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United Israel Appeal. Budgets. 1966-1967.

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CONFIDENTIAL

RECOMMENDATION FOR REALLOCATION OF  
UNITED ISRAEL APPEAL, INC. BUDGET  
1965-1966

	<u>IL</u>	<u>IL</u>	<u>\$</u>	<u>\$</u>
<u>Immigration</u>				
Home Office of Immigration	<u>150,000</u>		<u>50,000</u>	
Dept. (Incl. Admin. & Operations in Israel)		150,000		50,000
<u>Absorption</u>				
Care at Absorption Centers	100,000		33,333	
Follow-up care, instructions & Guidance in Absorption Areas	240,000		80,000	
Hostels	<u>250,000</u>		<u>83,333</u>	
		590,000		196,666
<u>Youth Care &amp; Training</u>				
Education Supervision of Trainees	200,000		66,666	
Training of Youth Instructors	80,000		26,666	
Youth Centers	250,000		83,334	
Maintenance of Immigrant Youths in Regular Youth Aliyah Insti- tutions	<u>1,200,000</u>		<u>400,000</u>	
		1,730,000		576,666
<u>Immigrant Housing</u>				
Grants <del>&amp; Loans</del>	<u>770,000</u>		<u>256,666</u>	
		770,000		256,666
General Administration	<u>250,000</u>	<u>250,000</u>	<u>83,333</u>	<u>83,333</u>
<u>TOTAL</u>		<u>3,490,000</u>		<u>1,163,333</u>

9/19/66

UNITED ISRAEL APPEAL, INC.  
 RECEIPTS AND DISBURSEMENTS  
 APRIL 1 - AUGUST 31, 1966

We Began the Fiscal Year With  
 Cash in Banks, on Hand and Bonds \$ 4,584,443.89

We Received from UJA:

Campaign Proceeds -- Cash and Bonds	\$ 15,986,897.56	
Direct Remittances to Jerusalem	40,264.67	
Amidar Income	135,465.87	
Proceeds from Rentals (Associate Co.'s))	( 330.85)	
Bequests	1,811.00	
Miscellaneous Income	88,207.51	
		16,252,315.76
Total		\$ 20,836,759.65

Disbursements

We Remitted to Jewish Agency--Jerusalem		
Cash	\$13,025,063.54	
Direct Remittances	42,264.67	
Proceeds from Rentals	( 300.85)	
Payments on Account		
Budgetary Allocations		
Rental Housing	1,778,750.00	
Net Costs--Conversion of Bonds	32,803.82	
		\$ 14,878,551.18
Payments on 50M Loan		
Principal and Interest		2,469,221.00
We Paid Out for Administrative Expenses		
Part of Which are Chargeable to Jerusalem		289,879.85
Israel Education Fund expenses		101.28
		\$ 17,637,753.31
Total		\$ 3,199,006.34

Balance August 31, 1966

Cash on hand and in banks	\$ 587,427.46
Investment Commercial Paper	1,248,632.81
Travelers Checks	690.00
Bonds -- UIA share	
Regular	420,072.06
3rd Development	942,184.01

\$ 3,199,006.34

UNITED ISRAEL APPEAL, INC.

ISRAEL EDUCATION FUND -- JANUARY 1965 to August 31, 1966

Total Income- Cash, Bonds, Direct Remittances	\$ 5,478,455.29
Interest on Time Deposits	2,356.15

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\$ 5,480,811.44

Total Remitted to Jerusalem	5,462,346.29
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Due IEF	\$ 18,465.15
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Expenses Advance for IEF	<u>298.49</u>
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Balance Due IEF 8.31.66	\$ 18,166.66
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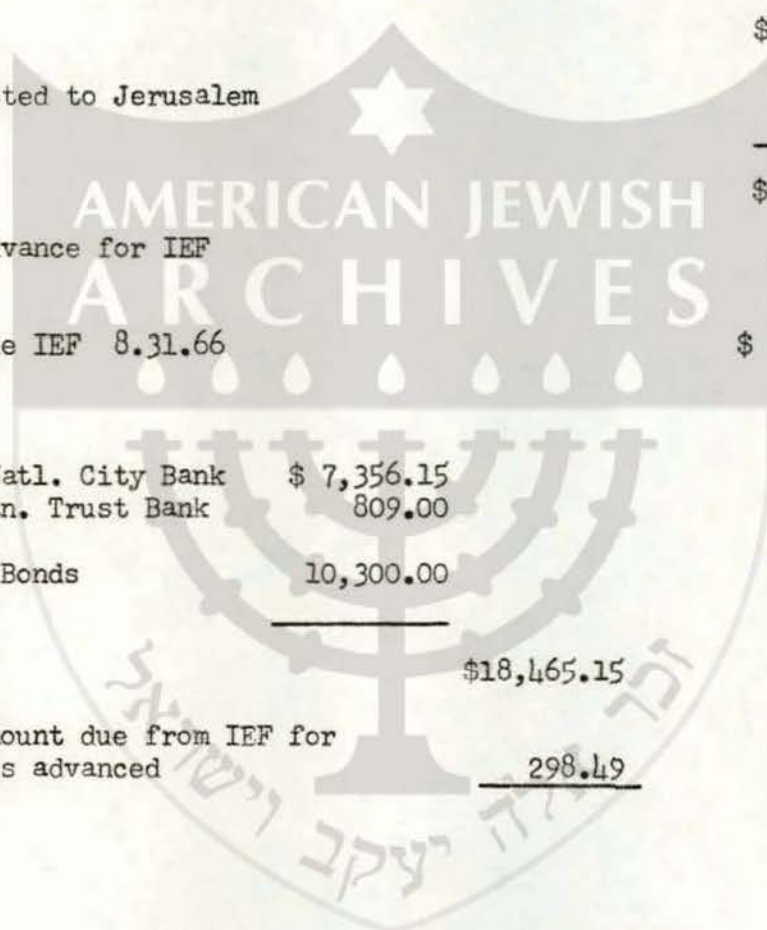
First Natl. City Bank	\$ 7,356.15
Man. Han. Trust Bank	809.00

Israel Bonds	<u>10,300.00</u>
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\$18,465.15

Less Amount due from IEF for expenses advanced	<u>298.49</u>
--	---------------

\$ 18,166.66



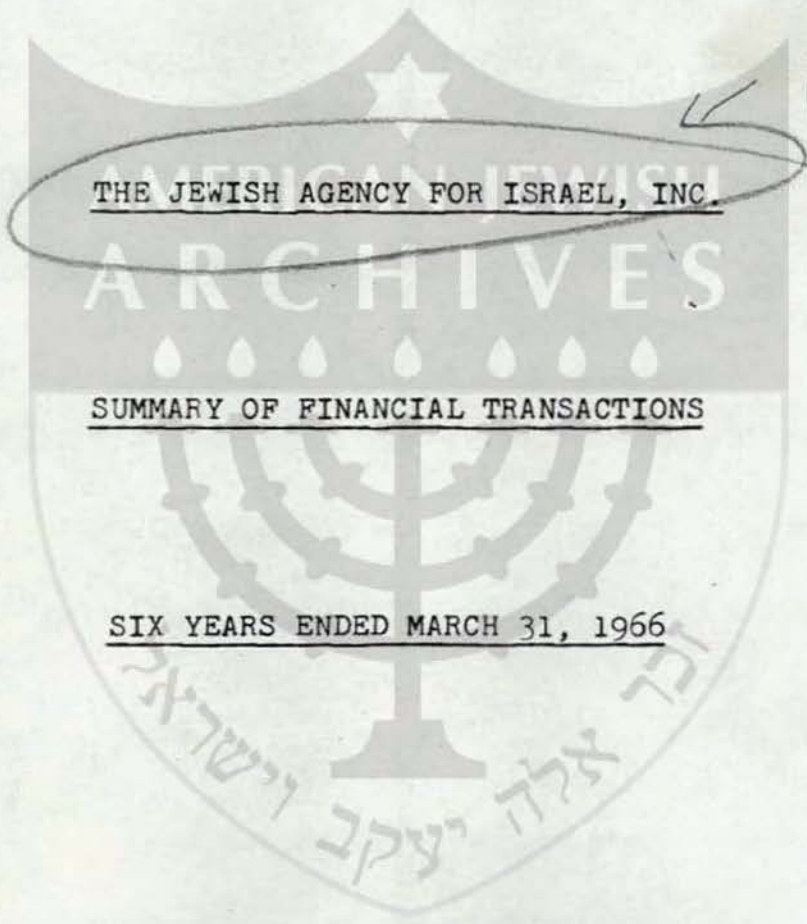
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THE JEWISH AGENCY FOR ISRAEL, INC.

ARCHIVES

SUMMARY OF FINANCIAL TRANSACTIONS

SIX YEARS ENDED MARCH 31, 1966

GREEN, STROCKER & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

SIDNEY S. GREEN (C. P. A.)  
STANLEY STROCKER (C. P. A.)  
HAROLD L. KRAMER (C. P. A.)  
JACOB SHAMPAIN (C. P. A.)

850 THIRD AVENUE  
NEW YORK, N. Y. 10022  
PLAZA 2-5430

CABLE ADDRESS: GRENSTROCK NEW YORK

July 12, 1966

The Jewish Agency for Israel, Inc.  
515 Park Avenue  
New York, New York 10022

Pursuant to your request, we have prepared the following summaries covering the results of the financial operations of The Jewish Agency for Israel, Inc., for the six years ended March 31, 1966: -

Summary I - Statement of Source and Application of General Funds - six years ended March 31, 1966.

Summary I-1 - Analysis of Expenditures in Israel - six years ended March 31, 1966.

Summary II - Consolidated Statement of Income and Expenditures - six years ended March 31, 1966.

Summary III - Consolidated Statement of Changes in Fund Balances - six years ended March 31, 1966.

Summaries I, II and III are based upon information contained in your Corporation's regular annual audited financial statements, issued by our firm, for the six years ended March 31, 1966. Summary I-1 is based upon information contained in annual reports issued by our firm after examination of the pertinent records of The Jewish Agency for Israel, Jerusalem. These special examinations were conducted for the purpose of determining whether the expenditures made by The Jewish Agency for Israel, Jerusalem, operating as your agent, were in accordance with the approved allocations for each of the fiscal years. The special examination for the year ended March 31, 1966 will be made in

August, 1966. Accordingly, the information contained in Summary I-1, for the fiscal year ended March 31, 1966, as indicated by the note thereto, is based upon the approved budget.

Summary I reflects only the transactions of your Corporation's general fund ; whereas, Summaries II and III include the details of the earmarked funds as well. Reference is made to Note 4 of the appended Notes to Financial Statements - March 31, 1966 - for additional details concerning the earmarked funds (see Rider A).

In addition, we are including, as Rider A, a copy of your Corporation's audited financial statement for the year ended March 31, 1966.

We shall be pleased to furnish you with any additional information that you may require.

Respectfully submitted,

*Green, Strocker & Company*

Certified Public Accountants

THE JEWISH AGENCY FOR ISRAEL, INC.

SUMMARY I

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

SIX YEARS ENDED MARCH 31, 1966

Source of Funds	YEARS ENDED MARCH 31						Total
	1961	1962	1963	1964	1965	1966	
<b>Income</b>							
Gross proceeds from United Jewish Appeal, Inc. campaigns	\$38,791,372.69	\$43,367,498.56	\$37,964,110.27	\$38,164,066.82	\$37,313,939.57	\$37,757,272.89	\$233,358,260.80
Other sundry income	12,995.74	25,362.03	68,366.90	13,407.58	28,380.69	149,068.29	297,581.23
United Jewish Appeal, Inc., loans	\$38,804,368.43	\$43,392,860.59	\$38,032,477.17	\$38,177,474.40	\$37,342,320.26	\$37,906,341.18	\$233,655,842.03
	31,850,000.00	27,700,000.00	-	-	-	520,126.50	60,070,126.50
	\$70,654,368.43	\$71,092,860.59	\$38,032,477.17	\$38,177,474.40	\$37,342,320.26	\$38,426,467.68	\$293,725,968.53
Less: Repayments of United Jewish Appeal, Inc. loans	\$30,976,341.50	\$10,330,177.43	\$ 6,376,333.48	\$ 6,936,024.88	\$ 1,942,687.70	\$44,885,166.22	\$101,446,731.21
Interest on United Jewish Appeal, Inc. loans	2,080,844.80	2,844,963.69	3,011,946.23	2,825,161.66	2,320,803.06	522,881.94	13,606,601.38
	\$33,057,186.30	\$13,175,141.12	\$ 9,388,279.71	\$ 9,761,186.54	\$ 4,263,490.76	\$45,408,048.16	\$115,053,332.59
<b>Net Available From United Jewish Appeal, Inc. and Other Sundry Income</b>	\$37,597,182.13	\$57,917,719.47	\$28,644,197.46	\$28,416,287.86	\$33,078,829.50	\$(6,981,580.48)	\$178,672,635.94
Add: Additional funds provided by:							
\$50,000,000.00 borrowing	\$ -	\$ -	\$ -	\$ -	\$ -	\$50,000,000.00	\$ 50,000,000.00
Decreases (or increases) in other than cash assets (net)	2,714,005.13	422,039.26	(108,839.57)	(19,908.82)	381,066.29	(2,127,086.59)	1,261,275.70
Increases (or decreases) in liabilities (net)	1,024,976.43	(572,936.52)	(510,446.52)	2,212,910.14	(1,724,283.26)	53,325.29	483,545.56
	\$ 3,738,981.56	\$ (150,897.26)	\$ (619,286.09)	\$ 2,193,001.32	\$ (1,343,216.97)	\$47,926,238.70	\$ 51,744,821.26
<b>Funds Available</b>	\$41,336,163.69	\$57,766,822.21	\$28,024,911.37	\$30,609,289.18	\$31,735,612.53	\$40,944,658.22	\$230,417,457.20
Less: Repayment of obligations outstanding at March 31, 1960	\$ 9,732,212.12	\$20,336,762.78	\$ 63,223.50	\$ 2,518.00	\$ 10,675.90	\$ 4,000.00	\$ 30,149,392.30
Other interest and debt service expense	1,276,789.30	218,072.58	36,173.61	39,027.78	49,791.68	2,631,143.52	4,250,998.47
	\$11,009,001.42	\$20,554,835.36	\$ 99,397.11	\$ 41,545.78	\$ 60,467.58	\$ 2,635,143.52	\$ 34,400,390.77
<b>Net Funds Available</b>	\$30,327,162.27	\$37,211,986.85	\$27,925,514.26	\$30,567,743.40	\$31,675,144.95	\$38,309,514.70	\$196,017,066.43
<b>Application of Funds</b>							
Allocations for operations in Israel (Summary I-1)	\$28,054,480.58	\$36,028,280.42	\$27,953,832.26	\$27,736,756.68	\$34,222,883.28	\$36,411,206.43	\$190,407,439.65
Advance for allocations for operations in Israel	-	-	-	2,250,000.00	(2,250,000.00)	-	-
Other allocations	1,853,524.08	400,000.00	50,000.00	-	-	-	2,303,524.08
<b>Total Allocations</b>	\$29,908,004.66	\$36,428,280.42	\$28,003,832.26	\$29,986,756.68	\$31,972,883.28	\$36,411,206.43	\$192,710,963.73
General and administrative expense	217,840.39	203,282.03	231,617.93	211,347.81	167,305.88	172,003.33	1,203,397.37
Funding of past service contributions under employees' pension plan	-	-	-	-	498,260.07	15,654.23	513,914.30
<b>Total Funds Used</b>	\$30,125,845.05	\$36,631,562.45	\$28,235,450.19	\$30,198,104.49	\$32,638,449.23	\$36,598,863.99	\$194,428,275.40
<b>Increase Or (Decrease) In Cash</b>	\$ 201,317.22	\$ 580,424.40	\$ (309,935.93)	\$ 369,638.91	\$ (963,304.28)	\$ 1,710,650.71	\$ 1,588,791.03

Note: In April 1966, \$1,000,000.00 of commercial paper matured. These proceeds, together with cash available at March 31, 1966, were used to make payment of the installment of \$2,469,221.00 due on the \$50,000,000.00 loan.

The accompanying letter of transmittal is an integral part of this statement.



THE JEWISH AGENCY FOR ISRAEL, INC.

SUMMARY I-1

ANALYSIS OF EXPENDITURES IN ISRAEL

SIX YEARS ENDED MARCH 31, 1966

	YEARS ENDED MARCH 31						Total
	1961	1962	1963	1964	1965	1966	
Allocations for operations in Israel (Summary I)	\$28,054,480.58	\$36,028,280.42	\$27,953,832.26	\$27,736,756.68	\$34,222,883.28	\$36,411,206.43	\$190,407,439.65
Add: Funds available at March 31, 1960	2,525,000.00	-	-	-	-	-	2,525,000.00
	<u>\$30,579,480.58</u>	<u>\$36,028,280.42</u>	<u>\$27,953,832.26</u>	<u>\$27,736,756.68</u>	<u>\$34,222,883.28</u>	<u>\$36,411,206.43</u>	<u>\$192,932,439.65</u>
Less: Portion advanced against next year's budget	\$ -	\$ 1,028,280.42	\$ 519,112.26	\$ -	\$ 222,883.28	\$ 41,089.71	\$ -
Add: Funds available from prior year's advances	-	-	1,028,280.42	519,112.26	-	222,883.28	-
	<u>\$ -</u>	<u>\$(1,028,280.42)</u>	<u>\$ 509,168.16</u>	<u>\$ 519,112.26</u>	<u>\$ (222,883.28)</u>	<u>\$ 181,793.57</u>	<u>\$ (41,089.71)</u>
<b>Net Funds Available</b>	<u>\$30,579,480.58</u>	<u>\$35,000,000.00</u>	<u>\$28,463,000.42</u>	<u>\$28,255,868.94</u>	<u>\$34,000,000.00</u>	<u>\$36,593,000.00</u>	<u>\$192,891,349.94</u>
	IL	IL	IL	IL	IL	IL*	IL
	<u>55,043,082</u>	<u>66,109,392</u>	<u>85,389,000</u>	<u>84,767,606</u>	<u>102,000,000</u>	<u>109,779,000</u>	<u>503,088,080</u>
The above funds converted at the rate prevailing at the date of transmission (1.8 Israel pounds to 1 U. S. dollar to February 9, 1962 and 3 Israel pounds to 1 U. S. dollar thereafter) amounted to:							
<u>Expenditures</u>							
Immigration	6,540,215	13,967,684	31,965,000	37,170,644	37,792,143	25,596,000	153,031,686
Absorption	7,596,000	11,936,000	14,400,000	16,079,295	18,726,699	30,213,000	98,950,994
Agricultural settlement	18,900,000	20,320,000	17,160,000	10,588,618	16,730,000	18,501,000	102,199,618
Immigrant housing	10,944,000	9,421,000	10,939,500	11,430,000	15,658,577	17,781,000	76,174,077
Youth care and training	1,530,000	1,485,000	3,051,000	3,238,049	6,402,581	9,360,000	25,066,630
Allocations to philanthropic and educational institutions	216,000	1,459,508	1,533,000	-	-	-	3,208,508
Allocations to institutions of higher learning	1,713,600	3,877,200	3,754,500	3,675,000	3,765,000	3,945,000	20,730,300
Allocations to architectural and engineering services	102,000	-	-	-	-	-	102,000
Allocations to Keren Kayemeth (J.N.F.)	1,120,000	-	-	-	-	-	1,120,000
General and administrative expenses (Israel)	2,108,000	2,356,000	2,586,000	2,586,000	2,880,000	4,233,000	16,749,000
Pensions	272,000	-	-	-	-	-	272,000
Education and culture in the Diaspora	56,218	-	-	-	-	-	56,218
Torah education and culture in the Diaspora	46,474	-	-	-	-	-	46,474
Allocations to constructive enterprise funds	3,898,575	-	-	-	-	-	3,898,575
Jewish National Fund for emergency employment	-	1,287,000	-	-	-	-	1,287,000
Special projects	-	-	-	-	45,000	150,000	195,000
<b>Total Expenditures</b>	<u>55,043,082</u>	<u>66,109,392</u>	<u>85,389,000</u>	<u>84,767,606</u>	<u>102,000,000</u>	<u>109,779,000</u>	<u>503,088,080</u>

\* The amounts shown are the budgets provided. The actual amounts expended have not been audited.

The accompanying letter of transmittal is an integral part of this statement.

THE JEWISH AGENCY FOR ISRAEL, INC.  
CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURES  
SIX YEARS ENDED MARCH 31, 1966

	<u>Total</u>	<u>General Fund</u>	<u>Earmarked Funds</u>	
			<u>Israel Education Fund</u>	<u>Greenberg Estate Fund</u>
<u>Income</u>				
United Jewish Appeal, Inc. (through United Israel Appeal, Inc., and Palestine Foundation Fund, Inc.)				
Regular campaign proceeds	\$233,358,260.80	\$233,358,260.80	\$ -	\$ -
United Jewish Appeal, Inc., loans	60,070,126.50	60,070,126.50	-	-
	<u>\$293,428,387.30</u>	<u>\$293,428,387.30</u>	\$ -	\$ -
Less: Funds used to repay United Jewish Appeal, Inc., loans	\$101,446,731.21			
Interest on United Jewish Appeal, Inc., loans	<u>13,605,601.38</u>			
	<u>115,053,332.59</u>	<u>115,053,332.59</u>	-	-
Israel Education Fund (through United Israel Appeal, Inc.)	\$178,375,054.71	\$178,375,054.71	\$ -	\$ -
Greenberg Estate Fund	Note 4 - Rider A 4,587,168.87	-	4,587,168.87	-
Other sundry income	458,156.82	-	-	458,156.82
	<u>297,581.23</u>	<u>297,581.23</u>	-	-
<u>Net Income</u>	<u>\$183,717,961.63</u>	<u>\$178,672,635.94</u>	<u>\$4,587,168.87</u>	<u>\$458,156.82</u>
<u>Expenditures</u>				
Allocations for operations in Israel	\$190,407,439.65	\$190,407,439.65	\$ -	\$ -
Other allocations	2,303,524.08	2,303,524.08	-	-
Other interest and debt service expense	4,250,998.47	4,250,998.47	-	-
General and administrative expenses	1,203,397.37	1,203,397.37	-	-
Funding of past service contributions under employees' pension plan	<u>513,914.30</u>	<u>513,914.30</u>	-	-
<u>Total Expenditures</u>	<u>\$198,679,273.87</u>	<u>\$198,679,273.87</u>	<u>\$ -</u>	<u>\$ -</u>
(Excess of Expenditures Over Income)	\$(14,961,312.24)	{ \$(20,006,637.93)		
<u>Excess of Income Over Expenditures</u>		{	<u>\$4,587,168.87</u>	<u>\$458,156.82</u>

The accompanying letter of transmittal is an integral part of this statement.

THE JEWISH AGENCY FOR ISRAEL, INC.  
CONSOLIDATED STATEMENT OF CHANGES IN FUND BALANCES  
SIX YEARS ENDED MARCH 31, 1966

	<u>Total</u>	<u>General Fund</u>	<u>Earmarked Funds</u>	
			<u>Israel Education Fund</u>	<u>Greenberg Estate Fund</u>
			(Note 4 - Rider A)	
Deficit in Fund Balance - April 1, 1960	\$(24,673,201.21)	\$(24,673,201.21)	\$ -	\$ -
Deduct: Excess of expenditures over income (Summary II)	(14,961,312.24)	(20,006,637.93)		
Add: Excess of income over expenditures (Summary II)			4,587,168.87	458,156.82
Add: Accruals at March 31, 1960 written-off (net)	<u>48,977.84</u>	<u>48,977.84</u>	<u>-</u>	<u>-</u>
<u>(Deficit in Fund Balance)</u>	<u>\$(39,585,535.61)</u>	<u>\$(44,630,861.30)</u>		
<u>Fund Balances</u>			<u>\$4,587,168.87</u>	<u>\$458,156.82</u>

The accompanying letter of transmittal is an integral part of this statement.

THE JEWISH AGENCY FOR ISRAEL, INC.

AMERICAN JEWISH  
ARCHIVES

ACCOUNTANTS' REPORT

MARCH 31, 1966



**GREEN, STROCKER & COMPANY**

CERTIFIED PUBLIC ACCOUNTANTS

SIDNEY B. GREEN (C. P. A.)  
STANLEY STROCKER (C. P. A.)  
HAROLD L. KRAMER (C. P. A.)  
JACOB SHAMPAIN (C. P. A.)

850 THIRD AVENUE  
NEW YORK, N. Y. 10022  
PLAZA 2-5430

CABLE ADDRESS: GRENSTROCK NEW YORK

June 10, 1966

The Jewish Agency for Israel, Inc.  
515 Park Avenue  
New York, New York 10022

We have examined the consolidated statement of assets, liabilities and estimated reserves of The Jewish Agency for Israel, Inc., as at March 31, 1966, and the related consolidated statements of income and expenditures, and changes in fund balances, for the years ended March 31, 1966 and March 31, 1965. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records, and such other auditing procedures, as we considered necessary.

In our opinion, the accompanying statements, with related notes, present fairly the financial position of The Jewish Agency for Israel, Inc., as at March 31, 1966, and the results of its operations for the years indicated above, in conformity with generally accepted accounting principles (except for the policy of not providing for depreciation on improved real property), applied on a consistent basis.

*Green, Strocker & Company*

Certified Public Accountants

## THE JEWISH AGENCY FOR ISRAEL, INC.

CONSOLIDATED STATEMENT OF ASSETS, LIABILITIES AND ESTIMATED RESERVES

MARCH 31, 1966

ASSETS	Total	General Fund	Earmarked Funds	
			Israel Education Fund	Greenberg Estate Fund
Cash in bank and on hand	\$ 2,110,912.20	\$ 2,094,974.23	\$ 8,165.15	\$ 7,772.82
Investment in commercial paper (\$1,000,000.00 face value - maturing April 25, 1966 - at cost)	995,586.81	995,586.81	-	-
State of Israel Bonds - Third Development Issue	1,500,067.01	1,500,067.01	-	-
Receivables	86,124.15	86,124.15	-	-
Miscellaneous securities and investments	66,375.00	66,375.00	-	-
Prepaid expenses	10,528.13	10,528.13	-	-
Real estate	\$2,635,454.94			
Less: Mortgage payable	<u>1,638,333.59</u>			
	997,121.35	997,121.35	-	-
Furniture, equipment and automobile	\$ 120,554.72			
Less: Estimated allowance for depreciation	<u>68,854.77</u>			
	51,699.95	51,699.95	-	-
Amounts advanced out of Israel Education Fund (Note 4)	4,579,003.72	-	4,579,003.72	-
Advance against construction of housing project (Note 4)	<u>450,384.00</u>	<u>-</u>	<u>-</u>	<u>450,384.00</u>
<u>Total Assets (Net of Mortgage on Real Estate)</u>	<u>\$ 10,847,802.32</u>	<u>\$ 5,802,476.63</u>	<u>\$4,587,168.87</u>	<u>\$458,156.82</u>
<u>LIABILITIES AND ESTIMATED RESERVES</u>				
Notes payable - balance of \$50,000,000.00 borrowing (Note 5)	\$ 48,905,779.00	\$ 48,905,779.00	\$ -	\$ -
Accrued interest on notes	1,120,756.93	1,120,756.93	-	-
Accounts payable and expenses accrued	30,027.78	30,027.78	-	-
Rental security deposits - Israel Housing	144,168.62	144,168.62	-	-
Other liabilities	10,994.00	10,994.00	-	-
Estimated reserves - severance and vacation (Note 6)	<u>221,611.60</u>	<u>221,611.60</u>	<u>-</u>	<u>-</u>
<u>Total Liabilities and Estimated Reserves</u>	<u>\$ 50,433,337.93</u>	<u>\$ 50,433,337.93</u>	<u>\$ -</u>	<u>\$ -</u>
<u>(Deficit in Fund Balances) - Fund Balances (Exhibit C)</u>	<u>\$(39,585,535.61)</u>	<u>\$(44,630,861.30)</u>	<u>\$4,587,168.87</u>	<u>\$458,156.82</u>

The accompanying notes are an integral part of this statement.

## THE JEWISH AGENCY FOR ISRAEL, INC.

## CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURES

Income	YEAR ENDED MARCH 31, 1966				YEAR ENDED MARCH 31, 1965			
	Total	General Fund	Earmarked Funds		Total	General Fund	Earmarked Funds	
			Israel Education Fund	Greenberg Estate Fund			Israel Education Fund	Greenberg Estate Fund
United Jewish Appeal, Inc. (through United Israel Appeal, Inc., and Palestine Foundation Fund, Inc.)	\$37,757,272.89				\$37,402,609.70			
Less: Funds used to repay debt liquidation loan	\$ -				\$1,942,687.70			
Interest on debt liquidation loan	522,881.94				2,320,803.06			
	522,881.94				4,263,490.76			
Israel Education Fund (through United Israel Appeal, Inc.)	\$37,234,390.95	\$37,234,390.95	\$ -	\$ -	\$33,139,118.94	\$33,050,448.81	\$ -	\$ 88,670.13
Bequests and other sundry income	4,372,601.68	-	4,372,601.68	-	212,211.04	-	212,211.04	-
Interest and dividend income	97,400.51	96,172.86	-	1,227.65	23,481.15	23,481.15	-	-
	83,917.71	65,499.65	2,356.15	16,061.91	17,096.67	4,899.54	-	12,197.13
<b>Net Income</b>	<b>\$41,788,310.85</b>	<b>\$37,396,063.46</b>	<b>\$4,374,957.83</b>	<b>\$17,289.56</b>	<b>\$33,391,907.80</b>	<b>\$33,078,829.50</b>	<b>\$212,211.04</b>	<b>\$100,867.26</b>
<b>Expenditures</b>								
Interest on loan	\$ 2,526,312.50	\$ 2,526,312.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest expense - other	14,218.75	14,218.75	-	-	49,791.68	49,791.68	-	-
On account of allocations for operations in Israel	36,411,206.43	36,411,206.43	-	-	34,222,883.28	34,222,883.28	-	-
General and administrative expenses	184,607.55	184,607.55	-	-	167,305.88	167,305.88	-	-
Expenses in connection with \$50,000,000 borrowing	90,612.27	90,612.27	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$39,226,957.50</b>	<b>\$39,226,957.50</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$34,439,980.84</b>	<b>\$34,439,980.84</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess of Income Over Expenditures</b>	<b>\$2,561,353.35</b>		<b>\$4,374,957.83</b>	<b>\$17,289.56</b>	<b>\$(1,048,073.04)</b>	<b>\$(1,361,151.34)</b>	<b>\$212,211.04</b>	<b>\$100,867.26</b>
<b>(Excess of Expenditures Over Income)</b>		<b>\$(1,830,894.04)</b>						

The accompanying notes are an integral part of this statement.

THE JEWISH AGENCY FOR ISRAEL, INC.  
CONSOLIDATED STATEMENT OF CHANGES IN FUND BALANCES

	YEAR ENDED MARCH 31, 1965				YEAR ENDED MARCH 31, 1965			
	Total	General Fund	Earmarked Funds		Total	General Fund	Earmarked Funds	
			Israel Education Fund	Greenberg Estate Fund			Israel Education Fund	Greenberg Estate Fund
<u>Fund Balances - April 1st</u>	\$ 2,233,804.99	\$ 1,580,726.69	\$ 212,211.04	\$440,867.26	\$3,780,138.10	\$3,440,138.10	\$ -	\$340,000.00
Add: Excess of income over expenditures (Exhibit B)	2,561,353.35		4,374,957.83	17,289.56			212,211.04	100,867.26
Deduct: Excess of expenditures over income (Exhibit B)		(1,830,894.04)			(1,048,073.04)	(1,361,151.34)		
Additional payments re: past service contributions under pension plan	(15,654.23)	(15,654.23)			(498,260.07)	(498,260.07)		
	<u>\$ 4,779,504.11</u>	<u>\$ (265,821.58)</u>	<u>\$4,587,168.87</u>	<u>\$458,156.82</u>	<u>\$2,233,804.99</u>	<u>\$1,580,726.69</u>	<u>\$212,211.04</u>	<u>\$440,867.26</u>
Deduct: Repayment of United Jewish Appeal, Inc., notes (Note 5)	\$44,885,166.22							
Reduced by additional proceeds received out of United Jewish Appeal, Inc., borrowings	<u>520,126.50</u>							
	(44,365,039.72)	(44,365,039.72)						
<u>(Deficit in Fund Balances)</u>	<u>\$(39,585,535.61)</u>	<u>\$(44,630,861.30)</u>			<u>\$2,233,804.99</u>	<u>\$1,580,726.69</u>	<u>\$212,211.04</u>	<u>\$440,867.26</u>
<u>Fund Balances (Exhibit A)</u>			<u>\$4,587,168.87</u>	<u>\$458,156.82</u>	<u>\$2,233,804.99</u>	<u>\$1,580,726.69</u>	<u>\$212,211.04</u>	<u>\$440,867.26</u>

The accompanying notes are an integral part of this statement.



THE JEWISH AGENCY FOR ISRAEL, INC.

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1966

Note 1 - The attached statements have been prepared on the following bases: -

- (a) Income has been taken into account when received.
- (b) Expenditures have been reflected on the accrual basis.

In accordance with (a) above, the accompanying statements do not reflect the following: -

- (1) As income, your share of any securities contributed to the United Jewish Appeal, Inc., which had not been distributed by them, including certain stock of American Israeli Paper Mills. At March 31, 1966, the total number of aforementioned shares of American Israeli Paper Mills contributed, together with stock dividends thereon, amounted to 815,702 shares.
- (2) As income, \$73,569.15 due to you from the United Jewish Appeal, Inc., from the proceeds of the Debt Liquidation Loan, which, to date, had not been distributed.
- (3) As a reduction of income, \$601,409.85 which was expended by the United Jewish Appeal, Inc., in connection with the Israel Education Fund Project, and which, to this date, has not been charged to the United Israel Appeal, Inc.

