



Abba Hillel Silver Collection Digitization Project

Featuring collections from the Western Reserve Historical Society and
The Jacob Rader Marcus Center of the American Jewish Archives

MS-4787: Abba Hillel Silver Papers, 1902-1989.

Series I: General Correspondence, 1914-1969, undated.

Sub-series A: Alphabetical, 1914-1965, undated.

Reel
26

Box
9

Folder
591

Council of Jewish Federations and Welfare Funds, 1940-1941.

COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS

May 8, 1940

SHALL A NATIONAL BUDGETING PROCESS
BE DEVELOPED FOR WELFARE FUNDS?

At the Western States Regional Conference in Salt Lake City, April 18, 1940, the following resolution was adopted:

RESOLVED that the Council of Jewish Federations and Welfare Funds be requested to set up a national budget committee to study national and overseas agencies and consult with their representatives with a view to (1) determining upon a proper allocation of services as between agencies and (2) surveying and developing approved budgets for such agencies.

The implications of this resolution have been studied by the Council staff. In order to determine whether a national budgeting process is feasible we are presenting herewith a review of our present services in connection with welfare fund budgeting. These services fall into several categories:

1. Fact-finding -- the preparation annually of reports describing the activities and analyzing the volume and cost of the work of the national and overseas agencies appealing to welfare funds for support based entirely on material obtained from the respective organizations. An annual digest summarizes all of these reports according to fields of service.

From time to time during the year, Members Bulletins are issued on "spot developments" affecting the programs and activities of these agencies, in order to keep welfare fund budget committees currently informed and to assist them in gauging their allocations.

2. Analysis of welfare fund budgets and financial experience. This material is also issued annually, reviewing the allotments made by the individual welfare funds to their respective beneficiary organizations.

3. Information on budget practices of local welfare funds was compiled in a budget Work Book several years ago and is now being brought up to date.

4. Negotiations with national organizations regarding their needs, the possibilities of coordination of their programs by fields and the establishment of working relationships with welfare fund budget committees. This process of reviewing needs and establishing budgets has been manifest in the activities of the Council on National Jewish Agencies of Denver, the United Jewish Appeal and the General Jewish Council. A related phase is the Council working arrangement with the Social Service Department of the Vaad Leumi in Palestine for the channeling of information regarding old-line charitable and religious institutions and for the distribution of welfare fund appropriations.

5. Regional consideration of problems and needs of the national agencies, budget practices, etc. At many of the regional conferences resolutions were adopted, calling for an intensification of Council services with reference to national agencies, particularly in the preparation of more evaluative analyses.

This spring, two of the regions have taken further steps toward more adequate consideration of national agency requirements:

The Western States Regional Conference at Salt Lake City conducted a Budget Hearing to which were invited representatives of the agencies working in the overseas, civic-protective and tuberculosis fields. The resolution with which this memorandum opens was one of the immediate results of this Hearing.

The East Central Region has set up experimentally, a Budgetary Review Committee, made up of the budget chairmen of the five welfare funds in the region. For welfare funds in the region desiring this service, the Committee will analyze budgets submitted by welfare funds and will review the allocations.

At the Southeastern Regional Conference in Birmingham in April, a resolution was presented calling for a special budgeting conference, to be attended by presidents, executives and budget chairmen of the southeastern welfare funds. This task was turned over to a special committee and will presumably approximate the procedure used at Salt Lake.

6. Members of the Council field staff are frequently consulted by our member agencies, particularly in the smaller and middle-size cities and in new welfare funds, for specific advice on budgeting. They are asked (1) for information to round out the Council reports; (2) for information regarding experiences and practices in budgeting; and (3) for specific advice as to which agencies should be included and how much each should receive proportionately out of total funds available.

Our staff is instructed not to give direct answers as to agencies and amounts but to help our members with budgeting procedures and to help interpret our agency reports. Our statistical information shows wide variation in practices between communities and the use of the experience of other cities or of statistical averages as a basis for guidance to local budget committees is questionable.

In the larger and better equipped welfare funds, officers, executives boards and committees have been working to establish reasonable procedures for determining the needs of their beneficiary agencies, their costs and the extent of local responsibility. In some instances local budget committees invite national agency representatives to attend their meetings and discuss both procedures and allocations.

The pressures from our member agencies for such groupings as the UJA and the GJC are direct evidence of the same desire as is implied in the Western States Regional resolution. They hope that these combinations between agencies will succeed in setting up impartial tribunals for determining needs and for allocation of funds as between agencies working in the same field. Thus far, no actual budgeting process has been developed, even within the UJA which has had a longer period of experience, but the Distribution Committee and the fact-finding process contemplated in the 1940 agreement may operate in this direction.

Presuming that the trend towards cooperation between agencies in the same field of service is desirable and can be intensified, how far will such developments meet the basic questions implied in this resolution? At best, there will still be needed some process that may help to determine the relative needs of the agencies grouped in various fields of service.

National Budgeting Process

If the request made by the Western States Region is feasible, the Board will need to consider the various procedures that might be involved in a national budgeting process. Presumably the recommendations of such a committee would be of an advisory character and not binding upon any community, but it might develop tremendous influence in guiding local allocations. How shall a functional committee of this kind be organized by the Council? What should be the basis of membership?

Staff consideration indicates that the welfare funds need more intensified budget service on a national scale. Budgeting in social work has been best developed by Community Chests and Councils of Social Agencies, and to some extent these practices have been taken over by the welfare funds. However, the welfare funds are handicapped in budgeting, first, because of their remoteness from the place at which the beneficiary agencies work and second, because of the lack of an evaluative base for determining the needs of the agencies and a formula for determining the local community responsibility in size of allocation. These handicaps can only be overcome through a national service with the following scope and functions:

1. To determine the nature and extent of need in each field, including the limitation of the extent of national and local responsibility and the inventory of available resources for meeting some or all of the needs for which responsibility is assumed;
2. Evaluation of the scope, effectiveness, interrelationships and costs of each of the agencies in each field, related to fundamental philosophies and to the total needs and services in the several fields;
3. Developing a formula for allocating local responsibility.

To serve these functions, a national budgeting process will have to provide machinery along the following lines:

1. A fact-finding instrumentality. This can be built up around the present activities of the Council staff, but there is needed in addition expert consultation service in the respective fields, either as individuals (the Klein Study for example) or as commissions (the JDC experience);

2. A National Budget Review Committee. Should it include only welfare fund representatives or also spokesmen for the national agencies plus neutral agents? Such a Budget Committee will have to be responsible to some broader national body, possibly the Council Board or Regional Conferences or the Council Assembly;

3. A process for transmitting or disseminating findings thru reports to the welfare funds, consideration at regional meetings and General Assembly, field staff consultation, etc.

Next Steps Toward a National Budget Process

On the fact-finding side, the Council can continue to press for more evaluative material and more coordination in the overseas, the civic-protective and the tuberculosis fields, since in each of these there has already been a start in that direction. There remains the cultural field, including general activities, special Zionist agencies and the theological group, in each of which some exploratory process could be initiated. Beyond these there are a large number of miscellaneous national agencies which would have to be handled on an individual basis.

The Budget Review process initiated in the East Central region may succeed in developing criteria for local welfare funds. The staff is working with this project and its extension can come within the purview of a National Committee.

Similarly the Budget Hearing process, tried at the Western States Conference and proposed for the Southeastern Conference might be extended to the other regions as part of the process of disseminating present information and experience to the local welfare funds.

It is suggested that a special committee be appointed by the Board to study this request and make recommendations to the Board. The Committee should seek to determine whether the suggestion made by the Western Region is feasible and define the conditions under which a process of national budgeting could be established. It may be desirable for this committee to ask for full discussion of this project in other regions and devise some method whereby the opinions and attitudes of member agencies might be secured. It would be more practical to sound out such opinion not on the abstract request, but on one or more specific plans of procedure that might constitute the elements of a national budgeting process.

6. NATIONAL BUDGETING PROPOSALS

MR. BLAUSTEIN, co-chairman of the board's Committee to Study National Budgeting Proposals, informed the board that the Committee had met the previous day and, after a long discussion, had come to a number of conclusions which were accepted by all members of the Committee present, with one exception. The conclusions were:

- a. Budgeting of national and overseas agencies should be considered as one aspect of the program of local communities for total American responsibilities, both of a general nature and of special interest to Jews.
- b. A national budgeting process, in principle, is desirable and necessary.
- c. The functions of the Committee should be obtain complete data from all agencies, to evaluate the work of each agency and to recommend to the communities comparative allocations to the different agencies.
- d. The Committee should ultimately consider the programs and expenditures of all national and overseas agencies applying to welfare fund communities for support.
- e. As a first step, the Committee might review the work of the present Allotment Committee of the United Jewish Appeal and, on the basis of this experience, might consider extending similar studies to agencies operating in similar or related fields. This should be done in consultation with the agencies being studied.
- f. The Committee should consider the staff and costs necessary for such studies, and where the staff and the funds might be obtained.

MR. BLAUSTEIN explained that the one objection had come from Henry Montor, executive director of the United Palestine Appeal who, speaking as an individual and not for his organization, felt that evaluation of needs of various agencies would be extremely difficult where different ideologies were involved. The most the Council should do, he believed, was to continue its present policy of reporting on the volume, scope and cost of national agency programs, but not to evaluate them. He felt that the Council could go a little further and check on the data supplied by the national agencies, but not any further.

The board then discussed what the next step for the Committee should be. MR. BLAUSTEIN felt that the Committee should ask, immediately, for the report of the UJA Allotment Committee and for the material upon which the Allotment Committee worked.

MR. HOLLANDER MOVED that the board accept the report of the Committee on National Budgeting Proposals and instruct it to continue along the lines outlined in the board's resolution of May 18, and to take such further steps as may be necessary to develop plans for the establishment of a system of national budgeting.

The MOTION was seconded and carried.

MR. ROSENWALD and MR. BLAUSTEIN commended the staff of the Council on their preparation of the material which the Committee had used in its deliberations. MR. LURIE added that both Mr. Rosenwald and Mr. Blaustein had done as much work on the material as had the members of the staff.

SIDNEY HOLLANDER
2410 GREENMOUNT AVE.
BALTIMORE

Jan
15th
1941

Rabbi Abba Hillel Silver,
The Temple,
E. 105th St at Ansel Road,
Cleveland, Ohio.

Dear Rabbi Silver:

I was so intrigued by the discussions at the U.P.A. meeting the other evening I completely forgot another responsibility,- a promise I had made to ask you to come to Baltimore some time in February and talk to our local branch of the American Jewish Congress.

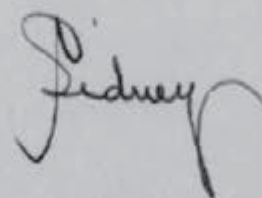
They're extremely anxious to have you "high-light" our February meeting,- and so am I. Ordinarily I wouldn't have the nerve to press another speech on you, but I recall that you did it to me only a few weeks ago,- and making a speech is far more painful an ordeal for me than for you.

You can set your own date; and after the meeting is over, we can adjourn it to the "Y", and you and I will put on boxing-gloves for the U.P.A.-COUNCIL championship bout.

Be a good sport. Forgive me for all my sins,- and come!

Cordially,

SH:SS



January 16, 1941

Mr. Sidney Hollander
2419 Greenmount Ave.
Baltimore, Md.

My dear Friends:

I wish I could comply with your request to address your local branch of the American Jewish Congress sometime in February. Unfortunately two factors make it quite impossible. My schedule in February is, as you might well imagine, terrifically crowded. I shall be away from Cleveland during that month a disgracefully large number of times. In the second place, I am not a member of the American Jewish Congress, and have never been identified with the organization. As you probably know, I have, for years, favored a truly democratic organization of American Jewish life through organized local Jewish community councils, and through a national organization composed of their representatives.

I am glad that you finally announced the contest as one between the UPA and the Council. I was afraid for a time that you were deluding yourself into believing that this was a contest between the UJA and the Council -- or that you were deluding me into such a belief.

I hope that you will enjoy your visit to Cleveland. The community is eager to welcome you. I am sorry that I shall not be able to attend the meeting inasmuch as I shall have to be at the National Conference of the UPA, in Washington. I tried to have the date of the meeting shifted, but it could not be arranged.

With all good wishes, I remain

Very cordially yours,

AHS:BK

SIDNEY HOLLANDER
2410 GREENMOUNT AVE.
BALTIMORE

Jan
18th
1941

Rabbi Abba Hillel Silver,
The Temple,
Cleveland, Ohio.

Dear Rabbi Silver:

I don't want to accept your present "NO" as final. The CONGRESS group here, (who by the way are overwhelmingly "Palestinians") are eager to have you come; and as their President, I fully share that wish.

WRHS AMERICAN JEWISH
You have to journey frequently to New York and Washington, and an hour in Baltimore would be just a "stop-off". You might be able to squeeze that in without much difficulty. The occasion wouldn't call for a new speech, nor even the reshaping of an old one. This sort of talk you could do in your sleep.

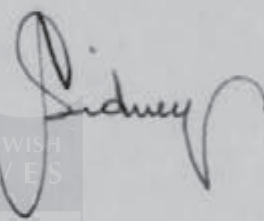
The personal fistic contest I proposed applies only to you and me. The U.P.A. and the COUNCIL would only be spiritual spectators, - not participants. For I have a hunch that some of the things you say may not represent the feelings of your membership any more than those I express represent mine; that's something that only time can tell! So we'd better leave our differences of opinion on a personal, rather than on an organizational level.

Of one thing you can be sure. Any differences you and I may have on procedures will not lessen my interest in Palestine. I'm all for it, even tho I may dissent vigorously from the opinions of some of its sponsors.

But we'll have a chance to iron those differences out at Atlanta. For the moment, I want to urge again that you try to give us an hour any evening in February that you can fit into your

schedule. There are, of course, other speakers that we could get, but we want you. The fact that you're not an adherent of the CONGRESS doesn't matter; neither was Clarence Pickett, who spoke here last month.

