each community as to this need, and to establish a climate of willingness to assume this new responsibility.
- b. To authorize the conduct of the Endowment Fund.
- c. To appoint a committee with authority to work on a plan for organization of the united fund-raising campaign, including lay leader structures, staff, operating budget.
- d. To agree to convene a national conference of all communities in May or /early June 1970, to involve everyone in final decisions as to date of launching, goals, and methods.

5. Miscellaneous Items

- A. The writing of the campaign plan should be done by Friedman.
We should decide whether to circulate this before the meeting at which he will present it. It would be a good idea.
- B. Also circulated in advance should be the printed document entitled "Higher Education in Israel" written by Abe Hyman, and presented to the Human Needs Conference.
- C. Aside from the campaign plan, there is the organization plan.
This should also be drawn by Friedman.

visibly
loyalty of
sympathies

Central
authority
in Israel

2 memos

D. Who can draw up an estimated budget? Or is that impossible at this time?

E. Some legal opinion is necessary, after a plan of organization is drawn, as to whether new corporations are required.

F. Flow of transfer of funds must be planned, in consultation with lawyer.

G. While united-university-fund is at least 1½ years away, Sapir wants to start Endowment Fund immediately. In this regard, therefore, following items must be discussed immediately, both by you in US, and by some group here with Sapir;

- 1. Structure of Endowment - how will it function
- 2. What is Policy on Publicity?
- 3. Mechanics of Clearance of Names

Pincus
Students

UNITED ISRAEL APPEAL, INC.

515 PARK AVENUE
NEW YORK, NEW YORK 10022

AREA CODE 212
PLAZA 5-7400

AMERICAN JEWISH ARCHIVES MEMORANDUM July 16, 1969

TO: Mr. Irving Bernstein
Mr. Philip C. Bernstein

FROM: Gottlieb Hammer . *G.H.*

SUBJECT:

I attach hereto a copy of a report I have just received from Zelig Chinitz on a meeting held in Tel Aviv on July 10 with representatives of institutions of higher learning in Israel.

In the light of this report, I think it might be useful if we got together to discuss some aspects of this problem which are sure to plague us when we meet to consider the matter early in September.

GH:mg
Enc.

Moss, Rose & Kroll
ATTORNEYS AT LAW

ALLEN MOSS
HERBERT B. ROSE
MARTIN N. KROLL

KENNETH DUBROFF
SANFORD J. SCHLESINGER
PAUL FELZEN

535 FIFTH AVENUE
NEW YORK, N. Y. 10017
TELEPHONE MURRAY HILL 7-1806
AREA CODE 212
CABLE: "GOODMORLEX NEW YORK"

September 11, 1969

Mr. Irving Bernstein
United Jewish Appeal, Inc.
1290 Avenue of the Americas
New York, N.Y. 10019

Re: Higher Education Fund

Dear Irving:

Enclosed herewith are two copies of my memorandum outlining two possible approaches to establishment of the Higher Education Maintenance Fund Campaign. The "models" are structured in order to satisfy the requirements of Revenue Ruling 66-79, thereby assuring that the conduit problem is avoided and that the contributor will be entitled to a deduction for his charitable contribution.

The models are also intended to satisfy the provisions of Revenue Ruling 68-489, which holds that distribution to non-exempt organizations by a charitable organization will not jeopardize the tax-exempt status of the charitable organization where the charitable organization insures the use of funds for exempt purposes by limiting distributions to specific projects that are in furtherance of its own exempt purposes, retains control and discretion as to the use of funds and maintains records that the funds were used for exempt purposes.

The conclusion indicated in the memorandum is that the existing UJA-UJA-Jewish Agency structure be utilized rather than establishing a new domestic organization. The most compelling reason stems from the fact that it is not likely that a new organization will meet the definition of a publicly supported organization and thereby qualify for the additional 10% charitable deduction. If this is so, then the five year carry-over available in the case of excess contributions to a publicly supported organization will also be unavailable to contributors.

*all schools are
or will be
exempt
through new
American
Friends group*

*UJA
not
required*

*make
grants
directly
to schools*

Mr. Irving Bernstein

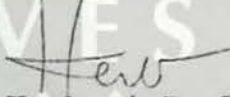
-2-

September 11, 1969

There are two other areas that are presently being researched, both of which are crucial to resolution of the plan. The first is the liability, if any, directors of UJA or any other organization might incur by reason of investment of the endowment fund abroad. The second relates to my recollection that a bill was enacted in 1967 or in 1968 in response to the balance of payments deficit problem to make foreign investments less attractive to American corporation. I don't recall whether such a bill was passed and if so whether it would have consequence with respect to the endowment fund.

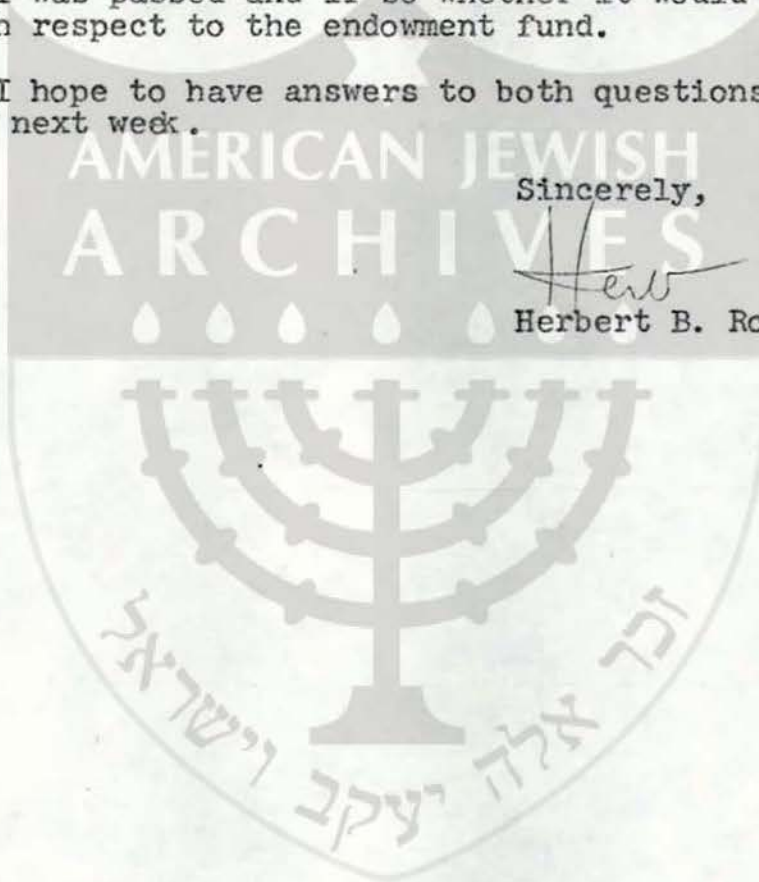
I hope to have answers to both questions Monday or Tuesday of next week.

Sincerely,


Herbert B. Rose

HBR/ms
Encl.

BY HAND



HIGHER EDUCATION MAINTENANCE ENDOWMENT FUND
Suggestions as to Form and Method of Operation

A. Independent United States ("Domestic") Organization

1. Organization of Domestic Organization - General

a. To be organized and operated in accordance with Section 501(c)(3) of the Internal Revenue Code.

b. Purpose to be stated as the raising and expenditure of funds to aid and assist higher education in Israel as well as other charitable, educational and scientific purposes. Purposes should be broadly stated in order to assure maximum flexibility of operation in future.

2. Organization of Domestic Organization - Specific

a. Non-profit domestic corporation organized under laws of State of New York or any other state that would permit form of corporate organization described below.

b. If domestic organization were to be formed under laws of State of New York it would be formed under Membership Corporations Law (effective September 1, 1970 to be superceded by equivalent statute known as Not-for-Profit Corporation Law).

c. Original members to be representative of interests of UJA, Council of Jewish Federations and Welfare Funds, and each of the existing seven institutions of higher learning in Israel.

(1) Membership to be divided into classes, one class for each interest represented by members.

are all schools 1 class?

(2) Should contain provision for addition of new members to represent any new institutions of higher learning subsequently established.

(3) Each class of members to be empowered to elect a specific number of directors.

d. Board of Directors to possess the following specific powers and authorities in addition to those customarily vested in a board of directors:

(1) To review requests made by institutions of higher learning in Israel for grants or for financial assistance for specific purposes or projects of such institutions.

(2) To review requests made by individuals for grants or for financial assistance for specific purposes or projects in connection with higher learning in Israel, including scholarships, establishment of professorial chairs, etc.

*What about Govt + agency -
ex-officio?*

(3) To approve or disapprove grants so requested.

(4) To condition approval of any such grant upon the agreement of the institution or individual to periodically account for the funds received by way of grant from the domestic organization.

(5) To withdraw approval of a grant and use the funds that had been so allocated for other educational, charitable or scientific purposes of the domestic organization.

f. The By-Laws of the domestic organization, in addition to making provision for the powers of the Board of Directors mentioned above should also provide that:

(1) The making of grants and otherwise rendering financial assistance for the purposes expressed in the Certificate of Incorporation of the domestic organization shall be within the exclusive power of the Board of Directors.

(2) Grants made to foreign charitable or educational organizations shall only be made to organizations that satisfy all of the requirements of Section 501(c)(3) of the Internal

*Make grants
to American
Friends
groups*

*"We need
"sawmacking"*

Revenue Code except the requirement that the organization be organized under the laws of the United States or any political subdivision thereof.

(3) No contribution will be accepted, the income or principal of which must under any circumstance go to a particular institution of higher learning.

(4) After a request for a grant or for financial assistance has been approved, the domestic organization may solicit funds for such purpose. The Board of Directors, however, shall at all times have the right to withdraw approval of the grant and use the funds for other charitable, scientific or education purposes.

3. Operation of Domestic Organization

a. Neither the Certificate of Incorporation nor By-Laws should limit distribution of funds of the domestic organization to specific institutions of higher learning in Israel.

b. Distribution among institutions of higher learning in Israel may be made on basis of allocation among institutions for specific projects or purposes of each institution.

c. Ultimate responsibility for approval of requests for grants or for financial assistance to be discharged by Board of Directors. Local agent in Israel may be designated to process

such requests and to secure and verify the necessary accounting to be furnished by the recipient.

4. . Coordination with Other Organizations.

a. Tax-exempt status will require that domestic organization control the expenditure of funds raised by it through the procedure outlined above for the review of requests for grants or for financial assistance and the requirement that the recipient account for the funds so allocated. Coordination of such grants with those which may be requested of similar organizations in other countries would necessitate establishment of world-wide Executive Committee composed of representatives of all such organizations.

- (1) Use of local agent in Israel as agent for all such organizations will facilitate coordination.
- (2) In any event, approval or rejection of request for grants for funds from domestic organization must be ultimate responsibility of domestic organization.

b. Investment of endowment funds must also be under control of domestic organization, either directly or through an agent which it controls. Such investment can be coordinated with investment of similar foreign endowment funds provided that control of funds of domestic organization remains in hands of Board of

Directors of domestic organization, either directly or through controlled local agent.

5. Model of Organization

- a. Solicitation of endowment funds by domestic organization and by organizations and individuals associated with it and interested in the purposes for which it is organized and operated. This could include UJA, Council of Jewish Federations and Welfare Funds, local federations and welfare funds and American friends of institutions of higher learning.
- b. Establishment of staff, procedures and facilities for the solicitation and receipt of contributions, investment of funds, expenditure of income, review and analysis of requests for grants, coordination with efforts of similar foreign organization, review and analysis of recipients' accountings and review and analysis of local agents' reports.
- c. Review and approval by Board of Directors of requests for specific grants or for financial assistance.
- d. Establishment of world-wide coordinating body.
- e. Selection of local agent to receive requests for grants, to review same and transmit to domestic organization with preliminary recommendations. Local agent to receive and allocate

funds on basis of grants approved by Board of Directors of domestic organization. Local agent also to insure compliance with accounting requirement and to review same and report to Board of Directors of domestic organization.

f. Investment of funds.

6. Local Agent

a. Functions of local agent to be fixed by agreement between domestic organization and local agent.

b. All activities of local agent to be subject to control by domestic organization.

(1) Preliminary recommendations as to approval or rejection of requests for grants to be advisory only.

(2) Investment of endowment funds to be subject to ratification by Executive Committee of domestic organization.

(3) Local agent to report periodically to domestic organization.

(4) Records of local agent relating to the conduct of its affairs as such agent to be subject to inspection and review by representatives of domestic organization.

(5) Agency to be revocable at will of domestic organization.

7. Mechanics of Organization

a. Formation of non-profit corporation.

b. Submission to Internal Revenue Service of application for exemption under Section 501(c)(3) of Internal Revenue Code, including description of manner of operation that will assure that domestic organization does not merely act as "conduit" for contributions for benefit of foreign organizations.

c. Observance of reporting requirements under Internal Revenue Code (Form 990-A).

d. Observance of reporting requirements under New York State Charitable Organizations Law (if domestic organization is New York corporation or if it will solicit contributions in New York).

e. Registration under New York State Social Welfare Law, (if domestic organization is New York corporation and if it will publicly solicit contributions in New York).