Note 2 - Miscellaneous securities and investments are reflected at cost or contributed value.

Note 3 - It has not been your Corporation's policy to charge its operations for depreciation of its improved real estate. Such real estate is reflected on the attached statement of assets, liabilities and estimated reserves, at cost, without reduction for estimated allowance for depreciation.

Note 4 - The attached statements reflect separately the earmarked funds of the Israel Education Fund and Greenberg Estate. To March 31, 1966, the Corporation had transferred \$4,579,003.72 to The Jewish Agency for Israel-Israel Education Fund bank account with the Bank Leumi Le-Israel B.M. in Jerusalem, in accordance with the purpose of the

THE JEWISH AGENCY FOR ISRAEL, INC.NOTES TO FINANCIAL STATEMENTSMARCH 31, 1966Note 4 - (Continued)

contributions to the Fund (erecting and equipping of schools and funding of scholarships). The schools erected are to be owned by your Corporation. Whenever feasible, only the income from the endowment of scholarship funds is to be used. To March 31, 1966, no accounting had been received from your agent, The Jewish Agency for Israel, Jerusalem, for the funds transferred. Based upon the foregoing, the amounts transferred have been reflected on the accompanying balance sheet as advances.

Of the aforementioned advances, \$170,000.00 had been made to March 31, 1965 and had been reflected as a remittance out of the Israel Education Fund. In accordance with the preceding paragraph, the \$170,000.00 has been reclassified as an advance, and the comparative statement of income and expenditures for the year ended March 31, 1965, and the balance of funds at April 1, 1965, have been restated.

The \$450,384.00 advanced against construction of a housing project (in accordance with the terms of the bequest) have been reflected as an asset, since the completed project will be owned by your Corporation.

Note 5 - Under date of April 27, 1965, your Corporation borrowed \$50,000,000.00 from eleven insurance companies, in order to repay certain notes issued by the United Jewish Appeal, Inc., to banks in various communities in the principal amount of \$44,885,166.22, and accrued interest of \$320,290.48. The balance of the funds made available was used for the general purposes of the organization.

The outstanding notes of the United Jewish Appeal, Inc., referred to above, represent the balance of \$65,000,000.00 of loans made by that organization in April, 1961. Although your Corporation was not directly liable on these loans, they had been made at your Corporation's specific request. The proceeds of the loans had been used, in part, to repay prior loans of the United Jewish Appeal, Inc. (the proceeds of which had been received by your organization). From the balance then made available, your Corporation received \$26,700,000.00 during the year ended March 31, 1962, and used those funds towards the repayment of your outstanding obligations. In addition, during the current period, the United Jewish Appeal, Inc., remitted an additional \$520,126.50 to your Corporation, which amount is reflected on Exhibit C of the accompanying statement.

THE JEWISH AGENCY FOR ISRAEL, INC.NOTES TO FINANCIAL STATEMENTSMARCH 31, 1966Note 5 - (Continued)

The receipt of the proceeds from the United Jewish Appeal, Inc., loans were not reflected as a liability on the balance sheet of The Jewish Agency for Israel, Inc. Such proceeds had been reflected as income when received, and the repayments of principal and interest, when made by the United Jewish Appeal, Inc., had been reflected as a reduction of income.

The notes are repayable in twenty-nine semi-annual installments of \$2,469,221.00, and a final installment of \$2,469,221.04, which installments include interest at the rate of 5 1/2 per cent per annum. The first installment was paid on November 1, 1965, and the final installment is due on May 1, 1980.

Under the terms of the \$50,000,000.00 loan, your Corporation has agreed that it will not have: outstanding long term debt or guarantees in excess of \$75,000,000.00 (as defined in the agreement); any short term debt outstanding during a period of twelve consecutive months in excess of \$10,000,000.00; or more than \$1,000,000.00 of short term debt outstanding for a period of forty-five consecutive days in any period of twelve consecutive months. The Corporation has further agreed: to a limitation on its power of guaranty and pledging of its assets; to a ceiling of \$10,000,000.00 per annum for payment of interest, principal and rental with respect to long term debts and certain rental payments for housing in Israel; and that it will not have outstanding or create any debts ranking senior to the notes representing the instant loan.

Note 6 - At March 31, 1966, certain individuals, for technical reasons (over-age, etc.), could not be covered under the Corporation's regular employees' retirement plan, nor had they been covered by other means. Accordingly, your management has tentatively retained the balance of the "Estimated Reserves - Severance and Vacation" of \$221,611.60, until the matter has been finalized.

Note 7 - At March 31, 1966, your Corporation was contingently liable on accommodation endorsements and guarantees which are not reflected on the accompanying statement of assets, liabilities and estimated reserves, as follows: (a) \$23,025,000.00 - composed of \$3,375,000.00, \$3,600,000.00, \$7,800,000.00 and \$8,250,000.00, representing the unpaid face amount of notes issued by American Associates, Inc., United Associates, Inc., Intercontinental Associates, Inc., and Atlantic Associates, Inc., respectively; (b) \$2,500,000.00 loan by Hollis Financiele En Commerciele Maatschappij N.V. to The Jewish Agency for Israel, Jerusalem; and (c) \$247,900.00 loan by Bankers

THE JEWISH AGENCY FOR ISRAEL, INC.NOTES TO FINANCIAL STATEMENTSMARCH 31, 1966Note 7 - (Continued)

Trust Company to Essential Commodities for Israel, Inc. Your Corporation, by instruments dated May 7, 1962, February 26, 1963, December 16, 1963 and November 23, 1964, guaranteed the principal, interest and premium, if any, payable on the notes referred to in (a) above, and agreed to certain limitations concerning its borrowing and guarantee powers.

Your Corporation has loaned \$534,000.00 to American Associates, Inc., over a period of time, and has charged such amounts to "expenditures on account of allocations for operations in Israel" at the time of the advances, and it has agreed to lend to United Associates, Inc., such sums as may be required to provide and maintain the Reserve Fund provided for in the Senior Notes, and to Intercontinental Associates, Inc., and Atlantic Associates, Inc., the sum of \$600,000.00, plus interest, each, under the terms of the subordinated loan agreements dated April 30, 1962, March 6, 1963, December 18, 1963 and November 25, 1964, respectively.

Your Corporation has entered into net net leases with American Associates, Inc., United Associates, Inc., Intercontinental Associates, Inc., and Atlantic Associates, Inc., on May 8, 1962, March 6, 1963, December 18, 1963 and November 25, 1964, respectively, covering certain real property in Israel for the periods from May 8, 1962 through April 30, 1982, March 6, 1963 through February 28, 1983, December 18, 1963 through December 31, 1983, and November 25, 1964 through November 30, 1984.

We have been informed by management that the operating agent of the properties covered by the leases referred to above has been receiving rents from subsidized tenants (newly arrived immigrants). During the year ended March 31, 1966, your organization has been credited by The Jewish Agency for Israel in Jerusalem in the amount of \$187,465.97 for the net rental receipts on housing.

Note 8 - The attached statements have been prepared by consolidating the records of The Jewish Agency for Israel, Inc., and those of the Agency Holding Corp., a wholly-owned subsidiary.

March 14th, 1967

UNITED ISRAEL APPEAL, INC.  
JERUSALEM EXPENSES

	<u>B u d g e t</u>	<u>Actual</u>	<u>Proposed</u>
	Apr. 1, 1966	Expenditures*	Budget
	to	to	1967-1968
	Mar. 31, 1967	March 31, 1967	
<u>ADMINISTRATIVE EXPENSES:</u>			
Salaries and Fees	\$ 40,233.34	\$ 41,311.20	\$ 42,000.00
Staff Insurance	1,000.00	1,698.43	1,750.00
Telephone, Cables and Postage	933.33	2,020.14	2,000.00
Meetings and Functions	500.00	492.67	500.00
Transportation and Travel	8,833.33	8,893.78	9,000.00
Publicity	6,400.00	---	---
Miscellaneous	3,000.00	5,233.38	5,000.00
Reserve	1,490.00	---	1,250.00
	<hr/>	<hr/>	<hr/>
	\$62,390.00	\$59,649.60	\$61,500.00

UNITED ISRAEL APPEAL, INC.  
 RECEIPTS AND DISBURSEMENTS  
 April 1 thru December 31, 1967

file - UIA

We Began the Fiscal Year With  
 Cash In Banks, On Hand and Bonds

\$4,584,443.89

We Received From UJA

Campaign Proceeds-Cash and Bonds \$26,860,195.23  
 Direct Remittances to Jerusalem 53,329.67  
 Proceeds From Rental Assoc. Co.'s 168,256.61

Amidar Income 456,626.19  
 Bequests 2,674.21

Miscellaneous Income:  
 Contribution, etc. 99,446.45

27,640,528.36

Conversion Bonds- Essential Commodities Loan 88,700.00  
 And We Owe The Bank- Short Term Loans 4,000,000.00

Total

36,313,672.25

Disbursements

We Remitted to Jewish Agency-Jerusalem  
 Cash \$ 22,548,115.88  
 Direct Remittances 59,329.67  
 Proceeds From Rentals-Associate Co's 168,256.61

Payments On Account

Budgetary Allocations-Rental Housing  
 and Insurance 3,193,684.00  
 Net Charges-Conversion of Bonds 46,479.00  
 Bldg. Expenses- 515 Park Ave. 149,307.25  
 \$ 26,165,172.41

Payments on 50M Loan-Principal & Int. 4,938,442.00  
 Interest- Short Term Loans 24,291.67

We Paid Out For Administrative Expenses 182,645.49  
 We Paid Out For Jerusalem Admin. Expenses 28,967.51

Accounts Payable at 3/31/66 33,001.04  
 Reserve For Severance 27,980.36  
 Exchange Account 237,023.95

31,637,524.43

\$ 4,676,147.82

Cash \$2,806,382.90  
 Travelers Checks 280.00  
 Bonds-UIA share 1,869,484.92  
 In Bank \$1,225,944.53  
 In Office 643,540.39

\$ 4,676,147.82

UNITED ISRAEL APPEAL, INC.  
BUDGET ALLOCATIONS REPORT  
APRIL 1 thru DECEMBER 31, 1966 (9 months)

Budget Allocations for Fiscal Year	\$ 36,000,000.00
Due Under Budget for Period	27,000,000.00
Remitted to Jerusalem for Period	<u>26,165,172.41</u>
Balance due Jerusalem for period	\$ 834,827.59
Cash on Hand	\$ 2,806,382.90

Loans Payable

Manufacturers Hanover Trust Co.	due 2.6.67	\$ 1,000,000.00 (renewable)
Manufacturers Hanover Trust Co.	due 3.6.67	1,000,000.00 *
Bankers Trust Co.	due 4.17.67	1,000,000.00 *
Marine Midland Trust Co.	due 4.17.67	1,000,000.00 *

\* These have already been renewed once-- to be paid on maturity.

UNITED ISRAEL APPEAL, INC.  
BOND ANALYSIS  
December 31, 1966

Bonds Redeemed in December 1966

	Value	UIA share	JDC share	IEF	Essential Commodities
Face Value	\$ 669,250.00				
Accrued Interest	<u>34,303.98</u>				
Total Bonds	703,553.98				
Less Government Charges	<u>33,870.20</u>				
From Acc't. General	669,683.78				
Less Bank Commissions	<u>1,339.37</u>				
Net Cash Received	\$ 668,344.41	\$ 434,535.88	\$137,859.45	\$10,300.00	\$85,649.08

Bonds in Process of Redemption

Face Value	\$ 1,538,250.00				
Accrued Int.	<u>62,859.29</u>				
Total Bonds	\$ 1,601,109.29				
Less Govt. Charges	<u>87,648.00</u>				
From Acc't General	1,513,461.29				
Less Bank Commission	<u>3,026.92</u>				
Net Cash Rec'd	1,510,434.37	1,195,562.28	166,864.31	2,000.00	146,007.78

Bond on Hand

Face Value	885,950.00				
Accrued Int.	<u>21,860.00</u>				
Total Bonds	\$ 907,810.00	643,540.39	264,269.61	-	-

Essential Commodities  
Bonds not ready for 8,100.  
conversion- mature  
Jan & Feb 1967

8,100.00



March 14, 1967

UNITED ISRAEL APPEAL, INC.  
BUDGET  
April 1st, 1966 - March 31st, 1967

	Proposed 1966-1967 Consolidated	Actual Expenditures* Apr.1,1966-Mar.31,1967	Over (*) or Below (-) Budget	Proposed Budget 1967-1968
Salaries and Fees	\$ 90,906.00	\$ 79,782.29	- \$ 11,123.71	\$ 82,020.00
Pensions: Past	5,220.00	5,220.00	---	5,520.00
Present	16,600.00	15,318.79	- 1,281.21	16,600.00
Legal & Audit Fees	17,500.00	14,125.00	- 3,375.00	17,500.00
Staff Insurance	4,800.00	3,670.69	- 1,129.31	4,000.00
Rent	35,000.00	35,000.00	---	35,000.00
Telephones, Cables, Postage	10,800.00	9,872.29	- 927.71	10,000.00
Meetings and Functions	7,000.00	7,743.75	* 743.75	7,000.00
Printing, Stationery and Supplies	2,500.00	2,381.49	- 118.51	2,500.00
Transportation and Travel	7,000.00	4,819.00	- 2,181.00	7,000.00
Miscellaneous	11,000.00	6,240.78	- 4,759.22	7,500.00
Reserve	4,500.00	2,423.30	- 2,076.70	5,160.00
Film Department	3,000.00	5,053.96	* 2,053.96	6,000.00
Community Services	7,900.00	7,900.00	---	8,200.00
	\$223,726.00	\$199,551.34	- \$ 24,174.66	\$214,000.00
Jerusalem Office	62,390.00	59,649.60	- 2,740.40	61,500.00
	\$286,116.00	\$259,200.94	- \$ 26,915.06	\$275,500.00
Less: Clerical Expenses-Associate Companies	\$ 12,000.00	\$ 12,000.00	---	\$ 12,000.00
	\$274,116.00	\$247,200.94	- \$ 26,915.06	\$263,500.00

\* February-March, 1967 Estimated

UNITED ISRAEL APPEAL, INC.  
FIRST PROPOSED BUDGET DRAFT FOR 1967/68  
(in thousands of dollars)

	<u>Jewish Agency 1966/67 Revised</u>	<u>Jewish Agency 1967/68 Provisional Draft</u>	<u>UIA, Inc. 1966/67 Allocations As of April 4, 1967</u>	<u>UIA, Inc. 1967/68 Proposed Allocations</u>
Immigration	6,345	5,667	4,710	5,000
Absorption	12,304	11,833	9,793	10,667
Youth Care	8,347	6,123	4,266	3,000
Agricultural Settlement	27,432	18,834	6,583	5,000
Immigrant Housing	11,456	7,173	5,623	7,333 *
Higher Learning	2,709	2,533	1,740	1,300
Administration	4,103	4,746	1,516	1,500
Special Projects of Inc.	<u>116</u>	<u>--</u>	<u>116</u>	<u>116</u>
 SUB TOTAL	 72,812	 56,909	 34,347	 33,916

\* Includes \$1,333,000 to be re-allocated from 1966-67 for additional rooms to be added to overcrowded houses in Moshavim

APR 1 1967

UNITED ISRAEL APPEAL, INC.  
FIRST PROPOSED BUDGET DRAFT FOR 1967/68  
(in thousands of dollars)

	<u>Jewish Agency 1966/67 Revised</u>	<u>Jewish Agency 1967/68 Provisional Draft</u>	<u>UIA, Inc. 1966/67 Allocations As of April 4, 1967</u>	<u>UIA, Inc. 1967/68 Proposed Allocations</u>
Sub Totals:	72,812	56,909	34,347	33,916
Items in Which U.I.A., Inc. does not participate:				
Other Expenditures	40,631	34,430	—	—
Reserve	737	834	—	—
<b>TOTALS</b>	114,180	92,173	34,347	33,916
In addition to total allocations the following should be taken into account:				
a) For Loan service and amortization of \$50,000,000 - 15 year Consolidation Loan			4,938	4,938
b) Administrative Budgets			274	263
		<b>TOTALS</b>	39,559	39,117



UNITED ISRAEL APPEAL, INC.  
Allocations and Reallocations for 1966-67  
(in thousands of dollars)

	Jewish Agency Global Budget		UIA, Inc.	UIA, Inc.	UIA, Inc.
	Original	Revised	Allocations As at 3/22/66	Reallocations As at 12/8/66	Proposed Revisions As at 4/4/67
Immigration	9,967	6,345	8,000	5,300	4,710
Absorption	11,994	12,304	10,000	11,300*	9,793
Youth Care	6,602	8,347	2,500	4,000	4,266
Agricultural Sett.	25,527	27,432	4,750	5,350	6,583
Immigrant Housing	11,123	11,456	5,500	6,800	5,623
Higher Learning	2,709	2,709	1,255	1,255	1,740
Administration	3,505	4,103	1,300	1,300	1,516
Spec. Proj. of Inc.	--	116	50	50	116
Other Expenditures	40,520	40,631	--	--	--
Reserve	1,292	737	645	645	--
<u>TOTAL</u>	<u>113,239</u>	<u>114,180</u>	<u>34,000</u>	<u>36,000</u>	<u>34,347</u>

\*Includes \$1,300,000 as an unallocated reserve for specific projects in field of absorption, if funds are available.

MAR 15 1967

JEWISH AGENCY FOR ISRAEL  
BUDGET STATEMENT  
FOR THE PERIOD APRIL 1, 1966 THROUGH MARCH 31, 1967  
(in thousands of dollars)

	Jewish Agency Global Budget		JIA, Inc. Allocations Proposed Revisions April 4, 1967	Other Allocations		Total Allocations
	Original	Revised		Society	Others	
Immigration	9,977	6,345	4,710	821	160	5,692
Absorption	11,994	12,304	9,793	435	1,086	11,314
Youth Care	6,602	8,347	4,266	1,056	3,000	8,323
Agricultural Settlement	25,527	27,432	6,583	1,380*	10,863	17,446
Immigrant Housing	11,124	11,456	5,623	63	5,366	11,046
Higher Learning	2,709	2,709	1,740	--	1,319	3,059
Administration	3,505	4,103	1,516	--	--	1,517
Special Projects of Inc.	--	116	116	--	--	116
Other Expenditures	40,520	40,631	--	--	--	--
Reserve	1,292	737	--	--	--	--
<b>TOTAL</b>	<b>113,250</b>	<b>114,180</b>	<b>34,347</b>	<b>3,755</b>	<b>21,794</b>	<b>58,513</b>

\*Spent in previous years and is not included in the total

MAR 15 1967

UNITED ISRAEL APPEAL, INC.  
COMPARATIVE BUDGET ALLOCATIONS  
(in thousands of dollars)

	1	2	3	4	5	6
	Jewish Agency 1966/67 Global Budget <u>Original</u>	1966/67 Revised	Jewish Agency 1967/68 <u>Provisional Draft</u>	UIA, Inc. Allocations As at 3/22/66	UIA, Inc. 1966/67 Allocations <u>As at 4/4/67</u>	UIA, Inc. 1967/68 Provisional <u>Allocations</u>
Immigration	9,967	6,345	5,667	8,000	4,710	5,000
Absorption	11,994	12,304	11,833	10,000	9,793	10,667
Youth Care	6,602	8,347	6,123	2,500	4,266	3,000
Agricultural Settlements	25,527	27,432	18,834	4,750	6,583	5,000
Immigrant Housing	11,123	11,456	7,173	5,500	5,623	6,000
Higher Learning	2,709	2,709	2,533	1,255	1,740	1,300
Administration	3,505	4,103	4,746	1,300	1,516	1,500
Spec. Projects of Inc.	--	116	--	50	116	116
Other Expenditures	40,520	40,631	34,430	--	--	--
Reserve	1,292	737	834	645	--	1,333
Sub-totals	<u>113,239</u>	<u>114,180</u>	<u>92,173</u>	<u>34,000</u>	<u>34,347</u>	<u>33,916</u>
In addition to total allocations the following should be taken into account:						
a) For loan service and amortization of \$50,000,000- 15 year Consolidation Loan				4,938	4,938	4,938
b) Administrative Budgets				274	274	263
<u>TOTAL</u>	<u><u>113,239</u></u>	<u><u>114,180</u></u>	<u><u>92,173</u></u>	<u><u>39,212</u></u>	<u><u>39,559</u></u>	<u><u>39,117</u></u>

5/5/67

UNITED ISRAEL APPEAL, INC.

BOARD OF DIRECTORS MEETING

June 2, 1967

AGENDA

- I. Financial Report
- II. Mr. Pincus
- III. Allocations and Reallocations
- IV. Israel Emergency Fund
- V. Miscellaneous Reports:
  - a. Inclusion of J. W. B. and U. H. S. in 1967 UJANY Campaign
  - b. Machon Gold
  - c. Committee on Voluntary Foreign Aid
  - d. J. D. C. Contract
  - e. Board Vacancy

UNITED ISRAEL APPEAL, INC.

Receipts & Disbursements

4/1/67 - 5/26/67

We Began the Fiscal Year  
With Cash & Bonds in Banks  
& on hand

\$ 1,236,519.41

We Received:

From U.J.A.	\$8,379,550.89	
Contributions-Earmarked	<u>1,500.00</u>	
		8,381,050.89

We Owe the Banks on  
Short-term Loans

10,000,000.00

18,381,050.89

TOTAL

19,617,570.30

Disbursements

We remitted to J.A.F.I. Jerusalem

Cash	14,262,848.88
Direct Remittance	26,350.00
Rental Housing	687,500.00
Conversion Costs on Bonds	10,171.79
Building Expense	<u>15,372.95</u>
	15,002,243.62

Payments on \$50 million Loan  
Principal & Interest

2,469,221.00

Advance Loan to J.D.C.

300,000.00

We Paid Out for Admin. Expenses

25,747.57

We Paid Out for Jerusalem Expenses

5,899.30

Amortization of Mortgage

13,538.80

Accounts Payable at 3/31/67

34,151.43

Exchange Account

59,278.01

17,910,079.73

\$ 1,707,490.57

Balance 5/26/67

(Including Bonds - \$1,144,400.50)



June 1, 1967

JEWISH AGENCY FOR ISRAEL  
 ABSORPTION IN DEPTH  
 SUPPLEMENTARY BUDGETARY NEEDS  
 1967/68

-----

	<u>ILm</u>	<u>ILm</u>
<u>ABSORPTION</u>		
Relief payments	11.1	
Rent subsidies	3.2	
Services for the blind	0.8	
Current education, health and welfare services for immigrants	39.0	
Assistance to unemployed immigrants	79.2	
Assistance to handicapped immigrants	<u>21.6</u>	154.9
<u>ABSORPTION IN AGRICULTURAL SETTLEMENT</u>		
Expenditures in existing farm settlements for plantations, tools, livestock, etc.	56.0	
Consolidation of settlements	28.0	
Housing in new settlements	4.0	
Rehabilitation and enlargement of housing in settlements	47.0	
Agricultural training service	11.0	
Water installations in agricultural settlements	17.2	
Water subsidies to settlements	<u>30.0</u>	193.2
<u>HEALTH SERVICES</u>		
Medical assistance to new immigrants in development areas	18.9	
Hospitalization care and rehabilitation of aged, chronically ill and mentally disturbed immigrants	38.3	
Subsidies to other non-governmental health services	<u>48.9</u>	106.1

(continued)

EDUCATION

Pre-kindergartens	7.1	
Programs for educationally underprivileged on elementary school level	40.6	
School luncheons	10.3	
Post-elementary education - including scholarships	68.7	
Youth Clubs; sports, etc.	5.6	
Ulpanim and literacy programs	5.0	
Vocational training-adults and handicapped	10.8	
Vocational training and other educational activities - youth	4.4	
Construction of educational facilities	15.0	
Services for children and youth, including retarded and disturbed	<u>12.4</u>	179.9

INSTITUTIONS OF HIGHER LEARNING

Training of teachers	17.8	
Institutions of higher learning - maintenance	26.6	
Institutions of higher learning - construction	<u>4.5</u>	48.9

HOUSING

New construction for immigrants	87.3	
Rehabilitation of Immigrant Houses	60.5	
Community buildings and synagogues in development towns	53.2	
Housing in development towns - for young couples and transfer from sub-standard dwellings	<u>30.8</u>	231.8

TOTAL: 914.8

June 2, 1967

RECOMMENDED SUPPLEMENTARY ALLOCATIONS  
TO MEET ADDITIONAL BUDGETARY NEEDS  
1967-68

(in thousands of Israeli Pounds and  
in thousands of Dollars)

ABSORPTION

On April 5, this Board made a provisional allocation of \$10,667,000 for Absorption activities in Israel for the fiscal year 1967-68. The Jewish Agency provisional budget for Absorption for that period was \$11,833,000.

It is recommended that the following additional amounts to be allocated for Absorption in the event that funds become available:

	<u>IL</u>	<u>\$</u>
Relief Payments for Immigrants	11,100	3,700
Pent Subsidies for Immigrants	3,200	1,067
Assistance to Unemployed "	40,900	13,633
Assistance to the handicapped	<u>9,100</u>	<u>3,030</u>
	64,300	21,430

EDUCATION

Allocations for Education for adult immigrants, youths and pre-kindergartens were included in the April 5th allocations under Absorption and Youth Care. It is recommended that additional allocations for these purposes be approved as follows:

Pre-kindergarten	7,100	2,367
Vocational Training for adult immigrants and handicapped	10,800	3,600
Vocational Training for Youth	4,400	1,467
Post-elementary Education (including scholarships)	<u>68,700</u>	<u>22,900</u>
	91,000	30,334

HEALTH SERVICES

Health and Medical Services were also included under Absorption in the current budget. It is recommended that there be added to our allocation the following:

Medical Assistance to new immigrants in Development areas	18,800	6,266
---	--------	-------

ABSORPTION IN AGRICULTURAL SETTLEMENTS

In order to increase the viability and expedite the consolidation of Agricultural Settlements, it is recommended that IL.28,000,000 be added to our allocations for this purpose:

Brought Forward	IL.	174,000	\$	58,300
Consolidation of Agricultural Settlements		<u>28,000</u>		<u>9,333</u>
Total		<u>202,100</u>		<u>67,363</u>



URGENT YOU CONVEY FOLLOWING MESSAGE TELEPHONICALLY TO STONE FISHER AND UPON THEIR INSTRUCTION TO OTHERS:

STONE FISHER UIA NEW YORK:

1. PLEASED TO REPORT THAT ALL BUDGETARY PROBLEMS AND QUESTIONS ARE BEING RESOLVED SATISFACTORILY AND WITH GOODWILL AND UNDERSTANDING
2. TOTAL OF CASH REMITTANCES TO DATE NOW EQUALS ALLOCATIONS PREVIOUSLY VOTED BY OUR BOARD OF DIRECTORS ON APRIL 8TH AND JUNE 2nd THUS IF CASH REMITTANCES ARE TO CONTINUE UNINTERRUPTEDLY ADDITIONAL SUPPLEMENTARY ALLOCATIONS MUST BE APPROVED IMMEDIATELY
3. AFTER REVIEWING SITUATION HERE WE FIND THAT ESSENTIAL SERVICES TO NEW IMMIGRANTS BEING SORELY TAXED BY GOVERNMENT PREOCCUPATION WITH OTHER EMERGENCY PROBLEMS STOP ACCORDINGLY WE RECOMMEND FOLLOWING SUPPLEMENTARY ALLOCATIONS:

ABSORPTION: RELIEF PAYMENTS . . . . .	\$5,000,000.00
ASSISTANCE TO UNEMPLOYED IMMIGRANTS. . . . .	13,000,000.00
ASSISTANCE TO HANDICAPPED IMMIGRANTS . . . . .	4,000,000.00
Sub Total:	\$22,000,000.00
ABSORPTION AND RECONSTRUCTION IN AGRICULTURAL SETTLEMENTS: Expenditures in existing farm settlements for plantation tools, livestock and reconstruction . . . . .	\$8,000,000.00
WATER INSTALLATIONS IN AGRICULTURAL SETTLEMENTS. . .	\$2,000,000.00
Sub Total:	\$10,000,000.00
HEALTH SERVICES:	
Hospitalization care and rehabilitation of aged, chronically ill and mentally disturbed immigrants. . \$	2,000,000.00
SUBSIDIES TO NON-GOVERNMENTAL HEALTH SERVICES. . . . \$	2,000,000.00
Sub Total:	\$ 4,000,000.00
INSTITUTIONS OF HIGHER LEARNING. . . . .	\$ 6,667,000.00
GRAND TOTAL:	\$42,667,000.00

WE URGE YOU OBTAIN TELEPHONIC CONSENT FROM BOARD OR EXECUTIVE COMMITTEE MEMBERS AND ADVISE US IMMEDIATELY YOUR APPROVAL.

4. LUBIN HAMMER WILL RETURN IN ABOUT TEN DAYS TO TWO WEEKS WITH FULL LINE BY LINE DETAILS STOP SUGGEST MEETING SHOULD BE SCHEDULED FOR JULY TENTH OR ELEVENTH TO RECEIVE FULL REPORTS AND CONSIDER ADDITIONAL SUPPLEMENTARY ALLOCATION RECOMMENDATIONS AND TAKE WHATEVER CONFIRMATORY ACTION WOULD BE REQUIRED.

United Israel Appeal, Inc.  
515 Park Avenue  
New York, New York 10022

M E M O R A N D U M

June 22, 1967

To: Members of the Board of Directors

From: Dewey D. Stone

Enclosed is a copy of cable from Gottlieb Hammer and Isador Lubin, which is self-explanatory.

Please wire your approval as soon as possible. Do not hesitate to phone me if you have any questions.

Kind regards.

enc.



*To Rally H. Friedman*

SUMMARY OF MEETING HELD AT Mr. AGMON'S OFFICE, BUDGETARY DIVISION OF THE GOVERNMENT TREASURY, ON MONDAY, JULY 10, 1967

The following decisions were taken:-

- 1. Re: Item No.5, Assistance to Unemployed Immigrants, totalling \$26.6 million.

TO EXCLUDE \$10.5 MILLION.

- Re: Item No.6, Assistance to Handicapped, totalling \$7.0 million.

TO EXCLUDE THE WHOLE OF THIS ITEM.

TOTAL AMOUNT TO BE EXCLUDED - \$17.5 MILLION

- 2. TO RECOMMEND AN ADDITION TO ITEM 14-15, Hospitalization and Medical Assistance to Immigrants OF \$10 MILLION.

- 3. TO RECOMMEND AN ADDITION TO ITEM 28, Participation in Maintenance of Institutions of Higher Learning of \$7.5 MILLION.

- 4. Re: Item No.5, Assistance to Unemployed Immigrants - Relief Work for the able-bodied.

THAT THE TOTAL AMOUNT OF \$7 MILLION BE ALLOCATED TO THE JNF WITH AN ADDITION OF \$2.5 MILLION, MAKING A TOTAL OF \$9.5 MILLION FOR THE NORMAL ACTIVITIES OF THE JNF.

- 5. THIS ITEM TO BE CONSIDERED IN THE UNITED STATES (NO RULING TO BE REQUESTED): SHOULD SUBSIDIES FOR HEALTH FACILITIES IN THE DEVELOPMENT AREAS - CONSTRUCTION AND MAINTENANCE - BE VALID FOR ALLOCATIONS SINCE THE JEWISH AGENCY HAS NOT UP TO THE PRESENT WORKED IN THAT AREA. THIS RELATES TO FUTURE ALLOCATIONS AS WELL.

This item includes Kupat Holim. According to the Treasury's estimate, the total sum which will be available for that purpose is between \$8-10 million. No allocation has been made yet for these purposes.

- 6. Re: IEF - THAT A MEETING BE ARRANGED WITH MR. AGMON, MR;SARID (Director-General of Ministry of Education) AND ELIEZER SHAVIT TO CLARIFY THE METHOD OF OPERATION OF IEF SCHOOLS AND OTHER FACILITIES THROUGH A CHARITABLE TRUST, THE TEACHERS TO BE ENGAGED AND PAID BY THE TRUST.

- 7. THAT MR. AGMON SHOULD PREPARE IN THE COURSE OF THE NEXT SIX WEEKS A SCHEDULE OF FULL AND DETAILED POSSIBLE EXPENDITURES TOTALLING \$50 MILLION FOR FURTHER ALLOCATIONS.

- 8. THAT THE ALLOCATIONS RECOMMENDED TODAY WILL BE FOLLOWED BY A DETAILED LINE BY LINE BUDGET.

It was made clear to everyone concerned that there will be specific reports on the implementation of each of the budget allocations recommended today, and that these reports are needed in New York by the end of August.

UNITED ISRAEL APPEAL, INC.

Supplementary Allocations for the Year 1967/68<sup>(1)</sup>

(in \$ million)

	<u>Voted on</u> <u>6.2.67</u>	<u>Recommended on</u> <u>6.22.67</u> <u>7.2.67</u>	<u>TOTAL</u>
<u>ABSORPTION</u>			
1. <u>Relief Payments for Immigrants</u>			
Regular monthly payments or one-time payments to social case families	3.7	5.0	8.7
2. <u>Rent Subsidies for Immigrants</u>			
For social case families	1.1		1.1
5. <u>Assistance to Unemployed Immigrants</u>			
Relief works for the able-bodied	7.0 <sup>(2)</sup>	2.5 <sup>(2)</sup>	9.5 <sup>(2)</sup>
Relief payments for unemployed	6.6		6.6
	<hr/> 18.4	<hr/> 7.5	<hr/> 25.9 <hr/>

ABSORPTION AND RECONSTRUCTION IN AGRICULTURAL  
SETTLEMENTS

7. Expenditures in Existing and New Settlements

Expenditures in existing settlements -

farm buildings	1.5		
fruit orchards	1.8		
livestock	0.9		
tools	0.3		
working capital	<u>0.2</u>	4.7	4.7

(1) over and above the original allocation of \$33,916,000 approved on April 4, 1967.