Cordially,



SH:SS



SUGGS I. GARBER
ATTORNEY-AT-LAW
512 HIPPODROME BUILDING
CLEVELAND, O.

TELEPHONE
MAIN 8835

January 20th 1941.

Rabbi Abba Hillel Silver,
c/o The Temple,
Ansel & E. 105th St.,
Cleveland, Ohio.

Dear Rabbi Silver:

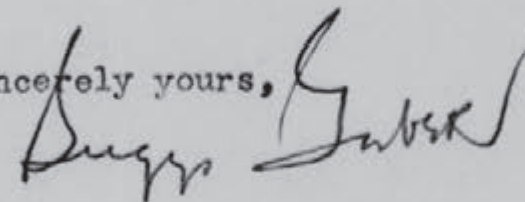
Permit me to take this opportunity to commend you on the forthright and fearless position you have taken in representing American Jewry, yes, we may say in this case, World Jewry, and in defending the gains made in Palestine and to preserve democracy in Jewish life, in America.

I have read with great concern a resume of the negotiations which have resulted in the J. D. C. and N. R. S. breaking away from and refusing to continue in the united effort to raise money for Over Seas and Refugee needs.

However, feel assured that the Jew who 'thinks' and is interested in the problems confronting us, the Jew, who believes in the continuation of Jewish life and believes in Palestine, is with you in the heroic effort to raise an increased amount during 1941, through the United Palestine Appeal.

I submit herewith my cooperation and efforts, however meagre they may be, in furthering the 1941 United Palestine Appeal towards attaining an increased goal.

Sincerely yours,



SG:IRT

January 30, 1941

Mr. Suggs I. Garber
512 Hippodrome Building
Cleveland, Ohio

My dear Mr. Garber:

Please pardon the delay in answering your kind letter of January 20. I have been in Washington attending the United Palestine Appeal Conference which, by the way, was greatly successful.

I appreciate your thoughtfulness in writing to me in connection with the dissolution of the United Jewish Appeal, and your kind offer of cooperation. I have been very much heartened by the response from all parts of the country, and the reaction of the delegates in Washington was especially gratifying.

This year offers a particular challenge to true Zionist leadership. With all good wishes, I remain

Very sincerely yours,

AHS:BK

PROCEEDINGS

WRHS

General Assembly

1941

Atlanta, Ge.



Friday Afternoon Session

January 31, 1941

... The session convened at two-thirty o'clock,
Mr. William Schroder presiding ...

CHAIRMAN SCHRÖDER: We are leaving the subject
of this morning's discussion and opening up this afternoon
with a report by Mr. Harris Perlstein of Chicago on the work
of the Allotment Committee in 1940. Mr. Perlstein.

MR. HARRIS PERLSTEIN: Mr. Chairman, Ladies
and Gentlemen: This I would like to make clear: There is no
report on behalf of the Allotment Committee. The Committee
meets this evening to consider the subject of its report, and
I hope that thereafter it will be possible to release to you
definite information there agreed on. So I am merely going to
talk as an individual and tell you briefly about the Committee.

The U.J.A., as you know, resulted from an
agreement entered into for the year 1940, that is covering
monies collected during the campaign of 1940, allotted a defi-
nite initial sum and provided that the balance of any monies
available would be divided by a committee; that committee
being constituted along somewhat new lines to the extent that it
included in its membership men representing the communities
and this Council.

METZGER REPORTING CO.

Stenotype Reporting
MILWAUKEE
NEW YORK CITY

The initial allotment, just refreshing your memory, was in the sum of \$3,250,000 to the J.D.C., \$2,500,000 to the U.P.A., \$2,500,000 to the National Refugee Service, and an additional million to the National Refugee Service from the Greater New York campaign of the U.J.A. The Committee was finally formed, consisting of seven persons; two representing the U.P.A. - those being Dr. Silver and Dr. Stephen Wise, with alternates provided in the persons of Mr. Morris Rothenberg and Mr. Lipsky; the two for the J.D.C. were Dr. Lowenstein and Mr. James Becker, with alternates in the persons of Mr. Linder and Mr. Goldwasser; the three representing the Council and the communities were Mr. Watchmaker of Boston, Mr. Henry Wineman of Detroit and myself, and we had occasion to use one alternate, Mr. Fred Butzel of Detroit.

That Committee met for the first time in July and the initial discussion revolved around what work should be undertaken. It was then pointed out that probably only a small sum of money would remain to be dealt with by the Committee in excess of those amounts originally allotted. And it was recognized that data to permit distribution or allocation of that small sum would quite probably be gotten readily enough, but it was also thought that it would be wise to initiate a study which might be the basis of a different approach in the future and that despite the smallness of the sum which would

probably have to be dealt with, it would be wise to set up a definite, impartial inquiry.

Proceeding on that assumption, having an appropriation for that purpose provided in the original agreement covering the 1940 U.J.A. campaign, a staff was assembled, headed by Mr. Elisha Friedman and with a number of other gentlemen, statisticians and accountants to examine into the work of the agencies and to bring to the Allotment Committee information that would permit as far as possible an impartial approach.

The work of the interim staff went on for a period of some months and finally in December was considered by the Committee, with the result that the moneys remaining to be divided were allotted as between the J.D.C. and U.P.A. on the basis of \$800,000 to the J.D.C. and \$400,000 to the U.P.A. No additional allotment to the N.R.S. which would appear to have a surplus.

Beyond that, there was a unanimous opinion that the work which had been initiated had been well-conceived and that it would be well worthwhile for a means to be found, in one form or another, to continue studies of that nature, which would bring to any group that had to deal with allotments, information that would be absolutely necessary and valuable, and would try to evaluate these financial problems of the various agencies on a somewhat impartial basis. As to what

should be done in the future, perhaps a more definite recommendation will come from the Allotment Committee which meets this evening, but I violate no confidence when I say there is absolute unity of opinion, namely, on that fact that impartial studies can be of value, that means can be found of assembling information on a more uniform basis than has heretofore been possible, and that knowledge of the problem will enable anybody to deal better with it than when they have to deal in the dark upon these subjects.

I should like to go on and tell you more about my personal views on that situation, but I do feel it would perhaps be not quite the thing for me to do in advance of the meeting I refer to this evening. [applause]

CHAIRMAN SHRODER: Thank you, very much.

This informal report leads very naturally into the presentation by Mr. Blaustein, co-chairman of the Council's Committee on National Organization Budgets.

MR. JACOB BLAUSTEIN: This is the report of the Committee on the study of national budgeting proposals.

... [Mr. Blaustein read his report. See Paper #1, Appendix] ...

I might add that the members of the Committee made it clear that in proceeding in expressing their opinions in this report, they were acting in their individual capacities

and not speaking for any organizations they happen to represent. And further in closing, I want to thank Mr. William Rosenwald, co-chairman, and the members of this Committee and the officers of the Council and Mr. Lurie and his staff, for the earnest and intelligent cooperation they gave the work of the committee. [Applause]

CHAIRMAN SHRODER: I want to remind you, in the first place, of what I announced this morning, that these meetings this afternoon will not vote on any of the propositions, and that the object is to give your Board of Directors advice and counsel, the expression of your views, to help guide them in arriving at a proper conclusion.

We are going to discuss the recommendations of the reports you just heard, in their order, and I hope that those who join in the discussion will confine themselves to the particular question that is before the Assembly.

The first question for discussion - confine your statement and opinions to the particular question - is this: Should effort be made to bring about a 1941 United Jewish Appeal; and if so, what are the suggestions toward that end? That question is open for discussion.

MR. ABRAHAM SPERE (Detroit): I don't believe that there are any other questions that need be discussed but this one. In the first place, I believe that it is a very

sad and sorry reflection on the leadership of the agencies, of the three agencies involved in this split up of the U.J.A., to permit the damage that is going to be done to Jewry throughout the United States in such a split up. I wonder if they realize how much it is going to cost in Dollars and cents, not only the agencies themselves that are involved in the U.J.A., but other agencies that are involved in Federation campaigns, Federation budgets?

If the leaders cannot get together, I think there is too much at stake not to, and I want to say I have the deepest respect for all the leaders involved in these agencies, but if they cannot get together at a table and straighten out these differences, I believe other leaders should be put forward by these agencies. There is a storm of protest sweeping this country over this split-up and in each community throughout the country antagonism will be aroused that have been lying dormant for a few years and it is going to affect money raising in this campaign by tremendous sums. And I believe, Mr. Chairman, while you stated there is no voting this afternoon, I was going to propose a resolution. However, I am going to make it as a suggestion: that a committee of five be selected that will be accepted to the agencies involved, which committee shall arrive at a formula of allocation of funds. I realize that efforts have been made along that line. Nevertheless, I don't believe that in

this entire United States you cannot find five men who are non-partisan enough to be acceptable enough to these agencies, and I believe that this meeting should not adjourn without not only the effort being made but a demand being made upon these agencies that they shall accept five men and these men shall work out a formula.

MR. BETTMAN (St. Louis, Missouri): I concur in everything that the previous speaker has said. It is unthinkable to me after the years that we have spent and the effort that we have put into unifying our community to feel that by the action of the split up of the U.J.A. we are going back to the days of five and ten years ago where in our community - and I suppose St. Louis is no different than other communities of the country - where we were split from one end to the other, and there was no such thing as Jews of our community working together. The success we have been able to obtain in the community of St. Louis, and I feel that we are justified in a measure of pride, has been brought about entirely by reason of the fact that we have a unified community; that when we proceed with our welfare drives, there is no such thing as Palestinian thinking, or J.D.C. thinking or N.R.S. thinking about what is the best for our people and how can we best attain our goal.

I know, Mr. Chairman, that this is not a formal

meeting. I recognize the fact that there is going to be no such thing as a formal vote, but I believe I sense the feeling of the men and women who have come from the smaller communities all over this country, and it is my judgment that they agree with me when I say that we demand, we demand that the leaders of American Jewry, that those best brains that we always felt were in the eastern part of our country, get together, sit around the table, and very definitely come to a conclusion again to continue this U.J.A. on a basis that I know can be made satisfactory. [applause]

If you will permit me, Mr. Chairman, I would like to have all of the ladies and gentlemen who are in favor of a continuance of the United Jewish Appeal to please rise.

... A number of those present arose! ...

I have not, as yet, relinquished the floor. I will be glad to relinquish it in just a moment. That demonstration is, to my judgment, your mandate, your instructions from the members of our organizations all over the country to proceed with plans, to continue to unite the Jewish people. [Applause]

MR. G. H. TANN (Pittsburgh): The Board of the United Jewish Fund of Pittsburgh held a meeting last Monday, and at that time I was instructed to send a telegram to the presidents of various welfare agencies in the United States

asking them to join with me in sending a telegram to the leaders, or rather, the presidents of the J.D.C., the N.R.S. and the U.P.A. The following telegram was sent: Gentlemen, will you join with me and a number of other presidents Welfare Funds in inviting J.D.C., U.P.A. and N.R.S. to meet with us this Friday to discuss the urgent necessity of continuation of U.J.A. in 1941. Would appreciate your wiring to me...

This telegram was sent to some forty odd agencies throughout the country, and I have received thirty replies; I have had several long distant telephone calls, and without exception, all have urged the United Jewish Appeal be continued. And I certainly concur with what has been said by the two previous speakers. (Applause)

MR. MAY (Atlanta): With your permission, I want to recite to you an incident that occurred here in Atlanta two weeks ago. We had a Sunday meeting. The representatives, the heads of the communities that met here in this building, were all of one mind. First, they realized the tragic situation that is going on over the world. Second, they were perplexed. They wondered what they should do. After all, they want to do the decent thing. We suggested a formula and it was this: First, let nobody be deterred. Let's move on, on to the victory, as the President says. Second, let's adopt as our formula the identical division that we had in

1940, and that would be the allotment that we would make. For, after all, in the last analysis, we are going to control the situation, and we are hopeful that the different organizations will get together. If perchance they fail to get together, then we will give to them what we feel is their due. It is rather strange that immediately after this break case we found telegrams, we found letters, we found calls, we found in these small communities that this is what they want, and we will decided we will not be swayed, we are not going to be taken advantage of, for after all we have a deep and abiding faith in the unity, for we know in unity there is strength and we are not going to let the whole of our effort be lost. That is the formula that will cure this situation. The leaders may have the right to be leaders, but we have the right, in the last analysis, to dictate as to what we want, and what we want is unity. If they don't give us unity, we will have unity just the same. (Applause)

RABBI DAVID ARONSON (Minneapolis): Mr. Chairman, I am old fashioned enough to believe that when new methods do not work one may be progressive even if one followed old-fashioned, historically tested methods. For centuries and centuries, whenever two or three Jews could not agree, even in their own private business, they used to go to a rabbi for a din-Torah. Now I admit I am prejudiced in

favor of rabbis - being in the profession. But I assume you, Mr. Chairman, I speak at this moment as a Jew and not just as a Rabbi - (Laughter) If I were to speak only as a Rabbi, with the full historic authority of a rabbi, I would dictate and not plead. So I just speak as a Jew.

We have three rabbinic organizations, recognized by the congregations in every community which we represent here - the orthodox rabbinic organization, the conservative and the reform. The members of all three organizations are called upon to back, to participate, to lead in every campaign. They certainly are interested. I do not say that others are not, but by the very profession they are interested, vitally, personally, in all campaigns. I would therefore suggest to the executive or administrative committee that the three rabbinic organizations be called upon to designate two members of each who are to add three or six more laymen from the communities to form a committee to work out a formula for a re-organized U.J.A. (Applause) I see there are not very many rabbis here!

CHAIRMAN SPRODER: I just want to remind you that the question we are now discussing is whether we should try to have the U.J.A. in 1941, and what suggestion you have for it being accomplished. Continue to confine yourself to that question.

