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State of Israel Bonds. 1970.

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State of Israel Bonds

215 PARK AVENUE SOUTH, NEW YORK, N. Y. 10003 OREGON 7-9650



RECEIVED	
MAY 7 1970	
May 5, 1970	
NOTED BY	REFER TO
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ANSWERED	

Mr. Sy Lesser
U. J. A.
1290 Sixth Avenue
New York, N. Y.

Dear Sy:

I am writing to furnish you with the details for the State of Israel Bond Dinner meeting, at which Rabbi Herbert Friedman will be the guest speaker in Pittsburgh, Pa. on May 25th.

The Dinner will take place at 6:00 P.M. at the Edge Restaurant on Mount Washington, overlooking Pittsburgh. It is geared to top-level purchasers and limited to men.

The three hosts are:

Philip Baskin - General Chairman of Israel Bonds and Treasurer of the United Jewish Federation.

Herman Fineberg - Chairman of the Board of Israel Bonds and past president of the United Jewish Federation and member of the National Board of the U.J.A.

Donald M. Robinson - member of the Board of Israel Bonds and past chairman of the United Jewish Federation.

Our City Manager for this community is Mr. William Portnoy, (D.C.I., Clark Bldg., 717 Liberty Avenue, Pittsburgh, Pa., Tel:(412) 471-7929 - Home Tel:(412) 421-9823). Mr. Portnoy has suggested that Rabbi Friedman's topic be "The Role of Israel Bonds in the Current Israel Situation".

Dress will be informal; and a reservation will be made for Rabbi Friedman at the Hilton Hotel for the night of May 25th.

I assume your office will secure the necessary transportation, and would appreciate being advised of the schedule so that I can have him properly met.

Cordially yours,

Borah

Borah Shnaider, Director
National Speakers Division

BS/fag
cc: Irving Bernstein

*cc: H.H.
T.G.*

From the desk of

BORAH SHNAIDER

File

May 12, 1970

~~Dear Sy:~~

Enclosed is a batch of material
which may be of assistance to Rabbi Friedman.

Regards.

AMERICAN JEWISH
ARCHIVES

Borah

Borah Shnaider

BS/fag





NATIONAL CAMPAIGN CHAIRMAN
STATE OF ISRAEL BONDS

SAMUEL ROTHBERG
4739 GRAND VIEW DRIVE
PEORIA 4, ILLINOIS

May 28, 1970

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

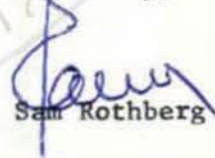
Dear Herb:

I was very pleased to hear of your successful
visit to Pittsburgh.

Even more important than the results was the
great understanding you brought to those present,
and through them to the entire community, that
there is one Israel and every important effort on
behalf of Israel must receive full and wholehearted
support.

Warmest personal regards.

Sincerely,



Sam Rothberg

SR:hjl

ADDRESS BY THE HONORABLE ARTHUR J. GOLDBERG
BOARD OF GOVERNORS OF ISRAEL BOND ORGANIZATION
1970 LEADERSHIP CONFERENCE DINNER
SATURDAY, JANUARY 10, 1970
HOTEL DELMONICO, NEW YORK, NEW YORK

THE PURSUIT OF PEACE IN THE MIDDLE EAST

At this critical period in the affairs of the Middle East, it is of the utmost importance that Americans, both Jewish and non-Jewish, gather together, as we are doing tonight, to reaffirm our commitment to and support of the democratic State of Israel which, 21 years after the State was established and internationally recognized, is still struggling for the most elementary right of any sovereign nation, and that is, to live in peace and dignity, free from force and the threat of force.

As we meet, there is great concern on the part of the American people as to whether our government's policy with respect to Israel is undergoing a change. This concern arises from published accounts that our government has determined to pursue a more "even-handed" policy in the Middle East than it pursued in 1967 and 1968.

It was my responsibility during the critical period preceding and following the 6-day war of 1967 to set forth the views of the United States Government with respect to the Middle East in many days and nights and months of debate and negotiation at the United Nations. I have concluded, therefore, that by reason of this, there is a particular responsibility on my part to say something about these current concerns.

I reject categorically the implication that our government's policy toward the Middle East during the period of my tenure at the United Nations was in any way one-sided. This charge was made at the time -- not by our own citizens nor by political leaders of both major parties who unitedly supported our government's position, but, rather, by the spokesmen of the Soviet Union and certain of the Arab states at the United Nations during the debates in June of 1967. I should like to recall my reply to this unfounded charge at the time.

"It has been said here by representatives of certain countries that the United States' attitude on this matter is one-sided. The implication has been that because our government recognized Israel as a State -- just as we recognize all other members of the United Nations as states -- we are not even-handed. I should have thought that this argument could not be validly made under the Charter of the United Nations which calls upon each member state to recognize the sovereignty and political independence of all other member states. This is a Charter

commitment to which all countries of the United Nations are equally bound."

I am confident that the American people are not willing to abandon their firm commitment that Israel has the right to national sovereignty for the illusory price of currying favor with those states which level the charge of "one-sidedness" in the hope to persuade us to renounce our Charter responsibility to accord the same recognition to Israel that we do to all other member states of the United Nations.

I likewise reject the implication that the principles our government advocated at the United Nations in 1967-1968 were in any way unbalanced. It is pertinent to recall these principles which I reiterated time and again at the United Nations with the full authority of our government:

1. What the Middle East needs today is a just and lasting peace -- a real peace -- a permanent, accepted and agreed upon settlement by which the right of Israel to live as a sovereign state within secure and recognized boundaries will be accepted and respected; by which the same rights of Israel's Arab neighbors will be equally assured; and by which no nation in the area will be deprived of its viability or security. Something more is needed than the shaky cease-fire which prevails at present; something more than a fragile and often violated armistice that prevailed for 19 years. To return to the situation as it was before the June 1967 war is not a prescription for peace but a formula for renewed hostilities.

2. The U.N. Charter requirement that each nation in the area must accept the right of others to live, at the very least necessitates that the Arab states must explicitly renounce any state or claim of belligerency which, as long ago as 1951, was found by the Security Council to be inconsistent with peace. Of all the claims of peace, none is more fundamental than the right of a sovereign state, a member of the United Nations, to have its existence and its independence respected.

3. The withdrawal of Israel's troops must be in the context of and pursuant to a peace settlement accepted and agreed upon between the parties -- a settlement which necessarily entails agreement upon secure and recognized boundaries ensuring Israel's right as well as the right of its Arab neighbors to live in peace free from threats or acts of force.

4. Whatever may be argued about the interpretation of the November 22, 1967 resolution, it cannot be denied both from the text and its legislative history that the resolution in its first operative paragraph explicitly treats at one and the same time with both of the most vital necessities of peace. This

paragraph combines as a single principle and on an equal and linked basis: the withdrawal of Israel forces with termination by the Arab states of all claims of a state of belligerency and respect for and acknowledgment by them of Israel's sovereignty and its right to live in peace within secure and recognized boundaries. In this linkage, the Security Council realistically acknowledged that the Arab states cannot be left free to assert the rights of war while Israel is called upon to abide by the rules of peace. The resolution thus recognizes that to seek withdrawal without agreement upon secure and recognized boundaries would be just as fruitless as to seek agreement upon secure and recognized boundaries without withdrawal. Historically, there have never been any secure and recognized boundaries in the area. Neither the armistice lines of 1949 nor the ceasefire lines of 1967 have answered this description. The armistice agreements explicitly recognized the necessity to proceed to permanent peace which necessarily entails the delineation of boundaries between the parties. Agreement on this point is an absolute essential to a just and lasting peace just as withdrawal is. Secure boundaries cannot be determined by unilateral action by any of the states, and they cannot be imposed from the outside. History shows that imposed boundaries are not secure -- that secure boundaries must be mutually worked out and recognized by the parties themselves, as part of the peace making progress.

5. Free and innocent passage through international waterways must be assured for all nations. It is a matter of historical record that the principal factor which precipitated the conflict in June 1967 was the UAR decision not to permit Israel flag ships to pass through the Straits of Tiran with the same freedom accorded to other maritime powers. It is a plain fact of life that a return to peace will require adequate guarantees concerning freedom of navigation for Israeli shipping not only in the Straits of Tiran but in the Suez Canal. Their closure to Israeli flag ships let alone cargoes destined for Israel is inconsistent with a state of peace and respect for maritime rights under international law.

6. There must be justice for refugees. The nations of the area must address themselves at long last with new energy and new determination to easing the plight of those who have been rendered homeless or displaced by wars and conflicts of the past, both distant and recent. And it is pertinent to recall that Jews as well as Arabs were dispossessed as a result of these conflicts; and that, today, Jews are disadvantaged and restrained from emigrating from certain Arab countries and, recent events show, to their peril. The time is long overdue for an agreed realistic and humanitarian solution in which all the countries

concerned, and the world community, should equitably participate. Israel's security problems in relation to repatriation of refugees are serious and cannot be ignored. Concessions by Israel with respect to the refugees should be balanced by the Arab states assuming their fair share of responsibility in this area. The Western countries should be prepared to help even more generously than they have and should ~~extend welcome~~ to all refugees from the Middle East as they have in the case of other refugees.

7. The role of the big powers, whether two or four, should be to mobilize their diplomatic influence in aid of Ambassador Jarring's mandate to promote a dialogue and an agreed settlement between the parties. Both in principle and in realism, the big powers cannot and should not impose a settlement or blueprint it. No good can come from any attempt to impose such a settlement. On the contrary, much mischief may result from such an enterprise which, if pursued, can frustrate rather than facilitate a peace agreement between the parties. This is the lesson of the last 21 years and particularly of what happened in dealing with the Suez crisis in 1956-1957. Our country took the lead in imposing a settlement at that time. We were singularly unsuccessful in achieving the just and permanent peace we sought, and even the makeshift arrangements of 1957 fell apart in May 1967.