8. Questions and Problems

a. Will it meet requirements of Internal Revenue Code and Regulations as a "publicly supported" organization so

that contributions to it by individuals will qualify for the 30% charitable deduction?

b. Will it meet similar requirements for exemption under Code and Regulations with respect to filing of annual information returns (Form 990-A)?

c. Conditions, if any, under which principal is to be expended.

B. Utilization of Existing Fund-Raising Machinery

1. Structure

a. Functions described above dealing with approval of grants and requests for financial assistance to be discharged by United Israel Appeal, Inc.

(1) Adoption of Higher Education (Maintenance) Endowment Fund Campaign by Board of Directors.

(2) Amendment of By-Laws to meet requirements with respect to control of funds.

(3) Creation of Advisory Committee to advise Board of Directors of UIA in connection with approval or rejection of requests for grants or for financial assistance for specific purposes or projects of higher education institutions.

Such Committee would contain representatives of Council and of existing institutions of higher learning.

b. Jewish Agency for Israel - Jerusalem to act as local agent of UIA and to discharge responsibilities described above which may be allocated to the local agent in Israel.

c. Fund-raising responsibility to be discharged by United Jewish Appeal, Inc., in cooperation with Council and American friends of institutions of higher learning in Israel.

(1) Fund-raising to be conducted for the Higher Education project, but without "earmarking", that is, without commitment to contributors that funds will be used for a specific purpose.

(2) Determination as to use of funds to be responsibility of Board of Directors of UIA.

(3) As with the Israel Education Fund, funds collected to be transmitted to UIA with notification that same constituted contributions to Higher Education campaign.

no

no

no

2. Mechanics of Implementation

a. Application by UJA and UIA to Internal Revenue Service for ruling covering Higher Education project.

b. Establishment of budget, staff (if additional staff is necessary) and procedures.

c. Establishment of world-wide coordinating body.

3. Further Considerations

a. Internal Revenue Service knows UJA and UIA and the manner in which they operate.

b. A Higher Education campaign is a logical extension of the Israel Education Fund and thus may be more readily acceptable to Internal Revenue Service.

c. Contributors know UJA and UIA.

d. Contributions to UJA qualify for the 30% charitable deduction.

e. Both UJA and UIA are exempt from information return filing requirements of the Internal Revenue Code.

f. Less time should be required to secure a ruling from Internal Revenue Service than would be required to form a new domestic organization and secure a ruling as to its status as a tax-exempt organization.

MADE IN U.S.A.
MOSS, ROSE & KROLL
ATTORNEYS AT LAW

ALLEN MOSS
HERBERT B. ROSE
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535 FIFTH AVENUE
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CABLE "GOODMORLEX NEW YORK"

September 18, 1969

Mr. Irving Bernstein
United Jewish Appeal, Inc.
1290 Avenue of the Americas
New York, New York 10019

Re: Higher Education Fund

Dear Irving:

I enclose a memorandum containing a further suggestion as to the form of organization of the Higher Education Fund Campaign. It differs from the prior "models" in that the American Friends organization of the institutions of higher learning would apply to UIA for grants to aid them in the conduct of their educational activities rather than by allowance of the grants by UIA directly to the institutions themselves.

This alternate seems to me to be worthy of consideration for two reasons.

1. The American Friends organizations are established and operate with IRS approval in a manner that avoids the "earmarking" and "conduit" problems. The UJA campaign to raise funds for "educational purposes" in Israel can be structured to include support of the efforts and purposes of the American Friends. Since their manner of operation already has IRS approval under the authority of Revenue Ruling 67-149 it may not be necessary for UIA to secure a Revenue Ruling for the campaign.

That Ruling holds that an organization formed for the purpose of providing financial assistance to several different types of organizations which are exempt organizations is itself a tax-exempt organization. In the Ruling it is also stated that the organization carries

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Mr. Irving Bernstein

September 18, 1969

-2-

on no operations other than to receive contributions and incidental investment income and to make distributions of income to such exempt organizations at periodic intervals.

UJA purposes are stated in its Certificate of Incorporation as the raising of funds for the relief and rehabilitation of Jews (and non-Jews) throughout the world and for the settlement and welfare of Jews in Israel. To carry out its purposes the corporation is authorized to establish, aid and/or maintain philanthropic, religious, economic and cultural enterprises and institutions of every nature and description." Although this permits UJA to engage in direct charitable operations it was in fact organized to aid other charitable organizations by raising funds for them and has not carried on direct charitable activities. Thus, the fact situation in the Ruling seems to be descriptive of UJA's method of operation and should permit the conduct of the higher education campaign without the necessity of a new Ruling.

UIA's position is somewhat different. However, if UIA's activities are viewed as those of UJA's agent, the necessity of it also obtaining a Ruling may be obviated.

Underlying this suggestion is the fact that if an individual may make a tax-deductible gift to an American Friend organization it should be permissible for UJA (and UIA) to do so without IRS approval. In my opinion, the most that need be done is to notify IRS of the inclusion of additional beneficiaries of funds raised by UJA. That obligation arises under Revenue Ruling 58-617 requiring that IRS be notified of any material changes in the manner of operation of an exempt organization.

A counter-balancing consideration is the value of a specific Ruling in giving assurance to contributors that their contribution will be deductible. Perhaps, that assurance can be satisfactorily supplied by an opinion of independent counsel.

Mr. Irving Bernstein
-3-

September 18, 1969

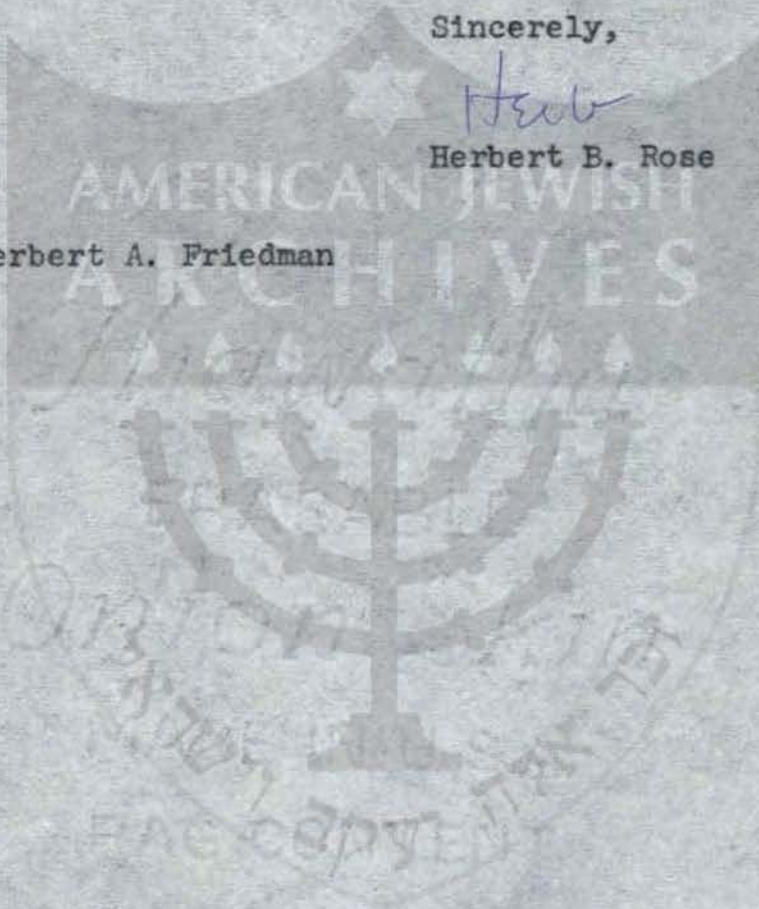
2. The second reason for considering utilization of the American Friends organizations is related to future dealings with such organizations. The alternative suggested is one which will further involve such organizations and which may help to develop the existing relationship between UJA, the Council and such organizations.

Sincerely,

HBR
Herbert B. Rose

HBR/cbj
Encl.

cc: ✓ Mr. Herbert A. Friedman



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P
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HIGHER EDUCATION MAINTENANCE ENDOWMENT FUND
Further Suggestions as to Form and Method of Operation

- A. Independent United States ("Domestic") Organization
Discussed in first memorandum.
- B. Utilization of Existing Fund-Raising Machinery
Discussed in first memorandum.
- C. Integration of "B" Above with Existing "American Friends" Organizations.
1. Structure
 - a. Higher Education Maintenance Endowment Fund Campaign to be adopted by UJA and UIA.
 - b. Purpose will be to aid higher education in Israel directly and through aid to the educational efforts of American Friends of Israeli institutions.
 - c. American friends will request grants or financial assistance for educational purposes they have reviewed and approved and will represent that their procedures satisfy the requirements of existing Revenue Rulings dealing with "earmarking" and "conduits".
 - d. UIA will further review requests for grants or for financial assistance.
 - e. Allocations will be made from general funds of the Higher Education Fund.

f. American Friends will account to UIA for the expenditure of funds received.

g. Creation of Advisory Committee to advise UIA (see item B-1-a-(3) of first memorandum).

h. Jewish Agency - Jerusalem to act as local agent of UIA in investment of funds and in assuring compliance by American Friends with respect to expenditure of funds.

i. Fund-raising responsibility to be discharged by UJA in cooperation with Council and American Friends, without " earmarking " of funds for specific institution or purpose beyond general higher educational purpose.

2. Mechanics of Implementation

a. IRS Ruling, if necessary.

b. Agreements with individual American Friends organization (will require that all institutions have such American fund-raising counterparts).

c. Budget, staff and procedures.

d. World-wide coordinating body.

Moss, Rose & Kroll
ATTORNEYS AT LAW

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September 19, 1969

Mr. Irving Bernstein
United Jewish Appeal, Inc.
1290 Avenue of the Americas
New York, New York 10019

Re: Higher Education Fund

Dear Irving:

In my letter to you of September 11, 1969, I concluded by noting that there were two other areas that were being researched. The first was the liability, if any, the directors of UJA or a new organization might incur by reason of investment of the endowment fund abroad. The second relates to my recollection that President Johnson had proposed legislation dealing with the investment of funds abroad.

The second question can be disposed of readily. So far as I can see, no such legislation was adopted.

The answer to the first question requires consideration to two subsidiary questions. The first is whether the directors might be subject to liability. The second is who might raise the question.

Section 27 of the Membership Corporations Law provides that:

"subject to the limitations and conditions contained in any gift, devise or bequest, a membership corporation * * * may invest its funds in such mortgages, bonds, debentures, shares of preferred and common stock and other securities, as its directors may deem advisable * * * ."

This provision has been held to permit investment in "non-legals", that is investment is not limited

Mr. Irving Bernstein

-2-

September 19, 1969

to those investments which by statute are legal investments for fiduciaries.

Section 27, Membership Corporations Law, is carried over into the Not-for-Profit Corporation Law (Section 512) without any change in substance. The Not-for-Profit Corporation law will supercede the Membership Corporations Law effective September 1, 1970.

The duties of directors in the investment of corporate funds, even though not limited to so-called "legal investments", has been generally considered to be required to meet the "prudent man rule", that is, to make such investments as a prudent man would make of his own property, having primarily in view the preservation of the estate and the amount and regularity of income to be derived. The applicability of the "prudent man rule" to membership corporations is codified in the Not-for-Profit Corporation Law in Section 712 thereof as follows:

"Directors and officers shall discharge the duties of their respective positions in good faith and with that degree of diligence, care and skill which ordinarily prudent men would exercise under similar circumstances in like positions."

The question thus becomes one of whether the investment of endowment funds in Israel satisfies the "prudent man rule".

This part of the question is not susceptible to a specific answer. We have not been able to find any case which involves the investment of trust funds in a foreign country. The rule which seems to be discernable from those cases relating to the subject is whether or not the investment, at the time it was made, could be considered to be speculative. This, of course, brings us back to the question of whether it is prudent for a fiduciary to make a substantial investment in Israel, given the facts of its present relationship with its Arab neighbors and their avowed goal of destruction of the State of Israel.

Mr. Irving Bernstein

September 19, 1969

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My conclusion is that if the matter were to be submitted to a Court for determination there is no assurance that the Court would not hold that investment of the entire endowment fund in Israel was not a prudent exercise by the directors of their power of investment. If a Court were to so hold, the directors would be personally liable for the losses incurred in the fund.

The second part of the question deals with the enforceability of the directors' theoretical liability in the event losses were in fact incurred in the fund that can be related to breach of the prudent man rule. The only persons with standing to object would be other directors and the members of the corporation, the beneficiaries of the fund and the persons making contributions to the fund.