RABBI SILVER: I would like to make a statement

on this subject and I hope that I will have an opportunity later on to make a statement on the subject of rational budgeting - although I should not like to use up too much of the time of this body, but I am vitally interested in both projects.

There has some reference been made here two or three times as to the competence of the leadership. Even in the report of the committee on budgeting, some reference was made to the fact that if these leaders cannot agree, we will get other leaders to agree. That, you will pardon me, if I say it, is quite childish. It is not I who took a position. Whatever position I took was passed upon by the whole administrative committee of the United Palestine Appeal, some seventy or eighty people, who followed every step of the negotiations, studied them, and authorized me to act one way or another. And if it were not Rabbi Silver who was their spokesman, if he were X, Y, or Z, he would be doing the same thing if he were speaking for the United Palestine Appeal, and nobody has a right to speak for the United Palestine Appeal but its administrative committee. And the position of the United Palestine Appeal administrative Committee was presented in detail to a national conference last week of 1600 delegates, discussed and approved by them unanimously. So that I am not now speaking as Rabbi Silver.

I don't claim for myself any special gifts of

negotiation. I represent a movement and a cause, and I am its spokesman, and no one has a right to suggest what the rank and file thinks, and to intimate that the rank and file think differently than its leadership. The place to present that was at the national conference in Washington. There was the place to discover what the rank and file think. /

And may I recommend to you who are here assembled one other thought - not to attempt to stampede this body. The tactics are well-known, but we all have to go back to our communities and our communities will decide what they want to do. The Jewish communities of America have not yet abdicated either to this body or any other body the ultimate authority. And while we are all representatives of our Federations and Welfare Funds, I question very seriously whether any Welfare Fund, perhaps so in the case of Pittsburgh where you have already acted, certainly my community has not acted and I have no right to commit my community, my Welfare Fund or Federation. And I think those who get up ought to make that clear. When you vote on national budgeting later on, please remember that you are not committing your communities. They still have a right to discuss the whole subject and decide what they want to do.

Of course everybody wants unity. I could have gotten up, too, along with the rest of you. And what would that mean? Exactly nothing. The question is unity on what

72.
basis? That is the crux of the question, and unless you get down to the realities of the situation you are just making gestures, idle gestures.

First of all, I should like to say that this talk of unity has been entirely over-dramatized, too much both here and elsewhere. I know why it has been over-dramatized and by whom. The history of our relationships between the U.P.A. and the J.D.C. call for no such dramatics of the dissolution of the United Jewish Appeal. During the last ten or twelve years we have had united campaigns, that is, the U.P.A. and the J.D.C. and we decided to separate, and then we decided to unite again under a certain formula, and we decided to separate again. At no time was any popular move introduced into this separation until this year, and why? Because it is hoped that forcing through a United Jewish Appeal this year might benefit one or the other of the three agencies involved.

In 1934-35 we had united campaigns. In 1936-37 we had separate campaigns. In 1938 we had a United campaign nationally and a separate campaign in New York. In 1939-40 we had united campaigns. In 1941 we decided to dissolve. At no time did these two organizations join for the sake of creating unity in American Israel. It was not their business. It might have been a by-product of such united effort, a desirable by-product, but that was not the purpose that moved them to unite their campaign efforts. When it served their

best interest, relief overseas, upbuilding of Palestine. When they thought it did not serve those two causes, they decided not to make independent campaigns but independent application to welfare funds and budget committees.

Now the suggestion has been given - and I am letting down my hair because only as we talk frankly and fairly, no use engaging in circumlocution about this thing, - it has been suggested that now in 1940 the guilty child is the U.P.A. We dissolved the union. We are opposed to unity in American Israel. The record does not seem to indicate that at all, nor the record of the last year, nor of the year before, nor '38. I might remind you, Mr. Chairman, that at the meeting of your Board in Pittsburgh, October, 1938, a meeting which I attended, the subject of the J.D.C. threatening to withdraw from welfare fund campaigns and going on its own was a serious subject for discussion at that meeting. It was of concern to the Board of Directors. The J.D.C. felt, rightly or wrongly, that they could raise more money on an independent campaign outside the scope of the welfare funds. And the subject had been discussed at national and regional meetings of the J.D.C. and it was at that meeting, your minutes will indicate, that I opposed separate campaigns, and I asked that the J.D.C. and U.P.A. shall remain within the framework of Welfare Funds because Welfare Funds I believed then and I believe now, are desirable things in American Jewish life.

In 1939 the records will show that it took weeks of coaxing on the part of the U.P.A. to bring the J.D.C. even into a preliminary conference to discuss a united campaign and only the intervention of the Council and Mr. Shroder that the first meeting was actually held in December, 1939 to plan next year's campaign. And it evolved at those discussion that year that the J.D.C. did not wish a united campaign to include New York City, because at that time the J.D.C. was laboring under the delusion that great moneys would be forthcoming from New York City and those great moneys would come from anti-Zionists. They have since become disillusioned about that, but at that time it was still a great factor in their reasoning.

And in 1940, the record will show that we had the greatest difficulty in coaxing the J.D.C. into a united campaign for 1940. Months elapsed before we could get them into a conference.

Now, we have not been opposed to the United Jewish Appeal, and through the years the records will show that the United Palestine Appeal made one concession after another to make possible a United Jewish Appeal.

In 1937-38 the ratios were 60-40. We agreed to have those ratios dropped in 1939 and drop again in 1940 in order to preserve a United campaign. And when I come to discuss

budgeting and the subject of allocations' committees, I will indicate that it was the United Palestine Appeal that suggested an allocations committee and was opposed by the J.D.C. When we finally got the J.D.C. into conference with us this year, we were not thinking of anything but a united campaign. What happened? The J.D.C. made one proposal for a United Jewish Appeal from which it did not deviate for two months. And that was that allocations for 1941 be made for a period of six months only; the rest of the budget to be determined by an allocations committee, and the allocations for the first six months be made strictly on the ratios which prevailed in 1940. Mind you, the ratios which prevailed in 1940 were not the ones that prevailed in 1939 and the ratio of 1939 was not the one of 1938. But for 1941 the J.D.C. made up its mind that the ratios were sacrosanct; something holy about these ratios which must not be tampered with. We made one counter-proposal after another and one concession after another. We tried to persuade the representatives of the J.D.C. in the first place that Palestine cannot operate on a six months schedule because our work there is not exclusively of relief character. We are building a Jewish National Home and have commitments which go from one year to another. The Jewish Agency must know what it can count on for a year. For nearly two months the J.D.C. refused to budge from this

position which it took, and we argued that the ratios of 1940 ought to be changed because conditions have changed. We argued that in 1940 Palestine had come into a war zone, where difficult problems had been created for the Homeland because of war conditions, because of the dislocation of life there. We argued that Palestine, in spite of war conditions, took in last year 24,000 refugees. On the other hand, we argued, that the National Refugee Service, to which we had been very generous, that is, we the U.P.A. and the J.D.C., to such an extent that we gave them their full budget and they were actually operating on a surplus; that because of the changed conditions in this country, the improved economic conditions, the readiness with which refugees were being absorbed, the drop in the increase of refugees, and the major factor that local communities were taking over the relief, that this year the N.R.S. should be satisfied with taking a little less. But the representatives of the J.D.C. said no, those ratios must prevail.

And so, negotiations broke down. It was not that we pulled out. The J.D.C. pulled out. Negotiations broke down. It was after the negotiations broke down that your chairman stepped into the picture. Last year he stepped into the picture early during the negotiations and the Council was helpful in effecting a proper solution. This year he waited

77.
until the break down of the negotiations, for some reason or
other, still very obscure to me, and he finally stepped in and
asked us whether we would come to a meeting to reopen the
subject. By some fluke or other, which I still have been un-
able to explain, a statement was issued from the offices of
the Council that Rabbi Silver had been asked to come to this
meeting and had refused to come. Rabbi Silver had come to the
meeting and attended. The meeting was held in the offices of
the Council and the whole subject was discussed again. And
at that Council meeting the U.P.A. made another concession
to save unity in American Jewry and we brought in this proposal:
That of the first \$2,000,000 which would be raised in the
United Jewish Appeal, \$2,000,000 to be set aside for the
National Refugee Service and the other \$2,000,000 to be 65-35,
and that 65-35 was rejected.

It was then, having reached an impasse, having
had the help of the Council and we could not move forward,
it was then decided that the two chairmen would issue a state-
ment saying that the U.J.A. dissolved, from now on the organi-
zations would make independent application, and the hope was
expressed that the communities would do their utmost to aid
these causes. It was not thought that would be provocative
of such a drama in American Jewish life, and I am afraid,
and I must say it because I am a frank man, and I like to be

frank, that your chairman was largely responsible for stimulating that mood of tension and crisis in American Jewish life through the unwarranted letter which he sent to the Council without even consulting his own Board - an unprecedented act in the Council - not to make any allocation, not to proceed until they had heard from him or the Council.

We had a committee working here. He might have waited for the Council to act. What was the hurry? Not only not satisfied with sending out the letters, but actually went to communities to tell them not to act. I call that stampeding, and I call that undignified action when national movements are involved.

Having failed in our negotiations, not as individuals, I am sure that the people that represented the J.D.C. did not represent themselves, but they represented their boards, - we decided that the thing to do was to have a referendum to the communities of America; the communities still have a budget committee which will pass not only on our two agencies and we decided to let them decide in a democratic way, after we have made available all the data. It was assumed that the report of the allotment committee of 1940, in fact it was voted unanimously that a copy be put in the hands of the Council and the Council make an abstract of that report so that they can intelligently, the communities intelli-

gently vote what they want to do in the matter.

Why this mood of crisis? And why this recrimination? If the J.D.C. feels that it can make new proposals that would effectuate the United Jewish Appeal, the U.P.A. has always been ready to receive those proposals. If this body feels that the proposals which the United Palestine Appeal made were so unjust and unfair, please declare yourselves on them. But I don't think that the way to go about bringing together two or three great national organizations which were in the field long before this Council came into the field is to try this method of overwhelming and stampeding. We are reasonable people. We are just as much interested in our communities as any one here; just as much interested in the cause of Israel as anyone here. If the Council feels that it can still be of service in bringing these three groups together and work out another formula, I say, I assure you I will not be in the way any more than I was last month or two or three months ago. But please remember the ultimate source of authority resides not here in the Board, not in the Council, but in the Jewish communities of America. [Applause]

" MR. WILLIAM GOODMAN (Memphis, Tenn.): Rabbi Silver, could I ask one question? Would your organization be willing to permit some one who has had no part in prior negotiations to act for them, in sitting down with representatives

similarly chosen by the other two organizations, in a further effort to work out this difference, so that some unified program could be adopted?

RABBI SILVER: My organization is a democratically controlled and managed organization and works through authorized officials. I happen to be the chairman of that organization.

MR. GOODMAN: Would you be willing to have someone appointed?

RABBI SILVER: I don't think it is necessary, nor would I consent to it. That would be reflection upon me.

MR. SILVER: Ladies and Gentlemen - I did not intend to speak at all this afternoon, but since Rabbi Silver has made some reference to my part in the negotiations, I would like to report them to you; very happy to, because while I am not proud, I certainly am satisfied with the part that I took and the part that the Council took.

I want to say first that once again it was a pleasure to hear Rabbi Silver speak. I never listen to him speak without being impressed by his very great gifts of oratory. I would that I might share them with him in some minor way, but without detracting at all from the excellence of his presentation, I think there are a few facts in the presentation that bear some correction. Before I touch on those

facts, I want to say that I was very grateful to hear some of the expressions of opinion that he made this afternoon because to me they are a hopeful augury that the thing we all have so dear to our hearts may be achieved; that it may still be possible, as Rabbi Silver indicates, to reconstitute a United Jewish Appeal for 1941 on acceptable terms, which is something that the entire community wants. Rabbi Silver also gave the assurance, and I am deeply grateful to him for making that assurance, that the United Palestine Appeal does not intend to have any separate drives in any of the communities but intends to appeal only to the budgeting committee. That is very reassuring, and I do wish that Rabbi Silver would pass that word along to some of his subordinates and some of his local enthusiasts because in the last few days some of the officials of the United Palestine Appeal have been stating openly that unless the Welfare Funds are going to yield to their demands, they are going to bust the Welfare Funds of this country wide open. That is the statement made by some of the subordinates of Rabbi Silver, and I am delighted to learn that those statements do not meet with his approval and will not be carried out. That in itself is very reassuring.

Now, in regard to some of the statements that he made, I think that they bear some correction. I notice that Solomon Lowenstein rose to answer, but I think I would rather answer for him because I was present at the negotiations

to which Rabbi Silver made reference, and I think you will believe me as giving you this information on a completely unbiased and factual basis, whereas you might think that Dr. Lowenstein might be partisan and therefore you might give less credit to what he says, although I hardly think that is likely.

Another statement that Rabbi Silver made which was - and I was very glad to hear it - his statement now that his impression of that last meeting was that the amount to be allocated to the National Refugee service was to be two million out of the first nine million. That afternoon the statement was made definitely, positively that the total amount that the National Refugee Service might get out of the country this year, as far as the U.P.A. was willing to permit, and that included the amount it might receive from New York, was a total of two million.

RABBI SILVER: That is correct.

MR. HOLLANDER: You just now said two million out of the first nine million.

RABBI SILVER: What you have just stated now - that is entirely correct. I trust I did not give a false impression. I said the first nine million, two million be allocated to the N.R.S., representing its total income; the other seven to be divided 65-35.

MR. HOLLANDER: Out of the first nine million

the H.R.S. got two million, and I got the impression that nearly any amount over nine million would be open to fresh allocation.

RABBI SILVER: For the two agencies.

MR. HOLLANDER: Only be divided between the two.