These and other important concepts deemed essential to assure peace in the area were enunciated in 1967 and 1968 on the highest authority of our government and in the conviction that they were right and sound and fair and equitable to all concerned.

I still believe that these concepts were well conceived; that they were and are even-handed and that our policy in the Middle East, as enunciated in 1967 and 1968, should not be changed.

Because Israel won the 6-day war and is a modern, democratic state with stable leadership, it is being called upon by some to display more flexibility, both as to method and substance, to facilitate the search for peace in the Middle East. But I do not believe that Israel can be properly charged with approaching peace-making with undue rigidity because of its insistence that because it, along with the Arab states, are primarily responsible for making the peace, they must be parties to its making as well as to its conclusion. Others can and should help, but their contribution should be to support Ambassador Jarring's mission which is "to promote agreement and assist efforts to achieve a peaceful and accepted settlement." This is the letter and spirit of the Security Council "

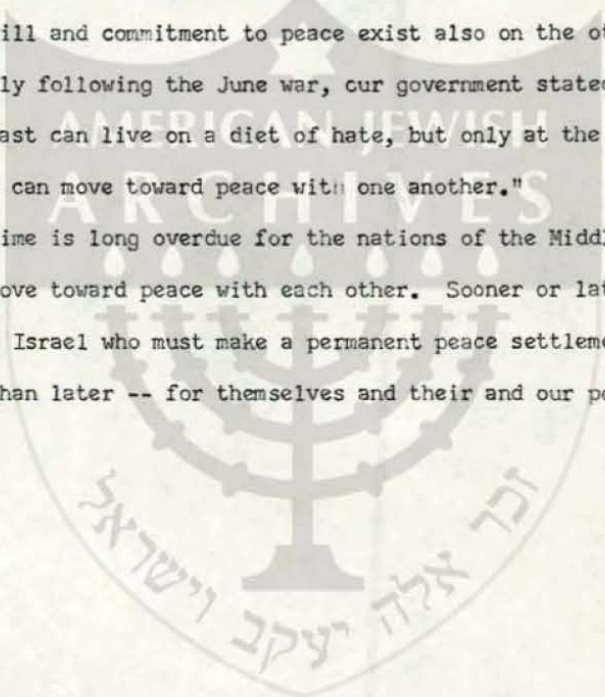
resolution of November 22, 1967.

I have no mandate to speak for Israel -- its officials have demonstrated their capacity to speak for their country; but, as one who has been officially and directly concerned with this problem for many long months for the American government, I am entirely confident that Israel, which has sacrificed so much in war and its struggle for recognition of its right to live in peace and security, given the opportunity to negotiate with the Arab states concerned, will not be found wanting in the qualities of flexibility, compromise, justice, vision and magnanimity that are always essential to the making of a lasting peace.

But Israel cannot ~~make~~ such a peace alone. It is necessary that a corresponding will and commitment to peace exist also on the other side.

Shortly following the June war, our government stated: "Those who live in the Middle East can live on a diet of hate, but only at the cost of hatred in return, or they can move toward peace with one another."

The time is long overdue for the nations of the Middle East to abjure hatred and to move toward peace with each other. Sooner or later, it is the Arab states and Israel who must make a permanent peace settlement in the area. Better sooner than later -- for themselves and their and our posterity.



LETTERS TO THE EDITOR

Gentlemen:

I was somewhat startled to see your favorable photo-essay on Israel, since it has become so fashionable for the avant-garde, New Left, militant blacks, and other real and self-proclaimed "radicals" to wallow in anti-Israel invective. It would be easy to dismiss this radical position as the latest twist in a Moscow-dictated party line, but, of course, this is not the case. Only arch, unadulterated, and unmitigated stupidity can explain how seemingly some radicals, whose heart is in the right place, can brand as imperialistic a 2-by-4 country of three million people, battling alone for its life—without the help of a single foreign soldier—against 120 million Arabs armed to the teeth with the most modern weapons extant. Once we accept this Left catechism on the imperialistic nature of Israel it logically follows that the staunch anti-imperialistic, the dauntless defender of progress and liberty in the region is—you guessed it—Nasser. That this poor man's Mussolini has invited the only real imperialistic presence in the area—in the form of 5000 Russian officers and "advisers"—is never mentioned in good radical company. Only the militant blacks can top this gross insult to the intelligence. For they find it possible not only to sympathize with, but to identify with, the Arab-Moslem world, which constitutes the only segment of mankind today actively and systematically engaged—in the Sudan and in Biafra—in the genocide of blacks.

Granted, some radicals do express reservations about the progressivism of Mr. Nasser. But when it comes to the "Arab Liberation Movement," they all go into paroxysms of adulation. Has the radical movement in America been so reduced to simplistic, indiscriminate slogan-worship that it can admire murderers of women and children in market places, cafeterias, and waiting-rooms, and support "freedom fighters," who have made Sirhan their hero?

Finally, how is it that the Left in America, purportedly deeply preoccupied with priorities and values, can participate in the obscene exercise of comparing Israeli occupation policies with Nazi atrocities? Can anyone in his right mind mention the destruction of Arab terrorists' homes and the slaughter of six million people in crematoria in the same breath?

There are probably many reasons for such tortuous aberrations, but only few excuses. The only remotely relevant excuse I can think of is that myth has so obscured fact in the Middle East that even those who should be better informed have lost their bearings. It is, for example, widely believed that Israel is a nation of European refugees who dispossessed the indigenous Arab population. The fact is that, Golda Meir's Milwaukee accent notwithstanding, over 60% of Israel's population is native to the Middle East. There

AVANT GARDE

March 1970

are more victims of Arab persecution in Israel than victims of European persecution. In fact, the only true refugees in the area, i.e., persons who were either persecuted or forcibly expelled from their homes, are not the Palestinian "refugees" but the Jewish refugees from Arab lands—over half a million of whom have been absorbed into Israel. Conversely, the only unpersecuted minorities in the area are the minorities living in Israel. The quarter of a million Arabs who chose to remain in Israel have enjoyed the highest degree of civil rights and the highest standard of living in the Middle East. On the other hand, the few Jews who did not escape the Arab countries have been victims of hangings, torture, and incarceration. In fact, the Arab states have not been much kinder to their own brethren, the Palestinian Arabs, whom they encouraged and to whose cause they have paid nothing but lip service ever since. Unlike Pakistan, which absorbed millions of Moslems who left India after partition, the Arab states forced the Palestinians to fester in camps, where they became a natural source of mercenary terrorism.

Killers for hire have always infested the Arab world. It is not only part of a cultural heritage, but the result of unemployment, poverty, hunger, and frustration. In the twenties there were Arab terrorists financed by the French to harass the British and the Druse, in the thirties and the early forties they were supported and directed by the Nazis, and in the fifties and sixties by the Russians and Chinese. They have always assumed the mantle of a "Liberation Movement," but in truth they have always acted as imperialistic agents in the area. And these are the heroes of the New Left! Well, perhaps this shouldn't be too surprising. After all, there are many Jews in the leadership of the New Left, and there have always been Jews who bent over backwards to prove that they could be as antisemitic as anyone else. There have been "Court Jews," Inquisition informers, pogrom leaders, and Nazi collaborators among Jews. Now there are Arafat worshippers. The only difference is that in the past these Jewish Toms were motivated by the hope of survival and by self-interest. Now it is just a matter of choosing an easier target. Fighting Hitler, Brezhnev, Nasser, and Arafat is difficult and distant; fighting Daddy, who contributes to the U.J.A., and doesn't dig rock, and Mommy, who disapproves of "Shikhs," is easier and closer.

Ironically, Israel is a society whose structure and ideology are closest to what the radicals profess to strive for. Israel is the only country in the world today in which full equality for all is not only the law of the land but a government policy relentlessly and effectively pursued. When one considers the fact that in Israel people from 80 different

national and tribal origins, 10 different centuries, and of all the colors of the human rainbow live together, this looms as its greatest achievement.

Israel is also the only country in the world where there is full equality of the sexes. This is manifested in all walks of life—from the prime minister to the girl-draftee. (The photograph of her in your essay was indeed worth a thousand words—and all the pin-ups ever.)

Israel is the only country in the world in which the true commune ("Kibbutz") settlement ruled by the "one big family" concept of society, where no personal acquisition exists, is not merely a utopian experiment but an integral part of the cultural fabric and the national economy.

Per capita, Israel gives more assistance to the developing countries, mostly in Africa, than all the other nations of the world combined. It is easy for Israel to sympathize with struggling countries, but for so small, poor, and beleaguered nation to extend a helping hand to others is a unique phenomenon in today's self-serving world. The sanctity of life is so cherished in Israel that not one Arab terrorist, including those found guilty of the mass murder of women and children, has been executed. In fact, there is no capital punishment in Israel, except for crimes against humanity committed by Nazis.

Finally, in the economic sphere, Israel has permitted neither poverty nor obscene riches to exist, and it has done so without sacrificing any of the personal freedoms.

These achievements would have been remarkable enough under any circumstances. That they could be attained in a country of 3 million surrounded by the most irrationally violent groups of nations in the world today—is the true miracle of Israel. That the New and Black Left in America is able to side with the servants of Russian imperialism, the totalitarian, Fascist regimes of the Arab world, is the tragedy of the American radical movement.

Much of this cannot be told in a photographic essay, such as the one Avant-Garde printed. But I do wish you had included some pictures that are seldom seen: Photos, drawings, and paintings of Israel as it was years ago. Not for the usual purpose of a "before" and "after" salespitch, but because they would verify what seems to have been forgotten: that when the Jews came to revive the land it was not an Arab land, but a No Man's Land, the land of Malaria—mosquitoes and sand dunes. The Arab towns and villages flourished there only after the Jews made the land inhabitable. Even Jerusalem—the holy mosques notwithstanding—was never an Arab city but a small, walled town in which the Jews had for centuries outnumbered the Arabs.

Such pictures, juxtaposed with the ones you published, would have borne witness to the fact that a marriage of idealism and pragmatism can perform miracles. It can subdue nature and weld a people. Hopefully, it can also bring peace—not only to Israel, but to the entire world.