Any director of the corporation who did not approve such investment, as well as the members of the corporation, would have standing to object. However, since the adoption of the campaign will specifically include provision for investment of the fund in Israel, the objection by any director will be foreclosed. Similarly, ratification of the campaign by the members will insure that none of them will have standing to object.

The direct beneficiaries of the fund would be the institutions of higher learning intended to be aided. As a practical matter I cannot see the possibility that any one of them would seek to proceed against the directors of UJA in the event there was a loss in the principal of the endowment fund. The Israeli institutions and their American Friends will also undoubtedly be asked to approve of the campaign and thus will also be foreclosed from objecting.

The ultimate, indefinite beneficiaries of the campaign are those persons who might benefit from the funds to be raised. The Attorney General of the State of New York has general authority to represent the interests of the ultimate charitable beneficiaries of any fund established for charitable purposes. He would have independent standing to proceed in a case such as the one under discussion under the provisions of the recently enacted legislation authorizing him to

Mr. Irving Bernstein

September 19, 1969

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supervise the activities of charitable organizations and requiring charitable organizations to file periodic reports of their activities, with the Attorney General. However, UJA is exempted from the registration and reporting provisions of the Act and thus is not obligated to file reports of its operations with the Attorney General's Office.

Furthermore, since all of the parties directly interested in the fund (the Israeli institutions and the contributors) will have directly or indirectly approved such manner of investment, in my opinion, the Attorney General would not be inclined to raise an objection even if the investment program were known to him.

Finally, the contributors to the fund will be on notice at the time of contribution as to the manner in which the funds are to be invested. A contributor thus will have approved the investment and will be estopped from raising the issue in the future.

The Not-for-Profit Corporation Law provides another approach to this problem which, I think, furnishes a complete and wholly satisfactory answer. Section 513 of the Law provides that in a case where property is given to a charitable organization with a direction to apply the same to any purpose specified in its certificate of incorporation the board of directors of the corporation shall be authorized to invest such property in such investments as the board may, in its discretion, deem advisable, except to the extent otherwise specifically directed in the instrument by which such assets are vested in the corporation. That section can be relied upon in your dealings with individual contributors and utilized as the basis for an agreement between UJA and the contributor pursuant to which the contributor will specifically authorize investment of the funds in Israel. Such agreement will, in my opinion, serve to remove the situation from one in which there is no such specific authorization and in which the "prudent man rule" would otherwise be fully operative. The directors would, nevertheless, be required to follow the "prudent man rule" in their choice of investments in Israel.

A companion area for consideration is whether

Mr. Irving Bernstein
-5-

September 19, 1969

investment of the fund in Israel would have any consequence upon the tax-exempt status of UJA or the deductibility of contributions made to it.

The Federal government has left the responsibility of regulating the substantive activities of tax-exempt organizations to the States. Limited regulation is introduced by the provisions of the Internal Revenue Code dealing with tax-exemptions and the deductibility of contributions. Until recently, the only significant Federal involvement has been in those areas where individuals sought to utilize the provisions of the Internal Revenue Code dealing with charitable organizations in a non-charitable manner. Section 503 of the Code thus introduces the concept of "prohibited transactions" in situations where a private foundation has dealings with the creator of the organization, a substantial contributor, or a related person that indicate that the fund is being utilized for other than truly charitable purposes. If the organization engages in a prohibited transaction it will be denied exemption or, if already exempt, it will lose its exemption.

Section 504 of the Code is a related section which denies exemption to a private foundation where the income of the fund is not handled in a charitable manner. Included among the specific prohibitions is investment of income in such a manner as to jeopardize the carrying out of charitable purposes of the organization.

The Tax Reform Bill of 1969, as passed by the House of Representatives, expands the area of Federal governmental involvement by including the imposition of a 100% tax upon a private foundation which invests its principal in such a manner as to jeopardize the carrying out of the foundation's exempt purposes. In addition, a tax of 50% of the amount invested would be imposed on a foundation manager who participates in the investment knowing at the time that it is jeopardizing the carrying out of the foundation's exempt purposes.

Sections 503 and 504 specifically exempt from its operation organizations which normally receive a substantial part of their support from direct or indirect contributions from the general public. The provision contained in the Tax Reform Bill of 1969 is limited to private foundations, which term excludes publicly supported organizations. Consequently, although it might be argued that

Mr. Irving Bernstein

September 19, 1969

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investment of endowment funds in Israel is an investment in such a manner as to jeopardize the carrying out of the charitable purposes of the organization, the statutory provisions would not be applicable to UJA.

But please note that if a new organization is established for the purpose of conducting the endowment fund campaign it could be subject to the provisions of the existing Sections 503 and 504 as well as the new proposal contained in the Tax Reform Bill if it could not establish its status as a publicly supported corporation. As noted in an earlier letter to you, there is a question in my mind whether such publicly supported status can be established in the light of the fact that a relatively small number of persons will make extremely large contributions.

^{not} Other than the provisions mentioned above, which are applicable to UJA, I am not aware of any provision in the Codes, Regulations or Rulings that would raise a question as to UJA's tax-exempt status or the deductibility of contributions because of the investment of endowment funds in Israel. The only areas that approach it are those of "earmarking" and "conduits". In those areas the questions that arise deal with control of the contribution and whether the contributor has in fact made a direct contribution to a foreign charitable organization. The fact that an endowment fund is to be invested with the contributor's approval in Israel would not lead to "earmarking" nor would it convert the domestic organization into a "conduit", since the domestic organization will control every aspect of the investment of the fund and the application of the income for charitable (educational) purposes.

There is one further provision dealing with the transmission of funds abroad that should be noted. Chapter 5 of Title 15 of the United States Code establishes the Bureau of Foreign and Domestic Commerce. Among its duties are the collection, arrangement and classification of statistical information relating to foreign and domestic commerce. Apparently, under the authority so granted the

Mr. Irving Bernstein

September 19, 1969

-7-

the Department requests periodic reports from religious, charitable, educational and scientific organizations showing the amount of funds and value of goods sent to foreign countries in order to prepare official compilations of the balance of international payments of the United States . Shortly after the June, 1967 emergency and again in March, 1968, such requests were received by UJA. The responses to the requests were that UJA does not directly remit cash or goods abroad and that reports are filed by UIA and JDC, the beneficiary agencies that engage in such transactions.

I mention this in relation to the fact that the endowment funds will be reflected in such reports as part of the total funds remitted by UIA to Israel. Whether the total funds remitted as augmented by the endowment fund will be so large as to prompt Federal action can only be an area of speculation. For that matter, the question of government action in connection with the balance of payment problem is one that could arise without reference to the endowment fund campaign.

Sincerely,

HBR/ebj

Herbert B. Rose

cc: Mr. Herbert A. Friedman

September 29, 1969

Mr. Herbert A. Friedman
United Jewish Appeal
1290 Avenue of the Americas
New York, New York 10019

Dear Herb:

Rina and I enjoyed the time we spent with you and Francine.

I have wondered whether you had the courage to show up at the office with the psychedelic trousers you had on at the Trobe's. My guess is that you did and that this gave the staff something to talk about for days.

Sapir called me several days ago and asked me to prepare a memorandum on the Endowment Fund. He told me that you had suggested that I be invited to do this and that this had received the approval of the heads of the universities.

Thanks much for the recommendation. I enjoy that kind of assignment.

I decided that before tackling the job I should submit to Sapir and you an outline of the memo as it takes shape in my mind. I am enclosing a copy of such outline. I am sending the original to Sapir today. I'll get in touch with you when you are here with the Mission and receive your comments.

Rina and I appreciate that you volunteered to bring a few things for us. We asked that these items--they are small--be delivered to your office.

It's been a good year in Israel and you, personally, have had a great deal to do with making it so.

Best wishes to you, Francine and the boys for a good year.
Best regards to the Bensley's.

Sincerely,

Alie

OUTLINE

September 28, 1969

MEMORANDUM

SUBJECT: ESTABLISHMENT OF ENDOWMENT FUND FOR HIGHER EDUCATION
IN ISRAEL

FROM :

This memorandum deals with a subject which is of prime importance to Israel's economic, cultural and spiritual growth: the support of Israel's institutions of higher education.

I. Importance of higher education

A. General

B. Of special importance to Israel

1. Israel's viability depends upon the maximum development of its human resources
2. Cohesion of its diverse elements demands it
3. Jewish tradition demands it
4. Jewish people have their roots in Israel. These roots must be explored and developed.
5. The vision of a great Israel, asking the basic questions of life and science, must be held before Jews. This is a vision that will take on substance only if the men and women are given every opportunity and encouragement to experience intellectual growth.

II. Basic question: Who has responsibility for the development of higher education in Israel?

On this question there should be general consensus, for, disregarding the pre-State period, when Israel was only an outpost (and when the major share of the responsibility was borne by Jews from abroad), Jews have provided the answer:

It is a joint responsibility of Israel and of Jews living outside of Israel.

This is no less true of higher education than it is of the absorption of new immigrants.

The remaining question: To what extent shall this responsibility be shared and what machinery is required to effect this shared responsibility?

III. How responsibility has been borne to date

- A. Brief review of the growth of the budgets of all the institutions of higher education
- B. Proportion borne by Israel, including the Government and the Jewish Agency, and proportion borne by Jews from abroad

IV. Projections on enrollment and budgets

- A. Present enrollment
- B. Growth (expected) in enrollment
 - 1. Normal increase
 - 2. Increase in enrollment of students of Oriental communities (after intensive effort to increase such enrollment)
 - 3. Students from kibbutzim
 - 4. Students from abroad
- C. What this increased enrollment will mean in terms of increased costs

V. Part Israel can provide

- A. No more than today unless there is a marked improvement in Israel's security situation (Note: this point need not be made; instead it could be said that even if security funds could be released these should be channeled into secondary education to make ~~the~~ wholly free).
- B. Proof of Israel's ^{incapacity} ~~incapacity~~ to support higher education beyond present limits: the mounting deficits of institutions of higher education, which Israel would not have permitted if it could provide greater measure of support

VI. Present fund raising efforts by institutions of higher education

- A. Friends organizations
- B. Capital fund contributions by individuals

omit
These efforts have been commendable and should continue. However, there is no reason to believe that these efforts will yield the sums required to insure the maintenance of the institutions of higher education and to provide for their essential growth.

a) Income indispensable
b) Keeping corpus intact
is crucial because
hard currency reserves
must be increased

VII. Only feasible solution: An endowment fund

This memorandum is addressed to men and women who have been blessed with substantial means. These men and women have amply demonstrated that the privilege of having at their disposal funds beyond their personal needs carries with it the opportunity, if not the responsibility, to be of service to their people and to mankind.

Many men and women in this category contribute to universities either because of the importance they attach to education or because of loyalties to their Alma Mater.

The result is that institutions of higher education in the United States (other countries could be included if information on them is available) have accumulated large endowment funds, the income of which insures the continuity and expansion of the institutions of higher education.

Examples of the sums received by major universities in the United States: Harvard, Yale, Princeton, Columbia, University of Chicago, etc., in the form of endowments and the proportion of the budgets of these institutions covered by the income from the endowment funds.

Comparison with Israel.

VII. Proposal: Establishment of endowment fund for higher education in Israel

Definition

A. Goal: \$500 million

B. Minimum contribution: \$1 million

C. Terms of payments

?

D. Investment of funds: Funds to be invested in Israel with the investments guaranteed by the Government of Israel.

E. Recipient of the funds: United States-Israel Commission on Higher Education, consisting of the following:

1. An Israel Committee on Higher Education (consisting of one representative from each of the following institutions: Technion, Hebrew University, Weizmann Institute of Science, Bar Ilan University, Tel Aviv University, Haifa University College and the Institute for Higher Education in the Negev shall have observers in meetings);

2. Representative of Jewish Agency for Israel, Jerusalem

3. Representative of the Government of Israel

4. Representatives of the United Jewish Appeal

5. Representatives of the United Israel Appeal, Inc.
6. Representatives of the Council of Jewish Federations and Welfare Funds
7. Representatives of the respective Friends Organizations of the institutions of higher education

E. Disposition of income: The Israel Committee on Higher Education shall determine all details regarding the allocation of the income from the fund. Allocation formula shall be flexible and shall be fixed from time to time according to the needs of the institutions.

IX. World Jewry equal to responsibility

The proposal admittedly calls for a tremendous effort on the part of a handful of people, the vast majority of whom have been taxing themselves heavily in support of Israel's historic effort to absorb the 1½ million fellow Jews, a number still growing.

These men and women have made their contributions within the framework of campaigns in which the individual contribution is merged into the total funds and the individual receives no quid-pro-quo (such as having something named for him) other than the satisfaction of having participated in a great and stirring drama of the rehabilitation of our people and the reestablishment of a Jewish homeland.

To come to these men with this proposal means that they are requested to assume an additional burden on top of their continuing commitment to support the fund raising efforts for the absorption and rehabilitation of the new immigrants in Israel.