RABBI SILVER: That is what you stated. That is what the J.D.C. stated in its communication, which I never questioned.

MR. HOLLANDER: I was hopeful just now that he had in mind - that if over nine million was raised, that the matter be referred to the allocations committee. So evidently that is how the matter stood.

Now as far as the actual negotiations were concerned, the facts are these. Last year and for several years, as you know, this organization has stood for cooperative fundraising in the field of overseas agencies, not merely for the United Palestine Appeal and the J.D.C. but for the inclusion of a larger group. Up to last year, we were not able to effect that. The most that we could do was to bring the three agencies that you know as the United Jewish Appeal together and we felt that was measurable progress forward. The entire country approved of it then, and still approves of it now. In fact, the country demands it. I have received

well over 100 letters from different Welfare Funds in which the opinion is almost unanimous. There were two exceptions - Newburgh, New York and Utica, New York. But outside of those two, all the Welfare Funds of the country, large and small, are unanimous in their desire to have this continue.

Now, last year, as I say, we made measurable progress. We were able by inserting ourselves into the negotiation to do two things, both of which were important. First, we were able to help bring about a United Appeal for last year and that was desirable. Much more important than that, we were able to start something which we felt had in it the seed, the possibility of future usefulness to the Council and all the Welfare Funds. We established for the first time that there should be neutral members on these negotiating committees that were not tied in with each agency but these neutral members would bring to the negotiations the point of view of the Welfare Funds which are so vitally interested, and which we always felt had a right to share in the participation because they are the communities that put up the money. Previous to that they had simply stood on the sidelines while the battle went on and ultimately were told how much to come across with. We felt the communities of the country were entitled to more participation than that. Last year we brought about the allotment committee, and to make the commit-

tee more than a horse-trading proposition, we established the principle of having adequate factual information to be placed at the disposition of the neutral committee. It worked well. At the last meeting at the Council office, to which Rabbi Silver referred, I asked Rabbi Silver and the other members whether they were satisfied with the impartiality, the judgment, the efficiency and the fairness of these neutral members of the committee and I was given assurance there was no cause for dissatisfaction; their work had been adequate and satisfactory to all concerned.

Now to get down to the actual negotiations. Rabbi Silver seems to be confused or pretends confusion or possibly wants to divert attention from certain aspects of the matter and tries to place the blame upon the Council for not having inserted itself into the negotiations this year somewhat earlier. He fails to mention that this year there was a new factor involved. First, that the two bodies, the U.F.A. and the J.D.C. had a contractual agreement that they would open negotiations between themselves and in addition to that, they had at their disposal the neutral members, representing the Welfare Funds, available to them in case of difference of opinion as to needs of the two organizations. As far as I know, those negotiations began in October or November, - I don't know, I wasn't invited. I heard they were continuing

and as far as I knew, they were continuing in the usual way, working towards a successful culmination. Then to my great surprise, early in December, I heard they had broken down. I heard it quite accidentally. Neither side notified the Council nor notified me. As soon as I heard it, I immediately sent an invitation in the name of the Council to both of the negotiating parties, and asked them to sit with representatives of the Council to reopen the negotiations and see if some basis could be achieved. Rabbi Silver and Rabbi Wise acknowledged the letter, the invitation, and agreed to come. So did the members of the J.D.C. and we met at the Council offices and we had a full and frank and free discussion and the report of what had gone on, and as far as I could find out as between the J.D.C. and the U.F.A. they were very close together. The differences between them were not very great. Rabbi Silver told of the successive offers that his side had made and the last one of them was 65 as against 35. The J.D.C., I think, if I recall correctly, stated 66-33. Mr. Berne here made a suggestion of 66-33, which seemed not unwelcome to the J.D.C. So that the difference there that afternoon was very slight - 65-33, 66-33.

Now, if there had been a willingness of give and take on the part of the negotiators, and even without that, I think that that difference might easily have been over-

case. Don't let yourselves be fooled by all this talk of ideological differences. The ideological differences were 1% I don't want you to feel that that was the stumbling block. I feel that matter could have been successfully corrected, but the U.P.A., Rabbi Silver made the flat statement this afternoon that while it might be possible to work out an agreement or to make an offer that would be acceptable to the U.P.A. for its own needs, he insisted on saying how much the U.R.S. should get - this amount and no more. This is as I understood and now I understand I understand him correctly. I said to Rabbi Silver, you may be quite within your rights in indicating the amount that Palestine needs out of this country, and I have no fault to find with you for stating what that minimum amount is, but it seems to me you go beyond your proper prerogative when in addition to saying how much your organization must have, you insist on stating what another organization may have, and I don't think that is within your proper prerogative.

Now, we did have a group studying this. They all have full information in regard to the National Refugee Service. They knew everyone of its procedures. They knew where every cent went, and where it was spent. They were in a position to evaluate and indicate exactly how much the National Refugee Service might need this year. If immigration

was so much, it would need thus and so much; if immigration was 15,000, it was thus and so much, and they had those figures right at their finger-tips. So I suggested why not leave to this neutral allotment committee, in which you had complete confidence, why not leave to the allotment committee, the neutral members, which if anybody does represent the thinking of the Welfare Funds, leave it to them. Rabbi Silver says, I will not do that - I don't remember his exact words - but something like this: I have stated my last word. You either accept that or we are through. And then the J.D.C. said they had no authority to accept two million as a total for the A.P.F. so the meeting broke up.

As a little sidelight, I might mention that by way of interchange of directors, we had worked out an agreement with all three of the agencies, wherein this Council has one member of the Board on their executive committee, and they have, each one, a member on our board. I think there was possibility of great good coming from them.

Rabbi Silver was going directly from this meeting to the administrative committee of the United Palestine Appeal and I was the delegate to represent the Council on this executive committee of the United Palestine Appeal, and I wanted to go there to express to the members of the administrative committee of the United Palestine Appeal the very deep concern I had with the breakdown of the negotiation; that

I felt it would be extremely damaging to the cause of Palestine, to the amount Palestine might raise in this country, and even more, the resentment that would certainly be aroused throughout the country at this, what I considered an unnecessary and unwarranted breakdown of negotiations. When I indicated that I would like to go to the meeting that evening, Rabbi Silver said you may not go. You cannot come to this meeting.

I think that was unwise. I wish I could have been there that evening. Not that my feeble attempts at speaking would have been able to offset Rabbi Silver's oratory, but I would liked to have presented to that administrative committee before it took action, before it made its final decision, the position of the Council. That ended those negotiations.

Immediately, through the grapevine telegraph system, the country began to be aware of the possibility that the negotiations were breaking down, and immediately the Council offices were besieged with letters and telegrams and long distance calls that they should do everything in their power to prevent such a breakdown and try to reopen the negotiations. I sent a telegram to the J.D.C. and the U.P.A. telling them, the same telegram went to both, saying there was evidence of deep dissatisfaction - I am not quoting it exactly - a deep dissatisfaction at the breakdown of negotiations and a

desire to have them reopen them, and I invited them both to come to another meeting, and the J.D.C. wired back they would come and Rabbi Silver wired me 'I will not be intimidated by you.' I was simply reporting to him that the communities were regretful and indignant and I was fearful it might affect the success of the campaign. I was not trying to intimidate. I was trying to be helpful. When Rabbi Silver refused to reopen the negotiations, then I prepared this letter, a matter which I felt as a proper responsibility as president of the Council, and I sent the letter to all of its members. Rabbi Silver says it is an unwarranted and arrogant assumption of authority. You saw the resolution that they sent around the country denouncing me. Before that letter was sent out it was referred both to our chairman, Mr. Schroder, and our Vice-President Younker, and both of them expressed complete approval. So it was not an unwarranted assumption or arrogance on my part. I was simply trying to do what I then and now considered my duty, and in that letter I expressed deep regrets at the breakdown of negotiation, indicated a hope when you got together here in Atlanta that you would indicate strongly your desire to have the negotiations reopened, and that some method might be found here to do it. And since I have had reports which have been intensified. Please don't let Rabbi Silver's oratory deceive you. This business of taking a

91.
referendum is actually stirring up the tremendous passions intensely of the Palestine group, who threaten to break up the Welfare Funds, to make demands of the budget committees, under threat and pressure to do all the things that we know would be harmful and inevitably would result in breaking up good community relations that we have all tried so hard to achieve, and to make battlegrounds for all our cities.

You don't have to take my word for this. I am sure I could call on twenty members to tell what is happening in their respective communities, and they will bear out that it is not a referendum that Rabbi Silver is preparing but a battleground. I deplore that. I think it is unnecessary. If ever there was a time when the Jews of this country should work together and stand together, it is now. [Applause]

There is no ideological difference here. It is a question of money, and if the negotiations cannot achieve the end, they might then call in the neutral members of the committee with whom they have been working, who are fully conversant with their needs and certainly would be helpful in reaching some satisfactory agreement, and if these negotiators don't, we say in our resolution that the Council offers its services in any way that the agencies might suggest; that we sit with them and try to correct this situation that we look upon as so grievous and so unnecessary. I don't believe that

regardless of the pressure that will be put upon you - I hope that will be stopped and it has been said there is no intention of separate campaigns - even if they do bring those pressures upon you, I am sure you will do your utmost to resist them and see whatever relationship is worked out is on a basis of harmony and good will. We don't want this thing to go on again. I know from Rabbi Silver and his associates and Solomon Lowenstein and his associates that it is extremely painful and undignified. They all tell me how much they hate those negotiations.

We are suggesting to you today, and we will bring it to the Assembly for approval, a plan for setting up an advisory service, and also an advisory service under the neutral members not connected with any agencies - which seems to me a sound, orderly basis for procedure. I am hopeful in view of what Rabbi Silver states, I want to assure him I accept his statement as he says that they are willing to listen to fresh proposals and see if we cannot bring the J.D.C. and the U.P.A. together, see if some new method can be worked out.

The Council has stood for the thing that Rabbi Silver objects to. It was our suggestion, not the J.D.C. I don't want you to think that. It was the Council's suggestion that it was unwise to allocate at the beginning of the year the funds for the entire twelve months. Conditions are chang-

ing too rapidly. Nobody in this room can say what the needs of Palestine or the J.D.C. or any other agency abroad will be in six months from now. So I have felt it was the part of plain common sense to make an allocation at this time sufficient to continue the operation of all of the agencies on their present levels and then to have further examination made at the end of six months, or during the next six months, so that further suggestions could be made in ample time to see that the needs of all agencies were properly cared for.

That was our suggestion. I made it. It was accepted by the J.D.C. They accepted it. Rabbi Silver says for reasons he mentioned, it was impossible for the U.P.A. ...

RABBI SILVER: To accept what?

MR. HOLLANDER: To accept a partial allocation.

RABBI SILVER: In this suave manner you have been putting over certain statements - I want the privilege to correct them.

MR. HOLLANDER: The last statement Rabbi Silver made in those negotiations was that they must have two and one-half million assured; that they could not take a partial allocation for the first six months; they must be guaranteed before they went into negotiation a minimum of two and one-half million. I did not think it was sound procedure, and don't think so now. When I suggested that an allotment commit-

tee might be helpful, Rabbi Silver said, and I think I quote exactly, 'Palestine will not rest its case with any neutral committee in this country, no matter how constituted or who may be on it. Palestine will decide for itself how much money it will get from America.' I wrote them down at the time. Then when I indicated to Rabbi Silver how unwilling the communities would be, the Welfare Funds would be, to have this breach, and already receiving these reports, Rabbi Silver push-pushed those reports, and he said, 'I know how those resentments and expressions of opinion are aroused. They are the work of the Council itself.' I wish you would indicate to him personally, that those expressions of unwillingness to have the committee break up by these separate appeals are not stimulated by the Council but are your own expressions of opinion, if they are. [Applause]

Finally I want to say this, and then I am through for the afternoon. I have given the truthful facts and you can believe them or not, as you wish. I hope that the United Jewish Appeal will be reconstituted. I believe it can be, with willingness. If it should not be, then I believe it is time for the Welfare Funds of this country to take up the challenge themselves, and say if our leaders are unable to get together on an agreement, if the breakdown on their agreement means that our communities are to become battle-grounds,

then we who have worked so hard in our communities to build up good will, to establish relationships, we will band together the communities together, through the Council, to protect ourselves and to maintain harmony in Jewish life in this country. [Applause]

RABBI SILVER: May I answer?

CHAIRMAN SHRODER: I had -

RABBI SILVER: Don't you think when the arguments are fresh in the mind, I should be permitted to answer? I have been involved in this and I would like the pleasure to answer.

CHAIRMAN SHRODER: The meeting will come to order.

MR. LOWENSTEIN: I was rising on a point of order, to make a suggestion. I think the chairman is entirely in the right in recognizing Mr. Lowenstein at this time. I think it would be well to have an expression from a different part, reserving to Rabbi Silver the right to make his answer late. I think it ought to be deferred until after the discussion.

CHAIRMAN SHRODER: I was going to say Mr. Silver might find something to answer Mr. Lowenstein, and answer both at the same time.

DR. SOLOMON LOWENSTEIN: Mr. Chairman, I hope that you will not believe that my insistence on the right to

the floor indicates truculence of spirit. I would be very glad indeed to have Rabbi Silver answer Mr. Hollander, if I had not thought it was unfair to the J.D.C. and the U.F.A., to have his answer made before we had an opportunity to present our case.

I agree with him that Mr. Hollander has so well presented the facts of the case that he has saved me and you a great deal of time. When Rabbi Silver was speaking, I thought to myself that it was another indication of how two persons, both of whom undoubtedly are honest in their opinions, might differ both in their recollection and interpretation of events. Therefore it was cheering to me that in every important respect, Mr. Hollander recalled and interpreted the situation exactly as we did. There is only one very minor correction that I would make in what he said, and that is that originally the U.F.A. had suggested a 60-40 ratio as between the two and the J.D.C. a 7-30 ratio. When Mr. Berne of Cleveland suggested a 66 and 2/3 and a 33-1/3 ratio, we of the J.D.C. immediately indicated that it was quite acceptable to us. And I hope that you will believe that we are sufficiently interested in the well-being of our Jewish communities in this country, and more particularly in the salvation of those who are starving, naked in European countries and those who are upbuilding Palestine not to allow these negotiations to break

down upon such minor differences in funds.