David Bar-Ilan
New York City

TEXT OF ADDRESS
BY FINANCE MINISTER PINCHAS SAPIR
AT NATIONAL LEADERSHIP CONFERENCE
OF STATE OF ISRAEL BONDS
SATURDAY EVENING, JAN. 10, 1970
DELMONICO'S HOTEL
NEW YORK CITY

My Friends,

A visitor coming to the States from Israel, and especially one who has to deal with economic matters, is faced with the problem of always telling the same story; but it is always a very different one. I have been coming to this country for the past twenty years, explaining our needs, our problems and our hopes in the economic sphere. In the late 50's and in the early 60's I was already in a position to inform you that we had reached the high road leading to productivity, growing exports, and ultimately economic independence. By now, objectively speaking, we could have obtained economic independence while at the same time absorbing a steady flow of immigration.

However, vast and ever-increasing security budgets have delayed the attainment of this goal. Thus, today I bring you a two-fold message -- of vast economic development, of heightened productivity, of greater exports, of the constant rise in the G.N.P., but at the same time of very grave problems indeed relating to our budgetary and economic situation, arising from the situation in which Israel finds itself in the Middle East. You hear regular reports and background on our political and military situation. I believe it objectively true to say that in ever-increasing measure both these aspects are linked with the economic situation. Our capacity to stand firm and overcome our enemies in the war of attrition depends to a great degree on our capacity to maintain the impetus of economic progress and to save our economy from slack and retrogression.

A few weeks ago I was given the thankless job of Minister of Finance once again. I could not refuse, not only because my life, record and activity had been bound up with Israel's economic development for close to twenty years within the economic Ministry and indeed for a much longer period in the economic sphere generally. I could not refuse because with our sons and daughters giving their all on the frontiers, I would have failed in my duty as a citizen of Israel and as a son of the Jewish people had I rejected the invitation to take over again the Ministry of Finance despite the precarious situation which is developing.

Before coming over, I presented to the Cabinet next year's budget. In this budget, defence expenditure will be forty percent of the total amount. Towards this, we direct about seventy-five percent of the internal revenue of this budget.

Last year the defence burden was about twenty-one percent of our Gross National Product; this year it is going to be close to one quarter of the G.N.P. In simple terms, out of each four dollars earned or produced in Israel, one will go for security and survival. These figures should be translated into the reality of tens of thousands of people being taken out of their productive work and being sent into army service for twenty, thirty and forty days a year, and even more. It should be translated into a seemingly unending demand for equipment and machinery, for products, for investments, and for foreign currency that are not directed into productive ends but are used up, and thus wasted economically. We have no choice; we must do this because it is the one thing that separates us from destruction.

Just two weeks ago, I had a conference with the Minister of Defence and the Chief of Staff. We were theoretically determining budget and juggling figures. But all of us sitting there felt that over our heads hovered questions of life and death. We were dealing in Dinei Nefashot--our decisions would affect the lives of our soldiers and perhaps our citizens. We knew that fifty million more could mean better shelters and stronger bunkers for soldiers on the Suez and for children at Bet Shean and along the Jordan. It is an awesome responsibility for anyone.

Three days later, I went to one of our airfields. We saw the planes taking off to bomb the "Nasser line" along the Suez. When they came back--and, thank G-d, they all came back safely--we knew that our Bar-Lev line stands intact and the Nasser line is partially in ruins. It was a great feeling until I suddenly remembered the monetary cost. How tragic it is to realize that for the price of this one day's bombing, we could build hundreds of apartments, of nurseries, of schoolrooms, of hospital units. Very tragic indeed, but is there any alternative?

This drain on our resources becomes bigger and bigger, and is reflected in the growing deficit in our balance of payments. Sixty percent of this deficit is caused by military expenditures.

Accordingly, the amount of our resources available for the things that we really want to do diminishes, and we are faced with a situation in which we will not be able to do the most vital things for our future, unless we raise more funds abroad for these necessities.

Our needs are two, and they are intertwined--immigration and economic development. We hope that in this year, 1970, immigration to Israel will reach more than 60,000 from all parts of the world. The need to absorb these immigrants, and they are not necessarily all poor, nor all from under-developed countries, demands of us a high rate of growth to satisfy both their needs for housing, schooling, and medical services, and the need to supply them with gainful, productive employment. Economic development is needed not only for the new immigrants but also for the pursuit of our own economic independence. For us, increasing our exports is not only an economic need but also a political must.

Our plan is to double our exports within five years, and to reach the figure of more than two and a half billion dollars. This will enable us to narrow significantly the gap between imports and exports, and will develop the momentum towards economic independence.

The annals of the rise of modern Israel have always combined development and rebuilding, social and economic progress, ingathering of exiles with the resistance to security threats, to aggression and to political pressures. This is essentially the story of Zion restored.

In surveying the developments over the past two and one-half years since the Six Day War, we can note with satisfaction that the constant attempts to shatter the cease-fire lines and to spread terror within the country have not disturbed the normal growth of Israel. On the contrary, they have stimulated us to even greater efforts. To give only a few examples: In the past two and a half years productivity has increased by twenty-five percent, an increase which has enabled the broadening of both defence and civilian production and the absorption in productive effort of all those seeking work. During this period our exports have increased. In 1969 our exports reached the sum of one and a quarter billion dollars.

Twenty new settlements have been added to the landscape, including the security settlements in Ramat HaGolan, the Jordan Valley and Sinai. There has been a great upsurge of building in almost every city and village in Israel.

More than twenty thousand new inhabitants have settled in Jerusalem since the reunification of the city. In 1967 there were 18,500 immigrants; in 1968 the number jumped to 31,000; and in 1969 to 40,000. In 1970 we expect 60,000. Close to 50,000 of the immigrants have come from the Western Hemisphere. The immigrants have been provided with work and housing and have been absorbed without undue difficulty into Israel's social and economic structure. I may add that today we have more than 40,000 students in the universities and institutes of higher learning, including 5,000 from countries in the Western Hemisphere.

I say all this as a background to my central message which is that Israel has shown that we can maintain our military and political positions while at the same time moving ahead with the building of a strong Israel, which alone is the guarantee for peace and political integrity.

When we survey the building of the foundations which have enabled this remarkable leap forward in recent years, we must pay tribute to Israel Bonds without which development would have been much slower, if at all possible.

When the Bond drive was launched nineteen years ago, few foresaw the great potential of this project, and its enormous contribution to the development of Israel. The Bonds were responsible, first and foremost, for the creation of a large and modern infra-structure for our expanding economy and social structure. It enabled us to build the roads and the ports and the airports and the transportation system and the irrigation system without which Israel would have remained a backward country, unable to cope with its problems. Another by-product of the Bonds was the channeling of private investments into Israel and of encouraging the development of the tourist industry. All these were the economic achievements of Israel Bonds.

In the future the role of this organization, and of this effort, will be even bigger. The need to modernize the country is continuous and the more rapidly the world develops, and problems become more complex, the greater is the need for Israel to run at top speed so as to maintain its relative position and even to close the gap between it and other countries that are more fully developed, and have less difficult problems.

All our development plans are limited today by the lack of investment capital to provide the basic services needed in the economy. The Bonds can solve this problem. During the last twenty years the Bond organization succeeded in becoming one big family with mutual responsibility and mutual involvement.

I am sure that for you who know the situation, for you who are following developments in Israel very closely, there is no need to explain further why a greater effort is needed today. The development of the country, the integration of the new immigrants, the advance towards economic independence are, to a great degree, in your hands.

I know that in the back of your minds there is a central question -- How long can Israel hold on to her present positions in the face of continuous attack day-in, day-out? How long can it bear up against terror attacks? How long can it hold to its political principles?

My answer is -- As long as may be necessary, till peace comes. From March of this year the Egyptian army tried to develop a general offensive in the Suez Canal area aimed at breaking through our lines of defence and paving the way for an invasion across the cease-fire line.

This attempt failed, and President Nasser himself has been obliged to tell his people that Egypt and the other Arab states will have to brace themselves for a long war of attrition, two, three or four years. The internal terror is unpleasant, but we have known Arab terror for close to fifty years and the Biblical assurance has been fulfilled: "Even as they afflict them, so shall they grow and develop". For the first time since the rise of Israel, the Arab States face more crucial dilemmas than Israel does. There is a debate in the Arab world for the first time as to the basis of their assessment that Israel is a temporary phenomenon without ultimate roots. By standing firm, by proving to the Arabs that they will get nowhere except at the peace table, we shall enhance the prospects for peace. Having come this far, we dare not yield in our determination that this time there must be a liquidation, once and for all, of the Arab-Israel conflict. Countless generations of the past and countless future generations, and the highest dictates of Jewish history, summon us to be strong

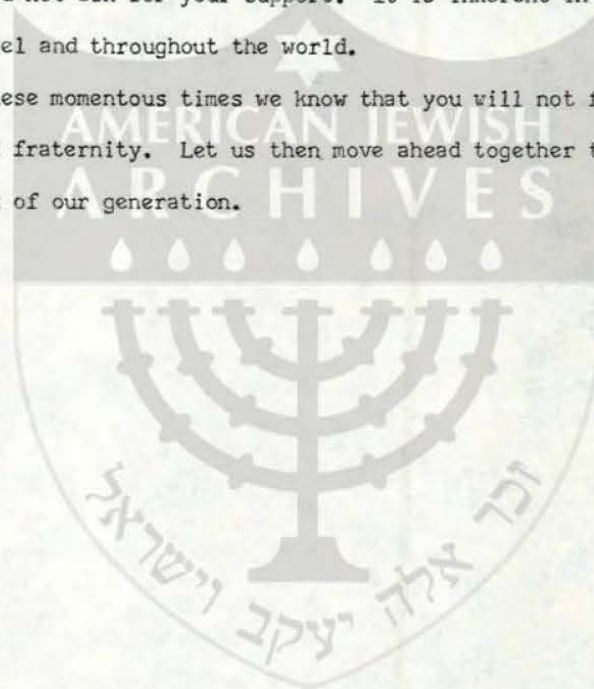
in heart, determined in action, cool in decision, to continue undeterred the building of Israel, to defend our homeland and at the same time to pray, hope and strive for peace.