It is recognized that this a bold request but it is made with every hope that it will be honored.

We cannot choose when we shall be born; we can only meet the challenges of the era in which we are born.

Our generation has witnessed the unspeakable tragedy of the near decimation of one-third of our people and the rebirth of a Jewish State. These two contrasting events have imposed two obligations on our generation:

The salvaging of the lives of the pitiful remnants of Nazism

The sharing of responsibility for the reconstruction of a secure Israel, capable of absorbing Jews in search of a better life

The support of the proposed endowment fund so that Israel's institutions may absorb more students, expand their faculties, meet commitments to students from abroad, and pursue research--and not feel stragled--is an essential aspect of the assumption of the second responsibility.

The support of the proposed fund is worthy of idealism and high sense of purpose of the men and women to whom this memorandum is addressed.



September 29, 1969

Mr. Herbert A. Friedman
United Jewish Appeal
1290 Avenue of the Americas
New York, New York 10019

Dear Herb:

Rina and I enjoyed the time we spent with you and Francine.

I have wondered whether you had the courage to show up at the office with the psychedelic trousers you had on at the Trobe's. My guess is that you did and that this gave the staff something to talk about for days.

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Thanks much for the recommendation. I enjoy that kind of assignment.

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Rina and I appreciate that you volunteered to bring a few things for us. We asked that these items--they are small--be delivered to your office.

It's been a good year in Israel and you, personally, have had a great deal to do with making it so.

Best wishes to you, Francine and the boys for a good year.
Best regards to the Bensley's.

Sincerely,

September 28, 1969

Mr. Pinhas Sapir
41 Shaul Hamelech, Room 507
Tel Aviv

Dear Mr. Sapir:

I thought it would be useful to submit to you for your comments and possible approval an outline of the memorandum on the Endowment Fund for Higher Education. Once I have your comments I shall proceed with the preparation of the memorandum.

I forgot to ask you when you need the first draft. As you will observe, the memorandum as envisioned by the outline calls for information that I must get from the States (Avraham Harman suggested that I get this information). I should like to know your deadline on the memorandum so that I may guide my correspondent in the States.

I am sure you know how pleased I am that you asked me to prepare the document. A good deal of the information that I shall be using is contained in the study of higher education that I ^{prep} prepared for the Conference on Human Needs.

I am going to Eilat with my family on Tuesday, ^{Sept} September 30th and will be back Sunday, October 5th. I shall ^{be} staying at the Neptune Hotel. If I do not hear from your office while I am in Eilat I shall call your office when I return, to get the information on the deadline.

In the meantime, chag sameach.

With highest esteem, I am

Sincerely

Abraham S. Hyman

Phone: 238024 Tel Aviv
Phone of Hotel Neptune: 059 3131

P.M. - flight -

Pete on list

Rosen - staff backup

Chinitz - overseas (+ one special job here with
amm)

Endowment Fund - Herman

1. List of potential candidates (Bob Herman)
2. Memo on needs of higher education (Hymen).
3. One man with stature - (Kidan) - to direct
4. Sepir plus 2 or 3 men ^{Sachon} to solicit - select names
~~and choose president~~
5. office can be in USA - or Patery (as example)
6. Prepare legal memo (Rose to go to him)

Israel Corp - Herman

1. Help select president - solicitor

Mon. late afternoon - Safir - Jerusalem

Rohberg ^{Paley}
Klutznick
Piklis
Banine
Warburg
Loeb

Kidan
Herzberg
Alexandroni
Arnon
Barzilai

UJA, Inc.

Campaign Committee - Amer Friends
7 schools

CJF

UJA

JOX -

lay leaders ad hominem

worthy chairman
one executive

domicile in 515 ~~1111~~

2500000
1

USA 100% assist

Safir take IEF as
part of talent fund - missing



COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS, INC.

315 PARK AVENUE SOUTH, NEW YORK, N.Y. 10010

212, 673-8200

October 16, 1969

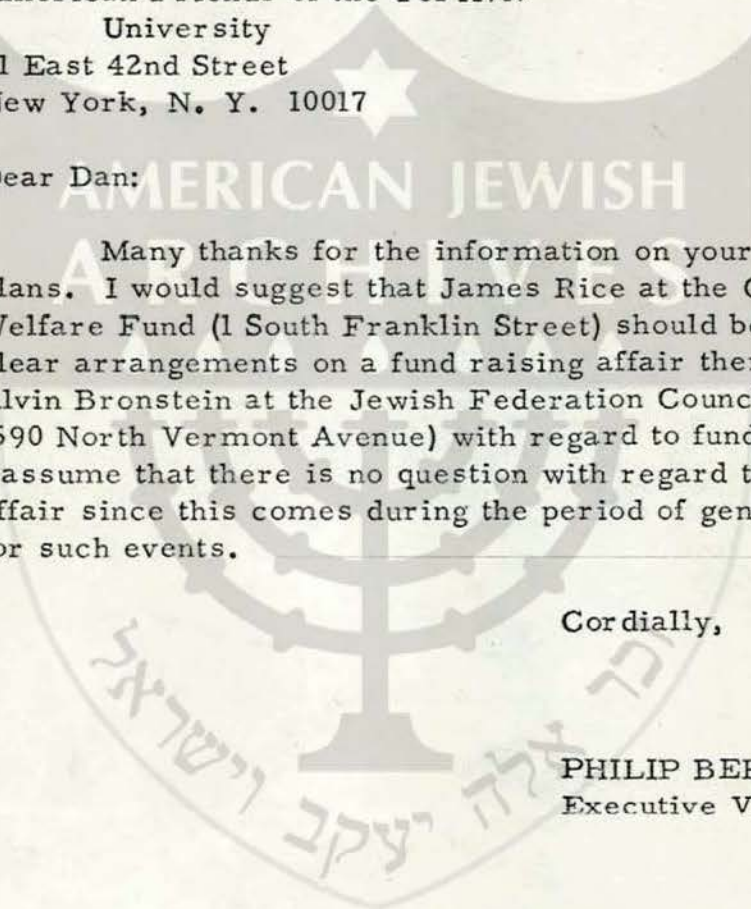
Mr. Daniel G. Ross
American Friends of the Tel Aviv
University
41 East 42nd Street
New York, N. Y. 10017

Dear Dan:

Many thanks for the information on your fund raising plans. I would suggest that James Rice at the Chicago Jewish Welfare Fund (1 South Franklin Street) should be contacted to clear arrangements on a fund raising affair there, and likewise Alvin Bronstein at the Jewish Federation Council in Los Angeles (590 North Vermont Avenue) with regard to fund raising there. I assume that there is no question with regard to the New York affair since this comes during the period of general clearance for such events.

Cordially,

PHILIP BERNSTEIN
Executive Vice-President



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COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS, INC.

NATIONAL OFFICE: 315 PARK AVENUE SOUTH, NEW YORK, N. Y. 10010

October 16, 1969

CABLE ADDRESS: COUNCILFED, NEW YORK

TELEPHONE: AREA CODE 212. 673-8200

Mr. Alvin Bronstein
Jewish Federation-Council
590 N. Vermont Avenue
Los Angeles, Calif. 90004

Dear Alvin:

Supplementing my memo of October 6 on Higher Education in Israel, the American Friends of the Tel Aviv University have informed us that they would like to have a fund raising effort in Los Angeles, with the nature of the proposed campaign effort yet to be determined.

We've also been informed by Bar Ilan University that it would like to work out a small fund raising affair in Los Angeles in 1970. Harold N. Blond, Director of Development, will contact you to try to arrive at a mutually agreeable date and procedure.

Cordially,

PHILIP BERNSTEIN
Executive Vice-President

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NATIONAL OFFICE: 315 PARK AVENUE SOUTH, NEW YORK, N. Y. 10010

CABLE ADDRESS: COUNCILFED. NEW YORK

October 16, 1969 TELEPHONE: AREA CODE 212. 673-8200

Mr. James P. Rice
Jewish Welfare Fund
1 South Franklin Street
Chicago, Ill. 60606

Dear Jim:

Supplementing my memo of October 6 on Higher Education in Israel, the American Friends of the Tel Aviv University have informed us that a dinner is planned in Chicago on December 14, 1969.

Bar Ilan University has also just informed us that it would like to have a small fund raising affair in Chicago in 1970. Harold N. Blond, Director of Development, will contact you to try to work out a mutually agreeable date and procedure.

Cordially,

PHILIP BERNSTEIN
Executive Vice-President

October 16, 1969

Mrs. Max Schenk, National President
Hadassah
65 East 52nd Street
New York, N. Y. 10022

Dear Faye:

I appreciate your letter of October 6. It is not expected that all of the campaigns for Israel will cease during 1970. Rather, the highest Israel officials have stressed to us that the Regular and Israel Emergency Funds of UJA have the highest priority for Israel's human needs, and that other efforts to help meet these needs must not detract from the utmost results for UJA. Your own statement stressing Hadassah's full cooperation with the campaigns for UJA and communal needs, that Hadassah has supplied workers whose service is invaluable to these campaigns, that Hadassah will continue and do even more of that in both working and giving, and that you will continue to instruct your chapters that no Hadassah public campaigns are to be held during the period of the Welfare Fund-UJA campaigns -- all are completely in keeping with the purpose and spirit of what we reported.

We are well aware of the vital and indispensable tasks Hadassah performs, and it is to the advantage of all that the timing and other cooperative arrangements are such as to assure that Israel's needs will get the maximum support from both the UJA Regular-Emergency Funds and Hadassah.

We will need the assistance of Hadassah and its membership in our Welfare Fund-UJA campaigns in 1970 more than ever, and I know that under your leadership this is assured.

With warmest regards,

Cordially,

PHILIP BERNSTEIN
Executive Vice-President

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October 16, 1969

CABLE ADDRESS: COUNCILFED, NEW YORK

TELEPHONE: AREA CODE 212, 673-8200

Mr. Harold N. Blond
Bar-Ilan University
641 Lexington Avenue
New York, N. Y. 10022

Dear Harold:

Enclosed are copies of the letters I have written to the several cities listed in your letter of October 15. I wrote similarly to Chicago and Los Angeles, as parts of letters dealing with other matters.

Would you therefore please contact the Executive Directors of the Federations in those cities to work out mutually acceptable arrangements. If any questions arise on which you think I can be helpful, don't hesitate to call me.

Cordially,

PHILIP BERNSTEIN
Executive Vice-President

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COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS, INC.

NATIONAL OFFICE: 315 PARK AVENUE SOUTH, NEW YORK, N. Y. 10010

CABLE ADDRESS: COUNCILFED, NEW YORK

October 16, 1969 TELEPHONE: AREA CODE 212. 673-8200

Mr. Henry L. Zucker
Jewish Community Federation
1750 Euclid Avenue
Cleveland, Ohio 44115

Dear Hank:

Supplementing my memo of October 6 on Higher Education in Israel, Bar Ilan University has informed us that it would like to have a small fund raising affair in Cleveland some time in 1970. Harold Blond, Director of Development, will contact you to try to work out a mutually agreeable date and procedure.

Cordially,

PHILIP BERNSTEIN
Executive Vice-President

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COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS, INC.

NATIONAL OFFICE: 315 PARK AVENUE SOUTH, NEW YORK, N. Y. 10010

October 16, 1969 CABLE ADDRESS: COUNCILFED, NEW YORK

TELEPHONE: AREA CODE 212. 673-8200

Mr. Arthur S. Rosichan
Greater Miami Jewish Federation
1317 Biscayne Boulevard
Miami, Florida 33132

Dear Art:

Supplementing my memo of October 6 on Higher Education in Israel, Bar Ilan University has informed us that it would like to have a small fund raising affair in Miami in 1970, if possible, or in 1971 if that would be preferable. Harold Blond, Director of Development, will contact you to try to work out a mutually agreeable date and procedure.

Cordially,

PHILIP BERNSTEIN
Executive Vice-President

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COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS, INC.

NATIONAL OFFICE: 315 PARK AVENUE SOUTH, NEW YORK, N. Y. 10010

CABLE ADDRESS: COUNCILFED, NEW YORK

October 16, 1969

TELEPHONE: AREA CODE 212. 673-8200

Mr. Donald B. Hurwitz
Federation of Jewish Agencies
1511 Walnut Street
Philadelphia, Pa. 19102

Dear Don:

Supplementing my memo of October 6 on Higher Education in Israel, Bar Ilan University has informed us that it would like to have a small fund raising affair in Philadelphia in 1970, if possible, or in 1971 if that would be preferable. Harold Blond, Director of Development, will contact you to try to work out a mutually agreeable date and procedure.

Cordially,

PHILIP BERNSTEIN
Executive Vice-President

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COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS, INC.