I am quite certain that this year, as in the past, the J.D.C. and the U.F.A. would have reached a proportion. None of us like this. It is the most unpleasant job we have. I want to say now unequivocally for the J.D.C. and the N.R.S., we are perfectly prepared for any resumption of negotiation on what we conceive to be a fair and reasonable basis. Because there is no real differences of the two organizations involved. The difference comes about, as indicated by Mr. Hollander, purely with respect to the treatment of N.R.S. and since we are going into all of the details, I would like to supplement Mr. Hollander's statement by a very brief statement of the primary meetings of conferees of the J.D.C. and the U.F.A.

In accordance with the terms of the 1940 agreement, Rabbi Silver requested entering into negotiation between the organizations with reference to a new contract for the year 1941. Of course, we accepted that invitation and we met. At this first meeting, the J.D.C. made two proposals. One that the N.R.S. instead of being merely a beneficiary of the fund as in 1940 should also, under certain conditions, be a partner in the fund; that it be entitled to have representatives on the joint committee, and while we at no time conceived they should have a vote, in every other respect there

should be full participation.

The answer of the U.P.A. was that the N.R.S. should be included not at all in the 1941 appeal; that they believe they were purely local, domestic American agency, not an overseas agency, and therefore their inclusion confused the issue. Furthermore, they did not believe the appeal of the N.R.S. was helpful in securing larger funds but rather to the contrary.

Our second proposal was - and here I will not debate the proposal as to priority - he said he made it, but it is immaterial where it originated. We proposed that in view of the constantly changing and shifting conditions abroad which no one could foresee, that it was unwise to set up a large initial sum for allocation, but that the minimum sum should be set up as between the three agencies, to meet their cash needs during the spring campaigns, for either three or six months and thereafter every cent collected should be at the disposition of an allocations committee. And instead of regarding ratios as being sacrosanct, we said we believed the ratios of 1940 should be taken as the guide for this allocation, but thereafter we were perfectly willing to leave the decision to such an impartial allotment committee as might be set up.

The U.P.A. said it was not prepared at that

time to give an answer to that proposal and asked for an adjournment in order to have opportunity to consider the entire matter; - which of course was entirely proper and to which nobody made the slightest objection. At the subsequent meeting the U.S.A. representative said in deference to our opinion of the N.R.S. they were willing to have them appear in the 1941 campaign as a beneficiary but in no sense of partnership. We did not argue that matter any further. With respect to the other matter, they said they were willing to have an initial allocation, but they suggested figures which to us were entirely unacceptable. I don't think we need go into those figures at this time because they were subsequently changed. But they did say, as indicated this afternoon that they did not believe the work of the N.R.S. would justify anything like the sum that had been available for it in 1940 and therefore they set this maximum figure of two million without any possibility of additional funds from New York City.

I am very glad that Dr. Silver confirmed Mr. Hollander's statement because to me there was the other implication. I knew he did not contest the fact and I knew he would correct it. That was the entire situation. Since the N.R.S. was not represented and since, to a certain extent, some of us who represented the J.D.C. were also members of the Board of the N.R.S., we felt that we had no right whatsoever to accept any such proposal, though we were entirely willing, as I said

before, to accept Mr. Berne's proposal as to the ratio between the two organizations, namely, J. D. C. and U.P.A.

That was why negotiations broke down. Then going to Mr. Hollander's account of the meeting held at the call of the Council, Rabbi Silver stated that there would be a meeting of the administrative committee that evening and unless proposal were made that evening, he would have to go ahead and report to that committee and take what he considered appropriate action. From then on there was no controversy with regard to facts.

I want to deal with some other statements that have been made. I don't believe it is required that I make any further factual statements. I agree in substance very much with what Rabbi Silver said, and in particular with regard to this question of conferees. I assure you, I am ready to resign and have others appointed if that would be advisable. I won't use Rabbi Silver's term that it is "childish", but it is utterly unrealistic. Rabbi Silver is entirely right. He came there with certain definite instructions from the U.P.A. They had a right to issue those instructions and he had no right to disregard them. The same thing is true of the J.D.C. and even if other conferees were appointed they would go under exactly the same conditions. As to the intervention of the neutral members, we would welcome them.

In the sessions of the allotment committee, Rabbi Silver and his fellow representatives, and we of the J.D.C. were in perfect accord and worked in perfect amity with the neutral members of the allotment committee. That does not mean we always agreed, but they were very friendly, and I can say for us, as Rabbi Silver has been quoted for the U.P.A. that we are entirely satisfied with the procedure as it worked during 1949 and we will be prepared, I am sure, if your board of trustees and ultimately your Assembly decide to approve this report as submitted by Mr. Blaustein, then I can say for myself and I believe as a representative of the J.D.C. and U.P.A., we will be willing to go along with that report. I hope that is, but, my speech later in the afternoon.

I would like to say one other thing. I do not challenge the right of you ladies and gentlemen who are here to speak as representatives of your community. It may be technically correct, as Rabbi Silver said, you do not come here charged with any mandate or that you have not been officially appointed, but I know many of you, and I am sure some of you would speak for his community unless he believed he was entitled to the substantial mandate of that community. We have no desire whatever to interfere with this community which has been spoken of this afternoon and I accept that you represent your communities, and again I say, I do not for a moment challenge it.

There are other things that have been said this afternoon that I don't think necessary to comment upon, made in the heat of debate and I think will be properly evaluated by you. We regard this matter of the N.R.S. as vital. We believe that it is essential for the health and well-being of the Jewish community of this country that this refugee service be properly and adequately handled.

The week-end before last, there was held a large and representative conference of agencies and communities throughout the country with respect to N.R.S. problems. Undoubtedly, some representative of the N.R.S. who is here will speak of that later on, but there was a unanimous feeling that the N.R.S. must be supported and its work carried on. We challenge and deny the statement made by Rabbi Silver in good faith that the work of the N.R.S. will diminish. We believe from information that has come to us that the stream of immigration will be up to quota allowances. We believe the amount spent last year was not adequate to do the job which should be done. Two important features which have been neglected, that of re-training the aged and otherwise handicapped, will require large additional sums, and we believe the change of status required under our laws by approximately 15,000 persons here on visitors' visas must be accomplished if these people are to be saved a great deal of humiliation, embarrassment and possible deportation. Rabbi Silver, and this is the

only thing I have to criticize is what he said personally, that the N.R.S. should not have objected literally to a slight reduction. He himself indicated, he demanded, speaking for his organization and his colleagues that the limit of, to the N.R.S. on a national basis, for 1941 should be 2 million dollars. Now, if he or anybody else here believes that a reduction from ²~~one~~ and one-half million to two million is a slight reduction, then we have a different conception of arithmetic.

I hope one thing will be said here by a representative of the N.R.S. and that is a thorough and complete explanation of this alleged budgetary surplus of which so much account has been made. I thank you. [Applause]

RABBI SILVER: I just want to make a few corrections for the record. I don't think it is necessary to comment at great length on Mr. Hollander's constant reference to my oratory. I am very grateful that he is appreciative of my oratory; that he is moved by it, but the implication suggested by this constant reference to it is that man is talking through his hat!

It is not how things are presented. It is the way things are presented. And it is rather dragging a red herring over the issue, Mr. Hollander. Maybe I will try to attenuate my oratory so as not to sweep Mr. Hollander off his feet!

Mr. Hollander definitely ^{threw}~~threw~~ out the sug-

METZGER REPORTING CO.

Stenotype Reporting
MILWAUKEE
NEW YORK CITY

mention that this is no ideological controversy at all but a matter of one percent. Let it go at that. And then he rounded up his talk by saying we intend to go to all the communities of America and split on an ideological issue. Just where did this ideological issue come up? It did not come up over 1%. Mr. Hollander should have stated the fact accurately. It came up over the fact of establishing the minimum initial allotment of the organization. When you place into the hands - and I tried to reason, knowing of course that the majority is a non-Zionist majority, I am not now in Washington, I realize it - still try to understand our position. After all, you are responsible leaders in your communities. The U.P.A. is representing a great political movement, over which American Jewish life has been involved in a controversy for more than half a century. There is sharp division of opinion. And I respect difference of opinion, and I see increasing today sharp division of opinion over the whole business of building a Jewish Homeland. There is not a member of the U.P.A. who questions the work of the J.D.C., the desirability of it. There is not a member of the U.P.A. that questions the work of the M.H.S., the desirability of it, but I am sure there are people in this hall who question the fundamental, the whole question of building a Jewish Homeland, and there are those who refuse to contribute to a United Jewish Appeal.

and thereby help to undermine the appeals in their necessities rather than see Palestine share in their contribution.

So there is a sharp political difference. How can, therefore, a movement like ours place even its minimum needs in the hands of a so-called neutral body? What is meant by a neutral body? Let's be frank. A neutral body is a non-Zionist body. As soon as one is a Zionist, according to the definition, he is no longer neutral. Therefore, a movement like ours, and today, the income from the United States is practically the total income of the Jewish Agency of Palestine, must see to it that at least its minimum requirements are not placed in the hands of a decision of a so-called neutral non-Zionist body; that at least its minimum requirements are protected. And, therefore, while we never opposed the principle of an allocations committee, - in fact, it was not Mr. Hollander or the J.D.C. who suggested it, but the U.P.A. - while we never objected to the principle of an allocations committee, we insisted that at least the principle requirement ought to be initially guaranteed, so that a so-called neutral body if it so desired, could not strangle the movement by a simple device of tightening the purse strings.

What about this allocations committee? It was at a meeting of December 8, 1939 at the office of Mr. Ittelson that I first proposed the idea of an allocations committee to distribute funds over and above the minimum funds of the

requirements of the beneficiary agencies, and the attitude of the J.D.C. toward this principle of allocations committee has been extremely inconsistent and fluctuating. At times they favored it, and at times they objected. At times they wished a minimum sum to be left to the allocations committee and at times a maximum.

In 1939 we agreed to an initial earmarking of nine and one-half million dollars; the rest to be left to an allocations committee. Actually five million plus was left to the allocations committee, and an impartial person, Mr. Kirshtein, at my suggestion, was appointed to distribute that money. That was the unanimous opinion of the committee, but the representatives of the J.D.C. did not like the distribution. So when the negotiations began about the allocations for 1940, they came in with the proposal - I should like to quote the words of the gentlemen - 'The J.D.C. was not willing to throw the responsibility for ^{determining} ~~determining~~ the need of the J.D.C. upon an allocations or budgeting committee.'

That was a year ago. This year they changed their minds again. O yes, at their insistence we earmarked not nine and one-half million, but eleven and one-quarter million because they did not trust an allocations committee. This year they came in with a new proposal - everything should be left to an allocations committee except a minimum for a few months, which for the U.F.A. would have meant one million.

and one-quarter for the first five or six months. On such a basis the Jewish Agency could not operate. But we were never opposed to the allocations committee, and the ideological issue was not the 1% then but the necessity to defend a political movement from being strangled by a group of so-called neutrals, and we had reason to suspect what would happen to our movement if it fell into the hands of a so-called impartial objective movement, guided by a few professional social workers.

Now, as far as the question raised what right the U.P.A. had to question what the N.R.S. would get - that was nothing new. We always did that. The J.D.C. did that. The N.R.S. was never regarded as a partner of the United Jewish Appeal but as a beneficiary, and for three years the two agencies, the J.D.C. and the U.P.A. decided among themselves what the N.R.S. should get. In 1938 we decided that the N.R.S. should get \$600,000. In 1939 we decided \$3,000,000 plus, something from the allocations committee, and in 1940 we generously offered three and one-half million, and I was the one who urged a maximum gift to the N.R.S. So this year we again discussed what the N.R.S. would receive, and the U.P.A. in view of the conditions, in view principally of the fact that local communities were taking over more and more the load of American refugees - I know one community that has appropriated \$300,000 to take care of its local refugee problem - that the

100.

National Refugee should receive less, and we set a sum of two million. That was our judgment. The J.D.C. countered - I don't know that they officially countered - but they took the position that there cannot be any revision, that the U.R.S. must receive its three and one-half million. And it is true that over the issue of the U.R.S. the dissolution finally took place. It is true that between the J.D.C. and the U.R.A. a solution could be found. It was an important issue and it involved much more. It involved to us whether the Jews should spend a sum larger than spent for the whole upbuilding work in Palestine, for all the refugees that we take care of in Palestine, and a Palestine at war, and if you add to all the U.R.A., plus the traditional Jewish National Fund, plus what is raised by the Youth Aliyah and Garwerkshaffen, American Jewry in 1940 spent more on a relatively few refugees in this prosperous land, at peace, than we spent on the total program of the upbuilding of a Jewish National Home, plus the taking care of tens of thousands of refugees. That to us was an ideological question and not merely a question of one percent.

WRHS
AMERICAN JEWISH ARCHIVES

Mr. Hollander complained he wanted to come to one of our meetings and we did not let him. He forgot that he came to one of our meetings, that he did not tell you, where the resolution was passed in his presence, and where he had an opportunity twice to speak. We thought that this

XX

was an issue that involved the U.P.A., where its own members should have an opportunity first to discuss it. So what was the terrible crime? That has to be presented here as an indication that Rabbi Silver was a cruel man. A year ago, two years ago everybody was talking about Rabbi Silver as being the bridge in some day bringing together the two groups. He was being praised by these two groups. At last they found a Zionist with whom they could talk. Today even that Zionist is gone. X

Now, Gentlemen, we are not out to disrupt any Jewish community. We have too great a sense of Jewish responsibility. We are not out to disrupt any welfare fund. We ask of Welfare Funds to be responsive to the real democratic sentiments in their communities, and as you well know, not all Welfare Funds are responsive, not even in my own community.