(2) Through the JNF.

Note: The numbers of items refers to those of the original list of June 1, 1967.



		Voted on <u>6.2.67</u>	Recommended on <u>6.22.67</u>	<u>7.2.67</u>	<u>TOTAL</u>
					2.
water installations (internal)		2.2			2.2
citrus plantations (in Negev)		1.8			1.8
Establishment of new settlements			2.1		2.1
Regional services -					
tractor stations	0.3				
packing centres	0.1				
participation in storage and processing enterprises	0.2				
regional centres	0.3				
participation in provision of electricity	0.1				
construction of roads	<u>0.2</u>		1.2		<u>1.2</u>
<b>8. Consolidation of Settlements</b>					<u>12.0</u>
150 settlements - first series	4.0				
116 " - second "	<u>1.3</u>	5.3			5.3
<b>9-10 Housing in New and Existing Settlements</b>				7.0	7.0
<b>12. Water Installations</b>					
Participation in regional projects			2.0		2.0
		9.3	10.0	7.0	26.3
<b><u>HEALTH SERVICES</u></b>					
<b>14-15 Hospitalization and Medical Assistance to Immigrants</b>					
including chronically ill and mental cases, and care of the aged		2.5	2.0	12.0 <sup>(1)</sup>	16.5
<b>16. Subsidies to Non-Governmental Health Services</b>					
Kupat Holim, mother & child care stations, etc.			2.0	9.8	11.8
		2.5	4.0	21.8 <sup>(1)</sup>	28.3
<b><u>EDUCATION</u></b>					
<b>17. Pre-Kindergartens</b>					
Maintenance, equipment and auxiliary personnel for 415 classes of 14,000 children	0.4				
Participation in operation of 800 classes for 25,000 children		<u>2.0</u>	<u>2.4</u>		2.4

(1) including \$10.0 million transferred from items 5 and 6

Voted on	Recommended on		
<u>6.2.67</u>	<u>6.22.67</u>	<u>7.2.67</u>	<u>TOTAL</u>

20. Post-elementary Education

Scholarships for children in development towns, agricultural settlements and underprivileged families elsewhere 11.9

Stimulation programs for gifted children of underprivileged immigrant families -

in boarding schools (1,200 beneficiaries) 0.8

in all-day program without dormitories (47 classes) 0.2

Participation in absorption of immigrant children in secondary schools 0.5

Homework tuition classes in development towns (7,000 beneficiaries) 0.1

Vocational training on secondary level 2.0

Merchant marine and fisheries training on secondary level 0.5

Agricultural training on secondary level - scholarships 4.1

Participation in schools and allied programs 2.1

Maintenance of students 0.3

Adult education programs in development towns 0.4 22.9 22.9

23. Vocational Training for Adult Immigrants and Handicapped

On-the-job training programs for 3,500 trainees 2.5

Vocational training courses for 3,500 trainees 1.0

Vocational training centres in agricultural settlements 0.3

Observation centres for handicapped 0.1 3.9 3.9

	Voted on <u>6.2.67</u>	Recommended on <u>6.22.67</u>	<del>7.2.67</del>	<u>TOTAL</u>
<b>24. <u>Vocational Training for Youth</u></b>				
Vocational training courses for drop-outs from secondary schools aged 16 and above	0.4			
Short training courses in development towns for seasonally unemployed youth	0.1			
Youth pre-vocational training centres in development towns for the educationally underprivileged	0.4			
On-the-job training programs	0.2			
Grants to Working Youth programs in development towns	0.1	1.2		1.2
		30.4		30.4

### INSTITUTIONS OF HIGHER LEARNING

<b>27. <u>Training of Teachers</u></b>				
to prepare young immigrants for work in development towns and immigrant settlements		1.8	1.0	2.8
<b>28. <u>Participation in Maintenance of Institutions of Higher Learning</u></b>				
Hebrew University	2.2			
Technion, Haifa	1.4			
Tel-Aviv University	0.9			
Bar-Ilan University	0.4	4.9	9.7 (1)	14.6
		6.7	10.7 (1)	17.4

### HOUSING

<b>30. <u>New Construction for Immigrants</u></b>			5.6	5.6
<b>33. <u>Re-housing in Development Towns</u></b>			10.3	10.3
			15.9	15.9
<b><u>Grand Total:</u></b>	<b>60.6<sup>(2)</sup></b>	<b>28.2</b>	<b>55.4</b>	<b>144.2</b>

(1) including \$7.5 million transferred from items 5 and 6

(2) after elimination of \$3.8 million originally allocated for hospital construction.

Additional Allocations

The following items are proposed as additional allocations and/or as substitutes for items in the above list which may be eliminated:-

	<u>\$ m</u>
Rent Subsidies for Immigrants	6.6
Subsidies to Non-Governmental Health Services (Kupat Holim, etc.)	3.7
Subsidies to Non-Governmental Health Services (enlargement, repairs and equipment of hospitals in development areas)	3.8
Institutions of Higher Learning	12.0
Re-housing in Development Areas	15.6
TOTAL:	<u>41.7</u>

UNITED ISRAEL APPEAL, INC.  
RECEIPTS AND DISBURSEMENTS  
April 1, 1967 - August 31, 1967

We Began The Fiscal Year  
With Cash And Bonds in Bank & on Hand.....\$ 1,236,519.41

We Received:

From UJA - Cash and Bonds.....\$177,143,269.78  
Contribution From France.....2,800,000.00  
Miscellaneous Emergency Fund Contrib.....7,013.00  
Direct Remittances to Jerusalem.....101,357.51  
Bequests.....2,000.00  
Miscellaneous Income.....89,811.97

180,143,452.26

And We Do Not Owe The Banks  
Anything on Short Term Loans

----

Total.....\$181,379,971.67

Disbursements

We Remitted to JAFI, Jerusalem

Direct Cash.....\$141,802,133.33  
Earmarked Remittances.....34,240.29  
Direct Remittances In  
Jerusalem.....101,357.51

Payments for JAFI, Jerusalem

Rental Housing.....1,718,750.00  
Conversion Costs on Bonds.....63,869.19  
Building Expenses.....78,592.62

\$143,798,942.94

Deposited In Israel But Not Yet

Allocated.....33,477,564.52  
Payments on 50M Loan - Principal & Interest.....2,469,221.00  
Interest on Short Term Loans.....61,224.99  
For Administrative Expenses.....128,782.96  
Accounts Payable as at 3/31/67.....34,151.43  
Exchange Account.....79,516.27

\$180,049,404.11

Balance - 8/31/67.....\$1,330,567.56

Cash.....\$851,040.08  
Bonds.....478,677.48  
Travelers Checks.....850.00  
Total.....\$1,330,567.56

8/31/67  
 Unaudited Report

UNITED ISRAEL APPEAL, INC.  
 RECEIPTS FROM UJA  
 April 1, 1967 thru August 31, 1967

	<u>Campaign Funds</u>	<u>Emergency Funds</u>	<u>Unaudited Funds</u>	<u>Total</u>
April	\$3,100,000.00			\$3,100,000.00
May	5,010,000.00			5,010,000.00
June	20,145,000.00	7,275,000.00	28,900,000.00	121,795,000.00
July	8,240,000.00	35,410,000.00	(8,050,000.00)	35,600,000.00
August	<u>3,500,000.00</u>	<u>21,177,500.00</u>	<u>(14,450,000.00)</u>	<u>10,227,500.00</u>
	\$39,995,000.00	\$129,337,500.00	\$6,400,000.00	\$175,732,500.00

Earmarked Cash

April	\$ 15,000.00
May	105,448.63
June	--
July	21,391.41
August	<u>7,500.00</u>

\$149,340.04

Bonds

April	\$292,961.83
May	489,790.43
June	173,971.53
July	--
August	<u>304,705.95</u>

\$1,261,429.74  
 \$177,143,269.78

UNITED ISRAEL APPEAL, INC.  
BUDGET ALLOCATIONS  
AND REMITTANCES  
April 1, 1967 - August 31, 1967

Allocated:

April 4, 1967.....\$33,916,000.00  
June 2, 1967.....67,363,000.00  
June 22, 1967.....42,667,000.00

Total Allocations.....\$143,946,000.00

Transmitted:

April 1967.....\$ 2,500,000.00  
May 1967.....11,750,000.00  
June 1967.....117,351,000.00  
July 1967.....9,100,000.00  
August 1967.....1,101,133.33  
\$141,802,133.33

Miscellaneous Credits.....\$1,996,809.61

Total Remittances And Credits.....\$143,798,942.94

Deposited in Israel But  
Not Yet Allocated:

Bank Leumi.....\$27,650,064.52  
Israel Discount Bank.....5,827,500.00

Total Deposits.....\$ 33,477,564.52

Total Remittances And Deposits.....\$177,276,507.46

UNITED ISRAEL APPEAL, INC.  
ISRAEL EDUCATION FUND  
January 1, 1965 thru August 31, 1967

Total Income - Cash, Bonds, Direct Remit.*	\$ 8,885,092.26
Interest on Time Deposits	<u>2,356.15</u>
Remittances & Disbursements**	<u>\$ 8,887,448.41</u>
	<u>8,699,183.77</u>

Balance 8.31.67

\$188,264.64

Cash at First National City.....\$2,574.45

Cash At Man Han Trust.....190.19

Bonds: In Bank ----  
In Office.....\$185,500.00

\$188,264.64



\*Amount Received  
4/1/67 - 8/31/67.....\$1,090,433.22

\*\*Amount Remitted  
4/1/67 - 8/31/67.....\$1,128,232.03



HAF

September 5, 1967

Mr. Gottlieb Hammer

Herbert Rosenstein

Allocations to United Israel Appeal 1/1/67-8/31/67

The following represents allocations to United Israel Appeal for the period January 1, 1967 - August 31, 1967:

	<u>CASH</u>	<u>BONDS</u>	<u>TOTAL</u>
<u>Regular &amp; Special Campaigns</u>			
1967	\$ 30,897,470.32	\$ 109,779.75	\$ 31,007,250.07
1966 & Prior Campaigns	<u>17,185,593.65</u>	<u>1,861,147.16</u>	<u>19,046,740.81</u>
TOTAL Regular & Special Campaigns	48,083,063.97	1,970,926.91	50,053,990.88
Israel Emergency Fund	129,347,700.00	--	129,347,700.00
Undesignated New York City Collections	<u>6,400,000.00</u>	<u>--</u>	<u>6,400,000.00</u>
TOTAL ALLOCATED TO UIA 1/1/67-8/31/67	<u>\$183,830,763.97</u>	<u>\$1,970,926.91</u>	<u>\$185,801,690.88</u>

HR:FF

cc - Herbert A. Friedman  
Irving Bernstein

September 13, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS AND REALLOCATIONS  
(in thousands of dollars)

NO.	Item Schedule	Total Approved Aug. 3, 1967	Less Items Rejected	Less Items Pending <i>clarification of implementation procedures</i>	Plus Recommended Increase	Total Authorized for Payment
I	Immigration and Absorption	35,675	7,200	13,400	-	15,075
II	Social Welfare Services	2,975	-	-	-	2,975
III	Health Services	18,696	-	17,029	-	1,667
IV	Education	31,149	5,300	5,100	-	20,749
V	Institutions of Higher Learning	13,950	-	-	-	13,950
VI	Youth Care & Training	3,366	-	-	-	3,366
VII	Absorption in Agricultural Settlements	25,133	4,000	-	+ 17,000	21,133
VIII	Immigrant Housing	6,336	-	-	21,900	28,286
	Administration and Special Projects	1,616	-	-	-	1,616
<b>TOTAL:</b>		<b>\$ 143,946</b>	<b>\$16,500</b>	<b>\$35,529</b>	<b>\$21,900</b>	<b>\$113,817</b>

*38,900*

September 13, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
IMMIGRATION AND ABSORPTION

Schedule I

---

SERVICING OF IMMIGRANTS ABROAD

Offices:

Austria	46,319	
Italy	60,183	
Greece	15,450	
France - Paris	211,146	
France - Special	117,700	
India	19,200	
Iran	43,323	
Aden	1,000	
Turkey	39,916	
North Africa - T	19,990	
Switzerland	61,530	
Various	<u>35,443</u>	671,200

Preparations of Israeli Staff

Traveling Expenses of Israeli Staff	35,000	
Medical Expenses	13,333	
Support of Families	6,667	
Social Security	<u>6,000</u>	61,000

Counseling Staff:

Financial Advice for Candidates for Immigration	71,000	
Educational Activities for Candidates for Immigration	93,467	
Overseas Staff Travel Expense	<u>8,100</u>	172,567

Documentation and Related Expenses 1,000,000

Transit Centers

Austria	39,768	
Italy	19,908	
Vienna - Naples Maintenance	58,880	
Greece	12,880	
France - Marseilles	113,864	
France - Paris	1,000	
France - Special	1,000	
Switzerland	500	
Turkey	16,200	
Gibraltar	2,000	
India	2,000	
Iran	23,300	
North Africa T	6,000	
Various	<u>2,800</u>	300,000
<u>Medical Services to Immigrants En Route</u> (At centers listed above)		59,265

TRANSPORTATIONCarriage of Immigrants

Europe "E"	509,600	
Europe "W" (No. Africans in France)	72,000	
Africa	248,560	
Asia	<u>186,173</u>	1,016,333

Escort Services

Permanent Escorts	8,000	
Expenses Abroad	7,000	
Expenses in Israel	10,000	
Supervision of Kashrut on ships	<u>10,500</u>	35,500

Freight Cost

Transport of Freight abroad	226,667	
Customs Clearance of Freight in Israel	43,333	
Transportation of Cargoes	9,333	
Customs Clearance of Freight Abroad	8,667	
Freight Unclaimed	667	
Freight Damages	2,000	
Insurance of Immigrants' belongings	<u>1,666</u>	292,333

Transfer to Settlement Sites

Reception of Arrivals	15,000	
Immigrants' Transfer	<u>40,667</u>	<u>55,667</u>

1,399,833

(continued)

- 4 -

Schedule I

Initial Care of Immigrants

Initial Absorption Services

Reception Staff	249,250	
Absorption Staff	<u>210,000</u>	459,250

Equipment & Furniture

Beds	90,667	
Mattresses	69,333	
Blankets	88,000	
Furniture Equipment	58,667	
Clothing & Footwear for Immigrant Children	10,000	
Field Staff	<u>21,000</u>	337,667

Food

Meals at Haifa Port	1,600	
Meals at Lod Airport	2,400	
Food Parcels	4,266	
Gift Parcels for Children	<u>1,067</u>	9,333

Hostels

Beer Sheba (old)	1,133		
Holon	3,667		
Talpioth	2,100		
Shaviv	4,400		
Morasha	4,400		
Lod (new)	6,567		
Ashkelon (old)	11,100		
Nathanya	72,700		
Tamar - Haifa	22,133		
Beer Sheba (new)	28,133		
Rassco - Jerusalem	15,900		
Ashkelon (new)	29,333		
Beit Brodetzky	32,333		
Beit Giora	36,167		
Ashdod (new)	33,767		
Kiryat Menachem	27,867		
Miscellaneous	<u>1,634</u>	<u>333,334</u>	1,139,584

Absorption in Settlement Areas

Cash Grants	81,000		
Grants to Difficult Immigrant Cases	5,000		
Aid to Large Families	3,500		
Transfer of Families to Kibbutzim	500		
Clubs for Young Immigrants	1,000		
Handling Staff	<u>17,000</u>	<u>108,000</u>	

Financial AssistanceTo New Immigrants

Aid for Purchase of Furniture	27,000	
Aid to Professionals	17,000	
Subsidiary Employment for Professionals	<u>22,000</u>	66,000

Initial Arrangements

Direct Grants	108,000	
Direct Grants to Professionals	53,333	
Initial Assistance	33,333	
Care for Victims of Persecutions	<u>26,667</u>	221,333

Constructive Assistance

(for academicians)

Direct Grants and Loan Fund		233,334
-----------------------------	--	---------

Old Age Grants

Grants for 14,500 Aged Immigrants Made in Monthly Installments		3,333,334
---	--	-----------

Grants to Institutions Assisting  
Immigrants

Telem (Theatre in Settlement Areas)	16,667	
-------------------------------------	--------	--

## Immigrant Associations from:

Iran	(	
North Africa	)	
USSR	(	
India	)	
Hungary	(	99,833
Tunis	)	
Egypt	(	
Poland	)	
Turkey	(	
Rumania	)	
Women's Organizations (WIZO & Pioneer Women)		<u>20,000</u> 136,500



(continued)

Schedule I

Reserve 40,266

Administrative Cost

Head Office of Absorption Dept.  
in T.A. 833,333

Relief Payments to Immigrants

Relief Payments to Immigrants:

Regular Monthly Payments or one-time

Payments to 21,740 Social Case Families 5,300,000

TOTAL

\$ 15,075,549



September 13, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
SOCIAL WELFARE SERVICES

Schedule II

SOCIAL WELFARE SERVICES

Homes for the Aged

Ashkelon	7,600	
Mahane - David	8,900	
Nahariya	7,567	
Affula	7,267	
Kiryat Shmone	11,333	
Kiryat Ono	11,100	
Nathanya	10,733	
Givatayim	5,000	
Beit Shivens	<u>14,000</u>	83,500
<u>Rehabilitation for Chronically Ill</u>		100,000
<u>Aid to Youngsters - Institutional Placement of Children</u>		33,000
<u>Staff - Social Service Division</u>		142,000
<u>Various - Minor Items of Assistance</u>		50,550
 <u>Social Integration</u>		
New Demonstration and Pilot Projects		666,667

Brought Forward ..... 1,075,717

Sheltered Workshops for Elderly 1,900,000

Number of Elderly persons aided -  
6,800

Average number of work days per  
month - 20

Number of work days total  
annual - 1,600,000

Subsidy per person per day -  
\$1.30

AMERICAN JEWISH  
ARCHIVES

TOTAL

\$ 2,975,717



September 13, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
HEALTH SERVICES

Schedule III

HEALTH SERVICES

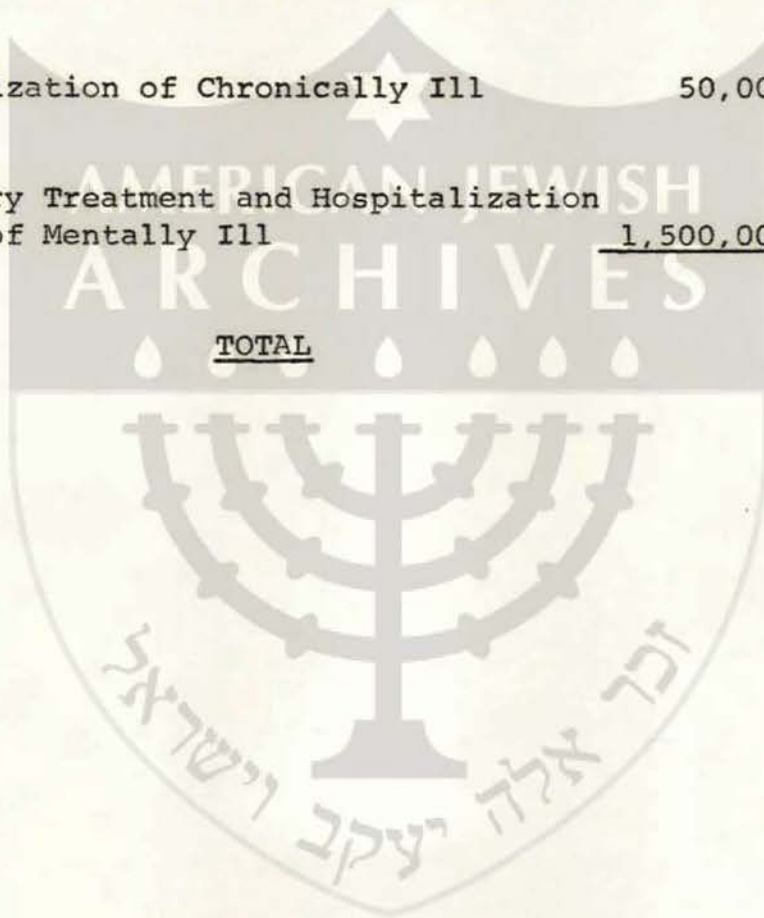
Health Insurance for New Immigrants 116,667

Hospitalization of Chronically Ill 50,000

Ambulatory Treatment and Hospitalization  
of Mentally Ill 1,500,000

TOTAL

\$ 1,666,667



September 13, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
EDUCATION

Schedule IV

Ulpanim

Town Ulpanim 133,333

- Ulpan Meir
- Ulpan Borochoy
- Ulpan Etzion
- Ulpan Motzkin
- Ulpan Beer Sheba
- Ulpan Ashkelon
- Ulpan Kiriat Shmoneh

Work Ulpanim 66,667

Evening Ulpanim 6,000

Assistance to Students of Ulpanim 63,000 269,000

Vocational Training for Young Immigrants 46,667

Pre-Kindergartens 1,533,000

(Sponsors and number of children):

Working mothers' organization	7,000
National-Religious Women's Movement	3,300
WIZO	1,300
Agudat Israel Center	1,000
Poale Agudat Israel	400
Habad	200
Agricultural Center	4,300
Hapoel Hamizrachi Moshavim	1,500
Agricultural Association	300
Children -	<u>19,300</u>

Post Elementary School Scholarships: 15,600,000

(Includes academic, agricultural, vocational and adult educational programs)

(continued)

Schedule IV

Brought Forward..... 17,448,667

The number of children in intermediate schools benefiting from these scholarships are estimated at:

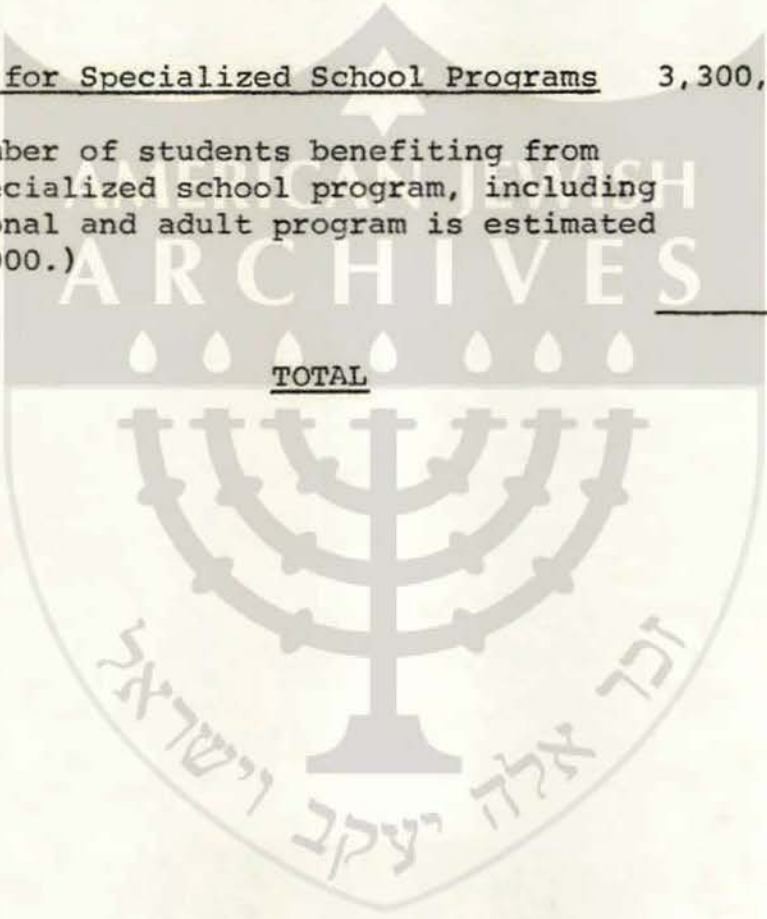
- 63,000 in Academic Schools;
- 33,000 in Vocational Schools;
- 9,300 in Agricultural Schools

Scholarships for Specialized School Programs 3,300,000

(The number of students benefiting from the specialized school program, including vocational and adult program is estimated at 18,000.)

TOTAL

\$ 20,748,667

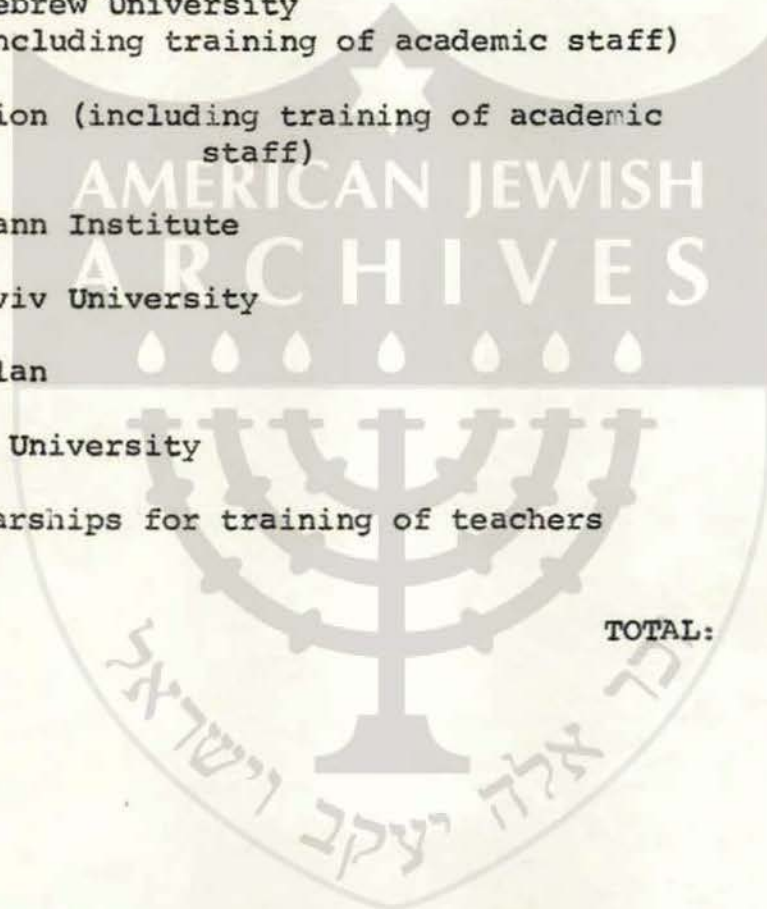


September 13, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
INSTITUTIONS OF HIGHER LEARNING

Schedule V

The Hebrew University (including training of academic staff)	\$4,466,667
Technion (including training of academic staff)	2,633,333
Weizmann Institute	4,373,333
Tel-Aviv University	333,333
Bar Ilan	293,334
Haifa University	150,000
Scholarships for training of teachers	6,700,000
	<hr/>
TOTAL:	\$18,950,000



September 13, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
YOUTH CARE AND TRAINING

Schedule VI

Maintenance and care of youth in  
Youth Aliya Institutions:

Agricultural Settlements	\$ 886,667	
Educational Institutions	610,000	
Clothing and Footwear	133,333	
Care and Maintenance of Immigrant Youth requiring special treatment	<u>300,000</u>	\$1,930,000

Youth Centers:  
Maintenance and supervision

Netivoth	19,200
Afullah	25,667
Kiryath Shmone	31,133
Beer-Sheba	41,667
Yeruham	25,633
Kiryat Gat	29,200
Ofakim	31,833
Beit Shemesh	13,000
Chatzor	20,000
Nazaret Elith	23,333
Dimona	37,667
Even Haezer	4,000
Kiryat Malahi	18,667
Ashdod	28,557

(continued)



(continued)

Schedule VI

Ashkelon	30,933	
Acco	121,667	
Ashkelon	10,667	
Tiberias	22,666	
Maintenance of Youth Centers	199,680	
Administration of Youth Centers	<u>64,830</u>	\$800,000
<u>Special Medical Services</u>		200,000
<u>Youth Clubs in Immigrant Towns</u>		180,900
<u>Scholarships</u>		50,000
<u>Special Services for Immigrant Youth in Israel</u>		39,568
<u>Processing of Immigrant Youth Abroad</u>		128,666
<u>Departmental Administration</u>		33,333
<u>Aid to Parents</u>		<u>3,533</u>
	<b>TOTAL:</b>	<b>\$3,366,000</b>

September 13, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
ABSORPTION IN AGRICULTURAL  
SETTLEMENTS

Schedule VII

Non Capital Aid to New Immigrant Farmers

Agricultural Education and training	\$ 50,000
Planning & Administrative Services to New Settlements	2,623,333
Marketing assistance & crop subsidies	183,334
Care of Social Cases in Villages	33,333
Planning & Engineering Services for Irrigation, Drainage & Const. of Farm Buildings, etc.	<u>710,000</u>

\$3,600,000

Capital Aid to New Immigrant Farmers

Citrus Groves	566,667
Consolidation of Settlements	433,333
Citrus Groves, Participation	600,000
Kibbutzim & Settlements	<u>333,333</u>

\$1,933,333

Research

116,666

Educational and Cultural Activities  
Among New Farmers

183,333

Expenditures in Existing Settlements:

Farm Buildings	1,500,000
Fruit Orchards	1,800,000
Livestock	900,000
Tools	300,000
Working Capital	<u>200,000</u>

\$4,700,000

Regional Services:

Tractor Stations	\$300,000	
Packing Centers	100,000	
Storage Plants	200,000	
Regional Centers	300,000	
Provision of Electricity	100,000	
Farm Roads	<u>200,000</u>	1,200,000

Establishment of New Settlements

2,100,000

Regional Water Projects

1,300,000

Final Consolidation of Existing  
Agricultural Settlements:

Water	\$1,566,667	
Farm Building	1,400,000	
Livestock	600,000	
Citrus growing and plantations	1,533,333	
Farming tools	300,000	
Working capital	<u>600,000</u>	<u>\$6,000,000</u>

GRAND TOTAL:

\$ 21,133,332

September 13, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
IMMIGRANT HOUSING

Schedule VIII

Rental Payments	\$ 4,061,000	
Grants and loans to immigrants for housing purposes	992,000	
Additional rooms for overcrowded houses in Moshavim	<u>1,333,000</u>	\$6,386,000
<u>Recommended Increases:</u>		
New Housing for Immigrants	5,600,000	
Rehousing in Development Towns	10,300,000	
Rent Subsidies for Immigrants	<u>6,000,000</u>	<u>21,900,000</u>
	GRANT TOTAL:	\$28,286,000

*file*

# UNITED ISRAEL APPEAL, INC.

515 PARK AVENUE  
NEW YORK, NEW YORK 10022

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PLAZA 5-7400

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October 3, 1967

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

Dear Herb:

At the last meeting of the Executive Committee of the U.J.A., I was requested to make available to its members copies of our Allocation Report which was submitted to, and approved by, the Board of Directors of the United Israel Appeal, Inc., on September 13th last.

As you will note, more than 166 million dollars has already been allocated for this fiscal year. This is not the final figure but represents the total of those items considered by the Board and approved for Budget purposes. Additional items and amounts are still under study. The process is a continuing one and comprehensive reports will be made to you from time to time.

If you have any questions, please do not hesitate to communicate with me.

With all good wishes for the New Year.

Cordially,

*Gottlieb Hammer*  
Gottlieb Hammer  
Executive Vice Chairman

GH:gg  
enc.

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REGARDS

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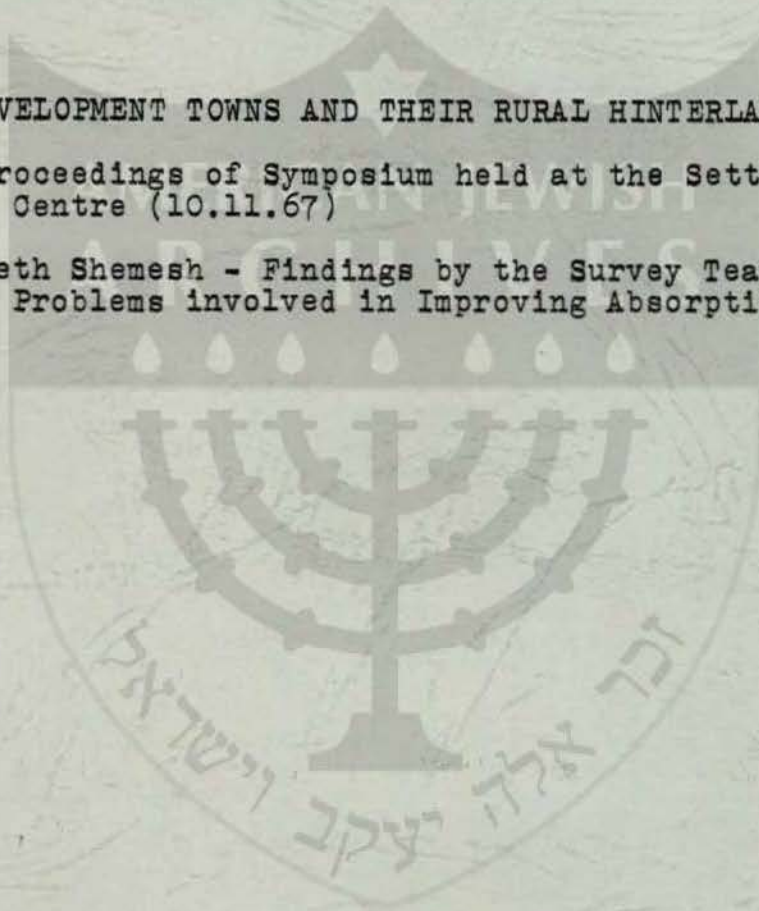


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TELEPHONE REPLY TO  
MAIN OFFICE 797-3311

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THE DEVELOPMENT TOWNS AND THEIR RURAL HINTERLAND

1. Proceedings of Symposium held at the Settlement Study Centre (10.11.67)
2. Beth Shemesh - Findings by the Survey Team in regard to Problems involved in Improving Absorption.