Arab leaders and indeed world statesmen are daily asking the question -- How strong is Israel's stamina? The answer to that may well determine the prospects for peace and the future of the Middle East. It will determine the nature of a new epoch in Jewish history which is now unfolding. It will confirm and deepen the unbreakable bonds between world Jewry and Israel.

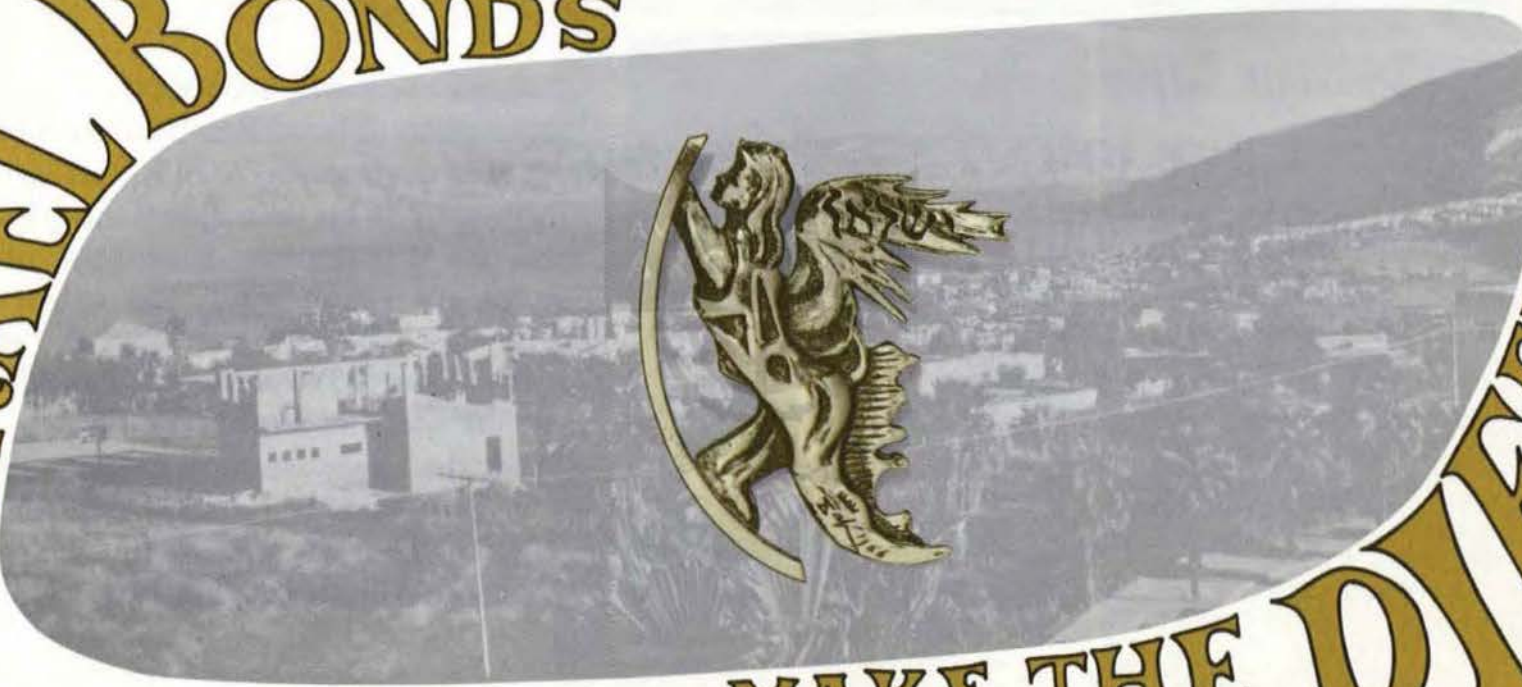
You are not only friends and supporters. You are partners in an historic venture which is reaching a climax, beset with vast danger and at the same time touched with hopes greater than ever before.

I need not ask for your support. It is inherent in the common destiny of Jews in Israel and throughout the world.

In these momentous times we know that you will not fail in faith, in partnership and fraternity. Let us then move ahead together to fulfill the privileged task of our generation.



ISRAEL BONDS



MAKE THE DIFFERENCE

Israel Bonds Make the Difference

Early in Israel's statehood, when she needed financial help to embark on a life-giving program of economic development, your support of Israel Bonds made the difference.

In the turbulent years that followed, when Israel was beset by trials and hardships, your continued support of Israel Bonds made the difference.

Today, when an economic emergency and continuing crisis along her borders make the

days ahead uncertain for Israel, your increased support of Israel Bonds can make the difference.

Israel's struggle for economic security must succeed, for it is the very foundation upon which Israel's future rests. The extent to which she is helped to overcome the economic pressures of the present crisis will determine the shape of Israel's future.

Will all the hopes we have cherished for Israel over the years be fulfilled? Will she be able to enjoy the fruits of peace in a flourishing economy? Will she continue to be a nation

of sturdy, spirited, proud and confident people, recording monumental achievements in every area of life? The answers, in large part, are in your hands.

**Israel Bonds, and you, will
make the difference.**

**Enroll as a 1969 Sponsor of Israel Bonds—make
the difference in Israel's ability to**

- **Sustain her economic growth in the midst
of severe crisis**
- **Find the economic strength she must have
to survive**



Israel Bonds reach into every Israeli's life

Because Israel Bonds finance the agricultural, industrial and public works projects necessary for Israel's economic development and growth, your purchase affects the lives of everyone in Israel. From the jobs they hold to the homes they live in, from the water they drink to the roads they travel on, from the food they eat to the clothes they wear, in short, in virtually every facet of the day-to-day existence of all the people of Israel, Israel Bonds have helped make life more fulfilling.



The Women's Division is privileged to present to 1969 Sponsor Bond purchasers a pin by Salvador Dali, the internationally renowned master artist, designed as a tribute to women who are engaged in the historic work of Israel Bonds. Inspired by the story of Israel's rebirth, Mr. Dali painted a series of 25 exciting watercolors on this subject, entitled "Aliyah," issued through the initiative of Theodore Karr. The 1969 Sponsor Award was created from one of the paintings, "Chalutza" (Israeli woman pioneer).

The unique and beautiful gold pin immortalizes the Israeli woman as the symbol of creation, bringing new life to a new land. It also honors women who have given devoted support to their heroic sisters in Israel through the Israel Bond Campaign.

Each pin carries Dali's signature.

Remember...

- \$2,000 Savings Bonds return \$3,200 at maturity.
- \$1,500 Savings Bonds return \$2,400 at maturity.
- \$1,000 Savings Bonds return \$1,600 at maturity.
- Coupon Bonds yield 4⁹/₁₆ interest per annum, payable twice a year.

Israel Bonds are immediately redeemable with full interest on the death of the registered owner.

Israel Bond holders may use their Bonds to pay for gift purchases, hotel and other tourist expenses in Israel.

Israel Bonds bought for children and grandchildren reinforce their long-range savings and their sense of kinship with Israel.

*For added information and a prospectus,
call the Israel Bond office in your community.*

Mrs. Jan Pearce, National Chairman
National Women's Division, State of Israel Bonds

DEVELOPMENT CORPORATION FOR ISRAEL
215 Park Avenue South, N.Y.C. 10003

PRINTED
IN
U.S.A.



On January 1, 1969, State of Israel Bonds reached a milestone when \$48,258,000, the single largest amount ever paid out by Israel, was deposited for distribution to owners of First Development Coupon Bonds. The payment dramatizes the part that Bond owners have played in bringing Israel closer to economic viability. Holders of matured Bonds who use their redemption checks to buy new Israel Bonds in the coming year will continue to play this important role. At the same time, they will give vital assistance to Israel when her economy is subjected to extraordinary pressures.

SPONSOR CATEGORIES

Jerusalem Sponsor	\$2,000
Negev Sponsor	\$1,500
National Sponsor	\$1,000

**Nobody Says
You Must...**

Nobody Says
You Must Buy
State of
ISRAEL BONDS

But You Should...

if you want to identify with the people of Israel and demonstrate your solidarity with them in their present serious crisis of survival . . .

if you want to express your faith in their ability to build a land of freedom and hope for the Jewish people . . .

if you want to support the development program to help provide the economic strength Israel urgently needs to win its struggle for a just peace . . .

Are Israel Bonds a Good Investment?

You will not get rich by investing in Israel Bonds. But you will receive 4% interest a year, plus the very important, though non-monetary dividend of deep personal satisfaction, which no other investment can match.

If you want to determine how good an investment Israel Bonds are, look at the impressive growth of Israel's economy since 1951 when the first Israel Bond issue was floated in the United States. Check the figures on the debit as well as credit side, and you will understand why close to 2,000,000 individuals, in addition to many banks, trade unions, foundations and other institutions, have purchased State of Israel Bonds.



PLANS FOR THE FUTURE

In the next decade, Israel will require Israel Bond capital with which to move ahead in its programs of economic development, including the expansion of industry and the promotion of its export trade to achieve a greater measure of economic self-sufficiency.

Industrialization will be pushed forward, not only in the major urban centers but in the Negev and the Galilee which have heretofore been largely unpopulated.

The shape of Israel's economic future can be seen in two new gigantic development projects which Israel initiated in 1968: the chemical complex at Arad, which is destined to become the largest single enterprise in the country, and the 42-inch oil pipeline being constructed from Elath to Ashkelon.

In its efforts to increase exports, Israel is now carrying on intensive activities to develop the optical, electronics and fine chemicals industries, which rely less on the importation of raw materials and more on skilled manpower and advanced technology.

These and other new sophisticated enterprises are providing wider employment opportunities for Israel's labor force, especially for the growing number of immigrants from the countries of the West.