Now, when I spoke on a national referendum, I did not have any intention of going to any community, of disrupting or criticizing the J.D.C. and the N.R.S. I have been in most communities. Can any one in this hall say I criticized the J.D.C. or the N.R.S.? Why do you put such interpretations on our work now? Just because in this critical time, when the Jewish Homeland is on the battlefield, in danger, when it is trying to take care of 280,000 refugees, when ships are blown up in order to allow people to land, just because you are asking for Palestine a little better break, a little more money

to help them, why should our actions be so interpreted as to suggest we are out to do some dirty thing and fighting over one percent and being underhanded? Well, - that's all. ✓

[Applause]

CHAIRMAN SHRODER: The particular question to which we had been addressing ourselves theoretically is whether or not effort should be made to bring about a 1941 U.J.A. and if so, suggestions toward that end. Now, in the course of this discussion we have used as much time on that as we have available. This meeting adjourns at half-past five and we have quite a few important questions that must be taken up. But if you want to devote some of the time that has not been scheduled to this then appears on the program - but both leaders of the J.P.C. and U.J.A. have said that they were quite willing to enter into any possible negotiations for a United Jewish Appeal in 1941 on a fair basis, and if that is the attitude of those organizations, it strikes me we have arrived at a point where we might do something about it, and I should like to ask those two leaders if they would be satisfied to meet after the Temple services this evening at the hotel, if we find a room, with the neutral members of the allotment committee, and if you will permit, with myself, who have taken no part so far in these negotiations and are fairly objective, to see if there is any basis to open the

METZGER REPORTING CO.

Stenotype Reporting
MILWAUKEE
NEW YORK CITY

412

question, not for decision, but for renewal of negotiation. I would like to ask Dr. Lowenstein and Rabbi Silver if that would be satisfactory?

DR. LOWENSTEIN: I would be glad to but Mr. Perlstein has called a meeting of the allotment committee for this evening... I should like to say any time convenient for everybody, we will be very glad to meet.

MR. PERLSTEIN: It is entirely agreeable to me if you and Dr. Silver meet as suggested this evening. I don't think we need spend too much time winding up the formal affairs of the allotment committee. I am sure we will be glad to try to help.

MR. (Pittsburgh): The presidents of many Welfare Funds have signified their desire to hold a meeting with the representatives of the three agencies. I think the question of the meeting should be left to the heads or the representatives of the various communities throughout the country.

CHAIRMAN SHERODER: I should like to provide a certain piece of machinery.. Rabbi Silver has not expressed himself.

RABBI SILVER: If the time is convenient, I shall be very happy to meet.

CHAIRMAN SHERODER: If there isn't time tonight,

how about early tomorrow morning?

MR. PERLSTEIN: In spite of everything, I am going to protest against interfering with that final meeting of the allotment committee, which has taken weeks and weeks to arrange. I am going to ask you gentlemen to allow us to meet at seven o'clock and dispose of that business and take the other up afterward.

CHAIRMAN SHRODER: I am trying to arrange a time for the meeting.

DELEGATE: Let's adjourn now and let them meet immediately.

MR. BETTMAN: May I suggest that this meeting that Mr. Tenn has called of the presidents of 18 or 19 Welfare Funds be held jointly with the allotment committee and Dr. Lowenstein and Dr. Silver.

CHAIRMAN SHRODER: I am afraid the group would be too large to be effective.

MR. BETTMAN: The small groups have been meeting for several months. Why not let us who represent the actual givers of the country meet and try to do something about it?

CHAIRMAN SHRODER: I understand the president's meeting is to be of the representatives of the organization. If you will accomplish enough in this meeting to make tomorrow's meeting unnecessary, why God bless you! Assuming that you don't accomplish enough to make it unnecessary ..

DR. LOWENSTEIN: How about breakfast tomorrow?

CHAIRMAN SHRODER: The three independent members of the allotment committee, Dr. Lowenstein and Rabbi Silver together with your chairman, will meet at breakfast tomorrow morning at half-past eight. That is understood...

We will next take up the next question on the agenda. The next question for discussion is tremendously important, and I hope you will give it your attention. It is quite possible that we will not be able to finish this afternoon, and we will have to find some time in the next day or two for continuing.

Should the Council set up a national budgeting committee as outlined in the report, and if so, should the structure and procedures be as recommended in the report? Now that question is open for discussion.

DELEGATE: I move that be laid on the table. After the meeting tomorrow morning, it may be unnecessary.

CHAIRMAN SHRODER: It is an entirely different program. It is not an alternative for a united campaign. The two questions are not mutually exclusive.

The Board of Directors of this organization has asked for advice and opinion from a thoroughly representative group geographically, and as representatives of the Welfare Fund cities, together with other officers, and the

Board of Directors will value this opinion very much. But whether or not it receives an opinion, it conceives it its duty to consider the question and would rather consider the question with your advice and guidance and therefore those questions are not exclusive and we should proceed with the consideration.

MR. LOUIS LEVENTHAL (Philadelphia): Mr. Chairman, I wanted to report to this meeting the action taken in Philadelphia a week ago by the Board of the Allied Jewish Appeal which includes some 25 agencies, which raised \$850,000 a year, at its meeting. That day, Thursday, a letter was received from Mr. Lurie in which Mr. Blaustein's report was summarized, and our Board was asked to express an opinion as to the advisability of having a fact-finding body and of having a budget recommending committee.

After a very full discussion, participated in by Horace Stone of the Supreme Court of Pennsylvania, Mr. Morris Wolfe, Mr. Kurt Fiser, our director, myself and others, it unanimously resolved, except for one vote - that of Albert R. Lieberman, who, I am sorry to say, is not here yet - that we approve only of the suggestion that a fact-finding body be authorized by the Council Board of Directors and this Assembly, but that no attempt be made, and we opposed as a matter of policy, the attempt to set up any budget advisory committee (Applause) and for those reasons - I have no doubt a copy of

the resolution has been sent by our office to Mr. Lurie. And even Mr. Lieberman, who recorded his vote in opposition to the unanimous resolution, said that while he was not in favor of setting up a budget recommending body, he did not want to have our body pass upon the question until he could hear further from the representatives of this Council. But everybody else seemed to be of this opinion that at this particular juncture, because of the recent developments, because of the dissolution, because of the resentment and bitterness that has been aroused throughout the country, it would be most unwise, it would only intensify the bitterness and the acrimony if this Council superimposed a budget advisory committee upon the various communities.

We in Philadelphia have a budget committee, of which I happen to be a member, consisting of 19 members. It is a representative committee. We hold hearings. We meet a whole week, all day and we give an opportunity for every agency with an audited account to appear. We regard that as an educational process for the Philadelphia community. We think it is helpful and that is why we have such a fine community spirit in Philadelphia. We have labor reports. We have the anti-Zionists. We have the B'nai B'rith and the American Jewish Committee, and the Congress, all represented in our Allied Jewish Appeal, and everybody has confidence that our budget

committee will deal fairly with all causes. We do not think it is proper to have at a great expense an advisory budget committee whose advice we do not intend to regard, and we tell you now so far as Philadelphia is concerned we will not consider advice given by a so-called neutral body.

In the course of the discussion in Philadelphia I had occasion to say that I doubt whether it is possible to select an impartial, unprejudiced group of five or nine gentlemen to deal with these questions. I said I believe that I am impartial, even interested in the J.D.C.; I have worked for the National Refugee Service, and I have worked for the U.P.A. I think I am impartial, but I know that the J.D.C. and the N.R.S. would not accept me as a member of that committee. I know that Maurice Wolfe considers himself impartial, but I said and I am sure, that the U.P.A. would not consider him qualified to serve on a neutral budget advisory committee. And I said, and I repeat, that I don't know two gentlemen in the United States who are more impartial or less impartial than Maurice Wolfe and myself.

Now, the reason for that is simply this: We have heard today a discussion between Mr. Hollander and Rabbi Silver as to whether there are ideological differences involved, or whether it is a difference of one percent. I would like to quote and have placed into the record a statement made by the chairman of this meeting, Mr. Schroder, whom I admire

11-
sincerely, and I admire sincerely because of the statement which he made at Columbus, Ohio on June 30, 1940 - long before there was any discussion of the United Jewish Appeal. Mr. Shroder will recall at the conference meeting of the Central States he made this statement: 'The feeling is growing in various influential quarters throughout the United States that communal harmony is a bad thing for American Jewry. The mere statement of the growth of that feeling is itself somewhat startling. It has an ideological background and the argument as stated seems to have some appeal. There are people who feel that the time has come for us to declare ourselves forcibly and publicly against national Zionism and every other tie-up of American Jews with programs appealing to Jewry throughout the world and openly World Jewish Congress.'

So you see the World Jewish Congress, Jewish Nationalism, Zionism are all lumped together in this ideological category.

'This idea is developing among people in American Jewry who have some influence among Welfare Funds...'

I am quoting the chairman of this meeting.

There is no doubt we all know he was realistic, much more realistic than our good friend Mr. Hollander when he said there was no ideological difference.

'They tell me these men who have some influence in Welfare Funds they feel that by silently accepting the fact that these international ideologies...' Now, Zionism is this "international ideology"... 'exist among some American Jews, by silently accepting the fact these international ideologies exist among some American Jews [That is an under-statement, if I may make that interjection.] we are sowing the seeds of intense harm to all American Jewry, furnishing ammunition for discrimination of Jews by non-Jews and laying ourselves open to the charge of dual allegiance to America and the world Jewry...' 'Will the revival of this charge, brought up in 1917, which we all thought buried when Justice Brandeis made that eloquent statement - here it is again. I believe for the welfare of American Jewry and today when we speak of the welfare of the world... that we must take a militant position on the other side.'

And we agree with you, Mr. Shroder, but you are not taking a militant position on the other side when you say appoint a small neutral committee made up of non-Zionists to study the allocations. In Philadelphia we dealt militantly with this point of view. We had last year, as the chairman of our allocations committee of the Allied Jewish Appeal, a gentleman who was the most generous, the largest contributor to the Allied Jewish Appeal, a very large sum of money was

given by that individual. When questions came up before our allocations committee, when unanimously we decided to make an allocation, on several occasions that chairman recorded his dissent, and it was the sole dissent, and that was last year. He was a good sport. He gave us his contribution last year, but immediately after the campaign was over, he resigned as chairman of the allocations committee, he resigned as a member of the Allied Jewish Appeal Board. When our campaign started he did not want to have any mail from the Allied Jewish Appeal and he made no contribution. We went on with our appeal and we raised \$50,000 less, thanks to him. And that is the way we should deal militantly with men who refuse to give, with men who cannot have their way. (Applause)

'Opposing ideologies do not necessarily mean dissension. We can emphasize those things we have in common. We may not have or wish to have communal unity, but we must hold to communal harmony.'

In conclusion, I want to say, in Philadelphia we have communal unity and we do have communal harmony, except for certain individuals who have seceded from the Allied Jewish Appeal, but they are very few and we hope to overcome the effect of their secession.

It seems to me that on this question of a national advisory budget recommending committee, there are two

110.

considerations that must be kept in mind. One, let's be realistic and face the fact that there are ideological differences. Where you have communities that are democratically organized, as in Philadelphia, you can sit around the table and harmoniously discuss problems and come to a fair conclusion. In those communities where there are not representative welfare boards, such as those Dr. Silver referred to, there will have to be a battle. But it does not necessarily mean that it is going to be a battle over which we are going to be alarmed. We are not alarmed in Philadelphia. You are not alarmed about the American Jewish Committee and the other three agencies and the group we discussed this morning. They cannot seem to get together. We face those differences realistically and we try to make the best of it, and you will have to do the same thing with these fundamental differences.

I do think there can be a formula that can be devised, that ought to be acceptable to all fair-minded persons interested in the J.D.C. and U.P.A. and N.R.S. I sincerely pray that such a formula may be arrived at, but if it is not arrived at, let's not become so desperate about it to say that Jewry in America is bound to be broken. The only Welfare Funds that will bust up are those Welfare Funds that should be bust up, so that they will be democratic and represent the sentiments of the community. (Applause)

MR. FRED M. METZGER: Being on the allocations committee, I don't know if it is not the height of indiscretion to say anything at the present moment, but I must take issue with Judge Levinthal. As far as I know, thanks to Kurt Rizer serving us in Detroit, we have a very peaceful community there, with a high degree of harmony and some unity, and still there is not a leader in the entire group in Detroit, Zionist or non-Zionist, who does not look forward to our sessions of the budget committee with some foreboding and great anxiety and does not fear the repercussions in the community. We fear very much what takes place when the J.D.C. and U.P.A. meet, and a little leakage takes place and will take place on a tremendous scale throughout the country. The point is - what they have tried to do in Europe doesn't succeed very well - to limit the area of battle. You don't ever do away with the conflict. It is not good to do away with the conflict, but pretty good to limit and to leave it to the people who are approximately impartial. I don't at all concede this non-Zionistic attitude that is attributed to the Federation of Jews at-large, to the more influential groups as they have been called here. I think, thanks to Rabbi Silver and others, Zionism is a very popular institution, and if my recollection serves me right, I sided with the Zionists as against the J.D.C., and I don't think any extraordinary conces-

sion had to be made to do it.