NATIONAL OFFICE: 315 PARK AVENUE SOUTH, NEW YORK, N. Y. 10010

CABLE ADDRESS: COUNCILFED, NEW YORK

October 16, 1969

TELEPHONE: AREA CODE 212, 673-8200

Dr. Benjamin B. Rosenberg
Combined Jewish Philanthropies
72 Franklin Street
Boston, Mass. 02110

Dear Ben:

Supplementing my memo of October 6 on Higher Education in Israel, Bar Ilan University has informed us that it would like to have a small fund raising affair in Boston in 1970, if possible, or in 1971 if that would be preferable. Harold Blond, Director of Development, will contact you to try to work out a mutually agreeable date and procedures.

Cordially,

PHILIP BERNSTEIN
Executive Vice-President

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COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS, INC.

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CABLE ADDRESS: COUNCILFED, NEW YORK

October 16, 1969 TELEPHONE: AREA CODE 212, 673-8200

Mr. Norman B. Dockman
Federation for Jewish Service
127 N. 7th Street
Minneapolis, Minn. 55403

Dear Norman:

Supplementing my memo of October 6 on Higher Education in Israel, Bar Ilan University has informed us that it would like to have a small fund raising affair in Minneapolis in 1970, if possible, or in 1971 if that would be preferable. Harold Blond, Director of Development, will contact you to try to work out a mutually agreeable date and procedure.

Cordially,

PHILIP BERNSTEIN
Executive Vice-President

COPY

COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS, INC.

NATIONAL OFFICE: 315 PARK AVENUE SOUTH, NEW YORK, N. Y. 10010

CABLE ADDRESS: COUNCILFED, NEW YORK

TELEPHONE: AREA CODE 212. 673-8200

October 16, 1969

Mr. William Avrunin
Jewish Welfare Federation
163 Madison at John R.
Detroit, Mich. 48226

Dear Bill:

Supplementing my memo of October 6 on Higher Education in Israel, we've been informed by Bar Ilan University that its annual dinner in Detroit has been scheduled for December 3 at the Shaarey Zedek Synagogue. It is expected to attract approximately 500 guests, as a \$50 per plate function, with gifts ranging from \$500 upwards for the Scholarship Fund. I trust that this has all been cleared with you and there is mutual understanding on it.

Cordially,

PHILIP BERNSTEIN
Executive Vice-President

ISRAEL PRESS REVIEW

Yediot Achronot (Oct. 17) published an article by Gideon Reicher, captioned "The Absorption Ministry Wants Additional Authority; Division of Roles Between the Ministry and Agency Resulted in Confusion and Requires Radical Change." The article states:

"The newcomers were assembled in the large hall of the Lod airport. The official from the Absorption Ministry asked them: 'What now, where do you want to go?' The Iranian newcomer said: 'We already said that we want to go to the Moshav Paamei Tashaz, where we have relatives.' The official politely asked: 'Whom did you talk to?' And the newcomer said: 'The Agency official, of course, when we were on our way to Israel.' The Absorption Ministry people say: 'That's what we are afraid of. The newcomers from Iran were determined to go to this Moshav, and it could have been arranged. But we should have known about this before they came to Israel, and we would have made the necessary preparations.' True, the Iranian newcomers were sent to Paamei Tashaz several weeks later, but arrangements had to be made in the Moshav and rooms had to be added to a certain building.

"The Absorption Ministry people maintain: 'We must be in the picture beginning with the Olim camps abroad, in Vienna, Naples or Marseilles. The moment a candidate for Aliya declares his readiness to go, the job must be taken over by the Absorption Ministry. Otherwise, there is lack of coordination. People put questions to the Jewish Agency, and they expect answers from the Absorption Ministry. There must be greater coordination between the Agency and the Ministry, and between this Ministry and the Housing Ministry. Mr. Allon does not intend to remove Aliya from the Jewish Agency, but the Olim should be handled by the Absorption Ministry from the first moment of preparation for Aliya.'

"The Jewish Agency people are upset by these arguments. They feel that they have a right and a duty to handle the Oleh until his arrival in Israel. The Olim Centers in Israel also have to be handled by the Jewish Agency.

"The Absorption Ministry was established a year ago. It has now 335 workers and an additional 250 who were 'borrowed' from the Jewish Agency, a total of 585. In the past 673 people worked in the Absorption Division of the Jewish Agency, and this means therefore that today there are 100 people less on staff, despite the fact that Aliya increased considerably recently. The housing budget for newcomers also increased. In 1968-69 it was only 28.1 million Israeli pounds, and in 1969-70, it will amount to IL. 457.5 million, or 20 times as much! There is another positive factor: Yerida has declined recently.

"The director of the Absorption Ministry, Aluf Yosef Geva, discloses that during the last nine months 1,378 newcomers have been absorbed in the Kibbutzim, 499 of them in the Kibbutz Meuchad, 495 in 'Ichud', and 341 in Kibbutz Artzi of Mapam. The religious Kibbutzim absorbed another 42 Olim.

"Yosef Geva says: 'We do not give preference to Western Olim over Olim from other areas. Olim from all countries have a right to obtain a mortgage, regardless of their country of origin. The Absorption Ministry handled in 1969, 4,154 student Olim who came from 58 countries, and studied in 36 higher institutions of learning. Nine hundred students studied philosophy; 650 - social sciences; 404 - engineering; 119 - medicine and pharmaceuticals; 100 - laboratory workers and technicians; 82 want to become teachers; and 67 studied music and art; while 917 registered with 52 Yeshivot all over the country. The Absorption Ministry is convinced that Aliya of students may increase, and that the handling of Olim may improve when organizing Aliya becomes the responsibility of the Absorption Ministry. ~~They~~ The decision in this matter will be made after the new elections, by the future Government."

Hayom (Oct. 17) publishes an interview with the president of the Jewish community in Montevideo, Uruguay, who told the reporter D. Daniel: "I have seen many empty houses in the areas freed during the Six-Day War. It is my innermost dream that these houses will soon be settled by Jews." The president of the Montevideo community, Alter Holzman, was born in Poland and came to South America in 1948. He says: "Anti-semitism you can find everywhere. But in Uruguay the Government is friend to the Jews. Yet I believe in the Zionist solution and am convinced that all Jews of Uruguay will settle in Israel either in this or in the coming generation. There are 50,000 Jews in Uruguay and almost all of them are Zionists. There is a small group of the Bund." While in Israel Mr. Holzman looked for a Sephardic Rabbi to take back to Montevideo. Most Jews of Uruguay live in Montevideo. They belong to the middle class, but there are also 300 needy families who are supported by various funds. Most of the Jewish youth get a higher education. "There are two Jewish schools in Montevideo, with 1,700 pupils. The Hebrew language, the love of Israel and Aliya are emphasized in our schools and there are good results. This year 50 students came from Uruguay to study in Israel, mostly in Bar-Ilan. Most of them will remain in the country. There is also a Truut Aliya in Uruguay, and 500 families are preparing to go to Israel. The Jewish community extends every aid to them."

The governor of the Bank of Israel, Dr. David Horowitz, explained that Israel's balances of hard currency have declined and they are approaching the 'red ~~mark~~ mark'. The reasons for this are: the tremendous expenses for defense needs; the great increase in investments, a positive phenomenon by itself, which has reached the following percentages: in 1968 - 44%, and in 1969 - 23%. This in turn caused an increase in the import of equipment in 1968, amounting to 14% of the total import; the international financial situation which caused tension and an increase in imports, as well ~~as~~ a delay in the transfer of the payments for exports; an increase in private consumption, which in 1968 was 8% per capita, and in 1969 an additional 6%.

Dr. Herzowitz stated: "The problem is not only one of reserves, but the problem of the balance of payments itself. The balance of the Bank of Israel was not influenced by the revaluation of the German mark. In order to improve the situation, one must increase the reserves and thereby make possible the improvement of the balance of payments, and also take steps for correcting the situation of the balance of payments itself."

Hayom and other papers published editorials in honor of the activities of JDC-Malben in Israel. Hayom says: "JDC-Malben was created in order to tackle an emergency, as a result of mass Aliya immediately after the establishment of the State. JDC-Malben assumed the responsibility to take care of the old, the sick and the handicapped among the newcomers. Thanks to this activity, the Government could devote its full attention to absorbing all other newcomers in Israel's economic and social life. At the beginning of the fifties there were among the newcomers from Europe many tubercular patients and JDC-Malben began to initiate steps to prevent the disease from spreading, by increasing threefold the number of beds for tubercular patients in the hospitals of Israel. In recent years JDC-Malben concentrated on the old people in Israel, while the JDC abroad supported the elderly who preferred to stay in their own community, and instituted various community services for the elderly in healthy condition. American Jewry covers the expenses of the JDC, a third of whose budget is spent in Israel, and shows thereby its devotion to every needy Jew wherever he is. We send our cordial greetings to this welfare organization, on its 20th anniversary."

Minister Menachem Begin told a mass meeting in Kiryat Yam: "Those who try to frighten us with the demographic problem will do well to remember that 40 years ago we were in a much more serious situation. The same is true about the situation in 1948. By the end of this century, we may succeed in doubling Israel's Jewish population. During the time of the Second Temple, Eretz Israel contained 8,000,000 Jews. In Belgium, which is of the same size as Israel, there is a population of 9,000,000."

10/30/69

Davar (Oct. 20) publishes an article by Zvi Magen about the Israeli students, many of whom get dormitory-facilities in the universities, thanks to arrangements made for foreign students. The housing facilities for foreign students are built with funds of the budget of the Absorption Ministry and for every three foreign students, one Israeli student gets a place in the dormitory -- says Zvi Magen. "It is true that the Students Association has a demand for tuition-free studies. Nevertheless, most Israeli students will admit that free high school education is a more urgent matter and precedes free university education. In any case, the situation today is such that no Israeli student is at present barred from study because of the tuition fee, as there are enough scholarships to go around, and in many cases loans are arranged on easy repayment terms after completing the studies. The funds available for this purpose in 1969 amounted to IL. 8,000,000, and the students used only IL. 7,000,000 from the available funds. In all countries of the world, with the exception of the Communist countries one has to pay tuition fees at the university. But in the States, for example, city colleges are tuition free. Some American universities raised tuition fees by 10% this year, and the average tuition fee in America is ~~\$1,800~~ \$1,700 per year. But in America, too, there are, of course, many scholarships."

Prof. Menachem Banit, dean of students at Tel Aviv University, is convinced that Israeli students could easily obtain scholarships in the United States, and he feels that in Israel, too, ~~such an opportunity~~ such an opportunity should be given to able students. If Israeli universities would give free tuition, it will cost the State IL. 21,000,000 per 30,000 students, and it would have been a good investment. We have to remember that military service delays the Israeli student in his studies in Israel, unlike the student in America. By the ~~time~~ ^{time} he completes studies, he has a family and is burdened with debts. Even if he gets work after graduation, his salary is not enough at the beginning to feed his family and also to pay off the loans accumulated during the period of his studies.

Another important question is the question of housing for students. First of all, it is not true to say that newcomer students take away the dormitory facilities from the local students. The opposite is true: thanks to the newcomer students, there are more dormitory facilities available also for Israeli students. It was decided that in order to bring to a certain rapprochement between local and foreign students, 25% of the housing facilities available for foreign students will be ^{rented} ~~given~~ to local students.

Tel Aviv University has now 10,000 students and is in need of 2,000 beds, while in reality there are only 60 beds available, and of these the Defense Ministry takes eight beds for Army invalids, ~~xxxxxx~~ though some of them cannot use the student dormitories, because not all dormitories have elevators for the use of men in wheelchairs. First of all, it is a mistake to assume that every student whose parents live in Tel Aviv doesn't need a dormitory. There are many students of large families, who would like to go to dormitories and be able to concentrate more on their studies there. There is also a need of 200 rooms for young couples who study at the university. The rent is also somewhat exorbitant for students. A room rented to two students in the Tel Aviv dormitories costs ~~xxxxx~~ IL. 140. At the Bar Ilan University a student pays only ~~xxxx~~ IL. 30, and at the Jerusalem University, only IL. 25 per month.

In the libraries of the universities, especially in Tel Aviv and Haifa, conditions are congested. Sometimes the library has no more than two copies of a book for a group of 200 students. There are some students who ask for books recommended by the lecturer but they cannot find them at the university library. Students who are children of well-to-do parents buy the books, while other students are forced to use the notes of other students. The libraries are closed in late evening hours and on weekends, although many students would like to work at these times and the university administrations should consider their requests. More books are necessary and more library hours.

The Israeli universities are growing at a staggering pace and with their growth there is also a constant growth of the influence of the students as a social factor. Today, we have in Jerusalem 12,000 students; in Tel Aviv 9,300; and in other higher

institutions of learning an additional 9,000. Israel's 30,000 students are only one per cent of the population, while in the United States 7,000,000 students constitute 3½% of the population.