As in the past eighteen years when Israel Bonds provided the seed money for the initial stages of the country's economic development, Israel today must look to a great extent to Israel Bonds for the resources to open up new fields of growth for its economy.

FOURTH DEVELOPMENT ISSUE - STATE OF ISRAEL BONDS
Twelve-Year Savings Bonds Are Available from \$100 to \$10,000.
A \$100 Bond Will Pay \$160 at Maturity.
Fifteen-Year Coupon Bonds Start at \$500 and Pay 4% Interest a Year.



**Strengthen Israel
With Israel Bonds**

THE NEED IS GREATER

Prime Minister Eshkol, Sapir and Sharef Emphasize Crucial Role of Israel Bonds

"Internal stability, social improvements and economic development are as important for our survival as diplomatic and military readiness, and we look to Israel Bonds to give us the capital needed to continue these advances. At this time the need for Bonds is greater than ever."

—PRIME MINISTER LEVI ESHKOL

"Without the seed money which Israel Bonds provided to build up our agriculture, to develop our industries, to exploit our meagre natural resources, to establish our new irrigation projects, we could never have had the economic strength to win our struggle for survival. Economic progress was the backbone of our victories in the past, and it will be the backbone of our victories in the future."

—MINISTER PINCHAS SAPIR

"Israel Bonds are the principal source of funds for the Development Budget of the State of Israel, as has been the case since they were established. Israel Bonds have provided us in the past with all the funds necessary for our infrastructure, and also with a substantial part of our investment in agricultural and industrial development.

"We trust the Israel Bond Organization will increase its sales this year. The only way we can hope to achieve the goal of 10 percent growth per year in our economy for the next five or six years, is for the Israel Bond Organization to provide the basic capital required to finance this unprecedented growth."

—FINANCE MINISTER ZE'EV SHAREF

U.S. Trade With Israel

Shortly after the advent of the Israel Bond drive, private investors from all parts of the free world were encouraged to join in the country's industrial development. American concerns have invested in Israel in a wide variety of fields, including automobiles, beverages, chemicals, cosmetics, hotels, paper, plastics, radio, recordings, steel, telephones, textiles and tires.

It is worth noting that a large proportion of the proceeds from the sale of Israel Bonds remains in the United States to pay for the purchase of machinery and equipment which Israel needs and for the repayment of loans. Israel's imports of goods and services from the United States, larger than those from any other country in the world, amounted to \$477,000,000 in 1968. Israel's exports to the United States, consisting primarily of textiles, diamonds, food items, chemicals and cement, in addition to services, amounted to \$256,000,000 last year.

Progress Unequaled

As of the end of 1968, the proceeds from the sale of Israel Bonds during the past eighteen years totalled \$1,270,000,000. A payment of \$48,258,000 on January 1, 1969 for the redemption of first Development Coupon Bonds brought to \$620,000,000 the total Israel has paid out for Bond redemptions. An additional sum of approximately \$25,000,000 is to be paid out for maturing Bonds during the rest of the year.

Since the inception of the Israel Bond campaign in 1951, Israel's economic progress has gone forward at a rate unequalled by any other developing country. During this period its G.N.P. increased at the rate of approximately 10% a year. There was a record 14% increase in 1968. Industrial production jumped from \$400 million in 1951 to \$2,857,000,000 in 1968. Exports of goods and services in the same period increased from \$70 million to an estimated \$1,200,000,000.

Substantial progress was also made in agriculture. Agricultural production, which amounted to \$83,000,000 in 1951 was brought to \$485,000,000 in 1968. In sharp contrast to the shortages of food and other commodities which imposed a regime of austerity on Israel in 1951, the country now produces some 80% of its own food requirements.

Israel Bond funds have stimulated the exploitation of Israel's limited natural resources. The Dead Sea Potash and Bromine Works have been expanded, as have mining and refining facilities at King Solomon's copper mines, at Timna. Large phosphate deposits are being exploited at Oron and Arad, where a huge new chemical complex, now under construction, is expected to increase substantially Israel's industrial exports.

The economy's fuel needs have been largely met with oil pumped from tankers berthed at Elath to the Haifa refineries through pipelines built with the aid of Israel Bonds. A new giant 42-inch oil pipeline, which will be completed this year, is expected to have an annual capacity of sixty million tons, thereby making it possible for large quantities of oil to be transhipped from the Red Sea to the Mediterranean and European countries.





1968 Israel Bond Allocations

In 1968 the sale of State of Israel Bonds amounted to more than \$130,000,000. The following table indicates how Bond proceeds were allocated to various branches of Israel's economy:

Agriculture and Irrigation	\$ 16,500,000
Mines and Minerals	9,400,000
Electricity	3,300,000
Industry	15,000,000
Transportation and Communications	9,400,000
Posts and Telecommunications	15,000,000
Housing	30,000,000
Roads	5,500,000
Public buildings	11,500,000
Miscellaneous, including tourism, oil and loans to local authorities	14,400,000
TOTAL	\$130,000,000

ISRAEL'S DEVELOPMENT BUDGET FOR 1969

	Agriculture and Irrigation	\$ 24,000,000		Roads	16,000,000
	Mining	5,000,000		Government buildings, including schools and hospitals	26,000,000
	Electricity	13,000,000		Tourism	3,000,000
	Manufacturing	48,000,000		Oil exploration and pipelines	22,000,000
	Transportation	22,000,000		Local government projects	6,000,000
	Posts and Telephones	34,000,000		Miscellaneous and Reserve	20,000,000
	Housing	94,000,000		TOTAL	\$333,000,000

DEVELOP

INCREASED DEVELOPMENT WILL

MENT

HELP BUILD A GREATER ISRAEL

AMERICAN JEWISH
ARCHIVES





Israel Bonds have helped raise Haifa Harbor's capacity threefold to more than three million tons a year.



The ancient copper mines of King Solomon near Timna have estimated reserves of 21,000,000 tons.

Major Projects Financed With Aid Of Israel Bonds

Since the Israel Bond drive was inaugurated in 1951, it has helped finance major development projects of strategic importance for Israel's economic growth, as follows:

The development of the industrial area in and near Haifa, including the construction of the giant plants of Chemicals and Phosphates Ltd.

Large-scale expansion of agricultural production, with special emphasis on citrus.

Construction of the National Water Project, which has more than tripled the country's irrigated area.

Expansion of the Dead Sea Potash and Bromine Works.

Establishment of facilities for mining and refining copper at King Solomon's Mines near Timna.

Exploitation of phosphate deposits at Oron and Arad, with total production expected to reach 1,000,000 tons per year by 1970.

Increased production of electric power to 1,000,000 kilowatts.

Extension of roads and railways throughout the country, particularly the Negev.

Establishment of thirty new development towns in the North and South and the settlement of 250,000 persons in the Negev area.

Construction of more than 600,000 housing units, in addition to hospitals and other public buildings.

Development of commercial aviation, especially El Al Israel Airlines, and expansion of Lydda Airport and its repair shops.

Expansion of the merchant marine, whose total tonnage has passed 1,200,000 tons.

Construction of the harbors at Elath and Ashdod, and large-scale expansion of Haifa Harbor.

Development of telecommunications, including telephones, telegraph and radio.

Expansion of tourist trade as a major source of foreign exchange.

Construction of the oil pipeline from Elath to Haifa, and development of the country's own oil resources which now supply 12% of Israel's needs.

Establishment of experimental plants for desalination of sea water at Elath.



Skilled workers cutting and polishing industrial diamonds, which are now Israel's largest export.

Increased Development will help speed Israel's economic recovery.

Increased Development will help her resume her drive to economic independence.

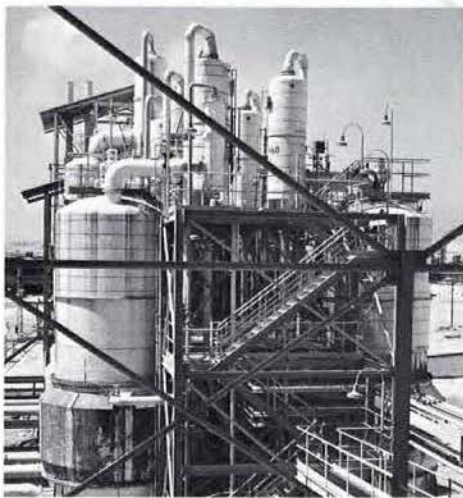
Increased Development will help reduce Israel's transitional unemployment.

Increased Development will help expand exports and narrow her trade gap.

AMERICAN JEWISH
NOW IS THE TIME
TO BUILD A GREATER ISRAEL
WITH ISRAEL DEVELOPMENT BONDS

The year 1967 may go down in history as a decisive turning point in the existence of the State of Israel. During and immediately after the period of emergency and the hostilities in June, the widespread concern for the welfare of Israel was expressed in an unprecedented sale of Israel Bonds. The extraordinary response reflected an overwhelming desire to provide much-needed economic assistance through the Israel Bond Organization, which has been a central instrument in the development of Israel during the past sixteen years.

During the period from May, 1951, when the State of Israel floated its first Bond issue in the United States, to September 15, 1967, more than \$1,100,000,000 in Israel Bonds were sold in various parts of the free world. By the end of May, 1967, the State of Israel had paid out a total of \$480,000,000 for the redemption of Israel Bonds.



Expansion of the Dead Sea Works is part of the program to increase Israel's export trade.

The substantial flow of Israel Bond dollars has had a far-reaching impact on Israel's economic growth. But the job of economic development is not finished because Israel's exports are still far short of balancing her imports.

To increase her exports she must speed up her industrial expansion. Israel is also



The new port of Ashdod, built with the aid of Israel Bonds, is a major outlet for Israel's largest agricultural export, its citrus crop, and the chemical products of the Negev.

confronted with the need to create jobs for a substantial number of unemployed in her total labor force of 950,000. At the same time, she must meet new economic problems created by recent events.