I know there is some disagreement, I believe, with that portion of the report which deals with the Palestine phase of our inquiry, and I can take no responsibility for writing it - it is the most dispassionate, convincing argument for Palestine I have read yet. It contains less hysteria, less over-statement that I have heard from time to time. It goes into analysis that carries conviction to people who are on the fence as to the needs of Palestine. I may be prejudiced. I hope not. I don't know how good a Zionist I am - I have been recognized by my community. They named a forest after me. I don't think I'm quite as hot as the honors indicate. I think we have very few givers in Detroit who are insensible to Palestine or are afraid too much is going to Palestine. As a result of the war, there are fanatics in the United States; some probably in our Welfare group. But as I saw it, the three people who sat with me in New York recently, I don't know whether they were Zionists or not, but they were very reasonable people, quite realistic, and I think there are hundreds of equally able people in the communities whose prejudices would balance each other and whom I would not fear as a fact-finding committee. As far as the Federation is concerned, I am quite sure a committee can be found that can be dispassionate.

I recently went to a meeting in Jackson called only for the discussion of the refugee problem, but the entire time seemed to be taken up with appeals from little towns - what are we going to do to keep these people from inundating us; we are going to do what Detroit does. Please let us know. That is their instinctive understanding of the situation. Maybe there should be more education. It is a lazy attitude on their part. To educate would cost almost as much money as you raise for appeals. If I actually thought that was going to raise a whole lot more money I would be for it. I am skeptical. People need very few reasons for giving less money; very small amount of rationalization can bring that about. But to get reasons for giving more money, I don't know how you do it. (Applause)

CHAIRMAN SHRODER: I want to apologize to Mr. Rosenwald. He was asking for the floor at the time I closed the discussion on the last subject, and since all the agencies involved, either as beneficiaries or participants have had an opportunity to speak, I think it is only fair he be permitted to say a word for the National Refugee Service.

MR. WILLIAM ROSENWALD: Mr. Chairman, Ladies and Gentlemen: Before talking to the subject of the National Refugee Service, I would like to make two points. In the first place, there has been a great deal of time devoted to

Dr. Silver's presentation of the negotiations. I am not going into the specific details. I think much more could have been said about Dr. Silver's presentation. I refer you to Mr. Levinthal's excellent summary of those presentations if you have any doubts as to exactly what happened in those negotiations.

In the second place, Mr. Levinthal has referred to a certain member of the Philadelphia community who did not contribute to the community chest, to the communal appeal of the welfare funds during the year 1940. And to my great regret because I don't have any permission or authority to speak on the subject, I think that in the light of the requests of some of my associates, I should just allude to the incident in question.

This large and very active contributor of whom Judge Levinthal spoke, had, to my personal knowledge, on several occasions prior to 1939, and prior to the United Jewish Appeals, objected to the inclusion of his gift on certain grounds, which I shall not mention. Nevertheless, as Judge Levinthal quite correctly said, this contributor went along. He announced in 1939 that it would be his last contribution, and he made that announcement well in advance. However, despite that announcement, in 1939 he went along, to be a good sport, and he did it with one clear understanding and under a great deal of pressure. That understanding

was very simple. He took the view point, I am a business man. I want to know what is happening to the money I give. Furthermore, if I am to be chairman of the allocations committee, or a director of the allocations committee of the Philadelphia campaign, I have the right to know what happens to the money I give, I allocate, and for this I, as a director, am responsible. For a series of years this particular contributor - and he was not alone in this effort - attempted to get clear and complete reports and audits of what happened to the funds that go to the United Palestine Appeal, and which, of course, as we know, are lumped with others funds, the Jewish Agency, the Keren Hayesod, the Keren Hayeseth. A great many figures were sent him, a great many sheets of paper bearing auditors' seals, but no where was there anything resembling a clear and complete report and audit of the funds spent by the Jewish Agency and its principal affiliates. This was a condition of his gift to the 1939 appeal. He said that unless such clear and complete report and audits were forthcoming he would not contribute to the 1940 campaign and everybody concerned with the United Palestine Appeal had full knowledge of it...

RABBI SILVER: They were sent to him. We asked for comments and he did not comment. They were sent from Jerusalem and from London.

MR. MOUSKY: I rise to a point of order on this point as to why this particular contributor did or did not contribute. We are not here to settle the question of his motives or whether he has the right...

CHAIRMAN SHRODER: The point of order is not debatable, even by its mover. I sustain the point of order.

MR. ROSENWALL: Now, as to the question of the National Refugee Service. I will touch on that very briefly.

It has been correctly stated here that the negotiations broke up on the question of the National Refugee Service. It is important to know that since 1933 over 100,000 refugees have come to this country. That immigration has not stopped. More than 2,000 persons are arriving here every month and that it is expected that quota totals will be filled, which means that those financial problems, those figures will be doubled. You must realize that the problem, by its very nature, is a cumulative one. Take care of the people as they arrive, take care of the people who are here.

The question has been mentioned of the small amount spent by the National Refugee Service. That, gentlemen, is not a criticism, but of this I am personally proud. I am sorry that the sacrifices made in terms of helping those whom we aim to help are responsible for that saving. I am sorry to say that it was due to a very serious cash stringency.

There was, it is true, a very small budgetary deficit. Last spring we had to borrow up to a peak of \$1,300,000. If that is what you mean by a huge surplus, I just would hate to try to operate on that kind of a surplus.

I will skip over the vast amount of work that is done, and the economy and efficiency with which it is conducted. But I will summarize what Dr. Lowenstein has said to you that the atmosphere, this country, the largest country of permanent refugee immigration, that atmosphere has been kept free of strongly violent anti-refugee feeling, and that atmosphere can be continued free of such feeling. I would like to say for the record that no refugee has been deported because of his having become a public charge. That record has been maintained, and I believe we all believe it must be maintained. I would like to point out to you that American Jewry, since Jews have been in America, have been proud of its tradition that the Jews will take care of their own, and the National Refugee Service is one of the agencies that sees to it that the Jews do take care of their own.

Gentlemen, the National Refugee Service is just the agent of the American Jewish community. I am not asking for any given sum. The National Refugee Service cannot be responsible for any given sum. It is to accomplish these purposes, to keep the atmosphere clear here, to keep up the

record that no refugee has been deported because of having become a public charge, to maintain the tradition that American Jews take care of their own. It is for those purposes the National Refugee Service hopes that the Welfare Funds of the United States and the other contributors and you people here today will see to it that this growing refugee problem is adequately taken care of.

There are a few other details which I have not taken up and I would appreciate if Mr. Haberman took the time to mention.

CHAIRMAN SHRODER: I will give Dr. Haberman time. A good many people want to go to the Temple services.

MR. HARRY MONTOR: There was a minority report to be presented to this body, and I am hoping that the minority report will not be rejected by you as chairman.

CHAIRMAN SHRODER: We will continue tomorrow afternoon at three o'clock.

MR. MONTOR: On the basis of the majority report, no action upon the matter will be taken until after this discussion has been completed tomorrow afternoon?

CHAIRMAN SHRODER: There will be no action.

MR. MONSKY: There will be no action until after this discussion tomorrow afternoon? Because I wanted to address myself to that recommendation.

CHAIRMAN SHRODER: There will be no action.

The meeting is adjourned.

... The meeting adjourned at five forty-five
o'clock to reconvene Saturday afternoon at three o'clock ...



METZGER REPORTING CO.

Stenotype Reporting
MILWAUKEE
NEW YORK CITY



Saturday Afternoon
Session

Feb. 1, 1941



Saturday Afternoon Session

February 1, 1941

... The session convened at three-thirty o'clock at the Atlanta Biltmore Hotel, Mr. William Shroder presiding ...

CHAIRMAN SHRODER: The meeting will come to order.

In order to refresh your memories on what we were discussing, which was, by the way, point two of the Committee's recommendation, I have asked Mr. Blaustein, the chairman of the Committee, to refresh us with a repetition, not of the entire report, but so much as is necessary so that we will know what we are talking about.

MR. BLAUSTEIN: As I said yesterday, these recommendations were unanimous among the members of the Committee who were present, unanimous among all the members of the Committee present, excepting Mr. Montor objected to most of it.

Letters have been received from Rabbi Silver and Mr. Goldhamer, members of the Committee. Rabbi Silver was opposed in principle to what these recommendations contained. Mr. Goldhamer favored them in principle.

... [Mr. Blaustein then re-read the recommendations contained in the Report. See Appendix, paper #1]

Mr. Chairman, there are some additional remarks I should like to make, but I feel that I should yield the field to Mr. Montor, who, I understand, wishes to make a minority report, and others undoubtedly want to address themselves to the subject. I do hope later on opportunity will be given to me to make a few additional remarks.

MR. GREENSTEIN (Baltimore, Md.): Will you please read the names of the membership of the Committee, so that the group will know who drafted the report?

MR. BLAUSTEIN: It has been suggested that since there are people here who were not present yesterday, that the names of the members of this Committee on the Study of National Budgeting Proposals be mentioned.

Mr. Jacob Blaustein, chairman
Mr. William Rosenwald, Acting co-chairman
Mrs. Dora Ehrlich, Detroit
A. Richard Frank, Chicago
Samuel Goldhamer, Cleveland
Samuel A. Goldsmith, Chicago
William Haber, New York City
Joseph C. Hyman, New York City
George Levison, San Francisco
Solomon Lowenstein, New York
Henry Montor, New York City
Stanley C. Myers, Miami
Ben M. Selekman, Boston
William J. Shroder, Cincinnati
Edward M. M. Warburg, New York City
James L. White, Salt Lake City
Rabbi Abba H. Silver, Cleveland
Ira M. Younker, New York City

CHAIRMAN SHRODER: Before calling on Mr. Montor, I wish to repeat what was said yesterday. This meeting

is for the purpose of letting the Board of Directors of the Council feel out the desires of the membership of the Council throughout the country. It is not for the purpose of taking any action, and no vote will be taken on any question which is discussed here. So it is not a matter of passing anything. We want expressions of opinion in order to help the Board in reaching its decision with reference to these recommendations. I know that a great many people here are anxious to be heard and our time is limited. I am asking whether you want a cloture rule, a limit in time on the speakers, together with the rule that no person should speak more than twice on the subject?

DELEGATE: I move that individuals be limited to three minutes.

CHAIRMAN SHRODER: Will you bear in mind the purpose for which this meeting is called? You understand that it is desirable to get as many expressions of opinion, as many reasons as we can. I don't think that three minutes gives a man a chance to really say what he has on his mind and to give the Board the advice that it is looking for.

DELEGATE: Leave it to the chairman to decide whether the man is on or off the subject.

DELEGATE: I should like to move simply that no speaker address himself to the chair twice except by unani-

mous consent.

... Motion seconded ...

CHAIRMAN SHRODER: That was one motion. It has been moved and seconded that no speaker address himself twice on the same subject except by unanimous consent. All in favor, signify by saying "Aye". Opposed "No".

... A vote by show of hands was taken. 42 "Aye" 28 "no". Motion carried ..

Is there any desire for time limitation?

DELEGATE: I move that members of the Committee, whether minority or majority members, be permitted to speak ten minutes, and others in the group not to exceed five minutes.

MR. MONTOR: Before that subject is discussed, may I point out that it took a half hour merely to read the report. I assume the report, the minority report is not to be limited.

MR. ROSENBLOOM: It seems to me what is being discussed this afternoon is such a radical departure from everything that has been the plan and platform of the Council that there should be no limit placed upon the time of the discussants.

CHAIRMAN SHRODER: Are you ready for the question? All those in favor of a limit of ten minutes to members

of the Committee and five minutes to other speakers, signify
by raising your hands.

... 43 "ayes"; 36 "noes". Motion carried.

The motion is carried and there is a limitation
of ten and five.

... [Mr. Montor then gave the report for the
minority. See page 135.] ...



MR. MONTOR: Mr. Chairman, I am very grateful to Mr. Greenstein of Baltimore for having asked our very devoted chairman of the Committee to study national budgeting proposals to list the members of the committee. I think that was quite in order, but since Mr. Greenstein has been so gracious as to supply that list, perhaps it might be interesting to review the names of the members who actually attended a meeting at which these proposals were discussed and voted upon, in view of the fact that the proposals presented yesterday afternoon first by Mr. Blaustein had never previously been seen by any member of the committee prior to Thursday night. The presence on that committee of other than those who attended the meeting does not indicate their agreement or opposition to these proposals. At this meeting were present nine men. The names of the nine are important in themselves. Each of them sincerely and honestly presented a point of view. But obviously in judging a proposal of this kind, the relationship, the ideological backgrounds - a word introduced by our chairman - were of interest if not of commanding importance. The nine members consisted of the following:

Dr. William Haberman, Director of the
National Refugee Service
Mr. Jos. C. Heyman, Executive Vice-chairman
of the Joint Distribution Committee
Dr. Solomon Lowenstein, Member of the Board,
National Refugee Service

Mr. Wm. Rosenwald, President of the National
 Refugee Service, who was co-chairman with
 Mr. Blaustein of the committee which formulated
 these proposals.
 Mr. Blaustein
 Mr. Sidney Hollander
 Mr. James L. White
 Mr. Henry Montor, executive director, U.P.A.
 Mr. Ira Younker

Out of the nine people present, at least four
 were associated with one of the groups; another associated
 with still another group. You had on the committee of nine
 at least five who, shall I say, had a special interest in the
 outcome of these proposals. Out of the nine members who were
 present to recommend proposals to this Council of Federations
 and Welfare Funds, seven were not identified with any function-
 ing Welfare Fund.

Now let us examine the background in which these
 proposals were initiated. Incidentally, Mr. Chairman, I failed
 to express appreciation for the courtesy extended to me by
 the Board of Directors in permitting me to make this statement.

On May 18, the Board of Directors of your
 Council voted the following resolution: That the president
 of the Council appoint a Committee to study and report to the
 Board of Directors on proposals for national budgeting,
 collect facts with reference to the agencies involved and
 consult with national and overseas agencies concerning the
 desirability and methods of procedure that might be involved

if a national budgeting process were to be established..

I believe it is pertinent to remark that insofar as I, a member of that committee, know no national overseas agency was consulted before these proposals were presented to the meeting of our committee on Thursday night.