The number of students in Israel rose from 1,600 ten years ago to 27,000 in 1969, and the growth will continue at the same rate. Science in Israel is doubling in scope every five years. The students, Israeli born and also foreign students, contribute to the creation of local reserves of scientists and engineers approaching the levels of the United States, and twice or even thrice bigger than that of Western European countries. Of every thousand U.S. inhabitants who belong to the local labor force, 15 are graduates in the natural sciences, while in Israel we have 14 scientists for every thousand inhabitants. The number of students in Israeli academic institutions is: 750 per every 100,000 inhabitants, and the number of graduates is 100 for every 100,000 inhabitants, or: almost twice as much as in France. But we cannot draw parallels with France because France does not have such severe problems of security and economy as does Israel. Therefore, Israel must exploit every ounce of strength and knowledge to the utmost limit.

We in Israel must remember that we are living in a period of specialization. A student will succeed if he specializes and chooses the right career, whether in chemistry or engineering or in medicine, etc. In each of these professions, more and more specialization is demanded. Moreover, Israel's social structure is constantly changing and we cannot give up specialization as an academic goal in its manifold aspects. The real problem is: how shall we save general education and values and preserve them in a social regime in which specialization is a necessity?

The rising demand for specialization and expertise emphasizes the need for checks and balances in general education. On the one hand, specialization strengthens the splintering off of society. Each specialist has a separate language, and does not understand the language of specialists in other fields. But the citizen of this country, in order to fulfill his duties, must have a comprehensive view of life and society. Excessive specialization causes a lack of flexibility in a world of changing

values and potentials. The human mind must adjust to changing situations and must be able to manage complex institutions. In view of the changes in the economy of various countries, there is also constant change in techniques. A student may sometimes learn a certain method which soon becomes outdated and cannot bring him a living anymore. The goal of education is, therefore, to prepare a specialist in a certain field, who should be at the same time well acquainted in other fields of a free society. There was a time when various social strata enjoyed separate systems of education. Today, our total society must go through the same system of education.

One cannot be a specialist in all areas, and therefore many of us must rely again and again on the expertise of others in most areas of human endeavor. I, as a citizen of the country, have no choice but to rely on the advice on my doctor or my electrician or my lawyer and television expert. For this reason, I have to have a certain astuteness to be able to differentiate between the real expert and the faker, between a great specialist and a so-so specialist. From this point of view, it is important to formulate the goal of ~~some~~ general education as: to develop a comprehensive sense for criticism, a sense which enables us to choose the right experts to rely on. William James once said that a well educated person can recognize a good man when he sees him.

There are different styles and scales for every activity, whether intellectual or physical, sports or art. Every person who enjoyed a good education is able to differentiate ~~recognize~~ even in an area in which he is not an expert between thorough work and superficial work.

A good general education is of special importance in a democracy, in which the general public chooses its leaders and officials. Each and every citizen must be cognizant enough of the qualities of the candidates among whom he chooses. Each and every citizen must not be misled by false impressions and must choose the right ^{man} ~~man~~ in the right place, the expert who has the real expertise.

Hayom correspondent Sara Frankel (Oct. 21) reports: "The Executive of the Jewish Agency in its plenary session in December may encounter stormy discussions in connection with General Allon's intention to transfer the handling of Aliya from the Jewish Agency to the Government. I learned from a reliable source that the President of the UJA, Mr. Max Fisher, sent a sharp letter to Mr. A. L. Pincus, containing a severe attack on the statements made by Minister Allon and his associates. In UJA circles Mr. Allon's intentions are interpreted as an attempt to deprive the Agency of important executive tasks and to limit their activities to fund-raising only. In other words, they are afraid that the Absorption Ministry circles would welcome only the money without giving them an opportunity to be partners in the decisions as to how the money should be spent. Such an attempt, it is said in UJA circles, will hurt the campaign work and will affect its revenue."

Hayom (Oct. 21) reports from Jerusalem: "In Jerusalem the opinion is expressed that despite all the efforts of the Jewish Agency Aliya Department to bring to Israel all the Jews who left Poland and are now in Scandinavia, there is not much chance that these Jews will go to Israel. Certain Polish immigrants who left Israel and are now in Scandinavia represent a hindrance to the persuasion work of the Jewish Agency Shlichim. The refugees from Poland are influenced by anti-Israel propoganda, especially as almost all of them have been Communist officials in Poland. There are today some 400 such Jews in Denmark, 340 in Sweden and several scores in Norway. By next month the number of refugees will increase to 600 in each of the Scandinavian countries. The Governments of Sweden and Denmark have recently issued ~~200~~ 2,200 visas each to Polish Jews, and many of these visas have not yet been used. The Danish Government allocates \$300 per month to each refugee family, and the Jewish community also takes care of them. The Jewish community in Oslo, Norway has been encouraged by the Government to invite the refugees to Norway, and they plan to send emissaries to Vienna to persuade some of the refugees to come and settle in Norway."

A. Geva discusses in Lamerchav the differences of opinion which have recently arisen between Minister Yigal Allon and the leaders of the Jewish Agency. Mr. Geva interviewed both Agency circles and also people from the Absorption Ministry. At the Agency he was told: "We, at the Jewish Agency, make special efforts to broaden the scope of the Jewish Agency and to include new bodies and leaders such as the UJA leaders. We hope thereby to strengthen the partnership between Israel and the Diaspora. But how can you broaden the scope of the Agency, and at the same time limit its authority? During the past few years the Jewish Agency has undergone many shocks. The endless discussion about the Jewish Agency's right to exist has greatly weakened the morale of its workers. Many, and among them good workers, left the Jewish Agency. Recently, the Jewish Agency reached a certain stability and efforts have been made to make its work more effective. New people were added. It seemed that at last the Jewish Agency was on the right road to recovery, and just at this very moment the new shocks took place." The Jewish Agency circles add: "Today, they want to take away from us the organization of Aliya. Tomorrow, the Ministry of Agriculture will demand from us to abolish the Colonization Department, and the day after tomorrow they may question the existence of the Department of Youth and Chalutz. What will remain for the Jewish Agency to do? There is also the serious problem of legality of contributions. Many contributors to the UJA campaigns deduct their donations from taxes. Such deductions are possible in the United States because the funds are raised by a philanthropic organization and transferred to the Jewish Agency, which handles Aliya and absorption of refugees. In the joint statement issued by the Jewish Agency and the Ministry of Absorption, it is said clearly: 'The Jewish Agency finances ~~its~~ all its activities in the area of Aliya and absorption from the funds raised in the campaigns among the Jews of the Diaspora.' This statement of fact was formulated after consultation with legal experts. Can this statement be withdrawn?"

At the Absorption Ministry one finds surprise at the sharp reaction of the Jewish Agency. True, there are legal difficulties which have to be taken into account, and indeed the Absorption Ministry stated from the first moment that it

is a matter of looking into the legal aspect of possible changes. If such changes are not possible, they will not be made. But why oppose in advance any consideration of possible changes? At a certain time, an agreement was made with the Jewish Agency, and this agreement will be in force until April 1970. The Ministry of Absorption would not have done its duty, if it had not checked whether the arrangement now in force is workable or not. The Ministry of Absorption is a new ministry, and it is only natural that it tries to learn from its experience, and find out whether organization of Aliya is functioning well and to improve whatever needs improvement. On the one hand, there is at the Jewish Agency which is interested in bringing newcomers to Israel as fast as possible, regardless of the absorption situation. The Ministry of Absorption is better acquainted with the local situation, and would prefer postponing the Aliya of some people for a while, in order to make sure that their absorption will be orderly. There are cases, for example, when the Jewish Agency Shaliach abroad promises an apartment even in Tel Aviv and adds: "You may be told that there is no available apartment in Tel Aviv. But if you will raise your voice, you will get one." Such guidance would not come from the Absorption Ministry. There is also a certain bureaucratic clumsiness involved by the very fact that the Agency and the Government are two separate institutions. ^{If} ~~Where~~ the Absorption Ministry would be responsible for Aliya, ships with newcomers would not arrive in Israel on the day before Yom Kippur. It is generally advisable to send Olim by ship rather than by plane, because then there is enough time to cable particulars from board ship to the Absorption Ministry and report the number of newcomers, their needs, and special requests. At present, it very often happens that newcomer arrive without previous information supplied to the Ministry, and this is a serious handicap.

The Absorption Ministry does not plan to take away from the Jewish Agency the tasks of education for Aliya and organization of Aliya movements. But the moment a candidate for Aliya comes to the Aliya office and says that he is ready to go to Israel, his absorption process begins. From this moment on he must be provided with

an apartment, a job, and education for his children. From this very moment he should be under the care of the Absorption Ministry, because the dualism is only a hindrance.

Both the Ministry of Absorption and the Jewish Agency circles admit that there is close cooperation between the two bodies and that several joint committees are working very well, indeed. The Ministry people also admit that the dualism is not the central question, and that there are more serious problems which make Aliya and absorption difficult. But even a less serious difficulty is also worth removing. //



MEMO

August 7, 1969

TO: BIG 16 EXECUTIVES

Enclosed is the summary outline of our discussion on higher education. You will remember that we agreed on the following procedure:

1. Will you please confer with your top lay leaders to get their views?
2. Will you then transmit their judgments to me immediately? Please be sure to tell me whether they are in agreement; whether there are any points on which they do not agree, and if so, what the differences are, and what their views are; whether they have additional suggestions, and what they are. In any event, where there is full agreement or not, please be sure to let me hear from you.
3. We will then have a meeting later this month of the people who will represent our Council (and a few other community leaders), and we will be conferring also with the leaders of UJA before the meeting with the leaders of the universities and of the Israeli Government and the Jewish Agency on Sept. 4.

PHILIP BERNSTEIN

(Not for circulation or publication)

HIGHER EDUCATION ISRAEL

(Summary of Large City Executives Discussions)

Underlying Considerations

1. Primacy of Israel Emergency Fund in Aid to Israel

Israel's officials have stated that the Israel Emergency Fund has clear top priority for contributions to assist Israel.

(In that regard, it should be noted that higher education receives substantial support from the Israel Emergency Fund.)

The efforts to provide greater support for higher education should not harm the support of the Israel Emergency Fund; even more, the intention is to build up greater support for the Israel Emergency Fund.

2. Autonomy of Communities

It should be understood that no one can commit individual communities to any specific action. Each community is autonomous.

Needs of Higher Education

There is recognition of the importance of the needs, and the magnitude and urgency of greater support for higher education.

There should be a positive approach by the communities and their leaders in trying to find ways most productively to help meet those needs.

At the same time, there is a desire for a clear definition by the communities for Israel's authorities to define the priority of higher education in relation to Israel's other requirements.

There is likewise the need for a definition of priorities within the field of higher education. American Jews cannot define such priorities; that definition must come from Israel, and is required in order for American Jews to respond appropriately to the needs.

The United Israel Appeal should be the primary mechanism for American planning in relation to this field, and its functions for this purpose should be strengthened.

Endowment Fund

It has been agreed in Israel that a joint endowment fund for higher education should be established, to seek support in various countries on the basis of minimum gifts of \$1,000,000, with little or no publicity, and that only persons cleared for this purpose by their respective communities will be approached.

It is believed that some communities, but not all, in the United States could clear individual names for solicitation without harm to the Israel Emergency Fund, and for maximum support of Israel's needs. Each Welfare Fund would decide regarding its ability to participate.

Joint Maintenance, or Joint Maintenance-Capital Campaign

The proposal for a special joint maintenance campaign, or joint maintenance-capital campaign for higher education, conducted after the Welfare Fund campaign for the regular and Emergency Fund in each city is impractical; it would not be successful, and would do serious damage to the Emergency Fund and to the regular fund. Such campaigns for higher education should therefore not be undertaken.

Support for Maintenance

Maintenance funds for higher education in Israel should be increased by larger allocations from Welfare Funds insofar as possible in the current situation with the following considerations:

Even with the most serious intent for this purpose it must be recognized that the extreme needs and pressures of the Israel Emergency Fund limit severely other support.

The attempts to increase the allocations for the institutions of higher learning should take account not only of the greater needs of the universities which directly receive allocations from Welfare Funds from their regular funds -- Hebrew University and Technion -- but also the needs of the other five institutions that are not now recipients of direct allocations from Welfare Funds. (The Weizmann Institute is a beneficiary through regular fund support from UJA-UJA, and all of the institutions are beneficiaries of Welfare Funds through the grants of the Israel Emergency Fund.)

Increased support should come from increased income of community Welfare Funds in the regular fund (as well as the Emergency Fund). As 1970 campaign goals are developed, consideration should be given to the additional funds needed for higher education along with priorities in other regards, including domestic needs. Fund raising publicity should give prominence to these needs and their importance to help obtain increased

contributions. The presidents and other leaders of the universities would be expected to assist community Welfare Fund campaigns as speakers.

It would be desirable to take the grants now made directly by Welfare Funds to Hebrew University and Technion for maintenance, the funds allocated by the United Israel Appeal from the regular campaign to the institutions of higher learning, and the additional funds which may be allocated by Welfare Funds, and to transmit them as clearly identified earmarked funds for higher education to the UJA-UIA.