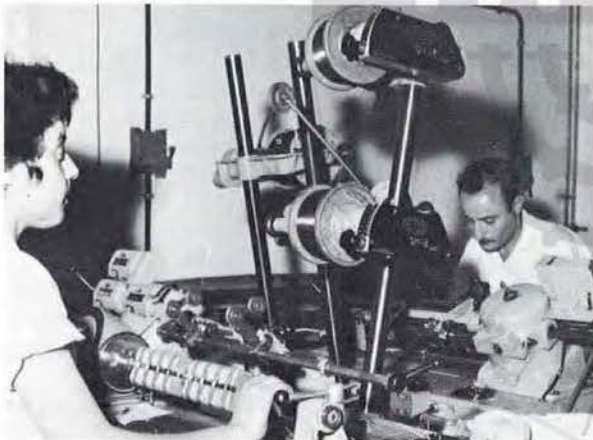
Regardless of other considerations, Israel's future, like its past, will be determined in great measure by economic development. For this reason the Government of Israel has floated a new \$500,000,000 Fourth Development Bond Issue. This action was dictated not only by the large-scale needs in long-range development, but also by the added burden of stimulating the recovery of those branches of the economy that were disrupted by the events of early June.

You can help build a greater Israel by buying State of Israel Bonds.

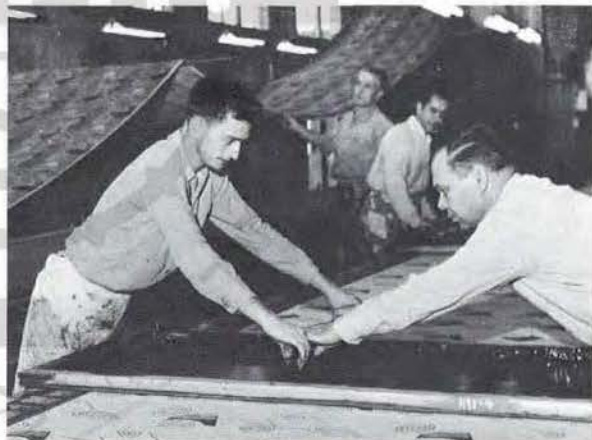


Tel Aviv looks up to its Shalom Tower as a symbol of progress as a center of commerce.

Table of Israel's Progress Since the Israel Bond Drive Began



The manufacture of various types of electrical equipment is one of Israel's rapidly growing industries.



Creating new textile designs for Israel's rapidly growing apparel and fashion export industry.



The Valley of Jezreel is Israel's northern breadbasket — Israel is now producing 85% of all its food needs.

BULLETIN

STATE OF ISRAEL BONDS

National Congregational Committee

Rabbi Balfour Brickner Rabbi Leon Kronish
Co-Chairmen



Shown at Bet Shemesh during the CCAR visit to the development town are (left to right) Rabbi Balfour Brickner, Co-Chairman of the Israel Bond National Congregational Committee; Rabbi Herbert A. Friedman, Executive Chairman of the United Jewish Appeal; Rabbi Maurice N. Eisen-drath, President of the UAHC; Rabbi Roland B. Gittelsohn, President of the CCAR; Rabbi Jacob K. Shankman, President of the World Union for Progressive Judaism, and Rabbi Leon Kronish, Co-Chairman of the Israel Bond National Congregational Committee. Arrangements for the visit to Bet Shemesh were facilitated by Rabbi David Polish, CCAR Vice President.

CCAR Members Survey Israel's Economic Needs

The first CCAR Conference to be held in Israel gave profound impetus to Reform leadership in its efforts in behalf of the country's upbuilding. Gathering on the soil of the Holy Land, meeting with the Prime Minister and other outstanding personalities, the visitors found renewed commitment and strength in their dedication to the cause of rebuilding the State.

The role of American Jews in the development of Israel was brought into sharp focus by the visit of the delegates to the development town of Bet Shemesh. Sponsored by the Israel Bond drive, which has provided a great share of the funds for the establishment of the town, the visit was a major highlight of the conference, underlining the ties that unite the American visitors and the people of Bet Shemesh, most of them immigrants from North Africa.

PROGRESS IN REFORM TEMPLES

Under the impact of the conference in Israel, Reform congregations in the opening months of the year have shown the sort of spirit and devotion which should enable them to exceed substantially the 1969 results described by Rabbi Brickner in his article in this issue. An indication of the possibilities can be found in the recent dinner in Detroit, sponsored by Temple Beth El (Rabbi Richard C. Hertz) in cooperation with the Metropolitan

Detroit Federation of Reform Synagogues which produced a record \$658,600 in Israel Bond sales in honor of Leonard N. Simons.

In Cincinnati, the annual Israel Bond dinner of the Isaac M. Wise Temple (Rabbi Albert A. Goldman) resulted in the sale of \$200,000 in Bonds in honor of Robert P. Goldman. In Philadelphia, the Main Line Reform Temple (Rabbi Theodore H. Gordon) produced \$207,000 in Bond subscriptions, while Temple Judea (Rabbi Meir Lasker) brought in \$70,000. Temple Sinai of Washington, D.C. (Rabbi Eugene J. Lipman) reached a total of \$145,000 in Israel Bond purchases at its recent dinner. In Miami, as in past years, Temple Beth Shalom (Rabbi Leon Kronish) sparked the community with close to \$750,000 in sales at its 1970 Congregational Bond function.

The Israel Bond drive is reaching broader and broader segments of the Reform Jewish community. This year, a number of important congregations are planning special Israel Bond events for the first time. Among those who have already set a specific date are The Temple, Atlanta (Rabbi Jacob Rothschild); Temple Israel, Miami (Rabbi Joseph R. Narot); Temple Israel (Rabbi Alvan D. Rubin) and Temple Shaare Emeth (Rabbi Julius J. Nodel), both of St. Louis; Temple Rodef Sholom, Pittsburgh (Rabbi Walter Jacobs), and Temple Beth Israel, Houston (Rabbi Hyman Judah Schachtel).

A Memorable Visit to Bet Shemesh

by **RABBI LEON KRONISH**

We selected the development town of Bet Shemesh—one half hour southwest of Jerusalem and forty minutes southeast of Tel Aviv—to study the interlocking relationship between the philanthropic UJA dollar and the Israel Bond dollar.

The majority of the ten thousand residents of Bet Shemesh are new immigrants—mostly from North Africa with large families, nine and ten children. The UJA philanthropic dollar pays their transportation from North Africa to Bet Shemesh and is essential to develop the social and educational and cultural and health services which these families and their thousands of children need.

INDUSTRIES AIDED BY BONDS

The industries—especially the Jhitlowsky Jet Plant which was established a year ago—have been established through the Israel Bond dollar. Three hundred and fifty CCAR members attending the 81st annual meeting in Jerusalem were thrilled and enlightened beyond words by the visible evidence of what this industrial development means to the absorption of the new immigrants and to the continued development of those industries which are so essential for Israel's growth. The words that we hear so often were translated into technological reality right before our eyes as we sat and con-

versed with the factory manager and as we moved around in small units with several engineers and department heads of the Jhitlowsky Jet Plant—explaining to us how they are able to make small jet engines and spare parts.

Cabinet Minister after Cabinet Minister has underscored on visits to the States that Israel is using up all its tax dollars, all its hard currency for defense. Obviously investment dollars are needed for development (meaning new roads and pipelines and factories) and must come from the loans that American Jews make available through Israel Bonds.

The factories that make possible development towns like Bet Shemesh could not be built without the one hundred and sixty million dollars worth of Israel Bonds that were sold in 1969; the future factories that have to be built in 1970 will require two hundred and fifty million dollars worth of Israel Bonds. Nothing was more demonstrative of this need than what the Jhitlowsky Plant means to the new immigrants in Bet Shemesh.

The CCAR visit to Bet Shemesh was headed by Dr. Maurice Eisendrath, President of the UAHC, Rabbi Roland Gittelsohn, President of the CCAR, and Rabbi Jacob Shankman, President of the World Union for Progressive Judaism.

What You Can Do

by **RABBI BALFOUR BRICKNER**

Congratulations! In the past ten years the number of Reform congregations participating in programs designed to sell Israel Bonds through Congregational events has grown from 10 to 70. A decade ago, when we first began our "unofficial" Bond receptions at CCAR conventions, we stimulated sales of \$722,000. Last year (1969) 70 of our congregations in 17 of our larger communities produced sales of a little over seven million dollars in Israel Bonds. During the nine previous years, the total Bonds sold through Reform congregational functions amounted to \$11,750,000. That's not bad, considering the apathy, and in some instances ideological opposition, which we had to fight in our congregations.

NO CAUSE FOR SELF-SATISFACTION

But, lest we become too satisfied with our own accomplishments, let me share with you the fact that our Orthodox and Conservative counterparts, through their synagogue High Holiday appeals alone, produce Bond sales *annually* in excess of \$20,000,000.

I refuse to believe that Reform Jews are less interested in supporting Israel through Bond sales than other sectors of American Jewish religious life. Moreover, I know that many of you returned from the Jerusalem CCAR conference enthused and eager to do more with and through your congregations for UJA and Israel Bonds.

I believe that many of my colleagues simply do not know about raising Israel Bond money in their congregations other than through functions.

Let me therefore suggest some additional "high

yield" possibilities from a number of funds at the disposal of Congregations:

A. *Cemetery funds.*

B. *Congregational reserves:*

Some of our larger congregations have substantial reserves and stock and bond portfolios. While I recognize that the yields from some of these securities may be greater than the 4% offered by Israel Bonds, a congregation certainly ought to be willing to invest some of its reserves in Israel Bonds for the sake of M'dinat Yisroel and the Jewish people. Further, the 4% probably approaches the approximate average yield of the portfolio, without Israel Bonds.

C. *Capital Funds:*

Did you know that Israel Bonds have a Building Fund clause which enables the Congregation to have the Bonds redeemed at full value plus accrued interest? Israel Bonds do not depend on market uncertainties.

D. *Affiliated groups:*

Urge your Men's Clubs, Women's Auxiliaries and other cooperating groups working in the Temple to purchase Israel Bonds this year.