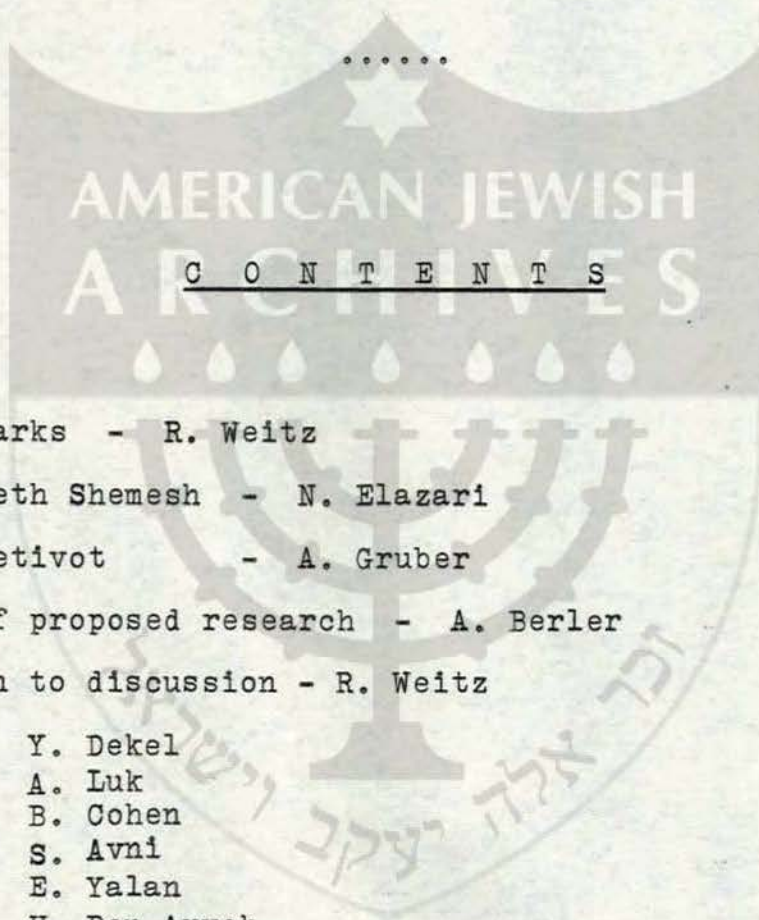


A G E N D A

9.00 - 9.10	Dr. R. Weitz	-	Opening
9.10 - 9.30	Mr. N. Elazari	-	Description of Beth Shemesh survey
9.30 - 9.50	Mr. Gruber	-	" of Netivot survey
10.00 - 10.30	Dr. A. Berler	-	Presentation of Research Program

Interval

10.30 - 11.30	Discussion
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Opening remarks - R. Weitz	1
Review of Beth Shemesh - N. Elazari	3
Review of Netivot - A. Gruber	5
Framework of proposed research - A. Berler	7
Introduction to discussion - R. Weitz	13
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Y. Dekel	15
A. Luk	17
B. Cohen	19
S. Avni	22
E. Yalan	23
H. Ben-Aryeh	25
M. Arnon	27
A. Borochoy	27
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L. D. Horwitz	29

Appendix: Beth Shemesh - Report of Survey Team on problems of improving absorption and regional integration.



The discussion on "Development Towns and their Rural Hinterland" which is being inaugurated today is the third in a series of discussions organized by the Settlement Study Centre on the subject of urban-rural relations in Israel.

The lack of development in development towns represents a grave problem requiring study and attention. This fact is of particular gravity when viewed against the background of extensive progress in the development of the country as a whole.

The serious situation in the development towns was discussed by the Executive of the Jewish Agency - with the participation of various bodies responsible for absorption in the country - with the object of examining ways and means of improving absorption in these towns. As an outcome of the discussions, the Jewish Agency Executive requested the Settlement Study Centre to undertake a study of the possibilities of improving absorption in the development towns and of the existing relationship between these towns and their agricultural hinterland.

The Board of Directors of the Centre has approved the study and has given the research team headed by Dr. Berler the responsibility of preparing the initial framework of the study.

As a first step towards executing the research program, two survey committees were appointed by the Agency. The task of the one was to do a survey of Beth Shemesh and of the second to do a survey of Netivot. The committees were required to operate in the following spheres and submit relevant reports:

- (a) To collect data on problems of absorption in the towns selected;
- (b) Identifying public and semi-public bodies who are attempting to take care of the problems in their towns, and the extent of existing cooperation between them;
- (c) Examining the existing practical programs, with a view to strengthening economic and social integration between the towns and the agricultural settlements of the area;
- (d) To submit proposals for activities which can be put into immediate operation, for the purpose of improving absorption services and intensifying ways and means of regional integration;
- (e) Examining possibilities of financing and of the execution of proposed activities through the Jewish Agency within the frame of the budget for the current year;
- (f) Examining the possibilities of closer contact between the Agency and public and semi-public organizations.

There are in Israel various approaches to the type of relations desirable between town and village; we have therefore found it of value to arrange a meeting of representatives of the various approaches so that there can be an exchange of views on the subject before the team begins to tackle the study. The opinions which will be expressed here today will, without a doubt, contribute considerably in guiding the study which will be not only of theoretical but also of pragmatic value.

The Reviews of the findings of the survey committees submitted by Messrs. N. Elazari and A. Gruber of the Finance Department of the Agency, will serve as introduction to the discussion together with some words of explanation concerning the frame of the proposed study by Dr. Berler.

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\*Head of Agricultural Settlement Department of the Jewish Agency and of the Settlement Study Centre.



REVIEW OF FINDINGS OF THE SURVEY COMMITTEE ON BETH SHEMESH

N. Elazari\*

The committee carried out its functions according to the terms of reference laid down on its appointment. These terms may be divided into three main spheres of activity:

- (a) To define the absorption problems in Beth Shemesh;
- (b) To examine the contact, or reciprocal relations, between Beth Shemesh and its agricultural hinterland;
- (c) To recommend solutions to the various problems and to determine what has to be done, who should do it and how.

The survey (for full details, see appendix) relates mainly to findings in the first two spheres of activity, and proposals for solutions to problems are merely hinted at in the presentation of the problems and their significance.

The most conspicuous problem, at the time of commencement of the work of the committee, was lack of occupation. At that time there was no recognized municipal authority in Beth Shemesh and there was no body there whose responsibility "occupation" was. Towards the conclusion of the committee's task, a local council was elected, and about one month after the completion of the committee's report, it was already possible to feel that things were changing and that there was an address where one could apply and a responsible body to whom one could apply concerning occupation.

Another problem is the socio-cultural situation of the town; instead of being a centre of attraction, Beth Shemesh is a place from which people flee. The population once numbered 13,000 persons, while today there are only 10,000 inhabitants.

One of the causes of the problematic socio-cultural situation in Beth Shemesh is in the composition of its population; almost all the inhabitants are new immigrants, 85% of whom originate from eastern countries and about 15% from Europe. There are practically no veteran settlers or Israeli born persons among its inhabitants, and few are skilled workers (or professional people) who might contribute towards raising the socio-cultural level (such as: teachers, public workers, clerks of central institutions and skilled workers in factories) actually living in the town.

A comparison of the situation in Beth Shemesh to that of Kiryat Gat, for instance, would reveal that despite the fact that the origin of the population is the same proportionately in both towns the social situation in Kiryat Gat is immeasurably better than that of Beth Shemesh. The socio-cultural set up of Kiryat Gat was created by its veteran inhabitants (15% of its total population), who served as a source of inspiration and emulation to the other residents; this element is lacking in Beth Shemesh.

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\*Member of Survey Team for studying problems of improving absorption in Beth Shemesh and of regional integration; Finance Dept. of Jewish Agency, Jerusalem.

The situation in the sphere of employment is no better than that in the socio-cultural sphere; a substantial proportion of the population is engaged in temporary relief work, while a small section is engaged in regular work in enterprises outside Beth Shemesh. Some of the workers employed by outside enterprises are considering a move closer to their place of work, so as to obviate the time wasted in travelling to and from work.

Means must be found to occupy the breadwinners in Beth Shemesh by transforming the town into a centre for the agricultural hinterland and by attracting enterprises to the place.

Both in the social and employment spheres, the problems are most acute among the young generation; according to the findings of the survey, there are about 800-1,000 youth in the 14-18 age group in Beth Shemesh, only a small portion of whom are in an organized educational framework. Actually, there is a comprehensive primary school in Beth Shemesh with the most up-to-date equipment which can cater for 500 pupils, though the number of pupils there at present does not exceed 120. A similar situation prevails at the religious secondary school.

A portion of the youth who are not studying are engaged in relief work and temporary jobs while the remainder are altogether without occupation. These youths constitute an embittered section of society which is in danger of degenerating and being drawn to delinquency.

According to the data received by the committee from Hevel Hahar of the Jewish Agency, the population of the settlements representing the agricultural hinterland of Beth Shemesh is equal in size to that of Beth Shemesh itself. The concept "agricultural hinterland" - to the extent that it applies to Beth Shemesh - is merely descriptive; in reality the agricultural hinterland is not fostered by Beth Shemesh or vice versa. A good example of this is the shocking state of affairs whereby Grade B agricultural produce is dearer in Beth Shemesh than in the Machane Yehuda market in Jerusalem!! If the neighboring farmers would market their produce directly in the Beth Shemesh market, this would not only lead to a reduction in the price of the produce to the consumer and an increase in profit to the farmer, but would also stimulate commerce in the town.

All cultural, social and entertainment activities in Beth Shemesh are centred around one cinema and one cafe next to it which does not fulfil its intended purpose. Small wonder that when members of the settlements seek entertainment they do not go to Beth Shemesh but rather travel to Jerusalem or Ramle.

As in the sphere of marketing and consumption, so too in the social and entertainment sphere is it important to strengthen the ties between Beth Shemesh and the neighbouring agricultural region; a community centre must be set up and a hall for performances which will be used jointly by residents of both the town and the villages.

The problem of education of the younger generation must also be solved on the basis of regional integration. Careful consideration must be given to the merits of setting up a regional school for members of the moshavim - as the regional council is planning - or whether it would be more advisable to fit the settlements into a joint educational frame for them and Beth Shemesh in Beth Shemesh itself.

REVIEW OF FINDINGS OF SURVEY COMMITTEE IN NETIVOT

A. Gruber\*

After Mr. Elazari's review on Beth Shemesh, it is possible to omit part of the report on Netivot where the findings in Beth Shemesh apply also to Netivot. Possibly these findings, too, apply to the development towns in other parts of the country.

The population of Netivot numbers about 900 families only. About 65% of the families come from Morocco, 30% from Tunisia and the rest from Iraq, Iran and Yemen. There are practically no European immigrants there. Although it can be said that since the town was founded hardly anyone has left, for many years now no new immigrants have come there - a matter which is impeding its progress. The common origin of the major portion of the population has left an unmistakable imprint on the character of the town, which safeguards the different social frames and customs of the countries of origin from Israeli influences.

As in Beth Shemesh, there are few people actually living in Netivot who are capable of contributing towards educational, cultural and social progress. Only about 50-60% of the teachers live there, while the rest regard Netivot as a place of work only, not a place where they can spend their leisure. The same can be said of most of the public and professional workers; they come to work in the morning and leave immediately at the end of the day's work.

In order to correct the social situation, it is necessary to bring in new blood. As immigration from abroad is very low at present, special efforts must be made to bring Israelis to the place viz., Israeli-born young couples and veteran families.

Also, ways must be found to influence workers who come from the outside - both those who have been doing so for a long time and those who have recently been employed - to agree to move with their families to the town area.

There is almost no contact between Netivot and its agricultural hinterland. Whenever such contact is made in this sphere or any other, it is not necessarily a positive one; as an example, the regional school may be cited. The school was erected at not a very great distance from Netivot (and there are pupils there from Netivot itself), but one can feel the separation as if there were a wall between it and the town.

What favourably characterize the place are the activism and faith in the future on the part of the workers of the Local Council and also the contentment of the local inhabitants and their modest requirements.

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\*Member of the Survey Team for Problems of Absorption in Depth and Regional Integration in Netivot; Finance Dept. of the Jewish Agency.

The main objective of this town should be double its population within the next year or two and to increase the human element which is capable of bringing progress to the town. If the appropriate assistance is given to Netivot from the outside in order to attain this object, there is hope that some of the problems which are harassing Netivot at the present time will be solved by the settlers themselves and the council which is at their head.

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OUTLINE OF FRAMEWORK OF PROPOSED STUDY

A. Berler\*

During the preliminary discussions of the team which undertook to carry out the research study, the view emerged that it was desirable, in this particular instance, to use a new method in preparing the program of study. According to this method, preliminary surveys must be conducted before the actual program of study is begun. The findings presented here today by the heads of the two survey teams are - within themselves - most interesting; and they justify the decision of the team to use this method of preliminary surveys. The extensive information contained in the surveys prepared by the two teams will contribute substantially towards reducing time and effort in planning the study, and will without doubt be of considerable assistance to the team of researchers in the execution stages.

The explanations contained herein relate to a planning frame outlined by the team and not to a formulated research program.

These words of explanation, in the same way as the reviews of the results of the survey, are intended to serve as an introduction to the debate. The object of the debate will be to corroborate and compare views in regard to problems which merit special attention in the planned study; for instance, to determine the priorities in this type of study. The views which will be expressed will, together with the findings of the survey team, serve as a basis for preparing the program of research.

The studies which have been conducted to date in a portion of the development towns, have focussed mainly on subjects which are within the area of the towns themselves, and hardly touched on their agricultural hinterland. Accordingly, there is room here for raising a number of problems which are important and desirable to investigate within the scope of the study to be discussed today.

The subject of the study as defined by the person who requested it - who is also presiding over this debate - is: "Improving (deepening) Absorption in the Development Towns and their Rural Hinterland". From the actual formulation of the subject a number of basic assumptions emerge and perhaps even the actual trend of thought; two of the words which serve to define the subject give the conceptual point of view (not the semantic meaning of the word) to serve as a guide as to the direction the study should take; the concept "deepening of absorption" - with the emphasis on "deepening" - indicates an approach which lays down that the study must not concern itself with the quantitative aspect of absorption - or expansion for the sake of expansion - but with finding ways of improving absorption with the object of creating suitable conditions for the present form. When this is done, the situation and climate will be ripe for quantitative expansion on the basis of new qualitative conditions. The second concept "agricultural hinterland", denotes the reciprocal ties between the two forms of settlement - the town and the agricultural village.

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The findings of the survey appear to indicate that the economic situation in the towns is worse than that in the settlements themselves, but both merit equal priority. The demand for the development of additional sources of a livelihood for the existing population and for the assurance of employment for the youth is therefore understandable. In order to meet this demand there are two prerequisites - the creation of enterprises and the training of workers. It is therefore necessary to investigate the economic and social potential in order to fulfil these prerequisites.

In certain circumstances, the best means of communication between the town and its agricultural hinterland would doubtless be the establishment of joint neutral industries side by side with the industries for the processing of agricultural produce. This type of communication would only be feasible within a framework of a certain size, and if this framework is broken, then the development of an urban settlement of medium size would be possible side by side with rural centres, without any contact between them. These two forms of settlement should exist harmoniously together-competitively but without opposition. The urban centre should serve as the supplier of employment and services on a high level for the agricultural hinterland without overlooking the rural centre, and the same most certainly applies in reverse.

In order to determine the form of the relationship between the towns discussed here and their agricultural hinterland, surveys must be conducted in the following spheres:

- a. The present economic situation of the towns and their hinterlands;
- b. The extent of potential productivity and the desirable and possible location of the enterprises;
- c. Existing and estimated manpower for the future in the town and hinterland;
- d. The situation of existing services and forecasts for the future;
- e. The socio-cultural situation, by studying attitudes and ambitions.

The first three surveys are to secure information by means of which an attempt could be made to bridge the gap between manpower forecasts in the region requiring employment and the anticipated sources of employment.

The survey on services must indicate how to raise the means of attraction of the rural region and how to create good communications between the two forms of settlement.

The survey of the socio-cultural sphere must single out the common and the contrasting factors in the two forms of settlement and must indicate ways of filling the social void in the towns and of eradicating the boredom - or atmosphere of poverty - among the youth. Poverty as such is not a serious deficiency, but if



it is accompanied by an atmosphere of cultural and educational deprivation in the place where one lives, it can become a serious problem. The feeling of provincialism, which is induced by the knowledge that there are places of far greater attraction, can give rise to not inconsiderable feelings of despair.

We cannot here enter into details of the study. Suffice it to say that it is evident from preliminary evaluations that the two towns which are to be studied differ from one another. There will therefore be a need, as the first step in the study, to corroborate or to disprove these evaluations. It will also be necessary to examine the findings of the surveys, by comparing them with positive external factors which can be identified as dominant, or to seek contradictions between them should the findings indicate that they may exist.

Netivot - one of the towns to be studied - is one of three development towns in the Negev; the other two are Ofakim and Sderot. It seems - although this should be discussed further - that the towns are too close to one another to allow for their unhampered development and are too far from each other to make unification possible. One of these towns should therefore be developed as a central town while the others should be given different roles.

Netivot as it is today, according to the findings of the survey, apparently lacks conditions for its development as a medium town with a focal character. Possibly the study may indicate the need for merging it with the village. It is not intended to change Netivot into a village in the accepted sense of the term (as this may lead to a situation where the village becomes a town and vice versa), but to set up industries there on behalf of the village. The village in this instance would serve as the consumer and not the supplier of raw materials - i.e. not turning away from the village, but turning towards it.

The future of Beth Shemesh could be linked to the development trends of its agricultural hinterland. But one should avoid forming conclusions that are too mechanical, according to which Beth Shemesh would benefit from the anticipated development of the region. One cannot speak of Beth Shemesh today without taking into account the changed map of Israel. One must not forget that Beth Shemesh is now off the beaten track and no longer on the main highway, and that the concept "Jerusalem Corridor" has now lost much of its significance. At the same time, it is very probable that the new status of Jerusalem will bring self-sufficiency to the hinterland; it is not improbable that the transition from serving as a functional support for Jerusalem to the status of a settlement which gets its sustenance from Jerusalem may put Beth Shemesh on a healthier and more operative basis, and will create conditions there whose exact nature it is difficult to predict at the present time.

As it is intended to try and apply to other development towns the results of the study being carried out in the two towns, it would be of value to consider a number of problems of development towns in general.

The failure of the development town in fulfilling the tasks which the rural region expected of it has raised the question, for those who determined the policy and are responsible for its

implementation, as to what lies in store for the village which lacks the regional backbone that should have been provided by the development town. The practical answer to this question was for the village to become economically independent through the creation of a substitute for the town in the village itself and the abandonment of the urban structure.

This is not the place for a debate as to whether this solution may be regarded as a legitimate one, and whether it is proper to try and solve rural problems by side-stepping or by ignoring the neighbouring town. Important grounds for alarm today is the deterioration of the intermediate stratum, a process which augurs ill for the village itself - no less than for the town - as the process of increasing urbanization is a universal one. If, in actual fact, the village is able at this stage to protect itself by discarding the services of the small town, there is no doubt that it will require the town later as a support, when it will have to resist its own pressures and respond to anticipated production and consumption needs. Danger signals are already appearing in the existing regional structure and it is worth while to try and define them.

In the system which has evolved from the traditional village, the small town - all over the world - constitutes a special geographic centre, for the purpose of supplying all the needs which the village is unable to provide for itself. These needs are widespread in their very nature and the small town therefore serves as a first stage of centralization for anything which is unobtainable in the village, such as: purchases, entertainment, transport, medical and legal services, government institutions as well as political, cultural and religious guidance, etc.

Unlike the conventional system all over the world, the centre in the interchangeable system found in Israel is spread out in area; each unit set up at a different point provides a specific service; a clinic at Centre A, a provision store at Centre B, and so on for a tractor station, school, cultural centre, amphitheatre and all that these involve.

Side by side with this series of services in the interchangeable system is the small town, which has been dispossessed of its vital function. The small town has ceased to be of significance in respect of most regional requirements of the rural areas. As long as there is no radical change in the reciprocal relations between the village and small town in Israel, the small town will vainly continue to seek its function since specially skilled persons are becoming absorbed in the interchangeable system and the process of decline towards minimum levels has already begun, after which its disintegration can be expected.

The small town referred to as the "development town" has shown completely contradictory signs to the concept of development. Development signifies increasing specialization whereas the development towns are being abandoned by people with skills. Development implies growing industrialization, and this is being replaced by relief work in the small town. Development implies the separation of the family from employment, whereas in the small town there is frequently a deterioration towards conditions of primitive production. Development means a high cultural level and the growth of local leadership, while the small town lacks incentive, and has shown a willingness to accept cultural and even policy guidance from the village level.

A not inconsiderable number of development towns have remained on the periphery of the development regions, a sinking residue of frustrated intentions and expectations. These development towns,

if they do not fit themselves into the social and economic structure of the country, are in danger of becoming potential social dynamite. It is to be feared that the rural area will suffer more from the dangers which the small town has concealed within it, than the city, which is relatively immune not only from the numerical point of view. Furthermore, when the time comes for a showdown between the village and the semi-industrialized village, the village will be in need of a central support for its widespread requirements, but it is to be feared that instead of a support the village may very likely find a burden; and instead of contributing towards a solution of its problems, these will be further complicated by additional problems - as the urbanization of consumption is easier and more rapid than the urbanization of production. In the competition between urbanization of consumption and urbanization of production, the semi-industrialized village must reach a stage where it can no longer supply the needs of highly skilled workers who live in the village and upon whom production will depend, and there will not be the possibility of curbing the movement to the city, the only place able to satisfy their demands.

If, during the time of conflict between the city and the village, there would be an intermediate level, such as a developed urban regional centre, able to satisfy the intermediate level of needs and leaving to the big city the upper level only, this would facilitate the settlement of experts in the rural region, and would lead to the creation of a basis for a more harmonious division of consumption and production levels. Neglect of the intermediate urban stratum must bring in its wake an intolerable distance gap in respect of obtaining services. Together with anticipated technical and technological progress, the worker in rural industry is expected to develop, in conjunction with higher production proficiency, more sophisticated consumer tastes, and it will not be possible to find any incentive to induce him to remain in the place where he is now living, neither the positive incentive of reasonably satisfying his requirements, nor the negative one of the difficulties involved in employment in the city.

Limitations of distance are affected by three factors: the degree of modernization of consumption, ease of travelling and the value of time. The first and third factors affect shortening of the maximum distance tolerated by a person, while the second affects lengthening of this distance; if we take the second and third factors as constant, as they are general economic factors independent of the tastes and wishes of the individual, we will find that the maximum distances will be in inverse ratio to the degree of modernization of the individual. Furthermore, the reaction of the individual to increasing the distance from the nearest centre, beyond the maximum which he finds acceptable, naturally cannot be moving the centre to him, but moving him to the centre. And so, if the intermediate centre will not satisfy his needs when the individual gets to the critical stage of modernization (i.e. critical in the positive sense) he will be impelled to move to the big city.

The anticipated migration presents a danger both to the small town and to the village. This danger confronts the village all over the world at the very outset of its foundation, while in the Israeli framework, where the village is the most organized system, it is still relatively immune from this danger and has the means for short-range self-protection. The means of self-protection of the village, which include action whose results could be fatal to the small town can actually avert the danger temporarily but cannot prevent it. This deferment of the crisis without being able to forestall it will also have the effect of diminishing the chances of eventually overcoming it when it does come.

As this crisis presents a threat to both the small town and village alike, a basic reorientation of objectives must be arrived at very soon as well as finding ways of forestalling the evil. Reorientation should naturally be based on the present situation, and the aim should be to apply the same energy and talent, which came to the fore when the Israeli village was founded, to strengthening the weak link in the settlement chain - which is the development town - and transforming it into a powerful support which will prove to be vital for the existence of the village.



INTRODUCTION TO DEBATE

R. Weitz

The picture which emerges from the findings of the Beth Shemesh and Netivot surveys is most alarming, despite the quiet and restrained tone of the directors of the survey teams in reviewing the situation.

The reviews that we have heard have, in fact, been concise and did not include many of the details or figures mentioned in the surveys (details of the review on Beth Shemesh are contained in the appendix at the end of this booklet). However, the reviews have focussed attention to a number of central salient points which merit study and the formulation of conclusions. These are:

- (a) The internal social situation in the small town, and everything connected therewith.
- (b) Reciprocal relationships - or a lack of these - between the small town and its agricultural hinterland.
- (c) The differences which have emerged over the years between the small town and immigrant settlements in the spheres of initiative, education, aspirations of the younger generation and care of the younger generation.

Dr. Berler has formulated the framework of the study which he is conducting at the present time and which is intended to provide the answers to these questions.

By means of the academic language of Dr. Berler - in fluent and fitting Hebrew - we have heard a most severe censure of the manner of handling contact between town and village, a matter which should be regarded as one of the focal points in the development of this country.

Dr. Berler has analysed the problems academically, but they are really concrete ones which call for a response from day to day from all of us here and also from those of us who are not here at this moment.

After having heard about the findings of the survey and the proposed framework of the study, we shall start the debate and hear the reactions of the participants so that we can try to formulate our strategy on two levels: on the practical short-range level of application, and on the long-range level of more intensive research.

In order that the debate should be purposeful, it is desirable to divide it into sections and to define the subject to be discussed as follows:

(a) Improving absorption in the development towns

1. Employment and its planning.
2. Education and vocational training.
3. Future of the younger generation.
4. Attracting skilled professional manpower.

(b) Relations between the development towns and the agricultural hinterland

1. Regional enterprises, their establishment and management.
2. Joint education.
3. Joint economic, cultural and civic institutions.
4. The younger generation in the rural sector.

(c) Development planning and execution

1. Various tasks of government, Agency and public institutions.
2. Tasks of regional and local councils.
3. Organizational machinery required for the development of the rural region.

MAIN SUBJECTS FOR DISCUSSION

Yehuda Dekel\*

In principle, there is nothing wrong in having two centres near one another whose task it is to develop their own specific cultural and institutional lives. The problem which must be considered is how to deal with points of contact - present and anticipated - between the fields of activity of the various centres.

In referring to relationships between the development towns and the neighbouring rural settlements, one should not overlook the changes which have taken place in the small towns since their planning and establishment. It is true that, in planning the development towns, the planners assumed that they would get support from their rural-agricultural hinterland; however, this assumption was based on the circumstances existing at that time and would have been applicable within the scope of the specific size of the small town. Since the time of planning, circumstances have changed as well as the actual size of the small town, so that the basic assumption for the progress of the development town on its agricultural hinterland is no longer valid.

If we would examine the town of Beth Shemesh and its neighbouring rural settlements, for instance, we should find that the possibility of cooperation between the town and the settlements in respect of various services is very limited; the number of breadwinners engaged in the provision of services to these farmers totals about 200-250. If one takes into account that a half of those engaged in services must naturally come from the agricultural cooperative itself, it will be found that the number of workers required by the rural sector from the outside is so small that it is quite insignificant in respect of a town such as Beth Shemesh, whose population today totals about 10,000.

Actually, the small towns, as well as those who founded them, did not expect the agricultural hinterland to serve as an assured source of livelihood, and they therefore provided for this contingency at the outset by setting up industries which would give employment to the town's inhabitants.

This is not the place to debate the choice of industrial enterprises, nor whether the industries fulfilled expectations. What can be pointed out here is that most of the industrial enterprises set up in the small towns were not based on the specific conditions of the region, except for isolated cases such as the "Arad Industries", for instance, or the "Shimshon" Cement enterprise, which was in actual fact set up prior to the planning of Beth Shemesh. It can be said that industrial development in the small towns was in general of an urban nature, without any relationship with the agricultural hinterland.

For the moment, let us ignore the relations between the development towns and their rural hinterland, and let us try to examine the influence of the big town or city on the cooperative life of the neighbouring agricultural settlements. If we take

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as an example the "Jerusalem Corridor" (or "The Jerusalem Gates" as this is referred to now) and the "Ashkelon Coast" Regional Council, we will find that the villages in these areas almost completely lack independent organisation and that they are almost wholly dependent on big city facilities. The proximity of the villages to the big city has a considerable effect on the nature of occupation of the village population, on the standard of living and on the type and level of services required by the population.

From the examples cited above, it is evident that proximity to the city has the effect of disrupting the regular activities of the rural stratum from the organizational and ideological points of view. If appropriate steps are not taken in time to safeguard the socio-ideological system of the rural region, the villages in the neighbourhood of the big cities will be faced with the danger of becoming suburban neighbourhoods; it is therefore incumbent upon those responsible for the fate of the villages, to develop and organize the means of protection against the influence of the big city.

The regional centre, or the rural centre, can be regarded as a primary means of protection, as the significance of cooperative life is a part of its intimate structure.

The quality of relationships between the town and the neighbouring rural region is an outcome of a variety of factors, the main ones being the time of establishment of the town and the neighbouring villages and the rapidity of development of each one of them. In regard to the situation prevailing in the settlements near Jerusalem, it should be noted that the town existed before the commencement of rural development; while the situation created in the settlements around Ashkelon was due to the fact that development of the town had already reached a peak at the time when the villages had only just entered the initial stages. There are also examples of concurrent development of town and village or where the development of villages preceded that of the nearby town.

Other factors which affect the relationship of town and village are the size and location of the town. These factors are connected with the matters raised by Mr. Elazari in regard to marketing of agricultural products. In the modern system of marketing prevalent in Israel today, there is no possibility of directing agricultural products directly from the producer to a market of such limited consumption demand as Beth Shemesh, Netivot or any other market of similar size. The administration of the existing markets is based on one giant market which dictates the price level and the regional consumption and also determines the distribution of products to small markets.

The problem of location applies not only to the small towns, but also to the rural centres which were intended, as already mentioned, to serve as a means of protecting the villages from the influence of the big city.



The view which is gaining ground is that the rural centre should be situated not far from the small town and should perhaps even be linked to it. This link to the small town centre is not meant to bring about an organic integration between them, but to create suitable and proper conditions for both types of settlement, without impinging on the municipal or organic independence of either of them.

In order to illustrate the value of the rural centre being linked to the small town, let us take as an example the shed for sorting fruit which requires about 150 workers in the peak season. The rural region is unable to mobilize this number of workers from its own neighbourhood. There is always the possibility of sending the unsorted fruit to the big market, but this means that the farmer will lose control over his product and the region will lose days of work. It would therefore be preferable to erect sorting sheds adjoining the small town, for the benefit both of the people of the town and the farmers.

An important point for consideration is the question of education. If we wish to safeguard the accepted social values of the rural region, it is essential that education of the young generation should remain within the framework of the clear-cut terms of reference of the parents. Only an educational system within the rural school framework can ensure the desired education of the coming generation which will guarantee the continued existence of the village in Israel.

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A. Luk\*

The dominant factor in all the problems raised here today is the human one. As long as we can successfully mould individual thought in the immigrant settlements, we shall be coming nearer to a solution of the problems.

Sometimes a change for the better can occur in the pessimistic mood as a result of the psychological atmosphere created by expectation or hope (for example, it was possible to note the change for the better in the general mood of Beth Shemesh after the news had got around of the setting up of the Shidlowksi enterprise there); but the surest way of changing the mood and way of thought is by action. The situation would have been better today if we had already been in the operative stage and we would have been able to test to what extent the program is symbolic or effective - either positively or negatively - on the situation, as has been expressed in our customary diagnosis for years.

In regard to the relationship between Beth Shemesh and its agricultural hinterland, it is worth while noting that several more or less joint enterprises have actually been set up in this region, but they are based on explicit profitability; there is evidently no inclination or directive to put this relationship on an emotional basis, as was customary when the initial general program was prepared on founding the villages and the development regions. The reason for

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\*Head of Beth Shemesh Local Council

this situation is to be found in the fact that the two branches - planning and execution - functioned separately without any coordination. Today we have reached the stage where a new approach to the problem is required, as outlined by Dr. Berler.

It is desirable to have a joint discussion on a number of spheres of activity in the development towns which require central direction. Without this direction it will not be possible to mould a creative and dynamic society which is able to instill the feeling of stability, development and progress both internally and externally.

If, for instance, we should compare the situation in regard to medical services in Beth Shemesh and Jerusalem, we would find that medical insurance costs are twice or even three times as much in the former town; this situation is the result of the conditions prevailing in Beth Shemesh. For instance, if a patient has to be taken to Jerusalem by ambulance this costs about IL.16-IL.20 as well as the loss of one working day. As most cases involve large families, it is no wonder that in a not inconsiderable number of these medical expenses can bring the family to the brink of ruin.

Welfare services are in similar straits. Though a large proportion of the population in the small towns receives welfare aid, these services are immeasurably behind those available in the large towns. One cannot compare the level of care for social cases in Jerusalem to that available in Beth Shemesh - which lacks a director of welfare services and qualified social workers. In order to illustrate the situation in Beth Shemesh it is worth citing an incident. About one month ago a qualified social worker (female) with experience in the United States was engaged. During the interview, she was sure that, because of her experience, she would be able to carry out her duties in Beth Shemesh effectively. After a short trial period she reported that she was unable to continue as Beth Shemesh lacked all facilities for rehabilitation of social cases.