Consistent with the importance stressed by Israel officials for higher education, consideration should be given to the possibility of an arrangement whereby the Jewish Agency or Israeli Government or United Israel Appeal would match the increases given by Welfare Funds for this field.

The communities want to deal with the needs of the field of higher education as a whole. They also want to have the support for higher education identified within the support for UJA. Through the several channels -- community allocations to Hebrew University and Technion, the United Israel Appeal allocations from the regular fund, and the Welfare Fund support for the Israel Emergency Fund -- this support now totals close to \$35,000,000 annually for higher education.

Capital Funds

The position of the communities through the Council of Jewish Federations and Welfare Funds favoring joint capital fund raising by the institutions of higher learning, was taken prior to establishment of the Israel Emergency Fund. During the period of the Emergency Fund, however, capital fund raising for these institutions should continue to be done by the institutions individually.

Consideration must be given to the situation of the new institutions which have had limited or no capital support from American communities, and their need to get a fair presentation of their requirements. Account must also be taken of the special problems of some cities in regard to capital fund raising by some of the institutions.

Here too, while recognizing the urgent needs for capital funds required by the institutions, the reality must be recognized that the possibilities for additional support are limited in the light of the primacy of the Israel Emergency Fund generally, the further special problems of some cities, and the tightness of the calendar for campaigns beyond the fund raising for the regular fund and Israel Emergency Fund, which now stretches through many months of each year.

All seven institutions could not campaign for capital funds in the same year in any one city. There will have to be some orderly and practical selection of cities and an orderly schedule in those cities.

The communities in concert would be ready to meet with the institutions to help work out orderly scheduling and procedures including timing, goals, sequence, and other arrangements.

There should also be provision for continuing consultation between communities and the institutions in regard to the over-all situation, and any questions that may arise regarding individual communities.

The CJF should assign a staff person to be available to communities for full information and consultation for these purposes.

It should be understood that planning for capital requirements by communities must also involve equitable consideration of domestic capital needs.

Each community will retain its autonomy on decisions involving capital fund raising in its own city.

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**COUNCIL OF JEWISH FEDERATIONS
AND WELFARE FUNDS, INC.**

315 PARK AVENUE SOUTH • NEW YORK, N.Y. 10010 • 212, 673-8200

MEMO

August 8, 1969

TC: BIG 16 FEDERATION EXECUTIVES

It has been suggested that the memo I sent you on Higher Education should have as a background a brief statement on the essential facts in the situation. Such a statement is enclosed.

PHILIP BERNSTEIN

(Not for circulation or publication)

BACKGROUND INFORMATION

SUPPORT FOR HIGHER EDUCATION IN ISRAEL

Position of communities

The Welfare Funds through the CJF have long been on record for united fund raising for the maintenance and capital needs of Israel's institutions of higher learning, and that this should be tied in with the United Jewish Appeal. This position was taken when there were three institutions of higher learning -- the Hebrew University, Technion, and Weizmann Institute. There are now seven, with the establishment of Bar Ilan University, Tel Aviv University, Haifa University and the University of the Negev at Beer Sheva.

A number of years ago, the original three institutions joined their fund raising for maintenance and made a united appeal to Welfare Funds. The Weizmann Institute then withdrew and made a separate arrangement for raising funds directly through two national dinners annually in New York and Chicago. Hebrew University and Technion continue to get joint allocations from Welfare Funds for maintenance.

The institutions raise funds separately for earmarked and for special needs.

The UJA is on record favoring the principle of united fund raising by the institutions of higher learning, tied in with UJA.

American support

The joint appeal for the Hebrew University and Technion receives about \$600,000 in direct grants from Welfare Funds.

In addition, Welfare Fund support was channeled each year through the allocation of the United Israel Appeal (from UJA) to these two institutions, the Weizmann Institute, the Bar Ilan University and the Tel Aviv University. In 1966-67 prior to the Emergency Fund, this totalled \$1,740,000.

The seven institutions also now receive support from the Israel Emergency Fund of UJA from the support of Welfare Funds, totalling \$32 million in 1968-69. This replaced the support previously given by the Israel Government (which the government did as a voluntary action and without legal requirement).

Pressure on Universities

The universities are under great pressures for additional funds, because of the growing number of students; the special needs of young people of immigrant families from Moslem countries; the growing importance in the economy of science-based industries and their dependence on universities; the growing importance of advanced technology for security; the central importance of the development of Israel's people as its most important asset, all the more in the perspective of the limited physical natural resources of the country; and the character of Israel itself, with the importance of learning, culture and intellectual development.

Proposals

Rabbi Herbert Friedman has circulated a memorandum which includes the proposal for a Joint Maintenance-Capital Campaign for Higher Education to be conducted in as many communities as possible, following the annual Welfare Fund campaign. It would reach selected givers cleared by each community, in categories such as \$100 or more, or \$500 or more. Presumably this could not begin before 1971. And any change in financing higher education would have to meet the requirement that nothing can be done that will adversely affect the Israel Emergency Fund, as the highest priority in contributed funds for Israel's needs.

Mr. Pincus Sapir has supported establishment of a Joint Endowment Fund for Higher Education limited to gifts of not less than \$1 million each, approaching only individuals cleared by each Welfare Fund, and with limited or no publicity.

The universities in Israel favor establishment of such an Endowment Fund, and likewise establishment of a Joint Maintenance Campaign along the lines of Rabbi Friedman's proposal. But they do not accept his proposal that it should also include joint capital fund raising. They want to continue their separate appeals for capital and special needs. The universities want to be able to reach their own friends for their own capital and special needs, want to maintain the loyalties of memberships, want to maintain their identity, and are concerned that they be assured of continued academic freedom.

Preliminary Discussions

A joint meeting of representatives of the Israel government, Jewish Agency, the Institutions of Higher Learning, UJA, CJF, UIA, JDC in Israel in June:

- (1) Concluded that an Endowment Fund should be established -- but whether solicitation for it would include the United States would depend on further discussions as noted below.
- (2) Noted the position of universities for a joint maintenance campaign for all existing universities.
- (3) Noted the difference between the USA and CJF on the one hand, and the Universities on the other, with regard to joint or separate capital fund raising for higher education.
- (4) In all of this, it was agreed that no changes would be undertaken in financing the Institutions of Higher Learning in the United States without the consent of the UJA and of the communities through the CJF.

The need for some central authority in Israel to help establish priorities in higher education was underscored in the discussion.

It was also noted that in this planning, the financing of endowment, maintenance and capital needs are being considered in relation to each other by the Americans.

The concern of the universities that any change should result in greater income for their urgent needs was likewise understood.

The meeting agreed further that an American Committee should be set up, including the representatives of the UJA, CJF, and American leaders of the "friends" organizations of the Universities, to coordinate planning in America, and to meet with the Committee to be set up in Israel consisting of representatives of the Universities, the Israel Government and Jewish Agency. This latter Committee has been organized, with Louis Pincus as Chairman.

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July 28,

Minutes on Meetings with Executive Directors

June 29-West Coast States

June 30-Central States, July 1-Mid-Atlantic States, July 2-Northeast States
July 8 & 9, South-Southwest States

Introduction

Mr. Bernstein noted that the present series of "in-area" meetings was a continuation of the consultative process initiated by Herbert Friedman. The current meetings are held in July to alert the executive directors to the proposed actions and plans for 1970. Nine topics were discussed in the course of the meeting.

1. UNIFIED UNIVERSITY CAMPAIGN. The recently concluded Jerusalem Conference on Human Needs was reviewed. It was pointed out that this conference was probably one of the most productive international conferences dealing with social problems held in Israel. Much credit for the success of the conference was attributable to the CJFWF for its leadership in the pre-planning stages, especially to Sidney Vincent of Cleveland who was the representative of the UJA, CJFWF, UIA and JDC in Israel on all matters relating to the conference.

The conference resolutions, which will be made available to all communities, covered the areas of Higher Education, Education, Fundraising, Health, Housing, Development Towns, Manpower, Aged and Social Welfare.

2. CASH. The communities were urged to continue their cash efforts throughout the summer months in order to continue the flow of cash to the UIA and the JDC. In view of Israel's increasing balance of payments deficit and shrinking dollar reserves, the communities were urged to understand the pressures to be exerted on them during the vacation period and ensuing months for further cash payments against allocations.

3. PRIME MINISTER'S VISIT. The Executive Directors were alerted to the September visit to the U.S. of Mrs. Golda Meir. Major Jewish organizations will tender a dinner in honor of the Prime Minister which will be a symbol of solidarity between the people of Israel and the American Jewish community. The UJA has been asked to assume responsibility for the organization of the dinner and will advise the communities as soon as information is available.

4. CJFWF SEPTEMBER MEETINGS. The series of meetings scheduled by the CJFWF for September 5-7 will, in great measure, determine the format and structure of the 1970 campaign. Therefore, all executives are urged to attend together with their 1970 campaign chairmen. The pattern of the last two years will be followed again. On September 5 there will be a meeting with community executives and Herbert Friedman and Irving Bernstein to discuss the essentials of the 1970 campaign. On September 6, community executives and their campaign chairmen will meet with Edward Ginsberg and Louis Pincus to formalize the issues for 1970.

In conjunction with the CJFWF, the UJA is scheduling a public relations meeting on September 7 and 8 in order to present its 1970 program. All executives were urged to attend or to have their publicity personnel participate in the meeting.

5. OCTOBER STUDY MISSION. The October Study Mission which is limited to \$10,000 and over contributors and 1970 campaign chairmen, is almost completely sold out. As of the present time, there are 419 people representing 202 gifts of \$10,000 and over. The Mission continues to be a key factor in the solicitation of pace setting gifts as well as in the development of better informed campaign leadership.

Although the mission "sells" out quickly each year, participation from many communities is erratic. It was pointed out that the communities as well as UJA have a responsibility to have a broad representation on this Mission. The UJA is ready, willing and prepared to do everything possible to help communities stimulate their leadership to participate on this Mission. To attain this goal of a wide representation, it is essential that UJA and the communities work intimately together and very early in the year, as the Study Mission generally closes out during the summer months.

6. OPERATION ISRAEL. In view of the success of last year's Operation Israel program, it has been agreed to increase it for the 1970 campaign with the following schedule of Missions:

November 2, 1969	January 18, 1970
November 16, 1969 (Women's Division)	January 25, 1970
November 23, 1969	February 1, 1970
November 30, 1969	February 8, 1970
December 14, 1969	February 15, 1970
January 4, 1970 (Rabbinical Mission)	February 22, 1970
January 11, 1970	February 22, 1970 (Women's Division)

All communities were urged to follow the pattern adopted by those federations which last year used Operation Israel as a key event in their campaigns by taking a complete bus for their own groups. In this way, they were able to develop a better understanding of the needs and to achieve the best possible fundraising results. Because of Operation Israel, they returned home with increased giving, and more effective campaign leaders and workers as well. The UJA considers it vitally important that community directors participate in this program and UJA will therefore share the costs in the same manner as it did last year. However, it was pointed out by many of the directors present that their re-participation in Operation Israel would be more meaningful if they could bring with them a good delegation from their respective communities.

It was therefore recommended that every community appoint a chairman for their Operation Israel program as soon as possible. However, they were also urged to choose their dates now for their participation in this program so that appropriate space could be held for each community delegation.

7. UJA DECEMBER CONFERENCE. The three major events at the December Conference will be the \$50,000 and over luncheon on December 11 at the St. Regis Hotel to be addressed by Abba Eban. This will be followed by the \$20,000 minimum Inaugural Dinner in the evening at the Hilton Hotel with Louis Pincus and Hubert Humphrey. The Annual Banquet will be at the Hilton Hotel on December 13 with Abba Eban as principal speaker. President Nixon has been invited to address the Saturday night banquet.

The significant change in the December program is the increase in the minimum level of the Inaugural Dinner from \$10,000 to \$20,000. This was done in consultation with a committee of community executives and was confirmed by the UJA Executive Committee. It was necessary to make this change due to the increased number of \$10,000 and over gifts and the inability to handle these meetings effectively, despite the unusual experiments of the last two years.

8. \$10,000 and OVER PROGRAM - JANUARY 8. In order to resolve the problem of the \$10,000 and over contributors, it has been proposed that on January 8, 1970, sixteen simultaneous \$10,000 and over Regional Meetings be held around the country. A special close-circuit television program will be set up directly from Israel which would include the Prime Minister, the Minister of Defense and the Foreign Minister as well as scenes from the Canal, the Bet Shan Valley and the Golan Heights. The suggested host cities are the following: Atlanta, Baltimore-Washington, Boston, Chicago, Cleveland, Dallas, Detroit, Hartford, Newark, Los Angeles, Miami, Milwaukee, Philadelphia, Albany, St. Louis, San Francisco.