In the final analysis, there is no substitute for rabbinic enthusiasm and leadership. Lending your name to a Bond function, encouraging your Board to authorize Israel Bond purchases from a temple fund, using your pulpit to inspire your membership toward Israel Bonds, make a significant difference. Unquestionably you can be the sparkplug firing Bond campaign activity in your congregation.

We are eager to give you all the help you need.



Israel and the "Spiritual War"

Excerpt from address to GCAR Conference

by PRIME MINISTER GOLDA MEIR

Your having this conference here is all that you said it means to us in Israel, and more. Because I think that we, the Jewish people in its entirety, are fighting on two fronts: There is a physical battle on the borders of Israel for our physical existence and for our independence; and for that our boys are there, lives are lost! Don't misunderstand me when I say: this war is simple. You are faced with tanks. You don't have as many as your enemy has, but you have tanks, and you use them. You are faced with planes—many, many more than you have—but you have young people with spirit, with devotion, with ability—so your pilots are better than the enemy's pilots, and you win the war. It's simple!

A WAR FOR ACCEPTANCE

But there is another war that is being fought in Jewish life which is much more complicated to my mind: And that is the war for the acceptance of the Jewish people! No physical threat—therefore, it isn't simple. Tanks and planes and guns won't help. There has to be something within. Some kind of a torch has to be within one's soul, within one's heart, within one's community, in the leadership of Jewish communities all over the world.

We must realize that this is the battle that is going on, this is a war of extinction, and I am not speaking now of anti-Semitism. Yesterday we heard a very, very important message from the Foreign Secretary of France—in 1970—announcing to the world that the French Government is not anti-Semitic! It's a shattering thing! But it is impermissible that Frenchmen or groups of French citizens should have allegiance to other countries, and three guesses whom he means!

I am not speaking now of physical danger to Jews. That, too, exists in the Moslem countries

for those few Jews that are left. But I am speaking about the decisive, most important spiritual war that goes on—I am speaking about the free world—because Jews in the free world are *free* to choose either to be Jews or not to be Jews. They are free either to study their history, to know their history or not know it. They don't have to write letters to any President, or Prime Minister to tell them that I am a Jew and therefore I'm going to study Hebrew. They don't need any permission and nobody is going to prevent them except themselves. And to me, your coming here and being here, means—not because it wasn't so when you were far away, but being here on this soil, we have physically joined hands—that now you there and we here are actually fighting the same battle! Because our life here, our work here, our wars, the death of our sons, would mean nothing if this was it: the 2,500,000 Jews in Israel!

Since we think we are simply the first group of Jews to be here, and because we want to believe that it matters, very, very much to Jews all over the world whether we are here or not, then it becomes worthwhile! To me, this is of the greatest importance in your coming here.

"OPEN DOOR" FOR AMERICAN JEWS

When Rabbi Gittelson said "once in seven years," I asked myself, "what about the years in between?" I want to announce that the policy of the Israel Government is an open door, not only for Soviet Jews, but also for American Jews. We need Aliyah, this is the essence of our life!

I am prepared to make a compromise: Come here to spend the summer with the children, bring the children here to camp, send them here to college, send them to secondary schools, and be prepared for the worst—they may decide to remain!

Bonds Are More Important Than Ever

by **RABBI ROLAND B. GITTELSON**

Having just returned from my third extensive visit to Israel, I am impressed more than ever with the urgent need for the purchase of Israel Bonds and for the extremely creative work that has been done throughout the country through the help provided by past purchases of these Bonds.
















Wherever one goes in Israel today there is evidence of industrial productivity, road building and additional developments—none

of which would have been possible without the aid of Americans who have invested in the future of the world's youngest and most creative democracy.

With the excessive military drain thrust upon Israel today, a drain we American Jews cannot directly help to alleviate, Israel is more dependent than ever upon the productive economic investment of those who will support it through Israel Bonds.

20 YEARS OF ACHIEVEMENT WITH ISRAEL BONDS

AREAS OF ISRAEL'S ECONOMIC PROGRESS

	1950	1969
 TOTAL POPULATION	1,577,000	2,878,000
 GROSS NATIONAL PRODUCT	\$1,285,200,000	\$4,560,000,000
 TOTAL EXPORTS	\$70,000,000	\$1,215,000,000
 TOTAL EXPORTS TO THE U.S.	\$30,000,000	\$280,000,000
 TOTAL IMPORTS	\$383,000,000	\$2,125,000,000
 TOTAL IMPORTS FROM THE U.S.	\$143,000,000	\$640,000,000
 TOTAL INDUSTRIAL PRODUCTION	\$390,000,000	\$2,770,000,000
 TOTAL AGRICULTURAL PRODUCTION	\$83,000,000	\$510,000,000
 TOTAL AREA CULTIVATED	837,000 ACRES	1,075,000 ACRES
 TOTAL AREA IRRIGATED	117,000 ACRES	435,000 ACRES
 TOTAL EMPLOYMENT	480,000	951,000
 IMMIGRATION SINCE 1948	512,000	1,400,000
 NUMBER OF TOURISTS	39,000	409,000
 HOUSING	675,000 HOUSING UNITS BUILT SINCE 1948	
 AGRICULTURAL SETTLEMENTS	543	882

Issued by
STATE OF ISRAEL BONDS
Development Corporation for Israel
215 Park Ave. So., New York, N. Y. 10003



Israel is seeking to increase job opportunities in industry in Dimona (above) and other development towns.

Principal Terms Of Israel Bonds

Two types of Fourth Development Bonds are offered:

- (1) Fifteen-year coupon Bonds which pay 4% interest a year, available in denominations from \$500 to \$100,000.
- (2) Twelve-year savings Bonds available in denominations from \$100 to \$10,000, maturing at 160% of the issue amount.

Persons visiting Israel may use their Bonds to pay hotel and other expenses during their stay in Israel. Israel Bonds may also be converted, under certain conditions, into shares of approved business enterprises in Israel. Upon the death of the registered Bondholder, the full amount of the Bonds, plus accrued interest, becomes payable to his estate.

Redemption Of Matured Israel Bonds

Persons holding maturing Israel Bonds should keep in mind the fact that such Bonds stop earning interest after the due date. Prompt redemption and re-investment of matured Bonds will assure continued participation in

Israel's development and in uninterrupted interest payments and appreciation. Last year the State of Israel paid out \$65,000,000 in redemption. In 1967 it will pay out \$24,000,000 on matured Bonds.

1967 Honor Categories

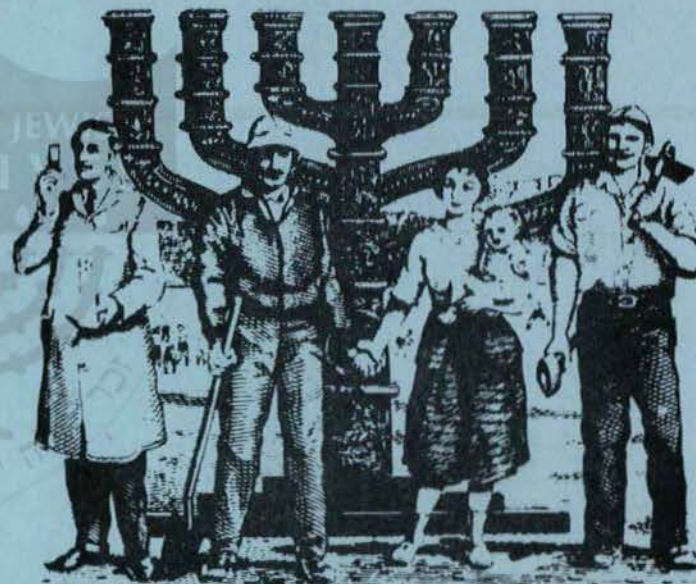
Chai Trustees	<i>Purchasers of \$18,000</i>	Negev Guardians	<i>Purchasers of \$1,500</i>
Chai Builders	<i>Purchasers of \$5,400</i>	Negev Sponsors	<i>Women Purchasers of \$1,500</i>
Chai Guardians	<i>Purchasers of \$1,800</i>	Trustees	<i>Purchasers of \$10,000</i>
Chai Sponsors	<i>Women Purchasers of \$1,800</i>	Builders	<i>Purchasers of \$3,000</i>
Negev Trustees	<i>Purchasers of \$15,000</i>	Guardians	<i>Purchasers of \$1,000</i>
Negev Builders	<i>Purchasers of \$4,500</i>	Sponsors	<i>Women Purchasers of \$1,000</i>

BUILD A GREATER ISRAEL WITH ISRAEL DEVELOPMENT BONDS

Issued by
STATE OF ISRAEL BONDS
Development Corporation for Israel
 215 Park Avenue So., New York, N. Y. 10003

1970 SPEAKERS MANUAL

20th ANNIVERSARY



ISRAEL BONDS

1970 SPEAKERS MANUAL

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SUGGESTED OUTLINE FOR SPEAKERS

1. THERE IS NO PEACE IN THE MIDDLE EAST IN 1970.
2. IN MANY RESPECTS ISRAEL TODAY FACES A GRAVER EMERGENCY AND GREATER DANGER TO ITS SURVIVAL THAN IN 1967.
3. THE DEFENSE BURDEN IS THREE TIMES GREATER TODAY. 80% OF ALL TAX REVENUE IS BEING SPENT FOR DEFENSE.
4. ISRAEL RESERVES OF FOREIGN EXCHANGE HAVE BEEN DEPLETED TO A LEVEL FAR BELOW THE SAFETY MARGIN, JEOPARDIZING THE FLOW OF IMPORTS VITAL TO THE COUNTRY'S SURVIVAL.
5. RAPID DETERIORATION OF FOREIGN EXCHANGE SITUATION CAN PRODUCE DESPERATE EMERGENCY FOR ISRAEL'S ECONOMY.