The small town also fares badly in comparison to the city in regard to employment services. Everyone who seeks work in the small town must be interviewed by the Classifying Committee of the Employment Service, which for some reason does not comprise any representative of the local authorities or its welfare bureau. It has happened more than once that someone has been classified as "handicapped" or "not suitable for placement", and is directed to the Welfare Bureau which does not have the authority to appeal against the verdict. While the criteria for disqualification are not always physical limitations, it may happen that the applicant is capable of working but that there is no suitable employment for him in the small town. Let us take as an example a goldsmith in Beth Shemesh, who applied to the Classifying Committee and received a certificate testifying that he is not suitable for placement. As the certificate did not state the reason for the diagnosis, the man became a social case with all that this involved; had there been some openings in his trade in the town, he might have got a job and supported his family equitably.

Education problems, too, are due to a lack of directives from above at the time when the town was founded. It is true, that there are children in Beth Shemesh who go to secondary schools outside the town while there is a school in the town itself; the reasons for this is that over the years Beth Shemesh produced a substitute for secondary education, beginning with one year and afterwards two years. It was therefore essential to enable the parents to provide their children with suitable schooling, even if by negative means - i.e. by sending them to school outside the town.

It should therefore be noted that even today the education system in Beth Shemesh is still of an experimental nature - experimentation in methods, trends and years of study.

In regard to improving absorption, there are apparently good facilities for this because of the lull in immigration. In the past - the early fifties - when the development regions were under the pressure of waves of immigration, of absorption and immigration, the local and central bodies were unable to assert any control over the social processes which were evolving between each wave of immigration. Today, because of the lull in immigration, we have the opportunity to consolidate what is already there before we are overrun by a new wave of immigration - and we earnestly hope for this - and we will again be faced with the same difficulties as in the past.

The focal problem of the human element in the small towns is that of the coming generation. This predominant factor must be taken into account within the framework of the means for solving the problems as a whole, as it today influences the family circumstances in particular and those of the small town in general, and will be of even greater significance in the future.

In regard to solutions proposed for the future, it must be stressed that any program for improving the situation in Beth Shemesh must be based on a recognition of the town as the center of the agricultural region. This status of regional center was in actual fact planned for the town in view of its geographic situation but, for reasons beyond the control of the local institutions, the town was prevented from assuming this status. Suffice it to state, for example, that the means of communication of the region were so planned that they bypassed Beth Shemesh.

In summing up, he felt it necessary to emphasize again that the situation prevailing in the development towns today was the result of a lack of coordination between the planning and implementing authorities. It is now vital to bring about cooperation and coordination between these two authorities. Moreover, means must be sought to change the present situation in the spirit of the remarks made by Dr. Berler.

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B. Cohen\*

There was a time when the main effort was put into consolidating the villages themselves - and their institutions. At a later stage, when it seemed that things were progressing satisfactorily, these efforts were shifted to taking care of joint institutions for a number of villages within the framework of "The Rural Centre".

\*Chairman of the Mate Yehuda Regional Council

It would be well to preface my remarks by stating that the sources for developing the rural centre, the development town and the neighbouring villages are the same; to direct a part of these sources to one of these three would therefore have to be done at the expense of the other two. To direct a part of the sources of the agricultural hinterland to the development town will of necessity affect the progress of the villages, or of the rural centre, or both. The development towns in Israel are numerous and therefore they are small and weak; and for this reason they are by-passed by the agricultural hinterland. The settlements in the Negev, for instance approach Beersheba directly and by-pass the towns of Ofakim and Sderot.

Another feature which characterizes the development towns is the limited physical area of their jurisdiction. Immediately beyond the area of jurisdiction of the local council are situated the agricultural settlements. Naturally, the town aspires to expand and as a result the neighbouring farmers are affected - a matter which leads to conflict between the town and its agricultural hinterland and hinders cooperation between them.

It would be advisable for the research study to examine the reasons for limiting the area of jurisdiction of the development towns at the time when this was determined, and what could be done to extend the urban area without affecting the agricultural hinterland.

There is a tendency today to expand the development towns so that they should comprise twenty or thirty thousand inhabitants. Some are even of the view that their populations should attain a figure of from fifty to seventy thousand. It seems to me that the speed of development in this direction should not be overestimated, before the subject has been investigated; it would be preferable to direct efforts and means to consolidating what is already there - and there is much to be done in this sphere: for instance, when referring to consolidating what is already in Beth Shemesh, attention should be given to solving the existing problem of unemployment by creating new sources of livelihood. The agricultural hinterland, too, whose agricultural opportunities are limited, is troubled by the very same problems and is looking for ways of providing employment to owners of farms whose means of production are limited and mainly to their growing children who cannot find a place on the farms of their parents.

This specific unemployment situation has led the town of Beth-Shemesh to mobilize on its own steam the means of developing sources of a livelihood for its inhabitants, while the agricultural hinterland has undertaken parallel operations in setting up agricultural services and other enterprises for the purpose of creating sources of employment. Although the agricultural sector is erecting its enterprises in the immediate vicinity of Beth Shemesh, it is deliberately ignoring the town. There is no doubt some justification for this situation in regard to agricultural services, as the farmers have a special interest in safeguarding their control of the enterprises. But this is not true with regard to enterprises which are not directly connected with the agricultural region and which are established for the purpose of providing employment; in respect of such enterprises ways of cooperation must be found between the town and its agricultural hinterland. It is desired therefore that the study should indicate appropriate means of cooperation.

It does not seem likely that Beth Shemesh could serve as a centre for the rural hinterland for two reasons, as already mentioned. Firstly, the rural population is relatively small as compared with the population of the town; secondly, all the roads in the Jerusalem Corridor lead to Jerusalem and not to Beth Shemesh, while Beth Shemesh itself is situated off the main highway and the need to leave this highway discourages people from going there. If it is desired that the town should become a centre, then all the roads should lead to it and should naturally be good roads.

At the time of the survey, Beth Shemesh lacked leadership. If, in the meantime, the situation has changed and some form of leadership has emerged, not less capable than the leadership of the Mate Yehuda Regional Council, the improved situation is unlikely to change the principal shortcoming, which constantly affects not only Beth Shemesh but most of the development towns, viz., the instability of the leadership. In contrast to the unstable situation in the small towns, it is to be noted that the elected leadership of the agricultural hinterland is stable and continues in office until the end of its term. It is therefore important to investigate and find means of bringing about a stable leadership in the development towns.

In the relationship between Beth Shemesh and its rural hinterland are to be found a number of joint services, which for some reason or other do not appear in the findings of the survey. These services, which are maintained jointly by the Local Council and the Regional Council, while they do not exert any substantial influence on the relationship between the two populations, are of importance from the point of view of actual readiness to cooperate.

Among the joint enterprises, should be noted emergency services, Magen Adom service and medical services; the medical services are provided in the central Kupat Holim clinic at Beth Shemesh. Also the Regional Council provides transport twice weekly to take residents from the villages to the cinema in Beth Shemesh. Recently, it was decided not to build dormitories for pupils of one of the regional schools, but to put them up in shikunim in Beth Shemesh. It can be assumed that this will strengthen the ties between the agricultural region and Beth Shemesh.

One of the spheres where it is fairly certain that there will not be full cooperation between the two authorities is that of education. Without going into detail (which would require an analysis of the factors which direct or determine the nature and specific form of rural education, based as it is on the assumption that it can only be provided in a rural framework), it is important to note here the existence of two secondary schools under the control of the Mate Yehuda Regional Council. The one is the general agricultural school in Ein Karem which serves the settlements in the hilly region and the other is a religious school not far from Beth Shemesh. Most of the parents in the settlements around Beth Shemesh who desire a general secular education for their children, prefer to send them to the distant school at Ein Karem rather than the nearby school in Beth Shemesh. For the same reason, the Regional Council is planning to erect another secondary school for the settlements in the vicinity, despite the existence of a large and well-equipped secondary school in Beth-Shemesh.

Undoubtedly, theoretical surveys are of great importance, but it would be well to plan in addition some short-range practical surveys. It frequently happens that, by the time the findings of long-range surveys are published, the situation has already changed from that of the time of the survey; in our particular case it is vital to have pertinent conclusions, and consequently the survey should be carried out as quickly as possible.

There are a number of subjects where no research is required. It may be assumed that these subjects will be studied in the course of our meeting.

Before there can be any change in the mode of action in the development towns, the present attitude to them must be revised. We must stop considering them as immigrants' settlements. This has great psychological import; we must remember that a new immigrant of 1939 - one day before the Second World War began - was at the end of that war already considered a veteran. There is no reason to continue to refer to those who came with the establishment of the state, as immigrants; when they have acquired the language and the culture of the country.

In regard to who should be in charge of activities in the development towns, we must remember that there is a division of responsibility among government offices, and it is not our aim to propose changes in the existing administration. We have been charged with the task of finding ways and means for the improvement of cooperation between the various bodies, and to seek their mutual benefit, not their conflicting interests. We must also remember that not everything can be done from outside, and Mr. Gruber has rightly stated that all active bodies should aim at creating the conditions in which the towns will be able to function - with outside assistance when needed.

An unconventional policy was applied in the erection of the towns; housing was provided without ensuring employment and jobs, while in the rural settlements the reverse was the case. This new policy was right at the time, and without it almost certainly much that has been accomplished would not have been possible.

New facts and trends arose in regional planning which must be changed in the near future, first and foremost the "iron curtain" dividing the towns from their hinterland must disappear, because it is in fact contrary to the interests of both sides - as Dr. Berler has already pointed out. The obstacle here, if I may say so, is an imaginary fear on the part of both sectors being swallowed up by the other. The situation in Beth Shemesh is not a direct outcome of the abovementioned policy; what is needed to solve the town's problems is a common effort in goodwill.

Mr. Luk rightly stated that, because of the lack of cooperation and understanding between the town and the rural sector, many important enterprises which could have been established through joint endeavour in the region are now in Jerusalem, with all the obvious consequences.

In this atmosphere of suspicion and conflict, it is easy to understand the trend toward separate education. But to understand it does not mean to justify it; the present situation may be

\*(Undersecretary of the Ministry of Housing) Member of Board of Settlement Study Centre).

changed. The school may well be a joint concern, wherein the rural sector can shape the educational character of the institution from within. In the absence of such cooperation, two separate schools will be established side by side both of them inadequate due to a lack of funds and of suitable teachers.

As for the second generation in the moshavim, it may be unequivocally stated that it is the task of the state to ensure that this manpower does not migrate to the cities. The state does in fact conduct a policy of encouragement in this direction: the young son of the moshav, willing to build his life in the rural sector, has the following opportunities:

- (a) To remain on his father's moshav, as a direct successor to his parents' farm.
- (b) Move to another moshav already established or to be founded.
- (c) To choose one of the professional opportunities offered within the structure of the rural region.

However, there are a number of youths who cannot or do not choose to follow one of these three avenues. To overcome this difficulty, the rural sector has undertaken some enterprises not strictly relevant to the rural sector. And here we witness one of the inconsistencies of the rural region: whenever the rural sector needs seasonal work, it readily finds its way to seek it in the development town, but whenever it establishes an industrial enterprise, this is done outside the town limits, even in instances when the Local Council is willing to grant the industry extra-territorial status.

In some cases an agreement has been reached, but even then the rural sector maintains a certain gap between itself and the development town: those villagers who come to work in the industrial plant erected in the town do not make their home in the town itself, where they could contribute to the social and educational standards, but prefer to keep themselves apart and make their home outside the town.

The time has come to define clearly the concept of "second generation in the moshavim"; this concept should include all those who see their future in the sector, either as settlers or as service workers. Whenever a person chooses a vocation naturally situated in a town, he is not a member "of the second generation" but "a former moshavnik".

A. Yalan\*

The fact that we are here, with the participation of a number of heads of local and regional councils, is of itself a sign of progress. There are not many countries where such a symposium could take place. It is also a good sign that each of us has different aims; this shows us to be a dynamic body, vigorous and forceful.

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\*(Professor at the Technion; Head of the Centre of Study of Rural Building; Member of research team of the Settlement Study Centre).

Dr. Berler has presented a hypothesis to serve as the background to a study of the interrelations between development towns and their hinterland. This hypothesis was very brilliantly presented, but its validity is open to question. It is therefore necessary to give it closer attention and study before its acceptance as the basis of the research. The divergent views raised here indicate that other theories may be put forward. In these circumstances, the research should be undertaken by an inter-professional team, in which members representing various disciplines may work together, influence each other, and arrive at a synthesis of the different views.

In regard to the situation of the development towns, it should be remarked here that too many such towns were erected, and therein lies their weakness. It will not suffice to state this as a mere fact; we must also have the courage to extract our conclusions therefrom. The situation in each and every town must be studied, so as to determine which of them ought to be developed, and which should cease being development towns and be redirected to other channels of activity. It is absurd to continue developing all the towns by virtue only of their existence. A decision in this direction will not be at all easy to reach, but in my view there is no other choice.

I should here like to make a proposal - which may not prove to be popular - to found a Department of Urban Settlement (in charge also of development towns), on the lines of the Department of Agricultural Settlement. This proposal is not meant to indicate "who" should be in charge of development towns, but "how" to care for them.

Let us revert to Dr. Berler's hypothesis. Its basic assumption is that interrelations between development towns and their hinterland will follow lines similar to those of other countries. This assumption is open to doubt, since the structure of Israeli settlement is a new one and quite unparalleled in any other country, - the cooperative agricultural settlement. This form has developed over the years from a local cooperative system to a sub-regional, a regional and inter-regional structure, represented today by the many regional centres.

This form of cooperation is quite original and unique. My opinion is that it would be worthless to try and adapt something in this country which is an apparently good solution under different ecological conditions.

It should perhaps be further noted that there is a feeling in other countries that the present solutions are not adequate, and many are beginning to seek other alternatives. That is why there is so much interest abroad in our work here and in the policy behind it.



We were most gratified with this first occasion in the history of Netivot for its participation in a research of this nature; in particular, because for a long time we have stood on the periphery of activity - always deeply involved in our daily tasks, and waiting to see how things would develop.

What must now be determined is the definition of our principal aim: are our efforts designed to bring new immigration to the towns, or to consolidate the existing situation - a goal hardly less vital than additional immigration or industrial expansion.

One of the means to achieve this goal of consolidation is to seek ways for the social absorption of the active officers of the towns, who work much longer and harder hours than those in the cities. I am not thinking of financial benefits, but of the creation of the conditions necessary for the establishment of a satisfactory standard of living including suitable housing, kindergartens, playgrounds, schools, etc.

As far as cooperation between the development town and its hinterland is concerned, it is to be remarked that Netivot provides teachers for the neighbouring and entire region. These teachers come from among the Netivot youth who completed their secondary school and the teachers' seminaries. Large families from the surrounding villages, who are unable to find work there, are absorbed in Netivot. This trend is slow but steady, and it brings to Netivot additional resources, both in quality and in numbers, which strengthen the local population.

In the educational field, too, the town and its hinterland are cooperating; girls from Netivot study in the Regional Girls' Secondary School situated on the very outskirts of the town, together with the girls of the villages - both in the classroom and in the boarding school. The Netivot Council has invested considerable sums in this school. It is also planning to erect, within the town limits, a comprehensive high school for boys, where Netivot's children will learn together with those of the surrounding villages, and which will be managed jointly - it is hoped - by the regional and the local councils.

There is cooperation too in industrial enterprises; at the time when industrialization was first considered, the Local Council relinquished a part of the industrial zone within its boundaries, in favour of the Regional Council, for the erection of a packing house, a fruit-sorting shed, and other enterprises of importance to the town, not only for the sake of the revenue which it would bring in, but for the jobs they would create. The rural population is interested too in the growth and development of the town, because of the vital services it will provide and the employment prospects it would offer, thus obviating the migration of villagers to the large cities.

One of the facts not stressed in the reports presented here is the high percentage of children among the local population in Netivot. A few years ago the birth of the thousandth child was celebrated, and since then we have stopped counting our births.

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\*(Mayor of Netivot)

This factor is generally underestimated, but it is one which will eventually help in turning welfare supported families into a productive element of the population through the efforts of their breadwinning children.

There are other interesting aspects, which should be included in a survey; one is the strength of family ties in Netivot - a factor which has been of great value in the prevention of juvenile delinquency. Only eighteen months ago Netivot had 25 wayward youth, and now thanks to the efforts of a small team of two - the community worker and the head of the welfare bureau - together with the help of the local policeman, we succeeded in eliminating this problem entirely.

Dr. Berler has spoken of the need for the selection of a central town from the development towns. Objective study will show that Netivot is without doubt ideally suited for this choice: it is situated at the heart of the agricultural region, with Ofakim and Sderot at either end, and is furthermore equidistant from the two larger towns, Beer and Ashkelon.

Had Netivot received since its foundation the same preferential treatment as that meted out to other development towns, there is no doubt that it would already have become the central town of the Northern Negev.

In conclusion, I should like to point to an interesting feature of the migration of families in Netivot; a local census has revealed that since the founding of the town not more than 45 families have left Netivot, a number which includes some Karaite families, who went to join their community now residing in Ramle. Some think this characteristic is an outcome of the local religious life, others believe it is due to the modest demands of the local population. However this may be, there is no doubt that the dedication and enthusiasm of the communal workers there have played a not inconsiderable part in the development of this trait.

As an example of the atmosphere created by the civil servants in Netivot, the local custom in regard to immigration and absorption care may be cited: new families are interviewed by a special absorption committee, their belongings are transported to their new homes, and on their first Shabbat they are invited to one of the homes of the veteran families. This interest gives the new family a warm feeling of belonging, which is instrumental in its final successful absorption.

If the means will be found to attract manpower to the development towns, the question of what to do, how to do it and by whom it is to be done will be solved automatically. The central problem of the development regions in Israel today is that the majority of their population is homogeneous in origin, language, and culture. Prior to the Six-Day War this homogeneity constituted a most alarming problem. The war ushered in a new trend of thought and a new evaluation in respect of the character of the population of the development towns.

It is evident that in order to attract immigrants to the development towns, new approaches will have to be devised, different from the routine absorption schemes. The development regions can undoubtedly serve as a powerful challenge, capable of attracting immigrants from the Diaspora. It is doubtful whether tax exemptions or similar inducements will attract to Israel the student, or the professional man, but the challenge presented by the development town may be decisive for a particular group of potential immigrants, able and willing to contribute their share to a solution of the problems here.

Another proposal to be reviewed is that of the "planting" of Israeli manpower in the development town. Although this is an artificial process - it might well prove fruitful. Ashdod can serve as an example of a development town whose successful economic and social life was at least in part created through the "planting" of a few hundred veteran Israeli families over the years.

Professor Yalan has proposed a selection of development towns to determine which of them should continue to be developed, and which should be classed as failures and consequently abandoned. As a result of the Six-Day War, this proposition raises a further question of precedence: which comes first - an agricultural settlement of 100 families, which has now lost its strategic value, or Netivot with its 800 families?

Means must be devised to attract human resources both in the Diaspora and in Israel to the life of the development regions. With the integration of this manpower, other problems - of education, culture, entertainment and rehabilitation will be resolved.

A. Borochov\*\*

Some of the participants have remarked on the structure of the institutions charged with the care of development towns - or of urban settlements in general. It seems that the importance of the organization of services "from above" has been overemphasized, and the influence of the local population has been overlooked.

A proposal was made to study the factors which determine the stability of the local authorities in the two development towns now under discussion. Since it may be assumed that the instability of the local authority is positively correlated with local political strife, the question may arise as to whether the Settlement Study Centre is qualified to undertake an academic study of this nature.

\*(Kibbutz Regavim)

\*\* (Economic Planning Authority and Settlement Study Centre)

Also to be considered is the need for studying the progress of all the development towns, and perhaps also that of other urban centres in the veteran sectors, and the correlation between their development rate and the stability of their local authorities.

In the rural sector wide divergences in the rate of development may be observed. This divergence depends partly upon factors of natural conditions, e.g., differences which may be observed in the development of hilly and plain regions. But there are instances of settlements, situated in similar natural conditions, which differ in their growth. This is true also of development towns. For instance, Ashdod, being on the Mediterranean Sea, and a sea-port, would naturally develop differently from Netivot; but Ashdod also differs from Eilat, though it too is a sea-port. However, despite considerable effort on the part of the government authorities, the progress of Ashdod has not proved satisfactory, mainly because of local problems and conflict in the last two or three years.

For some reason development towns are still being looked upon as in the time of mass immigration - when immigrants used to be sent straight from the ship to the immigrants' camp or to the development town. We must not forget that conditions have changed over the past four years - when the number of immigrants reached only a half of the local population increase and the other half is the result of natural growth. In these circumstances, there is no doubt that the future of the development town hinges on its ability to absorb the second generation as well as the youth of the rural settlements in its region.

Rural settlement planners have for a long time been of the opinion that homogeneity of population is an important factor in the success of the settlement. This seems to apply also to the development towns. If we take Netivot as an example, it can be said that a measure of homogeneity in its population has prevented some problems which have arisen in other towns, and which have been the cause of serious conflict there. Perhaps an auxiliary factor has in this case been the religious homogeneity - or dominance. These factors too may be the origin of the good relations and co-operation between the town and its hinterland in educational and other spheres - a situation without parallel in other towns.

This stability resulting from the homogeneity of the population merits further study, before innovations are mooted which might disturb the social equilibrium.

\*S. Ben-Eliezer

It seems that the focal point of today's discussion is the human factor. It may be concluded from all that has been said that the failure in development towns is caused principally by the attempt to force on the local population decisions "from above" without attempting to create a climate of cooperation and coordination with the local inhabitants and their authorities.

We must be careful in our evaluation of research work and its actual contribution to the improvement of the situation in development towns. The problems may be solved only through a revival of local ambition and initiative. There is in fact a vast and rich human potential in the towns themselves and among their civil servants in all local and national institutions - even in the Jewish Agency, the Histadrut, the government, and other public organizations. It is necessary to establish adequate coordination among these services and between them and the local bodies.

Though the world "Chalutzit" is no longer fashionable, - there are still in Israel many "underground chalutzim"; what is lacking is a directive for their activity. These chalutzim must be found, and must be confronted with the challenges of the development towns.

It may be assumed that these chalutzim will be attracted to the towns, not through material inducements, but by confronting them with the toughness of the task and through an ideologic background to the enterprise proposed to them. At the same time, the necessary conditions must be assured for the creation of the socio-cultural atmosphere needed today by educated persons.

When these groups of chalutzim will be found - and I have no doubt that they will be found - it will be their task to uncover the fields most urgently in need of additional manpower.

After the preparation of a list of all the manpower required, the groups will address themselves by all possible means, either through organizations or privately, to the public in Israel and in the Diaspora, and will make known the needs of the towns. All the local conditions, of wages, housing, social and cultural facilities and opportunities, must be made quite clear. It may be assumed that this initiative may be successful in bringing to the towns trained manpower and in giving way to a change of the social atmosphere of indifference and discontent prevailing in recent years. It might even open the way for attracting immigration through entirely new avenues.

\*L. D. Horwitz

At this stage of the discussion it would be well to clarify the issue. Last April, the Executive of the Jewish Agency decided to conduct a study of rural-urban relations in Israel as explained by Dr. Berler. The duration of the study will be one year, and its conclusions should indicate ways of improving social and economic development in both sectors. The study will emphasize the social factor, since world-wide experience has shown that successful economic advancement cannot be attained without parallel undertakings in social development.

The task of the committees, whose findings were presented here today, consisted in a rapid survey of social problems in two towns - Beth Shemesh and Netivot - on the assumption that it is possible to develop these towns with relatively limited means, to be provided by the Jewish Agency. This should serve as a stimulus

\*(Resident Representative of UIA Inc.)

to further activity to be initiated by the local councils, and undertaken with local manpower, local means and within the limitation of Israeli resources.

The findings and recommendations of the survey committees have been submitted to the Executive of the Jewish Agency. The sum which will be approved will be less than was recommended, but it will probably suffice to begin activities in the two towns.

There are two problems confronting us today:

- a. A choice of projects from among those recommended by the committees, whose execution is now possible within the budget and their arrangement in order of priority.
- b. Who should undertake execution of the projects financed by the Jewish Agency?

As these activities will take place in the two towns under discussion, it may be appropriate here to propose, as a solution to the problems mentioned, that the research study headed by Dr. Berler should recommend the best ways of attaining the goals indicated above.

Dr. Ben Eliezer has rightly stressed the need for efforts to mobilize "chalutzim" for the development towns. It may be said without doubt that U.S. Jewry will cooperate in this effort for the advancement of development towns, both with financial aid and with professional guidance.

I would like to point out one instance of a project that may be advanced without any financial costs; this is the Secondary School in Beth Shemesh. Beth Shemesh has a new, modern, fully-equipped comprehensive high school. When you walk through its corridors, you hear the echo of your own footsteps. This school has been built for 500 pupils, but has today only 120.

While this beautiful school stands almost empty the regional council is trying to finance the construction of a comprehensive school, costing about IL.1,000,000, for the children of the settlements in the rural hinterland of Beth Shemesh. The question arises - why is it necessary to build a new school, when the existing one, which could house manifold educational projects and activities, is dying for lack of pupils? Why should this school not be used by the youth of both the town and the villages, to the advantage of both sectors? Cooperation and reciprocal understanding are necessary here, instead of fear and suspicion.

All over the U.S. rural schools have been closed down, which were responsible for widespread illiteracy, and the children of the rural areas today learn in the schools of the neighboring towns, and enjoy a much higher educational level. These advantages ought to be taken into consideration here too, in order to obviate the fragmentation of education in the rural regions.

As for marketing of agricultural produce in Beth Shemesh, the plans are not for a large market. It would suffice to erect an indoor market, instead of having the producers come and sell in the open air.

It may be remarked that six months have passed since approval was given to the erection of 20 playgrounds in development towns. The representatives of the Ministry of Housing should contact the Jewish Agency in order to start the actual erection of these playgrounds.



THE JEWISH AGENCY EXECUTIVE

BETH-SHEMESH

(Report of Survey Team on problems of improving absorption and regional integration - findings and recommendations\*)



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\*The Survey Team was setup according to an agreement between the Chairman of the Jewish Agency, Mr. L. A. Pincus, and the Settlement Study Centre in Rehovot. The aim of the survey in the town was to examine the needs and possibilities of improving absorption and strengthening integration in a regional framework.



According to a resolution proposed by the Chairman of the Jewish Agency, Mr. L. A. Pincus, and adopted by a meeting held at the Settlement Study Centre in Rehovot on May 11, 1967, two survey teams composed of three members each were appointed to conduct surveys in Beth Shemesh and in Netivot in accordance with the following terms of reference:

1. To make a detailed study of absorption problems.
2. To ascertain which public and semi-public organizations are dealing with these problems; what is the exact function of each organization and to what extent they co-operate with one another.
3. To ascertain what practical programs are in operation for achieving economic and social integration between these towns and the neighbouring agricultural settlements.
4. To submit proposals for immediate action to improve absorption services and strengthen ways of regional integration.
5. To examine to what extent these activities can be put into operation by the Jewish Agency, and to what extent they can be financed from our budget for the current year.
6. To bring about closer ties with other organizations in these areas.
7. To suggest sources of financing from other public and semi-public organizations.

The Survey Team for Beth Shemesh herewith submits its findings and proposals according to the above terms of reference.

## I N T R O D U C T I O N

Any visitor, or traveller, passing through Beth Shemesh, before entering the town, will be instantly impressed by two remarkable views: The first is to the left of oncoming traffic behind the police building at Har Tuv, a group of dust-covered buildings come into view. As any expert in the geography of Israel is aware, this is the Shimshon cement plant, which was founded in mandatory days, and which was the pillar of the local industry in Beth Shemesh. The town itself was built here almost on its account alone, but now its solitary funnel is cold and the furnace dead. Now only 50 workers are employed there, and 100 more receive wages, but are not actually working. This was the result of the economic slowdown, when 80 workers were discharged.

The second is the road between the Har Tuv police station and the railway, which passes through a submerged bridge. This bridge is covered with streaming rain water in winter which blocks the traffic to and from the town; in the summer the bridge is covered with sewage waters from Jerusalem, and the smell is over-powering. This bridge is as old as the town and the region. Despite the transformation from an immigrant camp to a town of 10,000 people, and to a developed agricultural region, nothing has been done to better the situation.

We have begun with these two descriptions because they are characteristic of the situation of the town as a whole: unemployment, neglect, apathy, a heavy burden of social welfare support, and the lack of any initiative and guidance on the part of that section of the population which could take a hand in guiding and improving standards in the town.

From the outset of our activity, and almost until its conclusion, we came up against the unfortunate lack of a juridical local authority in the town. Since the last elections, there have been hardly any activities for the advancement of the town on the part of the elected council. The council was occupied with internal strife of political, personal and other origins. It had to resign and, until last week when a new council was elected, neither we nor anyone else could find the proper authority in the town.

Beth Shemesh consists of a group of neighborhoods, and the number of housing units totals 2,645. Of these, 2193 are occupied, and 452 vacant. 150 of the vacant units are new, and the other are flats in the various quarters of the town.

We were not able, because of the situation in the Local Council, to gather precise data about the demographic structure of the town, nor about the manpower situation, etc.

A typical example is the divergence of data regarding the number of inhabitants: different sources give it as 10,000 and as 8,000 - the last is the figure we received. Thus the data we present here, and which were collected in interviews with various personalities, are probably only averages and of a provisional nature, and we hope does not deviate too far from the truth.

Chapter A - THE OVERALL PICTURE IN BETH SHEMESH

One of the main reasons for the transformation of the immigrants' camp into a development town, was in the comprehensive development of the region; thus, the new town ought to have served as a regional center for its agricultural hinterland, to their mutual advantage.

An example of such comprehensive development is the town of Kiryat Gat, which was founded, according to the head of the Local Council, within the frame of the Lachish Region development plan, and financed by the Land Settlement Department of the Jewish Agency.

Unfortunately, in Beth Shemesh this scheme remained on paper; in practice, cooperation between the two sectors is non-existent.

The Regional Council, Mate Yehuda, maintains its own services, completely ignoring the existence of the town; Beth Shemesh does not enjoy the advantages its agricultural hinterland can provide; so that prices in the town are higher - both in the shops and in the market - than in the cities, such as Tel-Aviv and Jerusalem, even if the quality of the merchandise offered in Beth Shemesh is only second-rate.

These high prices are naturally caused by the high transportation fees; The situation is absurd; some of the products of the region, which could be brought to Beth Shemesh, even by primitive transportation means, reach the markets of the large town first, and then have to be brought back to Beth Shemesh. Thus, prices are high, there is no trade competition, there is a limited choice for the consumer, and no price control by an adequate marketing authority. This is naturally not an encouraging factor for the absorption of that section of the population which is able to command a satisfactory standard of living, and which could bring social and cultural advancement to Beth Shemesh; this section always has the choice of moving to a more attractive centre, and at the first opportunity, tends to leave Beth Shemesh. It would seem therefore that the rest of the population stays on principally because they have no other alternative.

At a meeting with the executive of the Regional Council and with the Trade Association of the region, we were given full assurance of their help in finding adequate means of cooperation between the town and the hinterland, by establishing satisfactory marketing facilities for both the settlements and the town, a local central communications network, and an extensive business centre, with workshops, hardware stores and marketing facilities for the regional produce. A final, but equally important condition, is the establishment of cultural amenities both for the region and the town (e.g. public halls). It is interesting to note here that in Kiryat Gat the surrounding settlements participate eminently in all social and public activities.

Market days can serve as an example of regional integration and if a suitable location is found, fulfilling proper conditions,

they could be of considerable benefit to Beth Shemesh. In the morning, the town population will be able to buy the settlement's fresh produce, and later in the day the farmers would have an opportunity to visit the business centre where they could buy what they need. The results of such cooperation would be that:

financial

1. All/transactions will be carried out in Beth Shemesh itself to the advantage of all.
2. The market itself will serve as a meeting place for village and town residents.



CHAPTER B - THE LOCAL POPULATION

1. The economic situation.

In the absence of up-to-date data, we could not produce precise figures on the population of Beth Shemesh. Consequently, all figures presented here are merely an estimate. The last data received concerning the number of inhabitants was 8,500 and the number of families, 2,250.

The demographic structure is:

60%	immigrants from Morocco and Tunisia
25%	" " Iran
15%	" " European countries

The data from the Employment Bureau are:

400 industrial workers
600 outside workers (500 "Dahaf" and part-time, the rest work out of town)
700 listed as unemployed

Of the total population, 200 families live on full support, and 1,000 more receive partial support from the Welfare Bureau (guidance, psychiatric care, etc.); 400 of these receive partial financial support. 100 of the fully-supported families became welfare cases because of the lack of an adequate frame of work for problematic breadwinners. These include the aged, the handicapped and immigrants who were petty artisans and traders before their arrival in Israel.

These data show that the average economic situation of the population is bad, most of them earn their livelihood from part-time, seasonal or relief work; the answer of one of the housewives we interviewed is characteristic: "Sometimes we eat, and sometimes we don't". Most of the families, particularly those in the lower income brackets, are large families.

A manpower survey, conducted in Beth Shemesh by the Manpower Planning Authority in December 1964, shows that about 63% of the families have more than 4 members:

4-5 members	24.9%
6-7 "	16.9%
8 or more	<u>20.8%</u>
Total:	<u>62.6%</u>

2. Social problems.

The second urgent problem, which stems strictly from the economic situation, is the social problem.