The January 8 program was discussed in great detail. In the main, most of the host cities, as well as the participating communities in each region, were enthusiastic. There was some concern about the ability of some of the regional communities to guarantee the attendance of their \$10,000 and over contributors. There was also some question from the host cities as to the changes this program would make in their traditional campaign planning. It was therefore agreed that additional individual meetings would be held in the various regions in order to work out all the problems so that the program would be of maximum benefit to the host cities as well as the participant communities. It was generally accepted that if the problems could be worked out, it would certainly be a dramatic and early opening for the 1970 campaign.

9. UJA STAFF CHANGES. In view of the increased programming in which the UJA has been involved these past few years, it has been essential for the UJA to make changes and additions in its professional family in order to campaign more effectively and to service the communities more productively. These changes are as follows:

Herbert A. Friedman
Irving Bernstein
Martin Peppercorn
Peter B. Colwin

Executive Chairman
Executive Vice-Chairman
National Campaign Director
Associate Campaign Director

Herman Rosen
Ernest N. Spickler
Marc Tabatchnik

Rabbi Matthew Simon
Joel Friedman
Rabbi Earl Jordan

Anne Kelemen
Avis Shulman
H. David Weinstein
Ida Lind

Associate Campaign Director
Associate Campaign Director
Director of Systems and Personnel
and Assistant to the Executive
Vice-Chairman for Administration
Young Leadership Division Director
Assistant Young Leadership Director
Director of UJA Rabbinical Advisory
Council
Women's Division Director
Assistant Women's Division Director
Mission Director
Department of Individual Visits to
Israel



Technion (Goldberg) - in favor of endowment
- willingness for maintenance,
but not for capital (development
+ special projects)
"autonomy of innovation"

Harman - Three reasons why schools
should raise funds in U.S.:

- 1.) quality of Israel (which
makes very defense worthwhile)
- 2.) these schools are good institutions
- 3.) service which these institutions
are performing for the Jewish people

Weisgal - in favor of sov. m. endowment
in favor of united maintenance fund

Rothberg - in favor of endowment - income
to be watched by government
in favor of united maintenance
fund - ~~and~~
individual capital fund approach.

Case —

- in favor of endowment fund
- a joint operating fund is possible, whether inside or outside UJA.
- capital funds should be solicited individually

Adler (Bar Han) —

- in favor of endowment
- in favor of joint operating fund

Sharf —

I need an endowment fund for other reasons altogether than the needs of higher institutions.

We have 4 priorities before higher education

- a) defense
- b) immigration
- c) debt service
- d) primary + secondary education

So Don't take for granted the same ^(70%) level of govt participation in future. If money is low, we will participate some. If not, not.

Stern —

you university fellows
don't trust each other
why should we trust you

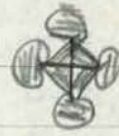
Harman —

let's be frank, we
don't get together because we
are each afraid we will get less.
should be an authority
on higher education

Pincus —



Eddie



you, Bill, and I
~~we~~ are going to have

to push Bernstein
Fox
Stem
Zucker

into a position of supporting
endowment fund, under
conditions that we can live

with
\$375,000
see Amalgam
\$4,000,000
3 yrs instead of 5

- 1) million \$ floor
- 2) short-term payment (2-3 yrs.)
- 3) control of apparatus (Plus Dollars)
- 4) careful handling of publicity (nots)
- 5) eliminate matching feature
- 6) ~~confide~~

6) for 1971 - (I wouldn't stick on this date - if I got the other point that capital must also be united.)

A lobbying job has to be done in a dozen big cities.

Winett - begins constructively.

I wrote a note to Zucker that now is the moment when he has to sit down with me and work out a strategy to bring the Federations to a practical cooperation. He'll sit down - and in the long run he'll be helpful.

We will stage the September meeting as carefully as possible.

23'8 '67

1. Raise more money
2. ~~the~~ New dimension of responsibility
3. New methods

a.) can communities have an additional campaign

b.) consultations will result in proper action.

Should be no fear - certain boldness - certain care.

No preconceptions - BIEN

names were examples + symbolize

I think This is extremely
valuable for:

Cleveland — Schwenger, Zucker

Newark — Leiwant

Philadelphia — Winett

Baltimore — Lou Fox

100,000

1

Universities according to numbers of students,
Total regular budget and Government Participation
(thousands of pounds) 1969/70

<u>Institution</u>	<u>Number of students 1969/70 (estimate)</u>	<u>Total regular budget</u>	<u>Government Participation</u>	<u>Remarks</u>
Hebrew University	12,500	84,485	58,285	Regular Budget and Government Participation include School of Home Economics and Institute for Photographing Hebrew Manuscripts. Does not include 1 million pounds debt retirement.
Technion	5,960	47,500	33,250	Does not include 2 million pounds debt retirement. Budget presented only in outline.
Tel-Aviv University	7,200	44,400	28,210	Regular Budget does not include debt retirement and School of Engineering (4 million pounds). Government participation does not include Technology.
Weizmann Institute of Science	320	24,600	15,000	Regular Budget does not include about 10 million pounds for purchase of equipment, for which Government will give additional 1.5 million pounds from Development Budget.
Institute for Higher Education, Beer-Sheva	420	5,000	4,000	Student studying for degree at Technion are included in figures for Technion - about 350.
Haifa University College	2,700	8,542	5,525	Regular budget does not include debt retirement.
Bar-Ilan University	3,750	19,000	12,000	Regular budget does not include debt retirement.
Total	<u>32,850</u>	<u>233,527</u>	<u>156,520</u>	

Prepared by
Bureau of the Budget
13.4.69

Regular budget of Institutions of higher education and Government participation*
 (and from mid 1967/68 the Jewish Agency)
 (millions of pounds)

	<u>1957/58</u>		<u>1958/59</u>		<u>1959/60</u>		<u>1960/61</u>		<u>1961/62</u>		<u>1962/63</u>			
	Total Budget	Government Participation	Total Budget	Government Participation	Total Budget	Government Participation	Total Budget	Government Participation	Total Budget	Government Participation	Total Budget	Government Participation		
Hebrew University	10.5	4.3	12.7	6.3	14.1	7.7	16.5	10.1	19.8	12.0	23.4	15.2		
Technion	6.3	2.0	7.3	3.4	8.3	3.5	9.4	4.6	11.4	5.2	13.8	6.2		
Weizmann Institute of Science	4.3	1.1	4.6	1.6	5.7	1.6	7.3	2.1	7.9	2.6	11.8	2.6		
Tel-Aviv University	-	-	-	-	-	-	-	-	-	-	2.4	0.3		
Bar-Ilan University	-	-	-	-	-	-	-	-	-	-	2.1	0.5		
Haifa University College	-	-	-	-	-	-	-	-	-	-	-	-		
Beer-Sheva Institute	-	-	-	-	-	-	-	-	-	-	-	-		
Total	21.1	7.4	14.6	11.3	28.1	12.8	33.2	16.8	39.1	19.8	53.5	28.8		
	<u>1963/64</u>		<u>1964/65</u>		<u>1965/66</u>		<u>1966/67</u>		<u>1967/68</u>		<u>1968/69</u>		<u>1969/70</u>	
	Total Budget	Government Participation	Total Budget	Government Participation	Total Budget	Government Participation	Total Budget	Government Participation	Total Budget	Government Participation	Total Budget	Government Participation	Total Budget	Government Participation
	26.3	17.7	32.4	22.0	41.4	28.7	58.1	35.0	60.6	42.5	71.3	51.8	84.5	58.3
	15.6	8.5	18.0	10.5	25.8	14.5	31.8	20.0	37.5	25.0	41.5	28.3	47.5	33.3
	11.4	2.5	16.5	4.0	18.3	5.8	21.2	7.8	22.6	9.5	25.3	16.1	24.6	15.0
	3.5	0.7	6.0	2.0	10.4	4.0	20.2	8.0	32.1	14.5	41.0	22.5	44.4	28.2
	2.8	0.7	3.9	1.3	7.2	2.3	8.5	3.9	12.6	5.5	13.5	9.0	19.0	12.0
	1.5	0.1	1.5	0.4	2.1	0.8	4.5	1.4	5.3	2.0	6.6	3.7	8.5	5.5
	-	-	-	-	-	-	0.9	0.7	1.9	1.3	2.9	2.1	5.0	4.0
	61.1	30.2	78.3	40.2	105.2	56.1	145.2	76.8	172.6	100.3	202.1	133.5	233.5	156.3
									Given in 1968/69 for 1967/68		1.2			
									Total budget		134.7			

* Does not include research grants and contracts covered from foreign sources.

In the above sums Government participation for consolidation of debts of the Institutions is not included.

In 1967/68 the Government participation was 4.2 millions pounds, and in 1968/69 about 5 million pounds

Bureau of the Budget 1.12.1968

Institutions of higher education - regular budget
 (Government participation and from mid 1967/68 - Jewish Agency participation)

Bureau of the Budget

<u>Fiscal Year</u>	<u>Hebrew University</u>	<u>Technion</u>	<u>Weizmann Institute of Science</u>	<u>Yad Weizmann</u>	<u>Tel-Aviv University</u>	<u>Bar-Ilan University</u>	<u>Haifa University College</u>	<u>Institute for Higher Education, Beer-Sheva</u>	<u>Total</u>
1949/50	75,000	30,000							105,000
1950/51	75,000	30,000							105,000
1951/52	453,000	200,000	87,500						741,000
1952/53	761,400	240,000	222,250						1,223,650
1953/54	1,100,000	700,000	1,090,000						2,890,000
1954/55	1,950,000	880,000	1,120,000						3,950,000
1955/56	2,622,000	1,252,000	1,120,000						4,994,500
1956/57	3,680,000	1,710,000	1,120,000						6,510,000
1957/58	4,330,000	1,960,000	1,120,000						7,410,000
1958/59	6,250,000	3,381,000	1,579,000						11,210,000
1959/60	7,700,000	3,480,000	1,645,000						12,825,000
1960/61	10,130,000	4,600,000	2,050,000						16,780,000
1961/62	12,035,000	5,230,000	2,550,000						19,815,000
1962/63	15,200,000	6,230,000	2,560,000						24,985,000
1963/64	17,700,000	8,500,000	2,500,000	275,000	260,000	450,000			30,460,000
1964/65	22,000,000	10,500,000	4,000,000	250,000	700,000	700,000	110,000		40,510,000
1965/66	28,700,000	14,500,000	5,750,000	250,000	4,000,000	2,300,000	800,000	200,000	56,500,000
1966/67	35,000,000	20,000,000	7,750,000	250,000	8,000,000	3,850,000	1,350,000	720,000	76,920,000
1967/68	42,500,000	25,023,000*	9,500,000	250,000	14,500,000*	5,500,000	2,000,000	1,300,000	100,573,000
1968/69	51,765,000	27,602,000	15,809,000	250,000	22,525,000	9,010,000	3,660,000	2,074,000	132,695,000
1969/70									

* Includes 0.5 million pounds at Tel-Aviv and 723,000 pounds at the Technion that were given in 1968/69 for 1967/68.

Students at Institutions of Higher Education 1958 - 1964

	<u>1957/58</u>	<u>1958/59</u>	<u>1959/60</u>	<u>1960/61</u>	<u>1961/62</u>	<u>1962/63</u>	<u>1963/64</u>
Total	8,087	9,019	9,715	10,836	11,335	13,876	15,617
Hebrew University	3,998	4,569	6,277	7,020	6,951	8,477	9,265
Technion	2,298	2,369	2,411	2,380	2,511	2,946	3,389
Weizmann Institute	-	-	-	-	-	-	113
Tel-Aviv University	278	367	616	825	1,139	1,471	1,697
Bar-Ilan University	240	346	411	611	734	982	1,153
Haifa University College							
Beer-Sheva Institute							
School of Law and Economics, Tel-Aviv	1,177	1,252	(1)				
School of Social Science, Tel-Aviv	96	116	(2)				

Source: Central Bureau of Statistics

(1) From 1959/60 included in the Hebrew University

(2) From 1959/60 included in Tel-Aviv University

Students at Institutions of higher education, 1964 - 1968

	<u>1964/65</u>	<u>1965/66</u>	<u>1966/67</u>	<u>1967/68</u>	<u>1968/69</u>
Total	<u>18,368</u>	<u>21,756</u>	<u>25,541</u>	<u>28,650</u>	<u>325</u>
Hebrew University	10,164	10,813	11,458	12,000	
Technion	3,928	4,422	4,943	5,000	
Tel-Aviv University	2,126	3,547	4,825	6,000	
Bar-Ilan University	1,406	1,838	2,485	3,100	
Haifa University College	565	878	1,267	1,800	
Institute for Higher Education, Beer-Sheva	-	-	282*	450*	
Weizmann Institute of Science	179	258	281	300	

* Students studying for degree at Technion are included in figures for Technion, but students in preparatory courses are not included.

Source: 1958-1967: Central Bureau of Statistics
1968: Estimate

Bureau of the Budget
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