6. ECONOMIC PRESSURES OF DEFENSE CRISIS HAVE BEEN AGGRAVATED BY NEEDS OF INCREASED IMMIGRATION -- 60,000 EXPECTED IN 1970 -- AS AGAINST 40,000 IN 1969.
7. HOUSING AND JOBS FOR 60,000 NEWCOMERS REQUIRE TREMENDOUS OUTLAY OF RESOURCES.
8. THAT IS WHY ISRAEL'S DEVELOPMENT BUDGET WILL NEED \$500 MILLION THIS YEAR -- AN INCREASE OF \$136 MILLION OVER LAST YEAR.
9. FAILURE TO PROVIDE ADEQUATE HOUSING AND JOBS WILL UNDERMINE HOPES FOR LARGE-SCALE IMMIGRATION TO CONTINUE -- ESPECIALLY FROM WESTERN WORLD WHOSE SKILLS ISRAEL NEEDS URGENTLY.
10. THIS PROGRAM WILL BE CARRIED OUT ONLY IF NEW LEVELS ARE ESTABLISHED IN THE 1970 ISRAEL BOND CAMPAIGN.

11. 1970 CAMPAIGN MARKS TWENTIETH ANNIVERSARY OF THE FOUNDING OF THE ISRAEL BOND ORGANIZATION.
12. IN EVERY CRISIS DURING THE PAST TWO DECADES ISRAEL BONDS HAVE BEEN STRONGEST BULWARK FOR ISRAEL'S ECONOMY.
13. ISRAEL BONDS ENABLED ISRAEL TO ABSORB 1,400,000 REFUGEES AND MAKE THEM SELF-SUPPORTING.
14. ISRAEL BONDS PROVIDED ECONOMIC INFRASTRUCTURE TO MAKE ISRAEL FASTEST GROWING COUNTRY AMONG NEWLY ESTABLISHED NATIONS.
15. ISRAEL BONDS STIMULATED FLOW OF PRIVATE CAPITAL TO ESTABLISH NEW INDUSTRIES.

16. ISRAEL BONDS SERVE TO REDUCE IMPORTS AND INCREASE EXPORTS TO IMPROVE THE COUNTRY'S BALANCE OF TRADE.
17. IMPRESSIVE TOTAL OF \$1.4 BILLION IN BOND PROCEEDS HAS PRODUCED MIRACLES IN IRRIGATION, EXPLOITATION OF NATURAL RESOURCES, SETTLEMENT, RECLAMATION OF DESERT, BUILDING OF NEW TOWNS AND VILLAGES.
18. IN PRESENT EMERGENCY, GOVERNMENT OF ISRAEL HAS URGENTLY REQUESTED THAT ISRAEL BONDS PROVIDE \$250 MILLION FOR ITS DEVELOPMENT BUDGET.
19. 1700 BANKS, AS WELL AS MANY TRADE UNIONS, PENSION FUNDS AND OTHER FINANCIAL INSTITUTIONS HAVE PURCHASED BONDS. BUT BULK OF BOND INCOME HAS COME AND MUST CONTINUE TO COME FROM MEMBERS OF JEWISH COMMUNITY.

20. PEOPLE OF ISRAEL CARRYING EXTREMELY HEAVY LOAD OF TAXES AND VOLUNTARY AND COMPULSORY LOANS. THEY CANNOT DO MUCH MORE BEYOND MAINTAINING THEIR LIFELINE OF DEFENSE.
21. THEREFORE ISRAEL MUST RELY ON ISRAEL BONDS MORE TODAY FOR ECONOMIC STRENGTH THAN EVEN IN 1967.
22. EMERGENCY OF 1970 DEMANDS SAME HIGH DEGREE OF UNITY AND SOLIDARITY AS DURING THE SIX DAY WAR.
23. 1970 IS YEAR OF DESTINY FOR ENTIRE JEWISH PEOPLE -- NOT ONLY FOR ISRAEL. WE MUST ACT AS IF OUR FUTURE DEPENDS ON WHAT WE DO -- AND IT DOES! EVERY DAY PROVES THAT THIS IS AN INESCAPABLE RESPONSIBILITY FOR EVERY JEW!
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- A -

KEY ACHIEVEMENTS THROUGH ISRAEL BONDS

In the past two decades, Israel Bonds have been the major factor in the creation, enlargement and modernization of numerous development projects which have strengthened Israel in its struggle for economic independence. Among the leading projects which Israel Bonds have aided since 1951 are:

- . The draining of the lake and marshes of the Huleh Valley in northern Galilee.
- . The construction of the National Water Project, bringing more than 400,000 acres under irrigation in the Negev.
- . The reactivation and expansion of the Dead Sea Works at S'dom, which now produces almost 1,000,000 tons of potash, bromine and their compounds.

- B -

- . The construction of the new deepwater harbor at Ashdod, a four-fold increase in the capacity of Haifa Harbor, and larger port facilities at Elath.
- . The expansion of Chemicals and Phosphates Ltd., for the production of superphosphate fertilizers and basic chemicals for domestic and export markets.
- . The discovery and exploitation of oil and natural gas in the Negev, and the start of a new giant 42-inch oil pipeline which is being built from Elath to Ashkelon.

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- . The construction of 650,000 permanent housing units and the creation of employment opportunities for 1,400,000 immigrants in the past two decades.
- . Building the railroad to S'dom, and the extension beyond Beersheba to Dimona and further south, to new development areas.
- . The construction of a new chemical manufacturing complex now nearing completion at Arad, expected to become Israel's leading industrial enterprise.
- . The exploitation of large copper ore deposits in the Timna region, and the establishment of a large processing plant which produces some 10,000 tons of refined copper a year.

- D -

- . The establishment of over 500 new agricultural settlements throughout the country and the introduction of new industrial crops including peanuts, cotton and sugar beets.
- . The construction of new electric power plants, increasing Israel's electric power capacity to 1,000,000 kilowatts.
- . The creation of dozens of development towns in the Negev and Galilee, and the establishment of new economic enterprises to make them self-sustaining.
- . The development of Israel's shipping industry, which is nearing the 2,000,000-ton mark, and the expansion of its airline service.

IMPORTANT ECONOMIC FIGURES FOR ISRAEL (1948-1969)

	1948	1969
Population	800,000	2,878,000
Industrial production	\$225,000,000	\$2,770,000,000
Exports	\$ 28,000,000	\$1,215,000,000
Imports	\$250,000,000	\$2,125,000,000
Electrical capacity (kilowatts)	70,000	1,020,000
Electrical power production (kilowatt-hours) ..	300,000,000	5,600,000,000
Area under irrigation (acres)	75,000	435,000
Number of tourists	4,500	409,000
Income from tourists	(Figure not available)	\$ 87,000,000
Gross national product	(Figure not available)	\$4,560,000,000
Per capita income	\$100	\$1,285
Immigration.....	1948-1951	686,750
	1952-1954	54,000
	1955-1957	165,000
	1958-1960	75,000
	1961-1962	109,750
	1963-1968	216,500
	1969	40,000
	1970 (advance estimate) ...	60,000

TOTAL ALLOCATIONS OF ISRAEL BOND FUNDS (1951-1969)

Agriculture and water	\$ 275,000,000
Industry, electricity and mines	247,000,000
Transportation and communications	290,000,000
Housing	458,000,000
Loans to municipalities for local projects	28,000,000
Hotels and other tourist facilities	17,000,000
Oil drilling and exploration	29,000,000
Special reserves	34,000,000
Miscellaneous projects	<u>47,000,000</u>
TOTAL	\$ 1,425,000,000

SALES OF STATE OF ISRAEL BONDS (1951-1969)

YEAR

1951	\$	52,647,000
1952		47,521,350
1953		36,861,150
1954		37,247,400
1955		42,301,450
1956		54,088,850
1957		49,333,950
1958		46,235,300
1959		52,104,400
1960		51,625,350
1961		57,214,300
1962		58,047,350
1963		69,172,050
1964		85,380,350
1965		91,392,800
1966		90,894,150
1967		217,547,100
1968		130,494,600
1969		<u>159,041,750</u>

\$1,429,150,650

- H -

STATEMENT OF PRIME MINISTER GOLDA MEIR

"I cannot stress enough the role of Israel Bonds at a time when Israel must maintain its economy at peak strength. Whereas inordinate amounts of money must be allocated to military necessities to withstand the attacks of the enemies lining our borders, we must at the same time continue to build our defenses within, providing a firm economic foundation upon which the strength of Israel will be based.

"Today we are faced with a situation that can very well determine the destiny of this historic venture in Jewish history. Let us rededicate ourselves to the task at hand and rise to the challenges ahead."

STATEMENT BY FINANCE MINISTER PINCHAS SAPIR

"When the Bond drive was launched nineteen years ago, few foresaw the great potential of this project, and its enormous contribution to the development of Israel. The Bonds were responsible, first and foremost, for the creation of a large and modern infra-structure for our expanding economy and social structure. It enabled us to build the roads and the ports and the airports and the transportation system and the irrigation system without which Israel would have remained a backward country, unable to cope with its problems .

"All our development plans are limited today by the lack of investment capital to provide the basic services needed in the economy. Israel Bonds can solve this problem."

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1950 STATEMENTS BY GOLDA MEIR AND ABBA EBAN

ENDORISING FIRST ISRAEL BOND ISSUE

"I don't know what security we can give you, or what security you can ask for. There is one kind of security that I think I am able to give you on behalf of the Government and of the entire people -- thousands and thousands of children in Israel, our children, the children of the old-timers and the little Yemenite children and Iraqi children and the Roumanian children and children from all over the world. These children are growing up, proud, safe, self-respecting Jews. They are going to accept this debt as we accept it, a debt which they are honor-bound to pay back, with interest."

Prime Minister Golda Meir

"You have decided that you will support a bond loan to be issued by the Government of Israel, and thus give yourselves and your children a stake in Israel's expanding future; that you will regard such a scheme both as an avenue for yourselves to render service and as part of the immediate spiritual reward which will enable you to share a heritage of pride and Jewish creativeness. This is your decision and your pledge. In fulfillment of it, you have today reaffirmed your unique and historic solidarity and partnership with us."

Foreign Minister Abba Eban