From interviews with local people, both those with actual authority of some sort, the members of the scanty elite of the town, and the average members of the population, it appears that the town has absolutely no social life of its own; cultural activities are at a bare minimum, while participation is almost nil. All there is to be found in the

form of social life is a one and only cinema - of inferior standard - and one youth centre.

Social activity, for a large majority of the population, is centred around the synagogue. There are 20 denominational synagogues, some in special buildings, and some of them in housing apartments.

Consequently, only on the Sabbath and the festivals does a large portion of the population leave the circle of the home and family and goes to prayers in the synagogues. It may here be remarked that many of them have difficulty in reading the prayer books.

In our view, it should be possible to exploit this aspect in order to promote educational and social activities among the population, a thing which up to now has not been done.

Apart from the youth centre and the local cinema, there is no suitable locale for cultural activities, or the activities of a community centre. We believe there are two possible solutions of equal importance:

- (a) The introduction of social and cultural activities within the frame of the synagogues.
- (b) The erection of a community centre, including a spacious hall; this will be discussed later.

In reviewing the social problems, we must not overlook the problem of the aged; almost all the aged are supported fully by the Ministry of Welfare, and constitute a burden to the town. It may be assumed that, in this situation, the feelings of the aged are influenced by their social isolation and "uselessness". The problem, after numerous attempts at solutions, still remains unsolved.

Some years ago a club was opened for the aged; it is still in existence, but is not being used. A group of "Nachal" soldiers also tried to reopen this club, but they were unsuccessful. The probable cause of the failure is to be found in the lack of guidance in the attempts to reach and understand the interests of the aged.

### 3. Israeli culture.

In all our interviews with the citizens, civil servants and others, (e.g. the members of the Working Mothers' Organization), it appears that Beth Shemesh lacks almost entirely any sort of guidance or instruction in the field of Israeli home economics - cooking, clothing, housekeeping, etc. The members of the Working Mothers' Organization affirmed that from time to time they organize study groups and home visits, but even they agreed that these activities are very limited and quite inadequate. They pointed to a lack of funds and personnel. In our view, one of the main obstacles is that the members of the organization are themselves untrained for the task of guidance and instruction. Many homes are dirty and neglected; the Local Council proclaimed a "Cleaning up Week", but this activity too was, even at the outset, doomed to complete failure.

4. Health.

The problems in this field are also complex. There is one Kupat Holim clinic in the town.

From interviews with the doctors and employees, it appears that the health services are able to do very little in the field of prevention, and that all the work of the doctors is confined to a form of first-aid treatment, and in cases which are the least bit complicated, hospitalization or specialized care is provided in Jerusalem.

After hospitalization, there is no more contact between patient and doctor, who remains completely in the dark in regard to the findings and developments of the case. The reasons for this are:

- (a) The high number of patients per doctor (about 100 daily visits) does not allow for serious diagnostic work.
- (b) There is a lack of hygiene, health guidance and instruction.
- (c) There are no medical specialists in Beth Shemesh.

The Kupat Holim according to the Regional Medical Officer, is planning to introduce into the clinics an "intake nurse", whose task it would be to interview patients before they reach the doctors. But we feel that this is not enough; the local clinic should be extended to enable weekly consultations with medical specialists. The present arrangements for consultations impose a heavy financial burden on the families, because of the loss of time and the expenses involved in travelling to and from the large centres.

In considering this problem, we must also touch upon the lack of local hospital facilities, both general and maternity, in the region. This subject has on a number of occasions, been brought to the attention of the authorities; the Ministry of Health, however, bases its considerations only on the number of inhabitants of the region, but the problem is a vital one for the region because of the reasons outlined above; and furthermore, the distance to a proper medical centre is so great, that travelling thereto can easily endanger the life of the patient.

CHAPTER C - THE COMING GENERATION

The statistical data collected by the committee indicate that:

1. There are two creches for the 1-2 age-group with about 30 children each, open from 7.20 to 16.00 hours.
2. There are twelve nursery schools for the 3-4 age-group. Here we must point out that Beth Shemesh has seven neighbourhoods; thus, a neighbourhood has a maximum of two nursery schools, while some have only one. The number of children per nursery school is 25-40.

According to the manpower survey of Beth Shemesh, there is an average annual birthrate of 300. The total number of children in nursery schools is 420, and since the age-group ranges over two years, it appears that at least 200 children have no place to go.

3. There are 8 kindergartens with an average of about 36 children each and a total of 262 children.
4. There are 7 primary schools - 3 general schools, 3 religious, and 1 independent religious. In addition, there is an institution for retarded children, "Daliath". The total number of primary schoolchildren is close to 2,220. The figures for the last three grades in 1967 are respectively 224, 197, and for the eighth grade, 191.
5. There are two comprehensive high schools, a general and a religious one. The general school, planned and equipped to cater for 500 pupils, has only 150. The two schools together have 250 pupils, and for some reason or other, 200 Beth Shemesh youth attend schools outside the town.

In addition to these two schools, there is a Mercaz Noar for those children not suited for academic studies. The Mercaz has about 100 pupils, 50 of whom are full-time students, and 50 study on a three-day per week basis. Within the frame of the Mercaz the Ministry of Labour runs a school for "Chanichim", where classes are held one day a week.

6. From our data it appears that in Beth Shemesh there are about 500 in both the 14-16 age group and in the 16-18 age group outside of organized education. Some of them do work (either relief or other work), but rarely on a productive basis; in fact this section of the youth is in acute danger of falling into delinquency.

The probation officer has in actual fact only 50 cases under his supervision, but the number is liable to increase to alarming dimensions if nothing is done to solve this problem.

7. The Mercaz Noar comprises a youth centre and library for extra-curricula activities. In addition to this youth centre, there is a club of the Noar Oved which is housed in provisional and unsuitable premises, and there is also a youth club of the Local Council.

The clubs are in use, but are badly organized and quite inadequate for the needs of the local youth.



8. Since the beginning of last May, a Nachal group of 25 has been working in Beth Shemesh. They have succeeded, in the short time at their disposal, in organizing all the cultural activities of the youth centre - study groups, group meetings and activities, etc.; they have also organized the social activities of the "Fire Scouts" (Zofei Esh), and of another club with about 40 members.

They have also done much in the fight to eradicate illiteracy by teaching, in evening classes and in home groups, about 150 people.



CHAPTER D - LOCAL INDUSTRIES

In Beth Shemesh there are 11 industrial plants, some of them on a fairly large scale.

We have already noted that there are 400 industrial workers. The characteristic feature of all the concerns we visited is that the managerial personnel and the more skilled workers are brought in from other towns, while the local manpower is engaged as unskilled or semi-skilled labourers. These partial skills are required in a specific job in the plant, generally through experience, and they are of no value if the worker seeks a different job in another plant. We are therefore faced with two main problems:

1. Skilled workers and managers are not residents of Beth Shemesh. This involves the industries in heavy expenses; and these workers are furthermore not willing to come and live in Beth Shemesh because of the general conditions in the town, and in particular the unsatisfactory housing, education, and social life.
2. On the other hand, Beth Shemesh cannot provide professionals and skilled workers for the industries. Although a comprehensive High School was established last year, it is doubtful whether the type of vocational education provided there will serve the interests of the local industries.

In considering the problem of the 14-18 year-old youth unattached to any of the existing educational frames, the solution which naturally comes to mind is the provision of proper vocational training to meet local industrial needs. This solution is now possible, particularly because of the intended establishment of Mr. Shidlowski's airplane motor plant. Such a project, with careful planning but for immediate execution, might create a reservoir of local young professional personnel able to meet the needs of local industries, and at the same time make it possible for these youth, on completing their military service, to find their place in Beth Shemesh.

CHAPTER E - SOLUTIONS

The prevailing apathy and absence of effort for development and progress in Beth Shemesh pose two possible solutions: the first is the re-building of the town, on a completely new basis; the second is to present numerous remedies, which may not however cover all the areas concerned, or assure that a real solution will be achieved; we suspect that we will only be able to offer a symptomatic and not a diagnostic therapy.

If a comparison of the population structures of Beth Shemesh and Kiryat Gat is made, the advantage of the latter over the former is revealed: Kiryat Gat has about 15% veterans in its population, which constitute the nucleus of the local elite; and it is this which stimulates the whole population to emulation and advancement. This group is also the source of local initiative at the present time, and its second generation will continue to provide local leadership.

Apart from the few worthy individuals in Beth Shemesh who have the interests of their town at heart and do their utmost to achieve some progress, a group similar to that of Kiryat Gat simply does not exist. In practice, the success of any solution proposed here depends strictly upon local initiative. Any project which is not backed by the local people, be it a project of guidance instruction or of financing, is doomed to failure.

On the basis of the above premises, we would propose the following solutions:

1. Rural and urban cooperation.

As stated, there is in actual fact no contact between Beth Shemesh and its hinterland. This is due neither to any antagonism nor to a clash of interests, but stems from indifference and a mutual coolness. Had there been a real conflict, it would be possible, with the aid of good will and effort, to reach a satisfactory compromise. In the present circumstances, we would recommend a similar frame of relations to that between Kiryat Gat and its hinterland:

- (a) The first important step, in our view, is the setting up in Beth Shemesh of a proper agricultural marketing centre. We do not believe that the question of ownership (the Local or Regional Council) will have any substantial influence on the success of such cooperation.
- (b) A second, but not less important, point is the creation of a commercial centre in the heart of the town, which will also serve the surrounding settlements on market days. This should include workshops and stores to cater for the domestic and agricultural needs of the hinterland.
- (c) Indubitably, integration between the sectors must also take place in the cultural and social spheres; and here too, it is desirable to use the successful form of cultural activity in Kiryat Gat as a model, whereby participation of the rural population in all cultural activities is a matter of course.

We should like, at this stage, to commend the Mate Yehuda Regional Council, for its willingness to move its executive offices in or close to the town. We feel that the execution of this move should be urgently undertaken, and that housing in Beth Shemesh should be provided for all Regional Council workers.

2. The local population - employment, industry and society.

(a) Employment and industry: our starting point is, in accordance with the ancient wisdom of Israel: "Where there is no bread, there is no study."

The economy of the population of Beth Shemesh must be based, as far as possible, on local industry, commerce and services. The number of citizens working out of town should be decreased, because a person who spends many hours daily travelling to and from work, is naturally a potential migrant.

In these circumstances, we consider that the erection of the new Shidlowski motor plant in Beth Shemesh will create the necessary conditions for a local solution of its numerous employment problems, and will inject new life into its bloodstream.

On the subject of local industry, we must not perpetuate the present system whereby only unskilled workers in Beth Shemesh engaged in existing enterprises; we must begin to create a reservoir of skilled manpower in Beth Shemesh itself from returning soldiers and the youth. This aspect will be dealt with again later.

(b) Society.

Beth Shemesh has no attraction for potential immigrants, -- not only from the economic standpoint, but also because of its poor social life. In order to create immediately the conditions necessary for the absorption of a cultural and professional elite, the following steps should be taken:

Centres of social intercourse for adults, such as a cultural centre, city hall, establishing a central synagogue, a swimming pool - or a community centre including all these. The town parks should be extended and improved; the planned amphitheatre should be constructed, together with other entertainment amenities, such as another cinema, cafes, etc.

Since the majority of the population lack even elementary education, there is a need for cultural activities in the neighbourhood and close to the synagogues. These activities could include films, to be shown in the neighbourhood centres. The rural population should naturally participate in all these activities.

As has been stated in the introduction to this section, any project of advancement is doomed, without the establishment of a body to direct and guide all cultural activities in Beth Shemesh, and for this a community worker is needed - one who is highly qualified for such a task together with a team of qualified vocational instructors, as described above.

(c) The second generation

This last heading is nonetheless of primary importance. If the level of local education is not raised in order to provide a future leadership from among the local youth, it is evident that nothing will be done properly in Beth Shemesh. If, despite all the goodwill shown, Beth Shemesh will remain as it is today it will eventually become an old age home or a centre for social cases. The solutions proposed may be divided into three areas:

1. The educational field - from nursery schools to high schools.
2. The vocational field.
3. The social field.

1. The educational field.

- (i) The education of the second generation should start from infancy with creches and nursery schools. According to the data in our possession, another 6 nursery schools must be set up.
- (ii) As for elementary and secondary education, one of the important means of raising the educational standard in Beth Shemesh is a high standard of qualification of all the teachers who should be resident in Beth Shemesh in order to achieve good and lasting relations with their pupils. An educator ought to be not only a teacher, but should serve as an example; a teachers who gives lessons only becomes a mere cog in a wheel and nothing more.
- (iii) In view of the social structure and economic level of most of the population, even a long school day is not enough: the children must be kept busy the whole day. They should receive a hot meal at school, and after a period of rest, two study periods, and then sports and group activities with instructors until 6.00 in the evening.
- (iv) The two comprehensive high schools are not exploited to the full, and evidently 200 children of high school age learn out of town despite two modern and well-equipped schools, with highly qualified teachers and so on. We think some way should be found, even by means of local laws, to make all Beth Shemesh children study in their town.

2. The vocational field

Only a few of the youth unable to learn at a secondary school are catered for by the local youth centre. All the pupils belong to the general stream; most of those outside an organized frame belong to the religious stream. According to the director of the youth centre, the religious stream boycotts this frame of education, and we think a way should be found to convince these youth to join the centre, in order to avoid their becoming an unattached element, in danger of being drawn into delinquency.

Vocational frames of education should be expanded, both the regular frame and the one for problematic youth, working or jobless, in accordance with local industrial needs, so that this youth can become a reservoir of skilled manpower, for the future needs of the town.

This can be achieved by the following means:

- (i) Adopting the proposal of the industrial executives to establish an industrial school.
- (ii) Industrial vocational courses, either through the schools or through the centre, using the equipment available in the factories.
- (iii) Army and pre-army courses in various technical and semi-technical fields.
- (iv) Vocational training for returning soldiers.

These alternatives must be carefully studied. In our view, the best solutions will be those provided locally.

(c) The social field.

As already stated, a Nachal group began to work in Beth Shemesh a few months ago. During this time, the group has accomplished much, with enthusiasm and determination; but in the group commander's opinion, Segen Jerry Schwartz, the group could do much more.

In addition to the anti-illiteracy program for adults, which is to be expanded, the main activities of the Nachal group should be concentrated on youth activities. Although there is one club of the Noar Oved Movement in Beth Shemesh, most of the local youth are idle and lack main spheres of interest; thus, the ideal solution would be to have a group of youth there of a much higher level within the Nachal frame of activities which will be able to fulfil important functions among the local youth. Obviously, the Youth Department of the Local Council should direct and follow the activities of the Nachal group. The principal activities of the group are, in our view, clubs and more clubs - in order to attach the youth to some sort of frame.

In addition, playgrounds are to be erected, well equipped and well kept, a swimming pool - as noted above - and entertainment amenities as a part of the youth centre, or through the establishment of a second youth centre.

## RECOMMENDATIONS

The following is a summing up of the proposals for the economic and social recovery of Beth Shemesh:

### A. IN REGARD TO THE GENERAL POPULATION

1. The creation of sources of employment locally.
2. Integration of the agricultural hinterland by providing facilities for an organized market, for small workshops, a business centre and the appropriate marketing institutions.
3. Establishment of a communal centre to include a central library which would also serve the neighbouring settlements, a hall for lectures, performances and celebrations, a club for games, etc.
4. Improvement of the existing club for the aged.
5. A central synagogue for the younger generation and for adults who have completed military service, which will serve not only as a Torah-spiritual centre, but will also help to create a mixed community society.
6. A swimming pool in conjunction with other sports facilities.
7. Construction of the local amphitheatre.
8. Improvements to the municipal park.
9. Encouraging the setting up of proper amenities for entertainment.
10. Good professional instructors to be used as communal workers.
11. Instruction of community workers - a planned activity by the Giora Josephthal Fund.

### B. WITH REGARD TO THE COMING GENERATION

1. Setting up two creches.
2. Setting up six nursery schools.
3. Additional vocational classes to be based on the requirements of local industry with appropriate facilities and equipment. In this connection, it must be pointed out that there will be a response on the part of local industry to make available equipment which is at its disposal.
4. Improvement of sports grounds in local schools.
5. Youth clubs and neighbourhood sports facilities.
6. A fine team of instructors trained in youth problems, also to give assistance in the activities of the Nachal nucleus.

We assume that a part of the activities mentioned above will be carried out by the local council and will be financed from its usual sources; but it is quite evident that the local municipal authorities will be unable to shoulder the burden of the major portion of the activities, either financially, physically or legally. We have accordingly come to the conclusion that a new body must be established side by side with the local council, to deal with the economic and social development of the town.

On examining the above proposals, we concluded that this body, in addition to providing instruction and guidance must be an executive one and must therefore assume the nature of a shareholding company directed by a board of directors of not more than seven persons. It is important, from the point of view of the executive potentialities of this body, that a reasonable capital for shares be determined which can be used for various investments, and that this body, as a legal one should be able to obtain loans for development, etc.

It must be pointed out that such development corporations are in existence in conjunction with many urban or local councils in the country. We feel that the setting up of this body must be one of the first steps in the list of priorities in the development and advancement of Beth Shemesh.

The essential and immediate functions to be carried out are in the organization of a normal life for the local youth so as to educate them towards a proper social life and for the emergence of a young local leadership. Thus, quite unconnected with the establishment of this body, we would recommend to the Jewish Agency as immediate investments in Beth Shemesh the following projects whose budgetary assessments are based on the Absorption Program in Depth of the Jewish Agency, November, 1966:

	<u>IL</u>	<u>IL</u>
1. The addition of two nursery schools at IL.40,000 each	80,000	
Annual participation in maintenance	<u>2,000</u>	82,000
2. Participation in meals at school at an estimate of IL.500 net per day (after deducting participation of parents on an annual calculation)	100,000	
3. Two youth clubs in difficult neighbourhoods (the old quarter and the Ezer settlement)	150,000	
4. Two sports grounds next to the above two clubs	80,000	
5. Swimming pool	100,000	
6. Participation in a professional staff of instructors, etc. (it is important that the participation should be for two years at least, though the calculation given here is annual)	<u>35,000</u>	<u>465,000</u>
T o t a l:		<u>IL. 547,000</u>

Remarks: We are of the view that these investments could serve as a basis for participation of the Jewish Agency in the capital investment of the development corporation of Beth Shemesh.



UNITED ISRAEL APPEAL, INC.

BOARD OF DIRECTORS MEETING

Wednesday, December 6, 1967

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A G E N D A

AMERICAN JEWISH  
ARCHIVES

- I. Financial Report
- II. Allocations and Reallocations
- III. Report by Mr. Louis Pincus
- IV. Miscellaneous

זכר אלה יעקב וישראל

Revised as of November 6, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
(in thousands of dollars)

FOR ACTIVITIES IN ISRAEL

Schedule No.	Item	Sept. 13 1967	Proposed Addition	Transfers	Total
I	Immigration and Absorption	\$ 28,475	\$ 9,500	\$-21,533	\$ 16,442
II	Other Social Welfare	2,975	-	+18,133	21,109
III	Health Services	18,696	17,000	-	35,696
IV	Education	25,849	-5,100 +5,000	-	25,748
V	Institutions of Higher Learning	18,950	15,023	-	33,973
VI	Youth Care & Training	3,366	-	+3,400	6,766
VII	Absorption in Agricultural Settlements	38,133	8,183	+1,333	47,649
VIII	Immigrant Housing	28,286	-	-1,333	26,953
	Admin. & Special Projects	1,616	-	-	1,616
		<u>\$166,346</u>	<u>\$49,606</u>	<u>-</u>	<u>\$215,952</u>

United Israel Appeal, Inc. Disbursements

Debt Service & Amortization of American  
Insurance Companies' \$50,000,000 Loan

4,938

Administrative Budgets

263\$221,153

Revised as of November 6, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
(in thousands of dollars)

FOR ACTIVITIES IN ISRAEL

<u>Schedule No.</u>	<u>Item</u>	<u>Total</u>
I	Immigration and Absorption	\$ 16,442
II	Other Social Welfare	21,109
III	Health Services	35,696
IV	Education	25,748
V	Institutions of Higher Learning	33,973
VI	Youth Care & Training	6,766
VII	Absorption in Agricultural Settlements	47,649
VIII	Immigrant Housing	26,953
	Admin. & Special Projects	<u>1,616</u>
	<u>TOTAL</u>	\$ 215,952

United Israel Appeal, Inc. Disbursements

Debt Service & Amortization of American Insurance Companies' \$50,000,000 Loan	4,938
Administrative Budgets	<u>263</u>
	\$ 221,153
	<u><u>          </u></u>

11/15/67

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
IMMIGRATION AND ABSORPTION  
(in dollars)

Schedule I

SERVICING OF IMMIGRANTS ABROAD

Offices:

Austria	\$ 46,319	
Italy	60,183	
Greece	15,450	
France - Paris	211,146	
France - Special	117,700	
India	19,200	
Iran	43,323	
Aden	1,000	
Turkey	39,916	
North Africa - T	19,990	
Switzerland	61,530	
Various	<u>35,443</u>	\$ 671,200

Expenses of Israeli Immigration  
Administrative Staff Abroad

Traveling Expenses	\$ 35,000	
Medical Expenses	13,333	
Support of Families	6,667	
Social Security	<u>6,000</u>	\$ 61,000

Expenses of Immigrant Counseling  
Staff Abroad

Screening of Candidates for Immigration	\$ 71,000	
Educational Activities for Candidates for Immigration	93,467	
Staff Travel Expense	<u>8,100</u>	\$ 172,567

Documentation and Related Expenses 1,000,000

Transit Centers

Austria	\$ 39,768	
Italy	19,908	
Vienna - Naples Maintenance	58,880	
Greece	12,880	
France - Marseilles	113,864	
France - Paris	1,000	
France - Special	1,000	
Switzerland	500	
Turkey	16,200	
Gibraltar	2,000	
India	2,000	
Iran	23,200	
North Africa T	6,000	
Various	<u>2,800</u>	\$ 300,000

Medical Services to Immigrants En Route \$ 59,265  
(at centers listed above)

TRANSPORTATIONCarriage of Immigrants

Europe "E"	\$ 509,600	
Europe "W" (North Africans in France)	72,000	
Africa	248,560	
Asia	<u>186,173</u>	\$ 1,016,333

Escort Services

Permanent Escorts	\$ 8,000	
Expenses Abroad	7,000	
Expenses in Israel	10,000	
Supervision of Kashrut on Ships	<u>10,500</u>	35,500

Transportation of Immigrants'  
Possessions

Transport of Freight	\$ 226,667	
Customs Clearance of Freight in Israel	43,333	
Transportation of baggage	9,333	
Customs Clearance of Freight Abroad	8,667	
Freight Unclaimed	667	
Freight Damages	2,000	
Insurance of Immigrants' Belongings	<u>1,666</u>	\$ 292,333

Transfer of Settlement Sites

Reception of Arrivals	\$ 15,000	
Transportation in Israel	<u>40,667</u>	<u>\$ 55,667</u>

\$ 1,399,833

Initial Care of ImmigrantsInitial Absorption Services

Reception Staff	\$ 249,250	
Absorption Staff	<u>210,000</u>	\$ 459,250

Equipment & Furniture for Immigrants

Beds	\$ 90,667	
Mattresses	69,333	
Blankets	88,000	
Other Furniture	58,667	
Clothing & Footwear for Immigrant Children	10,000	
Field Staff	<u>21,000</u>	\$ 337,667

Food

Meals at Haifa Port	\$ 1,600	
Meals at Lod Airport	2,400	
Food Parcels	4,266	
Gift Parcels for Children	<u>1,067</u>	\$ 9,333

Hostels

Beer Sheba	\$ 29,266	
Holon	3,667	
Talpioth	2,100	
Shaviv	4,400	
Morasha	4,400	
Lod	6,567	
Nathanya	72,700	
Tamar - Haifa	22,133	
Rassco - Jerusalem	15,900	
Ashkelon	40,433	
Beit Brodetzky	32,333	
Beit Giora	36,167	
Ashdod	33,767	
Kiryat Menachem	27,867	
Miscellaneous	<u>1,634</u>	<u>\$ 333,334</u>
		\$ 1,139,584

Absorption in Settlement Areas

Cash Grants	\$ 81,000	
Grants to Difficult Immigrant Cases	5,000	
Aid to Large Families	3,500	
Transfer of Families to Kibbutzim	500	
Clubs for Young Immigrants	1,000	
Field Staff	<u>17,000</u>	<u>\$ 108,000</u>



(continued)

Schedule I

Financial Assistance

To New Immigrants

Aid for Purchase of Furniture	\$ 27,000	
Aid to Professionals	17,000	
Subsidiary Employment for Professionals	<u>22,000</u>	\$ 66,000

Initial Arrangements

Direct Grants	108,000	
Direct Grants to Professionals	53,333	
Initial Assistance	33,333	
Care for Victims of Persecutions	<u>26,667</u>	\$ 221,333

Constructive Assistance

(for academicians)

Direct Grants and Loan Fund		\$ 233,334
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Grants to Institutions Assisting Immigrants

Telem (Theatre in Settlement Areas)	16,667	
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Immigrant Associations from:

Iran	)	
North Africa	(	
USSR	)	
India	(	
Hungary	)	99,833
Tunis	)	
Egypt	(	
Poland	)	
Turkey	(	
Rumania	)	

Women's Organizations (WIZO & PIONEER WOMEN)	<u>20,000</u>	\$ 136,500
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Reserve \$ 40,266

Administrative Cost

Head Office of Absorption Dept.  
in Tel Aviv 833,333

Relief Payments to Immigrants

Assistance to Unemployed Immigrants:  
Relief Work for able-bodied (through  
the Jewish National Fund) 10,000,000

8000 unemployed

TOTAL AMERICAN JEWISH  
ARCHIVES

\$16,442,215



UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
SOCIAL WELFARE SERVICES  
(In Dollars)

Schedule II

SOCIAL WELFARE SERVICES

Homes for the Aged

Ashkelon	\$ 7,600	
Mahane - David	8,900	
Nahariya	7,567	
Affula	7,267	
Kiryat Shmone	11,333	
Kiryat Ono	11,100	
Nathanya	10,733	
Givatayim	5,000	
Beit Shivens	<u>14,000</u>	\$ 83,500

Rehabilitation of Chronically Ill \$100,000

Aid to Youngsters - Institutional  
Placement of Children \$ 33,000

Staff - Social Service Division \$142,000

Minor Items of Assistance \$ 50,550

Social Integration

New Demonstration and Pilot  
Projects \$666,667

Brought Forward ..... \$ 1,075,717

Sheltered Workshops for Elderly \$ 1,900,000

Number of Elderly persons aided -  
6,800

Average number of work days per  
month - 20

Number of work days total  
annual - 1,600,000

Subsidy per person per day -  
\$1.30

Old Age Grants

*20-50 monthly*  
Grants for 14,500 Aged Immigrants  
Made in Monthly Installments \$ 3,333,334

Regular Monthly Payments or one-time  
payments to 21,740 social case families  
(Ineligible for National Insurance  
Grants) 5,300,000

*48,000 cases  
8 to 18 monthly*  
Supplementary Old Age Grants to Immigrant  
Needy whose National Insurance Grants  
are inadequate and insufficient 5,000,000

Service to New Immigrants

Athletic and Recreational Activities  
and Youth Clubs in Immigrant and  
New Development Areas 4,500,000

TOTAL

\$21,109,051

September 13, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
HEALTH SERVICES

Schedule III

Health Services

Health Insurance for New Immigrants	\$ 116,667	
Hospitalization of Chronically Ill	50,000	
Ambulatory Treatment & Hospitalization of Mentally Ill	<u>1,500,000</u>	\$1,666,667

Subsidies to non-governmental Health Services:

Kupat Cholim, Mother & Child Care Stations, etc.		11,000,000
Hospitalization & Medical Assistance to Chronically Ill, Mental Cases & Care of the Aged		13,030,000
Medical Services (clinics) to Immigrants in Development Towns		10,000,000
	<u>TOTAL</u>	<u>35,696,667</u>

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
EDUCATION  
(In Dollars)

Schedule IV

Ulpanim

Town Ulpanim \$ 133,333

Ulpan Meir

Ulpan Borochov

Ulpan Etzion

Ulpan Motzkin

Ulpan Beer Sheba

Ulpan Ashkelon

Ulpan Kiriath Shmoneh

Work Ulpanim 66,667

Evening Ulpanim 6,000

Assistance to Students of Ulpanim 63,000 \$ 269,000

Vocational Training for Young Immigrants \$ 46,667

Pre-Kindergartens

(Sponsors and Approximate Number  
of children): \$ 1,533,000

Working Mothers' Organization 7,000

National-Religious Women's Movement 3,300

WIZO 1,300

Agudat Israel Center 1,000

Poale Agudat Israel 400

Habad 200

Agricultural Center 4,300

Hapoel Hamizrachi Moshavim 1,500

Agricultural Association 300

Total number of children 19,300

Post Elementary School Scholarships: \$15,600,000  
(Includes academic, agricultural,  
vocational and adult educational  
programs)

Brought Forward..... \$17,448,667

The number of children in intermediate schools benefiting from these scholarships are estimated at:

- 63,000 in Academic Schools;
- 33,000 in Vocational Schools;
- 9,300 in Agricultural Schools.

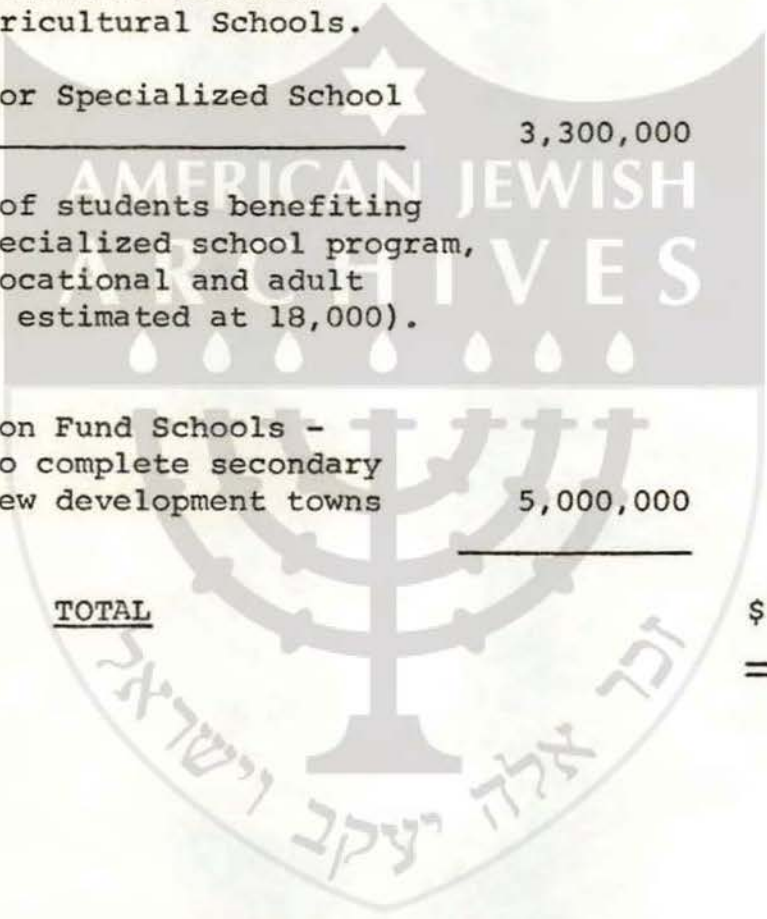
Scholarships for Specialized School Programs	3,300,000
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(the number of students benefiting from the specialized school program, including vocational and adult programs is estimated at 18,000).

Israel Education Fund Schools - Allocation to complete secondary schools in new development towns	5,000,000
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TOTAL

\$ 25,748,667



September 13, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
INSTITUTIONS OF HIGHER LEARNING Schedule V

The Hebrew University	\$ 14,000,000*
Technion	8,000,000**
Weizmann Institute	4,373,000
Tel Aviv University	4,700,000
Bar Ilan	1,800,000
Haifa University	700,000
Beersheba University	400,000
<u>TOTAL</u>	<u>\$ 33,973,000</u>

\*Includes \$4,300,000 for the Training of Academic Staff.

\*\*Includes \$2,400,000 for the Training of Academic Staff.



UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
YOUTH CARE AND TRAINING  
(In Dollars)

Schedule VI

Maintenance and Care of Youth in  
Youth Aliya Institutions:

Agricultural Settlements	\$ 886,667	
Educational Institutions	610,000	
Clothing and Footwear	133,333	
Care and Maintenance of Immigrant Youth Requiring Special Treat- ment	<u>300,000</u>	\$ 1,930,000

Youth Centers:

Maintenance and Supervision

Netivoth	19,200
Afullah	25,667
Kiryath Shmone	31,133
Beer Sheba	41,667
Yeruham	25,633
Kiryat Gat	29,200
Ofakim	31,833
Beit Shemesh	13,000
Chatzor	20,000
Nazaret Elith	23,333
Dimona	37,667
Even Haezer	4,000
Kiryat Malahi	18,667
Ashdod	28,557

(continued)

Schedule VI

Ashkelon	\$ 30,933	
Acco	121,667	
Ashkelon	10,667	
Tiberias	22,666	
Maintenance of Youth Centers	199,680	
Administration of Youth Centers	<u>64,830</u>	\$ 800,000
<u>Special Medical Services</u>		200,000
<u>Youth Clubs in Immigrant Towns</u>		180,900
<u>Scholarships</u>		50,000
<u>Special Services for Immigrant Youth in Israel</u>		39,568
<u>Processing of Immigrant Youth Abroad</u>		128,666
<u>Departmental Administration</u>		33,333
<u>Aid to Parents</u>		3,533
Retarded families' Child Care including: Keeping of about 4000 children in day homes and about 5000 children in closed institutions		2,000,000
Services to the Retarded-Maintenance of 1230 beds for retarded young people in five institutions		<u>1,400,000</u>
<u>TOTAL</u>		<u>\$ 6,766,000</u>

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
ABSORPTION IN AGRICULTURAL  
SETTLEMENTS

Schedule VII

Non Capital Aid to New Immigrant Farmers

Agricultural Education and Training	\$	50,000	
Planning & Administrative Services to New Settlements		2,623,333	
Marketing Assistance & Crop Subsidies		183,334	
Care of Social Cases in Villages		33,333	
Planning & Engineering Services for Irrigation, Drainage & Construction of Farm Buildings, etc.		710,000	\$3,600,000

Capital Aid to New Immigrant Farmers

New Citrus Groves		2,566,667	
Consolidation of Settlements		433,333	
Citrus Groves, Participation		600,000	
Kibbutzim & Settlements		333,333	\$3,933,333

Research

\$ 116,666

Education and Cultural Activities  
Among New Farmers

\$ 183,333

Expenditures in Existing Settlements:

Water Projects		2,150,000	
Farm Buildings		1,500,000	
Fruit Orchards		1,800,000	
Livestock		900,000	
Tools		300,000	
Working Capital		533,000	\$7,183,000

Regional Services:

Tractor Stations	\$ 300,000	
Packing Centers	100,000	
Storage Plants	200,000	
Regional Centers	300,000	
Provision of Electricity	100,000	
Farm Roads	<u>200,000</u>	\$ 1,200,000

Establishment of New Settlements \$ 2,100,000

Regional Water Projects \$ 5,000,000

Final Consolidation of Existing  
Agricultural Settlements:

Water	1,566,667	
Farm Building	1,400,000	
Livestock	600,000	
Citrus growing and plantations	1,533,333	
Farming Tools	300,000	
Working Capital	<u>600,000</u>	\$ 6,000,000

Housing in Agricultural Settlements

Additional housing, re-housing and rehabilitation	10,000,000	
New Housing in New Settlements	<u>7,000,000</u>	\$17,000,000

Additional rooms for overcrowded houses  
in Moshavim \$ 1,333,000

TOTAL

\$ 47,649,332

Regions In Which Water Supply  
Will Be Increased to Enlarge  
Agricultural Production

(in thousands of dollars)

Northern Border	\$1,003
Lower Galilee	150
N'Tofa	93
Hitin	226
Kishon	1,013
Zippori	76
Elon	473
Agur	420
Lachish	76
Shuval	170
Negev	383
Har Hanegev	467
Arava	450
TOTAL	<u>\$ 5,000</u>



UNITED ISRAEL APPEAL, INC.  
 RECEIPTS AND DISBURSEMENTS  
 April 1, 1967 - November 30, 1967

We Began the Fiscal Year  
 With Cash and Bonds in Bank and On Hand..... \$ 1,236,519.41

We Received:

From UJA - Cash and Bonds.....\$137,348,516.88  
 Contribution from France ..... 2,800,000.00  
 Misc. Emergency Fund Contributions..... 7,173.00  
 Direct Remittances to Jerusalem..... 591,932.26  
 Bequests..... 7,000.00  
 Miscellaneous Income..... 108,035.69

190,862,657.83

And We Do Not Owe The Banks  
 Anything on Short Term Loans

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Total..... \$ 192,099,177.24

Disbursements

We remitted to JAFI, Jerusalem

Direct Cash..... \$142,252,133.33  
 Earmarked Remittances..... 51,740.29  
 Direct Remittances in Jerusalem..... 594,367.82

Payments to JAFI, Jerusalem

Conversion Costs on Bonds..... 88,135.46  
 Building Expenses..... 136,673.46  
 Rental Housing-Associate Co..... 2,737,500.00  
 Insurance - Associate Co..... 7,200.00

\$145,867,750.36

Depostied in Israel But Not Yet Allocated... 39,407,500.00

Payments on \$50 M. Loan - Principal &  
 Interest..... 4,938,442.00

Interest on Short Term Loans..... 61,224.99

For Administrative Expenses..... 201,898.61

Accounts Payable as at 3/31/67..... 34,151.43

Exchange Account..... 90,573.44

\$ 190,601,540.83

Balance - 11/30/67..... \$ 1,497,636.41

Cash..... \$ 446,939.31  
 Bonds ..... 1,050,247.10  
 Travelers Checks..... 450.00

Total..... 1,497,636.41

11/30/67  
Unaudited Report

UNITED ISRAEL APPEAL, INC.  
RECEIPTS FROM UNITED JEWISH APPEAL  
April 1, 1967 - November 30, 1967

Campaign Funds.....	\$ 37,920,780.83
Emergency Funds.....	\$ 145,582,500.00
Bonds.....	\$ 2,311,676.84
Earmarked Cash:	
Amidar.....	\$ 1,471,818.92
Other.....	\$ 61,740.29
	<u>\$ 187,348,516.88</u>





11/30/67  
Unaudited Report

UNITED ISRAEL APPEAL, INC.  
BUDGET ALLOCATIONS AND REMITTANCES  
April 1, 1967 - November 30, 1967

Total Allocated as of Sept. 13, 1967

\$ 166,346,000.00

Transmitted:

1967

April.....\$ 2,500,000.00  
May.....11,750,000.00  
June.....117,351,000.00  
July.....9,100,000.00  
August.....1,101,133.33  
September.....150,000.00  
October.....10,000.00  
November.....300,000.00

TOTAL.....\$142,262,133.33

Miscellaneous Credits.....\$ 3,605,617.03

Total Remittances And Credits.....\$ 145,867,750.36

Deposited In Israel But  
Not Yet Allocated:

Bank Leumi.....\$32,407,500.00  
Israel Discount Bank.....7,000,000.00

Total Deposits.....\$ 39,407,500.00

Total Remittances And Deposits.....\$ 185,275,250.36

11/30/67  
Unaudited Report

UNITED ISRAEL APPEAL, INC.  
ISRAEL EDUCATION FUND  
January 1, 1965 - November 30, 1967

Total Income - Cash, Bonds, Direct Remittances.....\$ 9,856,601.74\*  
Interest on Time Deposits.....2,356.15  
\$ 9,858,957.89

Disbursements - Remittances.....9,670,693.25\*\*

Balance 11/30/67.....\$188,264.64

Cash at First National City.....\$2,574.45

Cash at Man Han Trust.....190.19

Bonds: In Bank.....\$ 25,500.00

In Office.....160,000.00

\$185,500.00

\$188,264.64

Amount Received\*  
4/1/67 - 11/30/67.....\$2,061,942.70

Amount Remitted\*\*  
4/1/67 - 11/30/67.....\$2,099,741.51

EIGHT MONTHS OF WORK IN BETH SHEMESH AND NETIVOT - a Summary

BETH SHEMESH:

1. A Development Council has been established and is now fully operative.
2. Clubs to combat illiteracy are being set up in three neighborhoods of the town.
3. A public library - officially recognized by the Ministry of Education - is being opened in existing premises.
4. Summer study camps are being run at the seaside, for the first time in Beth Shemesh for children of the 7th and 8th grades.
5. The Home for Retarded Children has been transferred to better and larger premises (also for children from the neighbouring settlements, and has been fully equipped.)
6. The Hebrew University has started adult education programs in the town. The HaOhel Theatre has adopted Beth Shemesh and the Josephthal Fund has opened two courses for public officials.
7. A Club for Younger Adults now has 70 members, and has an intensive program of social and cultural activities on a very limited budget and space.
8. Malben and the Ministry of Health have inaugurated a pilot project on the needs of the aged and the handicapped in development towns.
9. A Youth Motivation and Attitudes research study has been completed for the Ministry of Education.
10. A "Beth Haam" has been opened in the former municipal premises, with a variety of activities for adults and older youth.
11. A swimming pool has been planned, and a budget for its construction has been found.
12. Playgrounds have been improved and are being fully used by the children in organized summer programs.
13. Laundry clubs, with sewing and social facilities have been planned and are now being set up.
14. A number of private enterprises have been planned to provide the town with more commercial prospects and entertainment amenities.
15. The League to combat Rheumatic Fever has become active in the town.
16. Four youth clubs are operating regularly, with the aid of instructors from the Nahal group.
17. An Interprofessional Team for Schools has been formed and is active in all six local elementary schools.

NETIVOT:

1. A Development Council has been established and is now fully operative.
2. Classes for 7th and 8th grade pupils have been provided during the summer.
3. Classes for backward pupils of lower grades have been provided under the same scheme.
4. Three anti-illiteracy and social clubs for adults are being completed in three central locations of the town.
5. The existing playgrounds have been improved, and lighting has been provided.
6. Starting from September 1, 1968, a Central Youth Club will cater for three age groups in Netivot (10-14; 14-18; younger adults) with a wide range of cultural, social and vocational programs.
7. The Council for Prevention of Juvenile Delinquency is very active, together with an Interprofessional Team for Schools.
8. Laundry Clubs, with sewing and social facilities have been planned and are now being implemented.
9. Two industrial projects are being planned: a metalwork industry, and a fish and vegetables cannery.

SECOND INTERIM REPORT AND FOLLOW-UP OF THE BETH SHEMESH AND NETIVOT PROJECTS

by Dov Ancona

Introduction

During the first period of work (December 1967-March 1968), the policy of the team was based on three main principles:

1. Community development cannot be successful if directed only from "above" or from "outside". If, because of local conditions, the initiative must, of necessity, come from the outside, the primary task must be the establishment of a local body or a group of local activists who will be guided in the execution of any projects and the initiation of new activities, in order to ensure the continuity of community development processes.
2. Although an initial survey is necessary in order to ascertain at least some of the focal problems, such a survey cannot serve as an axiomatic guide for the activity.
3. The planners and executors of a community development program are never a substitute for other existing bodies responsible, in various fields, for public services and for social and economic development. These bodies must be assisted and encouraged in their work, and regular contact with them must be maintained in order to bring about the fullest possible coordination of activities and the most efficacious cooperation in all fields, to the advantage of the community as a whole. This should transcend all political allegiance or ties and be completely free of any private interest.

In accordance with these principles, the first four months of operations had three central objectives:

1. Identification of potential activists, and their enlistment to form a volunteer body willing and capable to assist and later to guide the general progress of the towns - namely, the Development Councils.
2. A practical review of the preliminary survey, keeping in mind the basic principle that the execution of the projects is only a part of a complex community development process, whose success cannot be measured by the number of projects implemented, or by the rate of budget expenditure.
3. Direct (outside) activity, on local, regional, and national levels, to ensure the participation of all governmental, public, local and private bodies, each in its specific field for the initiation of community development, with the maximum impact and with all the resources at their command, in budgets, manpower, etc.

Accomplishments during the initial period were mainly:

1. The establishment in the two towns of groups of potential activists, who, although they cannot as yet be said to represent all strata of the population, are nevertheless the nucleus of potentially larger bodies, and are capable, provisionally, of becoming the spearhead of numerous community development operations.

2. The determination of a priority scale of the projects recommended in the preliminary survey; their adaptation to changed local needs and data, and the planning of additional projects; also the first step in implementing the projects, in accordance with the determined priority scale, though still mainly from the outside.
3. The enlistment of general interest, support, and even active participation of many existing bodies in the towns: Government Ministries, Amidar, Malben, the Jewish Agency and others.

In the light of these conclusions, the aims of the second period of work were:

1. Reinforcement of the activists' groups within the Development Councils, whose functions should be clearly defined and enunciated; instruction and guidance of the members of the councils in their new roles within the newly-defined frames of the Development Councils.
2. A step-by-step transfer of the direction of the projects from our team (outside execution) to the Development Councils under the team's guidance (guided execution).
3. The establishment of direct contact and liaison between the Councils and the various institutions in the towns.

These goals are not only in accordance with the general policy of the project, but also enhance its "process attitude", with its central target of creating a strong local leadership, identifying itself with the town and its community, and capable and willing to plan and execute projects for the advancement of their hometowns over and above any personal or political ties and allegiance - and not immediate execution of projects, which in the present situation could only be conducted from outside.

#### THE ESTABLISHMENT OF THE DEVELOPMENT COUNCILS AND THEIR FUNCTIONS

In March, at the end of the initial stage of operations, the first steps towards regularization of the legal status of the Development Councils were taken. The Statutes, which were prepared with the assistance of lawyers, (Mr. A. Abeles of Beth Shemesh and Mr. Likhovski's office of the Jewish Agency), define the goals of the Council, and determine their administrative and executive structure (see copy of Statute enclosed). This "legalization" was desirable for three reasons:

- a. The establishment of a legal basis for the Council, which would permit of its steady growth within all strata of the population, and which would obviate future criticism or attack by political parties or other vested interests.
- b. The creation of a practical tool for implementation of the projects and answerable for the budgets' expenditure.
- c. The reinforcement and encouragement of the first group of local activists, through the recognition of their status and responsibility to the projects and their successful implementation, and through the gradual transfer of managerial and coordinating activities from the outside team.

The two groups of volunteer activists in the two towns have now become the "interim" committees of the Development Councils, and from among their ranks the officers of the councils have been elected: chairman, deputy chairman, treasurer, and a number of ad hoc sub-committees.

The only paid officer of the Councils - the general secretary - was to be appointed by means of public tender or by majority vote of the committee; the situation is however different in the two towns (see later paragraphs).

The ad-hoc sub-committees are professional committees, charged with the planning and implementation of projects in specific fields (education, culture, industries, welfare, etc.). All sub-committees are composed of one or more members of the Council, as well as local professional persons - not just as advisers, but as full members of the sub-committee. (This may well become a key strategy for increasing the ranks of the Councils and reaching many strata of the population.)

Budgets approved by the Jewish Agency for the implementation of projects recommended by the preliminary survey are paid to the Development Council, which in turn implements the projects through its sub-committees, after approval of the sub-committee's plan by the plenum of the Council.

All policy in regard to the order of priority and execution of projects (either projects recommended in the survey, or submitted by members of the Council and by other bodies or individuals) is determined by general meetings of the Interim Committee of the Development Council. The Committee may - and generally does - charge a sub-committee with a study of the urgency and importance of the proposed projects, and the participation of any governmental, public regional, or local bodies, in the projects, their budget and responsibility.

Two general principles guiding the decisions of the Committee are:

- a. That the existence of a Development Council does not release any of the other existing bodies and authorities from their specific obligations.
- b. That the Development Council does not interfere or compete with the elected Local Council (Municipality), but assists it in its efforts for the advancement of the town; however, the Development Council does not release the municipality from its obligations in all its fields of operation.

Many of the projects planned or in various stages of implementation require regular contact, coordination and cooperation with various bodies; this complex task which, during the initial period, was exclusively the task of Mr. Moshe Arnon, is now gradually being transferred to the Development Councils, under Moshe's constant guidance. Consequently, the meetings of the Development Council Committee often deal with the activities of other bodies, which on such occasions participate in the meeting through their representatives.

(The Interim Committee, which is actually the nucleus of the first group of activists created in the initial period, is not a representative body of all strata of the population; however, as matters progress, it is anticipated that other groups and individuals will join in the efforts of the Councils, and the participation of some ethnic, religious, and age groups, still at present aloof, will in the future be more satisfactory.)

## BETH SHEMESH

### 1. The Development Council

The Interim Committee consists of 14 members, including 3 outside people: Advocate A. Abeles, M. Arnon and D. Ancona.

The members include educators, professional people, a banker, civil servants, industrial workers and managers, and a student. The meetings are conducted efficiently, and all the members participate actively and intelligently in the discussions.

The original candidate for the post of General Secretary, after being approved unanimously, had to withdraw his application, because of his other obligations. Now the office is open to one of two candidates, both of whom seem to be very capable and promising. A decision is due in the first half of August.

### 2. The Projects

The Interim Committee of the Development Council has begun implementation of the following projects:

#### Project 1.2. (The Public Library).

The Ministry of Education and Culture has recently offered to participate in the budget for the transformation of the existing "Beth Jimmy" into an official public library. The Chairman has submitted to the Committee a proposal to join the Ministry and the Municipality in their efforts. The joint funds of the two bodies are still short of IL.11,000. After a perusal of the plans proposed by the Ministry, the Committee decided to participate in the budget to the extent approved for this project by the Jewish Agency (IL.6,000) and to assist the municipality in its search for the remaining IL.5,000.

#### Projects 1.3. and 1.4. (Enrichment for seventh and eighth grades).

There were many obstacles in the path of implementing these projects during the school year, particularly on the part of teachers and principals and a solution was finally found by a scheme of summer study camps outside the town, at a seaside resort (Michmoret), with a full staff of teachers and instructors and a daily schedule of study and leisure for a period of two weeks. As a result, the children of Beth Shemesh are able, for the first time, to enjoy a special holiday at the beach in conjunction with a well-planned course of study. The major part of the budget comes from the Development Council, the Municipality adding a contribution and a token payment being made by the parents. The regular teachers and principals assisted the Summer Camp sub-committee in preparing the lists of participants and the curriculum of study. The Municipality is legally responsible for the children in the camp.



Project 1.7. (Dalioth day home for badly retarded children)

On inauguration of the new home, in two dwelling units in a new apartment block for young families, the Municipality asked the Development Council for financial help, for the purchase of additional furniture and equipment. A sub-committee studied the list of material requested, and the possibility of financing this expenditure from the regular budgets of the Education Ministry and the Municipality. It was finally decided that instead of funds the Council would provide the equipment directly, from the budget approved for this project by the Jewish Agency. Most of the equipment is already in use, while the rest is being installed.

Project 1.8. (Cultural activities for adults)

The Development Council is continuing to extend this project along the lines adopted in the initial period: theatres, universities, and other socio-cultural organizations operating on a national scale are being contacted and their activities brought to the town, without any financial outlay as yet. The budget of IL.5,000 approved by the Jewish Agency for the project is still intact.

Project 3.3. (Research study in youth motivation and attitudes)

This project, whose budget was covered by the Ministry of Education and Culture, was conducted by Mr. Michael Lotan's Institute of Social Research, and the results were published in Hebrew in July of this year. (The conclusions are now being translated into English.)

Project 4.1. (Returning Soldiers)

The Municipality and the Management of the "Younger Adults Club" have submitted a written summary of the club's activities to the Committee of the Development Council. These include comprehensive general programs (lectures, excursions and films) and a variety of group study programs (handicrafts, music, law, citizenship, sports). The club has 70 members - 30 girls and 40 boys, and is now reaching a crisis owing to a lack of funds for the continuation and progress of its activities, and a lack of space both for general activities and for the growing number of study groups.

Although the Development Council has no budget for this project, the Committee is planning to raise the problem at one of its next meetings.

Project 5.1. (Swimming pool)

A budget of IL.300,000 from governmental and other funds is now available to the Municipality, as the result of a joint campaign conducted by the Mayor, Mr. Amram Luk, and Moshe Arnon. The plans are ready and the pool will be completed for the next season.

Project 5.4. (Playgrounds)

With the onset of the summer holidays, the local Police Superintendent in conjunction with the Youth Department of the Municipality planned a program of activity and games at the local playgrounds, with the help of the Nahal group and some volunteer policemen (not in uniform). They submitted a request to the Development Council for financial assistance in two respects: purchasing of games and other equipment, and transportation expenses to the beach. A sub-committee studied the amenities provided at the playing fields, and on learning that elementary facilities such as drinking water and shade were lacking, it was decided (a) to purchase the equipment required, and (b) to give priority to the installation of water taps and the provision of shade, if necessary, at the cost of the seaside trips.

An Additional Project: The Laundry Clubs.

Goal: The establishment of laundry centers in five neighbourhoods of Beth Shemesh, which will also serve as social centers, with club facilities (furniture, radio, hot and cold drinks, nursery games, etc.) and sewing machines.

Target Population: The women and children of five neighborhoods.

Sponsors: The Ministries of Welfare and of Education, Amidar, the Municipality, the Development Council, and the Jewish Agency.

Responsible Authorities: A Welfare Ministry Officer, a community worker of Amidar, the secretary of the Development Council.

Expenditure: Adaptation of Housing Units - by Amidar  
Washing and sewing equipment - Ministry of Welfare  
Club furniture - Ministry of Education  
Additional budget, IL.5,000 per club - the Jewish Agency  
Maintenance and guidance - the Municipality

The blueprints are ready, and Amidar will shortly begin work.

Note: The establishment of a Development Council in Beth Shemesh, and the impact of its initial activities, have served as a catalyzing agent in respect of many public bodies and even private investors; many projects of a commercial and general economic nature are now being planned. Among them are a supermarket, a restaurant and a cafe near the swimming pool, a flowershop, bookstore, and a gift shop, a covered market, a hotel and rest home for asthma patients.

NETIVOT

1. The Development Council

The Interim Committee has nine members, all among the younger members of the local population. They include educators, civil servants and a housewife. Although some of the members still only participate occasionally in the meetings, officers have been elected, as well as some ad hoc sub-committees, from among the "faithful".

The candidate approved for the post of general secretary was unable to get leave of absence from his present job, and Mr. A. York therefore agreed to act as secretary on a part-time basis, at least for the first few months until a suitable candidate is found.

## 2. The Projects

### Projects 2.2. and 2.3. (Enrichment for seventh and eighth grades)

Here, too, the Interim Committee had to overcome the obstacles presented by teachers during the school year by providing a program for the summer holidays. A course of study has been prepared by a sub-committee of teachers and educators - both from among members of the Committee and others - for summer classes held at the local school premises. The program includes four days of study and one trip to the sea each week. Other classes have been organized for younger age groups of children who have difficulty in following the regular school routine (literacy and arithmetic classes).

### Joint projects with the Ministry of Education

The establishment of the Development Council has become a very important factor in encouraging the Ministry of Education, and particularly the Youth and the Sports Departments, to re-invest in Netivot.

A Central Youth Club has been planned, with activities for three age groups: Adolescents (14-18) in the first stage, children (10-14) and young adults (above 18) later. The Ministry has prepared a program of activities to commence on September 1, which will be based on joint activities between the youth of both sexes (in contrast with a lack of mixed activity in the past).

Playgrounds have been improved and repaired, and lighting has been provided.

Clubs for adults - to combat illiteracy and for social activities - are now being completed (they will be ready before the parallel project in Beth Shemesh), and the Ministry has recently approved the voluntary assistance of 15 girl teachers for one year before their army service; they will serve as teachers in the clubs, and as instructors in other programs.

The returning soldiers project will be implemented through the Central Youth Club.

Laundry Clubs, under a similar scheme as that of the Beth Shemesh project, are now being introduced, and will be completed in Netivot before those in Beth Shemesh.

The Economic Projects have been studied in conjunction with the Ministry of Trade and Industry and with the Histadrut; the general recommendations are in favour of private enterprises and oppose cooperative projects.

Two projects are now under consideration within the Council and on a national level: a canning industry for local vegetables and fish surpluses from Gaza, as well as some sort of metalwork industry for the former pupils of the local vocational school.

## CONCLUSIONS

The rate of progress of the projects is a function of the efficiency of the Development Councils. At the same time, the rate of progress may serve as a measure of the identification of the leadership group with the town itself, of the quality of its activity, and of its capacity to become the nucleus of wider and continued local communal activity.

In Beth Shemesh the situation is most encouraging, although some sectors of the population are still holding aloof from the effort (the religious sector of the population). The image of the town is rapidly changing from one of static apathy to one of dynamic activity and hope. The process of community development has by now probably reached the stage where it could function <sup>on</sup> its own steam, and undertake the independent execution, if not initiation, of many projects.

In Netivot the Interim Committee is as yet lacking the independence and dynamic force to undertake the implementation of projects without direct guidance. The committee must be strengthened urgently by the addition of new members, if possible from among the more adult sections of the population and from among its small group of intellectuals and professionals. The process of community development is here still being guided from the outside; the number of projects which the committee is capable of handling is smaller, not only because they are less active, but also because of a lack of spontaneous initiative. The outlook should be more favorable after the successful execution of projects now in operation (enrichment, Central Youth Club), which it is hoped will give committee members the self-confidence they now appear to lack.

The growing participation of outside agencies in projects now in the course of implementation in both towns shows that our projects has awakened much interest in numerous and important quarters. Some national projects, which had been independently planned by these agencies, are being tried out in the two towns as pilot studies.

Other projects (e.g. the Laundry Clubs) are sponsored by so many different agencies, that their implementation - and even their definition - would have been absolutely unthinkable without the catalyzing action of a Development Council.

### Comments

The team recently organized in Beth Shemesh the first joint meeting of the two Development Councils. The first part of the meeting was a regular meeting of the local committee, and the second part was an exchange of ideas and of questions in some common areas, notably the definition of the functions of the Development Council and its relationship to the municipalities.

The comments of most of the members of the two committees were most encouraging, and it seems that both groups can learn from each other by hearing how the other committee copes with its own particular problems, and occasionally new ideas may be brought into the discussion by the "guest" committee .

It is hoped to organize similar meetings in both towns in the future, on the same basis as the regular meetings of the host committee with a general discussion of a subject of common interest.

TOWARD THE FUTURE

Some of the activities planned for the next period:

1. Joint activities with the Regional Councils.
2. Limelight upon the Councils: newspaper, radio, and town assemblies and meetings.
3. Coordination with the Ministry of Labour for local manpower planning.
4. Courses for local civil servants.
5. Training of local civil councillors. (Advisory bureaux).
6. Contacts and coordination with the new Ministry of Absorption.
7. A motivation research study in Netivot (as was done in Beth Shemesh).
8. Evaluation surveys of the project.
9. Further activity within potential investors' groups (Israeli and others).
10. Preparation of next year's budget.
11. Preliminary surveys for similar projects in Hatzor, Beth Shemesh and Yerucham.



## STATUTES

### GOVERNING THE PUBLIC COUNCIL FOR THE DEVELOPMENT OF BETH SHEMESH

#### A. The Council

The council is a non-political, autonomous body subject to Ottoman Law or to any other law which will be instituted to replace Ottoman Law.

#### B. Aims and Objects

1. To foster, initiate, implement and encourage the establishment of institutions, enterprises and organizations for the purpose of improving the economic, social and cultural life of the inhabitants of Beth Shemesh.
2. To coordinate, stimulate and speed up activities of government, national and local institutions, which function and whose duties are to function in Beth Shemesh, in the execution of their tasks.
3. To initiate and execute programs of economic development of Beth Shemesh, as well as its social and cultural development, and to this end to cooperate with governmental, national and other public institutions; to implement and to supervise the implementation of programs within the framework of the budgets of such institutions which are earmarked for any one of the purposes of the Council.
4. To encourage the investment of capital in Beth Shemesh from within Israel and from abroad; to initiate and establish enterprises and participate in their management; to assist existing enterprises and enterprises which will be set up by means of loans and grants from the funds of the Council or from funds received from governmental, national or local institutions.
5. To initiate, establish, maintain and run sports enterprises, as well as educational and cultural enterprises, clubs and similar institutions; to assist in improving the conditions prevailing in all types and levels of educational institutions.
6. To act in any matter or activity which the Council may consider to be within the area of its aims and objects or for the public good in Beth Shemesh.

#### C. Membership

1. The companies within the Council will be open for membership to every permanent resident of Beth Shemesh of the age of 18 and over.
2. Any person who wishes to become a member of the Council must apply in writing. The application will be considered by the committee at its first meeting after receipt thereof.
3. In order to be approved as a member according to section 1 above, there must be the usual majority of votes by members of the committee who are presented and vote at the meeting; on approval, membership will go into effect on the day after the meeting at which the applicant was accepted as a member.

4. Notwithstanding what is stated in Section 1 above, the committee may, by a 75% majority vote of all members of the committee, approve as a member of the Council a person who is not a permanent resident of Beth Shemesh.
5. On acceptance as a new member, the secretary will notify the applicant in writing of his acceptance.
6. Membership of the Council will terminate according to one of the following circumstances:
  - (a) By a member's notice of resignation from the Council countersigned by the secretary.
  - (b) On announcement of a member's bankruptcy or his being mentally unbalanced.
  - (c) On his leaving the town permanently.
  - (d) On his death.
  - (e) By a decision passed by a 75% majority vote of all the members of the committee at a meeting whose agenda includes termination of the member's membership, and of which meeting the said member has received notification 7 days prior to the date when it is to take place, as he has the right to appear at such meeting to present his case.
  - (f) Any decision of the committee taken according to this section may be appealed against at a general meeting.

D. The Committee

1. The Council will have a committee composed of not less than 7 members and not more than 15 members, including the general secretary.
2. (a) The Committee will be elected at the Annual General Meeting of the Council, or at an Extraordinary General Meeting whose agenda will include the election of a committee.
  - (b) Each member of the Council is entitled to propose not more than two candidates, and the committee will be elected on a best-man basis from among the candidates proposed.
  - (c) The chairman of the Council will be appointed by the committee from among its members; the committee will also appoint the remaining office-bearers from among its members.
3. The first committee, which will remain in office until the first General Meeting of the Council is held, namely, not later than twelve months after the Council has been formed, will be composed of those members who sign these regulations and their functions will be indicated next to their names.
4. The committee will meet regularly at least once a month, and although it has the right to cancel any meeting, not more than 60 days should be allowed to elapse between one meeting and another.

5. The committee will convene an extraordinary meeting at the request of a third of its members or on the decision of its general secretary. The date of such meeting will be within 7 days of receiving the request, or on a date determined by the general secretary if he has decided to call such meeting.
6. The agenda for the meeting will be drawn up by the general secretary or by those members who request the holding of such meeting and must be sent to committee members not less than three days before the meeting is due to take place. Such notification will also be publicized in the office of the Council.
7. Meetings of the committee are open only to invitees by the secretary and, in particular, when the purpose of a meeting is the discussion of expulsion of a member from the Council or is held at the request of a third of the committee members it will be held in camera and its proceedings will not be publicized unless so decided by the committee.
8. The Chairman of the Council will preside at committee meetings. If he is absent from a meeting, his deputy will replace him and in the absence of the deputy, the general secretary will preside.
9. The participation of a majority of committee members at a meeting of the committee will present the legal quorum at its meetings; but in the case where these regulations stipulate that a certain decision requires a specific majority, this majority will then be the legal quorum for the meeting which is to consider the subject requiring such decision.
10. In the event of there not being a legal quorum at the time when the meeting is due to commence, commencement of the meeting will be deferred for half-an-hour, after which time all those present - if there are not less than 5 in number - will be considered the legal quorum.
11. A member who absents himself from three consecutive meetings without adequate reason will be considered as having resigned from the committee, and the committee will appoint a substitute who will remain in office until termination of tenure of the committee.

Adequate reason for absence: illness, army reserve duty, away overseas, or any other reason acceptable to the majority of members of the committee.

12. The committee will have the authority to appoint sub-committees or ad hoc committees, whose members may include persons who are not members of the Council as long as two-thirds of such committees are composed of members of the Council.
13. Voting at committee meetings will be by open ballot unless at least one-third of the members of the committee present a secret ballot on any particular subject under discussion.

E. The Office, Secretary and Staff

1. The Council will set up an office for the administration of its activities.



2. The Council will engage a paid general secretary whose conditions of work will be determined by the committee. The secretary's duties will include participation in the committee's meetings where he will have the right to vote, and his appointment will not be subject to the approval of the general meeting.
3. The secretary will be appointed by a 75% majority vote or by means of public tender. The committee will have the right to engage additional employees, or to engage persons by contract for carrying out services or work on behalf of the Council.

F. General Meeting

1. The supreme body of the Council will be the General Meeting.
2. The Annual General Meeting will be held once every calendar year and not more than 15 months must be allowed to elapse between one general meeting and another.
3. The Agenda of the Annual General Meeting must include all matters resolved by the Committee, and in particular the following matters:
  - (a) Committee's Report, including the Financial Report;
  - (b) Approval of the budget;
  - (c) Election of Committee.
4. A Special General Meeting will be convened on a decision of the Committee, or on written request by one-third of all the members of the Council. The Agenda will include the same matters contained in the Committee's decision or the abovementioned written request, as the case may be.
5. Notice of the convening of a general meeting must appear on the official notice-boards of Beth Shemesh not less than 14 days before the date of the holding of such meetings, and must be sent to those members of the Council who are not residents of Beth Shemesh.
6. The date when the general meeting is to be convened is fixed by the committee, although, if the meeting is being called on request as described in 4 above, the date must not be later than 30 days after submission of the request.
7. Voting at general meetings is to be open (and not secret). This applies also to elections. But on request of a third of those present at the meeting for a secret ballot, such procedure is to be followed.
8. At the outset of every general meeting, a chairman of the meeting will be elected.
9. The constitutional quorum of the general meeting will be 51% of all the members of the Council.
10. If, at the time fixed for the commencement of the meeting, the required quorum is not present, a half-an-hour's grace will be given, at the end of which time all those present will constitute the constitutional quorum providing their number is not less than 25% of all members of the Council.

G. Finances

1. The income of the Council will be derived from grants, allocations and contributions from governmental, national, local, public and private institutions.
2. The revenue of the Council will serve to finance its activities within the framework of its aims and objects and in accordance with decisions of the Committee, as well as to cover expenses.
3. The general secretary will be responsible for keeping the accounts of the Council under the supervision of the Treasurer, on behalf of the Committee.

H. Signatures and Signatories

The signatures of the following three officers:

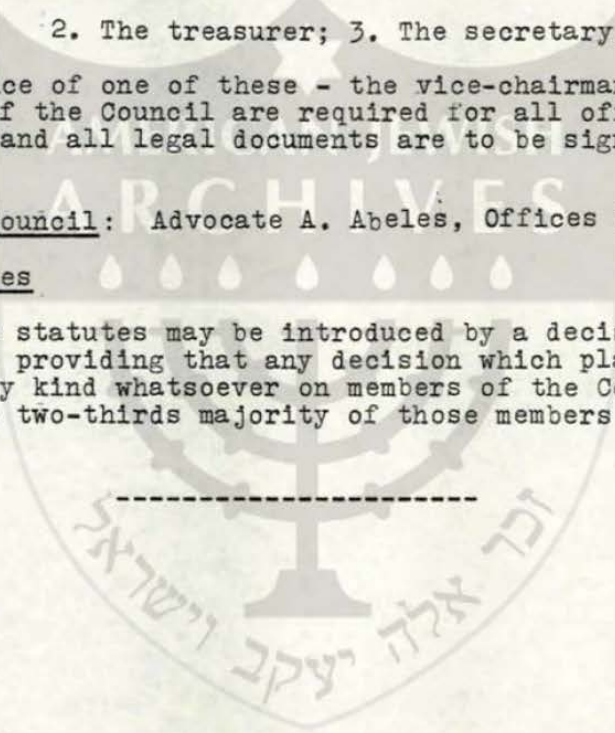
1. The chairman
2. The treasurer;
3. The secretary.

and in the absence of one of these - the vice-chairman - together with a rubber stamp of the Council are required for all official transactions of the Council, and all legal documents are to be signed in the same way.

I. Address of the Council: Advocate A. Abeles, Offices Building, Beth Shemesh.

J. Change in Statutes

Changes in these statutes may be introduced by a decision of the general meeting, providing that any decision which places a personal obligation of any kind whatsoever on members of the Council receives the support of a two-thirds majority of those members taking part in the voting.



1. THE BETH SHEMESH - NETIVOT DEMONSTRATION PROJECT AS A LOCAL ENTERPRISE AND AS A PILOT PROJECT: Goals and limitations.

The choice of development towns as a first project of this sort requires study of a much more general problem of interest to the country as a whole.

What is under examination here is the whole structure of regional development and cooperation; only in very few cases did the new towns and their hinterland succeed in creating an organic, independent and efficient regional unit. The situation in most cases is one of frequently deteriorating competition - if not open conflict - and it causes both sides harsh bitterness, considerable waste and impeded development. But in general it is the town which suffers most, lacking the powerful tool of a regional marketing enterprise and the roof of an often strong and successful regional council.

The preliminary survey, prepared during last fall in the two towns, made a study of the background and the structure of the two towns and submitted a plan of action. The task of the survey team was further complicated because of the necessity to consider the problems of the towns both as local and as demonstration problems-to-solve.

1. Definition of the problems.
2. Choice of key problems, and outlining a strategy of attack to enable the local population to "take over" from the team implementation of the projects as soon as possible.
3. Determine means, principles, and framework of follow-up and evaluation.

In all cases, the stress was put not on support activities or improvement of standard services, but on creation of new tools and means which a normal population - not handicapped by lack of identification or feelings of inferiority - is capable of undertaking and conducting on its own.

The section of the population on which most efforts were focussed was the younger generation: youth and young adults. All activities planned for the two towns are also directed to - or will at least influence indirectly - the development of the hinterland and its services and toward the implementation of wide cooperation frames to the advantage of both sides.

All the problems confronting Beth Shemesh and Netivot are also of great national import, and their solution in the two towns may serve as an indicator for their solution elsewhere, and possibly not only in development towns.

The planning and the execution of the project are hindered by some general difficulties of local and of national origin. All of them can be divided in two main groups:

- A. In the present situation - the end of immigration from developing countries, the lack of Western immigrants, the pre-eminence of all military and security problems - the general trend is to consider the social situation in the various centres of population as quite rigid and static.

The natural gaps between various strata of the population have dangerously widened, and also among the different services there is a chronic malfunction of communication which hinders efficiency, cooperation and mutual understanding.

More accurate observation will confirm the assumption that the handicapped sections of the population have an enormous potential of activity, which is now neglected, misdirected and in consequence random at best. In the present situation this section of the population is bent upon widening the gaps, upon self-destruction and endangers the very existence of Israeli society as it is today.

Another difficulty arises from the fact that the present situation - military, political, economic, and immigration - is still very uncertain and liquid, and any solution adequate to the present may well be inadequate in different conditions.

As a consequence, our program is pervaded with a sense of urgency to bring the local population in the shortest possible time to the stage where it can "take over" its own rehabilitation independently. There is the continuous danger of a superficial and dilettante outlook in our work - a danger to which we are most awake - and other problems of follow-up and evaluation.

- B. The local population is now, within the complex national situation, in a vicious circle of mutually generating problems of economic, socio-cultural and educational origin, which make it more difficult to attack them one by one, and to reach the best solutions:
1. For the past year the development towns have been of marginal national interest only and their image has deteriorated to a symbol of failure, rejection, ignorance, and poverty.
  2. The political party structure in Israel, with its rich constellation of movements and parties and their frequent mergings and scissions, are a serious handicap to a small provincial community, whose cultural and social standards are much below the national average, and which is still deeply attached to the life and traditions of their countries of origin. Here the political and party forces mingle with patriarchal and communal loyalties and the results are often instability in the local authorities, and defective services to the population as a whole.

The point of attack chosen to break this vicious circle was the standard of education and preparation for membership and productivity within an Israeli society of the younger generation in the two towns. This attack is being conducted from an immediate front and from longer range too. The immediate line includes:

- a. Guidance to returning soldiers - to prepare them for vital professional positions in local society, within the frame of existing or newly-created opportunities, and to bring them to a measure of identification with their town, instead of migrating to other centres of population.
- b. Creation in the towns of the conditions necessary for the immigration of professional manpower, in particular of those who already work in the towns, although they prefer at present to live in other centres.

The longer range activities include:

- (a) Activities in the elementary schools - to reach a higher standard which will open up more avenues for the future of the pupils.
- (b) Leisure-time activities - on the assumption that through these informal frames the youngsters will achieve contact with the Israeli scene and the choice of a productive life within the local society.

These lines of attack will be supported by the formation of new informal social frames based upon small clubs for adults, study groups, and a cultural centre.

The new social image should attract both investors and immigrants to the two towns and this will make possible the exploitation of at least part of the hidden potentials of the present population.

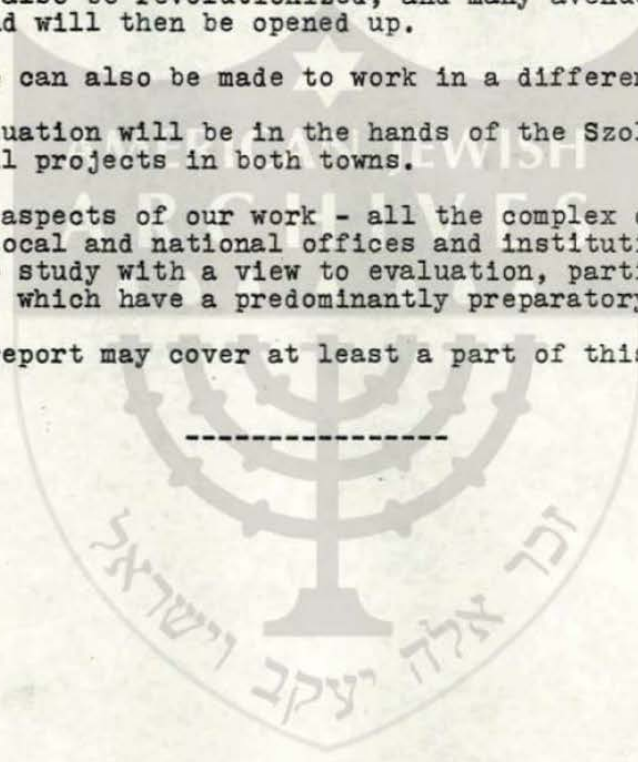
As a consequence of this process, local, regional and national service of all kinds will also be revolutionized, and many avenues of cooperation with the hinterland will then be opened up.

The vicious circle can also be made to work in a different direction ....

Follow-up and evaluation will be in the hands of the Szold National Institute - for all projects in both towns.

There may be some aspects of our work - all the complex of cooperation frames with many local and national offices and institutions - which will prove difficult to study with a view to evaluation, particularly during these first months which have a predominantly preparatory trend of activity.

I hope that this report may cover at least a part of this field.



BETH SHEMESH

The Development Council of Beth Shemesh

This Council was planned for the direction and execution of the projects proposed in the body of the Szold Report.

However, the structure and the whole character of this council were at the time left open, because of the limited experience we have from past activities of similar bodies.

The uncertain political past of Beth Shemesh necessitated a large measure of prudence in all steps and processes toward the creation of this council, because of the probable danger of suspicions and conflicts within the new local council, and the not less dangerous pitfall of creating another political body vested with local party interests.

In fact, most of the citizens interviewed at first expressed unwillingness to join and the feeling that such a body, whose functions and authority were difficult to define - could not be efficient and constructive.

In this complex situation we resolved on the following policy:

- (a) A series of personal interviews and conversations with small groups of citizens, without going into particular and problematic issues.
- (b) Meetings with the officers of the local council, to present an image of the new council which would calm any fear of competition, conflict or duplication of interests and tasks.
- (c) Prior to the establishment of the council to undertake the first steps toward the execution of some projects to change the atmosphere of apathy and cynicism into one of hope and advancement.
- (d) An informal evening meeting with a group including most of the potential candidates for membership in the new council, with the object of discussing the town and its possibilities. This meeting disclosed a certain measure of interest and a feeling of common strength among most of the participants, even if some of them expressed their feelings of boredom and despair in the future of the town.

Only after this preliminary proceeding was it possible to call a regular meeting, when it was decided to create a council with 11 members, all voluntary and willing to be active, not on a political basis, but only in their personal capacity and willingness to help the town.

At this first meeting, which took place during the first half of last January, the tasks and authority of the council were left undefined, as were also its organizational and legal framework.

A second meeting took place before the end of January, when some of the 11 members were not present. No pressure was put on them, since the number allowed for enthusiasm to cool off and still leave a body capable of undertaking serious activity - probably even more efficiently.

On February 7, a joint meeting took place with the local council. This was a further step towards establishing cooperation and mutual understanding between the two public bodies. Almost all those who were present participated in the discussion, and were in favor of the enterprise. This meeting helped considerably towards creating a positive attitude and an agreeable atmosphere among the members of both councils.

The last stage in the process of establishing the Development Council, was, of course, the definition of its legal status and its aims, and the opening of an office with a full-time secretary.

This stage is still incomplete. We do not as yet have the full text of the constitution of the council; but it seems fairly certain that from now on direction and supervision of the projects will be undertaken by the council with the guidance of our team and our active participation in out-of-town activities.

### NETIVOT

#### The Development Council of Netivot

The general terms of reference for the establishment of the council were originally the same as those for Beth Shemesh.

Netivot is, at first sight, a town of homogeneous character:

- (a) Almost the whole population is of North African origin.
- (b) Almost without exception, the population is deeply religious.

In Netivot there is no unemployment, there are no very great income gaps between the different strata of the population, and the original North African Jewish culture is still very strong.

Because of all this, the town appears to be very peaceful, calm and unperturbed: the truth is that it lacks any sign of dynamism.

A conspicuous exception is the local council, which is the focus of a small group of activists, infused with an exaggerated optimistic vitality, frequently far removed from reality.

The apathy and lack of ambition on the one hand, and the feverish show of optimism and activism on the other, presented the most serious obstacle in the establishment of the Development Council.

The question was how to create an active and ambitious body which was also able to keep in constant touch with reality, and whose task it would be to solve day-to-day problems which in the general atmosphere of the town often appeared to be a necessary facet of the only reality possible.

It was impossible, with this picture in mind, to address ourselves to the elders and the veterans of the town, who had absorbed this general feeling to a point where it had become for them an independent reality.

Naturally, therefore, we started looking for candidates among the younger adults who, though quite inexperienced, had had the opportunity to absorb more of Israeli society.

Further problems arose:

- (a) Most of these young people were really very inexperienced in all public affairs and relations.
- (b) The patriarchal atmosphere of the town often gave them a feeling of dependence on the opinion of their elders, even if only sub-consciously, handicapping their natural vitality.
- (c) These young people, just beginning their professional and family life, often could not agree on the most suitable hour for a meeting, and even less for lengthy activities on behalf of the community.
- (d) It was difficult, in these conditions, to maintain a balanced view of many problems, and often the highest enthusiasm changed into the deepest sense of frustration and despair.

The stages of action for the establishment of the council were as follows :

- (a) Interviews with the officers of the local council, to acquaint them with the goals of the project, and to prevent their forming an attitude of contempt and disregard of the Development Council and its future members.
- (b) Enlist the active help and participation of two central figures among the young activists of the town; the community worker, Mr. Aharon York, and the Director of the Welfare Department, Mr. Moshe Peretz.
- (c) A selection of some specific problems solvable, at least in part, by means of energetic but not overlong activity by young people, on a voluntary basis, before the actual establishment of the council.
- (d) Meetings with this small group of volunteers, to consolidate them as a group and to discuss their problems jointly.
- (e) Look for a candidate for the office of secretary of the council.
- (f) The legal aspects of the Council, and the opening of its regular office.

The problems to be tackled for this preliminary action were:

- (a) Negotiations toward the reopening of a "Soldier's Club", with the help of the National Committee for the Soldier.
- (b) Restoration of a large barrack in the centre of the town, to house many of the recreation activities of the youth.
- (c) Find a frame for enrichment for the pupils of the 7th and 8th grades.
- (d) A survey of the aged.
- (e) Consultations and approaches for the establishment of some industrial enterprises to provide work for the youth after completing their vocational training in the local "Tora U'mlacha" school.



There were many setbacks, both because of the general climate in the town, and because of the lack of self-assurance of the activists (who were, of course, under the constant supervision of Moshe Arnon).

The group, which included 7 people, sometimes dwindled to 4 or 5, but it has now reached the point where it can decide on the formal establishment of the council, including its legal registration, the employment of an executive secretary, and a fixed time for meetings.



**UNITED ISRAEL APPEAL, INC.**

AMERICAN JEWISH  
ARCHIVES

**1967-68**

**Budget Allocations**

(Revised as of December 7, 1967)

**UIA**

515 Park Avenue, New York, N.Y. 10022

December 19, 1967

The attached budgetary material represents the results of an ongoing process carried out by the professional staff of the United Israel Appeal, Inc. Proposals made to us by our Operating Agent in Israel - the Jewish Agency for Israel, Jerusalem, - are examined and then processed for submission to the Board of Directors for approval.

Through the office of the Resident Representative of the United Israel Appeal, Inc. in Jerusalem, and through the facilities of our independent public accountants, - Green, Strocker & Company - a continuing review of budget implementation is maintained.

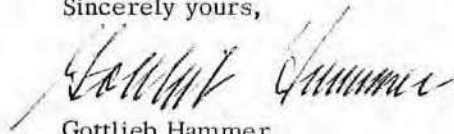
From time to time, in the course of any fiscal year, conditions change and budget allocations are also changed in order to meet shifting requirements.

The attached budget which was submitted in April 1967 has gone through this process of allocation and reallocation and represents the latest figures revised and approved as of December 7, 1967.

These budgetary allocations totalling \$221, 153, 000 represent our best estimates of the total amount of cash we will have available for the period April 1, 1967 to March 31, 1968. Final allocation figures, therefore, will not be determined until the end of the fiscal year.

This material is being sent to you for your information only. It is not for publication and we trust you will respect this confidence.

Sincerely yours,



Gottlieb Hammer  
Executive Vice Chairman

Revised as of December 7, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
(in thousands of dollars)

FOR ACTIVITIES IN ISRAEL

<u>Schedule No.</u>	<u>Item</u>	<u>Total</u>
I	Immigration and Absorption	\$ 16,442
II	Other Social Welfare Services	21,109
III	Health Services	35,696
IV	Education	25,748
V	Institutions of Higher Learning	33,973
VI	Youth Care & Training	6,766
VII	Absorption in Agricultural Settlements	47,649
VIII	Immigrant Housing	26,953
	Admin. & Special Projects	1,616
	<b>TOTAL</b>	<b>\$ 215,952</b>

UNITED ISRAEL APPEAL, INC. DISBURSEMENTS

Debt Service & Amortization of American Insurance Companies' \$50,000,000 Loan	4,938
Administrative Budgets	263
	<u>\$ 221,153</u>

SCHEDULE I

Revised as of December 7, 1967

UNITED ISRAELI APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
IMMIGRATION AND ABSORPTION  
(in dollars)

SERVICING OF IMMIGRANTS ABROAD

OFFICES:

Austria	\$ 46,319	
Italy	60,183	
Greece	15,450	
France - Paris	211,146	
France - Special	117,700	
India	19,200	
Iran	43,323	
Aden	1,000	
Turkey	39,916	
North Africa - T	19,990	
Switzerland	61,530	
Various	35,443	\$ 671,200

EXPENSES OF ISRAELI IMMIGRATION  
ADMINISTRATIVE STAFF ABROAD

Traveling Expenses	\$ 35,000	
Medical Expenses	13,333	
Support of Family	6,667	
Social Security	6,000	\$ 61,000

EXPENSES OF IMMIGRANT COUNSELING  
STAFF ABROAD

Screening of Candidates for Immigration	\$ 71,000	
Educational Activities for Candidates for Immigration	93,467	
Staff Travel Expense	8,100	\$ 172,567

DOCUMENTATION AND RELATED EXPENSES \$ 1,000,000

Sub-Total \$ 1,904,767

Brought forward

\$1,904,767

TRANSIT CENTERS

Austria	\$ 39,768	
Italy	19,908	
Vienna - Naples Maintenance	58,880	
Greece	12,880	
France - Marseilles	113,864	
France - Paris	1,000	
France - Special	1,000	
Switzerland	500	
Turkey	16,200	
Gibraltar	2,000	
India	2,000	
Iran	23,200	
North Africa	6,000	
Various	2,800	\$ 300,000

MEDICAL SERVICES TO IMMIGRANTS EN ROUTE \$ 59,265  
(at centers listed above)

TRANSPORTATION

CARRIAGE OF IMMIGRANTS

Europe "E"	\$ 509,600	
Europe "W"		
(North Africans in France)	72,000	
Africa	248,560	
Asia	186,173	\$1,016,333

ESCORT SERVICES

Permanent Escorts	\$ 8,000	
Expenses Abroad	7,000	
Expenses in Israel	10,000	
Supervision of Kashrut on Ships	10,500	\$ 35,500

TRANSPORTATION OF IMMIGRANTS' POSSESSIONS

Transport of Freight	\$ 226,667	
Customs Clearance of Freight in Israel	43,333	
Transportation of baggage	9,333	
Customs Clearance of Freight Abroad	8,667	
Freight Unclaimed	667	
Freight Damages	2,000	
Insurance of Immigrant's Belongings	1,666	\$ 292,333

Sub-Total \$ 3,608,198

Brought forward

\$ 3,608,198

TRANSFER OF SETTLEMENT SITES

Reception of Arrivals	\$ 15,000	
Transportation in Israel	40,667	\$ 55,667

INITIAL CARE OF IMMIGRANTS

INITIAL ABSORPTION SERVICES

Reception Staff	\$ 249,250	
Absorption Staff	210,000	\$ 459,250

EQUIPMENT & FURNITURE FOR IMMIGRANTS

Beds	\$ 90,667	
Mattresses	69,333	
Blankets	83,000	
Other Furniture	58,667	
Clothing & Footwear for		
Immigrant Children	10,000	
Field Staff	21,000	\$ 337,667

FOOD

Meals at Haifa Port	\$ 1,600	
Meals at Lod Airport	2,400	
Food Parcels	4,266	
Gift Parcels for Children	1,067	\$ 9,333

HOSTELS

Beer Sheba	\$ 29,266	
Holon	3,667	
Talpioth	2,100	
Shaviv	4,400	
Morasha	4,400	
Lod	6,567	
Nathanya	72,700	
Tamar - Haifa	22,133	
Rassco - Jerusalem	15,900	
Ashkelon	40,433	
Beit Brodetzky	32,333	
Beit Giora	36,167	
Ashdod	33,767	
Kiryat Menachem	27,867	
Miscellaneous	1,634	\$ 333,334

Sub-Total \$ 4,803,449

Brought forward

\$ 4,803,449

ABSORPTION IN SETTLEMENT AREAS

Cash Grants	\$ 81,000	
Grants to Difficult Immigrant Cases	5,000	
Aid to Large Families	3,500	
Transfer of Families to Kibbutzim	500	
Clubs for Young Immigrants	1,000	
Field Staff	17,000	\$ 108,000

FINANCIAL ASSISTANCE

TO NEW IMMIGRANTS

Aid for Purchase of Furniture	\$ 27,000	
Aid to Professionals	17,000	
Subsidiary Employment for Professionals	22,000	\$ 66,000

INITIAL ARRANGEMENTS

Direct Grants	\$ 108,000	
Direct Grants to Professionals	53,333	
Initial Assistance	33,333	
Care for Victims of Persecutions	26,667	\$ 221,333

CONSTRUCTIVE ASSISTANCE

(for academicians)

Direct Grants and Loan Fund		\$ 233,334
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GRANTS TO INSTITUTIONS ASSISTING IMMIGRANTS

Telem (Theatre in Settlement Areas)	\$ 16,667	
Immigrant Associations from:		
Iran	(	
North Africa	(	
USSR	)	
India	(	
Hungary	)	\$ 99,833
Tunis	(	
Egypt	)	
Poland	(	
Turkey	)	
Rumania	(	
Women's Organizations (WIZO & Pioneer Women)	\$ 20,000	\$ 136,500

Sub-Total \$ 5,568,616



Schedule I

Brought forward

\$ 5,568,616

RESERVE

\$ 40,266

ADMINISTRATIVE COST

Head Office of Absorption  
Dept. in Tel Aviv

833,333

RELIEF PAYMENTS TO IMMIGRANTS

Assistance to Unemployed Immigrants:  
Relief Work for able-bodied (through  
the Jewish National Fund)

\$ 10,000,000

TOTAL

\$16,442,215



SCHEDULE II

Revised as of December 7, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
SOCIAL WELFARE SERVICES  
(In Dollars)

SOCIAL WELFARE SERVICES

HOMES FOR THE AGED

Ashkelon	\$ 7,600	
Mahene - David	8,900	
Nahariya	7,567	
Affula	7,267	
Kiryat Shmone	11,333	
Kiryat Ono	11,100	
Nathanya	10,733	
Givatayim	5,000	
Beit Shivens	14,000	\$ 83,500

REHABILITATION OF CHRONICALLY ILL \$ 100,000

AID TO YOUNGSTERS - INSTITUTIONAL  
PLACEMENT OF CHILDREN \$ 33,000

STAFF - SOCIAL SERVICE DIVISION \$ 142,000

MINOR ITEMS OF ASSISTANCE \$ 50,550

SOCIAL INTEGRATION

New Demonstration and Pilot  
Projects \$ 666,667

SHELTERED WORKSHOPS FOR ELDERLY \$1,900,000

Number of Elderly persons aided - 6,800  
Average number of work days per month - 20  
Number of work days total annual - 1,600,000  
Subsidy per person per day - \$1.30

OLD AGE GRANTS

Grants for 14,500 Aged Immigrants  
Made in Monthly Installments \$3,333,334  
Regular Monthly Payments or one-time  
payments to 21,740 social case families  
(Ineligible for National Insurance Grants) \$5,300,000

Sub - Total

\$ 11,609,051

Schedule II

Brought forward

\$ 11,609,051

Supplementary Old Age Grants to Immigrant  
Needy whose National Insurance Grants  
are inadequate and insufficient

\$5,000,000

SERVICE TO NEW IMMIGRANTS

Athletic and Recreational Activities  
and Youth Clubs in Immigrant and  
New Development Areas

\$4,500,000

TOTAL

\$21,109,051



SCHEDULE III

Revised as of December 7, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
HEALTH SERVICES

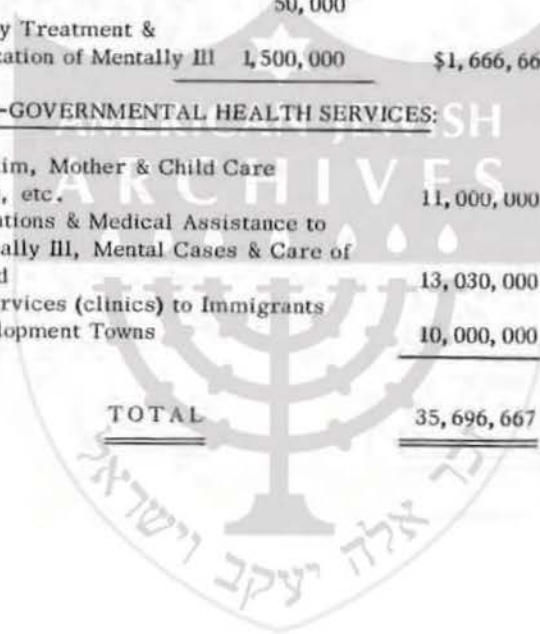
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HEALTH SERVICES

Health Insurance for New Immigrants	\$ 116,667	
Hospitalization of Chronically III	50,000	
Ambulatory Treatment & Hospitalization of Mentally III	1,500,000	\$1,666,667

SUBSIDIES TO NON-GOVERNMENTAL HEALTH SERVICES:

Kupat Cholim, Mother & Child Care Stations, etc.	11,000,000
Hospitalizations & Medical Assistance to Chronically III, Mental Cases & Care of the Aged	13,030,000
Medical Services (clinics) to Immigrants in Development Towns	10,000,000
<u>TOTAL</u>	<u>35,696,667</u>



SCHEDULE IV

Revised as of December 7, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
EDUCATION  
(In Dollars)

ULPANIM

<u>TOWN ULPANIM</u>	\$ 133,333	
Ulpan Meir		
Ulpan Borochov		
Ulpan Etzion		
Ulpan Motzkin		
Ulpan Beer Sheba		
Ulpan Ashkelon		
Ulpan Kiriath Shmoneh		
<u>WORK ULPANIM</u>	66,667	
<u>EVENING ULPANIM</u>	6,000	
<u>ASSISTANCE TO STUDENTS OF ULPANIM</u>	63,000	\$ 269,000

<u>VOCATIONAL TRAINING FOR YOUNG IMMIGRANTS</u>		\$ 46,667
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<u>PRE-KINDERGARTENS</u> (Sponsors and Approximate Number of children):		\$ 1,533,000
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Working Mothers' Organization	7,000
National-Religious Women's Movement	3,300
WIZO	1,300
Agudat Israel Center	1,000
Poale Agudat Israel	400
Habad	200
Agricultural Center	4,300
Hapoel Hamizrachi Moshavim	1,500
Agricultural Association	300
<u>Total number of children</u>	<u>19,300</u>

<u>POST ELEMENTARY SCHOOL SCHOLARSHIPS:</u> (Includes academic, agricultural, vocational and adult educational programs)		\$15,600,000
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Sub-Total \$ 17,448,667

Schedule IV

Brought forward \$17,448,667

The number of children in intermediate schools benefiting from these scholarships are estimated at:

- 63,000 in Academic Schools;
- 33,000 in Vocational Schools;
- 9,300 in Agricultural Schools.

Scholarships for Specialized School Programs 3,300,000

(the number of students benefiting from the specialized school program, including vocational and adult programs is estimated at 18,000).

Israel Education Fund Schools - Allocation to complete secondary schools in new development towns 5,000,000

TOTAL \$ 25,748,667



SCHEDULE V

Revised as of December 7, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
INSTITUTIONS OF HIGHER LEARNING

The Hebrew University	\$ 14,000,000*
Technion	8,000,000**
Weizmann Institute	4,373,000
Tel Aviv University	4,700,000
Bar Ilan	1,800,000
Haifa University	700,000
Beersheba University	400,000
<u>TOTAL</u>	<u>\$ 33,973,000</u>

\*Includes \$4,300,000 for the Training  
of Academic Staff.

\*\* Includes \$2,400,000 for the Training  
of Academic Staff.



SCHEDULE VI

Revised as of December 7, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
YOUTH CARE AND TRAINING  
(In Dollars)

MAINTENANCE AND CARE OF YOUTH  
IN YOUTH ALIYA INSTITUTIONS:

Agricultural Settlements	\$ 886,667	
Educational Institutions	610,000	
Clothing and Footwear	133,333	
Care and Maintenance of Immigrant Youth Requiring Special Treatment	300,000	\$ 1,930,000
<u>Youth Centers:</u>		
Maintenance and Supervision:		
Netivoh	19,200	
Afullah	25,667	
Kiryath Shmone	31,133	
Beer Sheba	41,667	
Yeruham	25,633	
Kiryat Gat	29,200	
Ofakim	31,833	
Beit Shemesh	13,000	
Chatzor	20,000	
Nazaret Elith	23,333	
Dimona	37,667	
Even Haezer	4,000	
Kiryat Malahi	18,667	
Ashdod	28,557	
Ashkelon	30,933	
Acco	121,667	
Ashkelon	10,667	
Tiberias	22,666	
Maintenance of Youth Centers	199,680	
Administration of Youth Centers	64,830	\$ 800,000
<u>SPECIAL MEDICAL SERVICES</u>		200,000
<u>YOUTH CLUBS IN IMMIGRANT TOWNS</u>		180,900
<u>SCHOLARSHIPS</u>		50,000
<u>SPECIAL SERVICES FOR IMMIGRANT YOUTH IN ISRAEL</u>		39,568
<u>PROCESSING OF IMMIGRANT YOUTH ABROAD</u>		128,666
<u>DEPARTMENTAL ADMINISTRATION</u>		33,333
Sub-Total		\$ 3,362,467



	<u>Schedule VI</u>
Brought forward	\$ 3,362,467
<u>AID TO PARENTS</u>	\$ 3,533
Retarded families' Child Care including: Keeping of about 4000 children in day homes and about 5000 children in closed institutions	2,000,000
Services to the Retarded-Maintenance of 1230 beds for retarded young people in five institutions	1,400,000
<u>TOTAL</u>	<u>\$ 6,766,000</u>



SCHEDULE VII

Revised as of December 7, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
ABSORPTION IN AGRICULTURAL  
SETTLEMENTS

NON CAPITAL AID TO NEW IMMIGRANT FARMERS

Agricultural Education and Training	\$ 50,000	
Planning & Administrative Services to New Settlements	2,623,333	
Marketing Assistance & Crop Subsidies	183,334	
Care of Social Cases in Villages	33,333	
Planning & Engineering Services for Irrigation, Drainage & Construction of Farm Build- ings, Etc.	710,000	\$3,600,000

CAPITAL AID TO NEW IMMIGRANT FARMERS

New Citrus Groves	2,566,667	
Consolidation of Settlements	433,333	
Citrus, Groves, Participation	600,000	
Kibbutzim & Settlements	333,333	\$3,933,333

RESEARCH \$ 116,666

EDUCATION AND CULTURAL ACTIVITIES  
AMONG NEW FARMERS \$ 183,333

EXPENDITURES IN EXISTING SETTLEMENTS:

Water Projects	2,150,000	
Farm Buildings	1,500,000	
Fruit Orchards	1,800,000	
Livestock	900,000	
Tools	300,000	
Working Capital	533,000	\$7,183,000

REGIONAL SERVICES:

Tractor Stations	300,000	
Packing Centers	100,000	
Storage Plants	200,000	
Regional Centers	300,000	
Provision of Electricity	100,000	
Farm Roads	200,000	\$1,200,000

Sub-Total \$ 16,216,332

	<u>Schedule VII</u>
Brought forward	\$ 16, 216, 332
<u>ESTABLISHMENT OF NEW SETTLEMENTS</u>	\$2, 100, 000
<u>REGIONAL WATER PROJECTS</u>	\$5, 000, 000
<u>FINAL CONSOLIDATION OF EXISTING AGRICULTURAL SETTLEMENTS:</u>	
Water	1, 566, 667
Farm Building	1, 400, 000
Livestock	600, 000
Citrus growing and plantations	1, 533, 333
Farming Tools	300, 000
Working Capital	600, 000
	<u>\$6, 000, 000</u>
<u>HOUSING IN AGRICULTURAL SETTLEMENTS</u>	
Additional housing, re-housing and rehabilitation	10, 000, 000
New Housing in New Settlements	7, 000, 000
	<u>\$17, 000, 000</u>
Additional rooms for overcrowded houses in Moshavim	<u>\$ 1, 333, 000</u>
<u>TOTAL</u>	<u>\$47, 649, 332</u>

REGIONS IN WHICH WATER SUPPLY  
WILL BE INCREASED TO ENLARGE  
AGRICULTURAL PRODUCTION  
(in thousands of dollars)

Northern Border	\$1, 003
Lower Galilee	150
N'Tofa	93
Hitin	226
Kishon	1, 013
Zippori	76
Elon	473
Agur	420
Lachi sh	76
Shuval	170
Negev	383
Har Hanegev	467
Arava	450
<u>TOTAL</u>	<u>\$5, 000</u>

SCHEDULE VIII

Revised as of December 7, 1967

UNITED ISRAEL APPEAL, INC.  
1967-68 BUDGET ALLOCATIONS  
IMMIGRANT HOUSING

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Rental Payments	\$4,061,000	
Grants and Loans to Immigrants for Housing Purposes	992,000	
	<u>                    </u>	\$5,053,000

New Housing for Immigrants	\$5,600,000	
Rehousing in Development Towns	10,300,000	
Rent Subsidies for Immigrants	6,000,000	
	<u>                    </u>	21,900,000

<u>TOTAL</u>	<u>                    </u>	<u>\$ 26,953,000</u>
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