Now with respect to the field of operation of this budgeting committee, Mr. Blaustein's statement declares that the committee to study national budgeting proposals is not limited in its considerations to the three agencies formerly associated in the United Jewish Appeal; that is, the J.D.C., the U.P.A., and the N.R.S., but is concerned with the problems in connection with all national and overseas problems and appeals for funds made regularly to local communities.

I was present yesterday at a very illuminating and calm discussion of the differences between the four agencies represented in the General Jewish Council. As far as I recall no pressure has been exerted at this session or at any previous session of this Council meeting to effect joint fund-raising between agencies which have enormous influence on every aspect of American Jewish life. All that I can say is why? Although this body purports to deal with all agencies, it has started immediately with a controversial issue, an issue which all of us know deals with the problems of three

important agencies - the J.D.C., the U.P.A., and the N.R.S. And under the guise of the removal of dissensions from communities, this committee, as I shall endeavor to analyze, has identified itself with one as against another grouping among the agencies in the very recommendation contained in Mr. Blaustein's report.

Let us deal with the fundamentals of this problem, which, as Mr. Rosenbloom pointed out from the floor, represents the first occasion at a national assembly of the Council to consider this subject. Is American Jewry prepared for the establishing of national budgeting, which would not merely find facts but establish ratios between agencies? I believe that it is pertinent to review the opinions of a number of experts before partisan opinion is to be congealed and at a time when the expression of points of view do not relate to a subject under controversy.

On July 2, 1940, the Council of Jewish Federations and Welfare Funds initiated a study of the feasibility of establishing some acceptable method for reviewing the budgets of overseas and national Jewish agencies having general support from Welfare Funds. When the first announcement of the project was made, it was stated by the Council that[quote]"The problem is a complex one with wide ramifications. There are differences of opinion among our own Board

of Directors as to the feasibility of extending our services in this direction." [unquote]

The reaction before the necessity for congealing opinions arose in relations to a controversial issue, the reaction of various members of the committee on the study of national budgeting proposals formed by the Council further reflected the sharp difference of opinion.

I should like to quote first from the observation of the brilliant personality who is the executive director of this Council, for whose judgment I have high regard.

Mr. Lurie said as recently as October 10, 1940 that [quote] "I have not reached any definite conclusions of my own as to whether national budgeting is possible in 1941 or in 1942." [unquote]

Men who accepted places on the committee emphasized the hazards and the impracticability of the national budgeting proposals. Thus Mr. Samuel Goldhamer, director of the Cleveland Welfare Fund, whose later statement has been referred to by Mr. Blaustein said on September 27, 1940, in the vista of impartial thinking, [quote] "The Council itself should, of course, continue its function of community organization and planning as well as fact-finding, but it may be necessary to stop there if the Council is to survive for its initial purpose. I consider the Council's task of aiding in

the organization of American Jewish life as much more important to the ultimate ends than its entry into the field of budgeting." [unquote]

Mr. Samuel Goldsmith, a director of the Chicago Jewish Welfare Fund was then most vigorous in dissenting from the proposal to turn over to the Council of Federations the determination of how much agencies should receive from Welfare Funds. On September 20, 1940 he wrote, [quote] "I do not favor at this time the development of any plan for central budgeting of national agencies making appeals to Welfare Funds. All budgeting proposals when carried into effect move toward a crystallization of program and of financing. The agencies involved are not ready for such crystallization, at least not insofar as I can see. Another way, and one to which we may come, is to frankly have any and all organizations... make independent appeal and try to establish themselves in the Welfare Fund. This looks a little costly and may resolve itself into securing more or less money, I don't know which, than is secured for example, through the United Jewish Appeal, but it is the only way to practically deal with the problem of trying to determine the ability and the willingness of people to give to various things." [unquote]

I offer in evidence the opinion of men expert in this field of operation, an opinion offered at a time when

the impartial views of a diagnostician were called for and not just called for in the climate that now exists.

I am a member of the committee to study national budgeting proposals. Due unfortunately to the lack of stenographic help in the Council - and I assume it is now time for me to urge this Council to rectify this condition - I did not have the opportunity of studying a revised report of the committee, and I assume that Mr. Blaustein will furnish me with one later on.

I submit, Ladies and Gentlemen, that you are now engaged in discussing the most far-reaching problem that has ever been presented in the history of this Council. It was presented to the members of the Committee for the first time on Thursday night of this week and now it is offered to the Board of our Council for action after a single, very eloquent, but nevertheless hasty reading of the recommendations.

What is involved in the subject before you? Is it determination of facts? Is it consideration of these proposals? Does not the Council at the present time have ample power to inquire into the facts of the financial experience and into the current programs and budgets of the agencies which receive support from the Welfare Funds? Is it the purpose of these proposals to elicit facts? If facts are so indisputable and are so obviously pointed to indicate

needs, why is a budgeting committee being proposed? Could not the same facts be transferred to each community so that these facts which are so obviously pointed may be interpreted by every community as it receives the facts? Is it not because the facts themselves must be interpreted and being subject to interpretation necessarily involve subjective factors?

Ladies and Gentlemen, ideologies are implicit to the whole budgeting process to which Mr. Blaustein has referred for Mr. Blaustein only a few moments ago in reading his report to you said with regard to the national budgeting service that "it does not mean that decisions on goals and objectives of agencies would be governed entirely by a statistical formula; the intangibles such as ideologies would and also should play their part."

I submit that it is a beclouding of the issue to make it appear that the sole aim of the establishment of a national budgeting process is to discover facts about organizations. These facts are available in abundant measure, and as a result of the cooperative process which has been developed between the Council and various organizations, there are being created new and expanded forms of information which deal with every phase of the activities financed by Welfare Funds.

I believe there are some organizations in American Jewish life which have not yet begun the process of cooperation with the Council in determining facts. I assume the Council would want to explore that field first. Every community in America will have placed at its disposal all the pertinent data with respect to past expenditures as well as detailed analyses of current budgets. This material submitted first to the Council of Welfare Funds can be amplified on the basis of any suggestion that might be forthcoming from the Council officers. But it has been said that it is valid and appropriate that a group of fair-minded men sit down in common council and in amity to discover the meaning of facts. It is said that there must be in America a group of fair-minded, impartial men and women to whom could be entrusted the solemn responsibility for effecting ratios for agencies participating in Welfare Funds. It is obvious, however, that any group of men if they are at all associated actively in their relationship to Jewish life, have acquired a psychological perspective, whether it be for or against, or as it is called, neutral, with respect to any cause. A survey of the leading personalities on the American Jewish scene would undoubtedly reveal a substantial number of well-meaning, devoted and conscientious men, but their point of view, whatever it is, has been tempered by their economic, social, cul-

tural heritage and environment. To deny that such subjective factors exist is to deny that the millenium has arrived.

In view of the manner in which American Jewish life is organized today, it is inevitable that one point of view should predominate in the upper economic level, which in the majority of instances is reflected in the leadership of many Welfare Funds. The democratic procedure weighs the various factors by averaging the majority opinion as against the views of individual leaders. Out of the amalgam comes a point of view that is a reflection of the state of mind of that particular community, however it is colored. But to abstract from each community one or two personalities, with a preconceived set of notions on Jewish life, is to provide not an accurate cross-section of American Jewish public opinion but merely the top layers of one psychological and economic grouping.

If the Jews of America raised sufficient funds to meet the needs of all the agencies in their full measure, it would be possible perhaps to apportion the funds on the basis of determinable expenditures, but when the amounts are so exceedingly limited and decisions must be reached in dealing with minimum requirements, the question of evaluation arises. In the field of evaluation, the subjective point of view commands the outstanding significance. How shall evalua-

11 tions be reached as to the comparative importance of one cause in relation to another?

But it might well be said that what is offered to the Council is a series of advice or recommendations and the Welfare Funds are perfectly free to chose for themselves whether or not these suggestions or advice are to be accepted. We realize that such advice or recommendations have the quality of becoming mandates. But if it should be countered that each community does not have to accept this mandate, then I wonder as to the origin and effectiveness of the entire report. If each community is still to decide for itself, it is evident that the agencies will continue to endeavor to persuade the communities of the wisdom or the unwisdom of accepting the recommendations. How then does the Council proposal eliminate the presentation by each agency of its cause, which according to the implications of Mr. Blaustein's report might be harmful to American communal harmony?

Now, are the agencies in the United Jewish Appeal the sole factors to be considered? It is my judgment that the decision that this Council will reach will affect every phase and segment of American Jewish life. You are not offering judgment in relation to three significant agencies. Once there has been entrusted to the Council of Federations the ultimate power residing in the recommendation

of ratios, it is logical that all agencies, causes and movements in Jewish life will be similarly affected. That is the expressed goal in initiating a study on national budgeting.

Are the civic-protective agencies, with their varying approaches to the Jewish problem, prepared to entrust their fate to the hands of a small body of men who may or may not share their fundamental convictions? In the field of Jewish education, will the lay and the professional educators accept the point of view of some men whose philanthropic outlook on Jewish problems do not necessarily include an appreciation of Jewish education? Were Jewish thought uniform, were religious, economic, social and cultural values among Jews standardized, were there democratically organized communities throughout America dealing with every aspect of Jewish life, national budgeting might have validity. Is it contended that that period has arrived? The awesome power of the purse is traditional. Can any movement having its roots in the deepest convictions with respect to Jewish life yield its destiny to those who are not animated by the same outlook? Is it cause for wonder, then, that the effort ^{that} is being made to include ratio determination in the very heart of controversy on ideology causes profound anxiety and disagreement? Until such time as Jewish communities are democratically organized in Jewish community councils and in turn to a national organi-

15 zation representative of these community councils, which would then be competent to speak for American Jewry in a truly democratic and representative manner, it would be best, it seems to me, to leave each community to pass judgment on the validity of the appeals made to it, reinforced by such factual information and data as the Council might supply. Welfare Funds now make decisions with respect to scores of causes. They are not deterred from making contributions to such organizations as the American Jewish Committee, American Jewish Congress, B'nai B'rith, Jewish Labor Committee merely because they operate in similar fields. Support is not withheld from him because his activities are in the fields that are partly occupied by the Joint Distribution Committee and the National Refugee Service. To make it appear that the very framework of American Jewry is imbedded by the determination of ratios of agencies formerly in the United Jewish Appeal is, I submit, to ignore the realities of the American Jewish scene.

What is it that this minority member of the Committee to study national budgeting proposals submits for consideration of the Board? In two items I have abstracted complete paragraphs of the report offered by Mr. Blaustein with which I find myself in complete agreement, and these are the three observations:

One - that every reasonable effort be made to work out equitable proposals for the reconstitution of the

United Jewish Appeal.

Two - if, for whatever circumstances, there will not be a 1941 United Jewish Appeal, this committee believes that local communities should not permit the causes to suffer but to the contrary, the local communities should do their utmost in supporting them. Further, the committee believes that joint fund-raising by local communities be created and should be continued.

Three - the committee believes that a competent and intensive process of fact-finding both on programs of services and on financial experience should be continued and that these studies should be under the auspices of the Council.

I close with this. The Council of Jewish Federations and Welfare Funds was created eight years ago to correlate information for the use of Welfare Funds and to further Jewish communal organization. It largely avoided identification with specific points of view. Is it prepared now to abandon the results of its gradual development by taking a stand on an issue which is divisive? I urge against transferring to the Council a power too great for any handful of men to wield when the fate of great causes is at stake. That differences of opinion, sharp in character, exist even in the Council itself is evident in quotations that I have read and in views with which most of you are familiar. Will the Council

15 of Federations and Welfare Funds stake its future on adherence to a proposal not at all carefully, reflectively thought out, or will it recognize the ramifications of the problem and the sharpness of disagreement and make haste slowly toward an ultimate objective? The ideologies involved are too deeply rooted in the hearts and minds of American Jews to permit of easy dismissal of the determined opposition which the acceptance of a ratio determining power by the Council will evoke. It is my hope that the calm judgment which the officers of the Council have exercised on so many occasions will prevail in this instance.

On these grounds, therefore, Ladies and Gentlemen, in presenting the minority report of the Committee to Study National Delegating Proposals I would urge an endorsement of the proposal that the fact-finding services of the Council be expanded to meet the need for comprehensive information but that the evaluation of ideas be left to the individual communities. [Applause]

... [Nothing omitted. Continue on page 150.]...

CHAIRMAN SHRODER: Mr. Blaustein desires a few minutes to clarify some of the points raised by Mr. Montor.

MR. BLAUSTEIN: I am not going to talk to this main point as to whether or not there ought to be this National Advisory Budgeting Service. I hope to have a chance to do that later. But certain criticisms have been levelled at the Committee on the Study of National Budgeting Proposals, and I do think in fairness to the Committee that a few words might be said with respect to that.

I am afraid that Mr. Montor may have given the impression that this Committee has acted precipitously and that perhaps the only meeting was a meeting to which he refers of a few days ago. Now, the fact of the matter is that this Committee was appointed and had made important decisions many months ago, long before there was any idea that there would be no United Jewish Appeal.

For a month or two the staff and the co-chairment worked up a complete memorandum in which were outlined the objectives of this Committee and the possible advantages and the possible disadvantages. The Committee did not start out to prove an answer. The Committee wanted to find the facts and consider the pros and cons, the advantages and disadvantages. And that very complete memorandum was sent out to these Committee members in September, 1940 and they were given about

one month until October, 1940, to come to a committee meeting in New York where the matter would be discussed and in the meantime they were asked to send their comments.

Now, that is what was done. They sent in their comments. Present at that meeting were all except five of the members of the Committee. The comments were very carefully considered and after full consideration was had, and it was really a two day meeting - I think the meeting started one day at two o'clock and ran until eleven or twelve at night and the Board picked up the next day and discussed the issue - and it was only after that that the Committee and the Board went on record as to principle.

Now, it is a fact that when it came to the working out of some of the particulars and the details, the report was just not ready until last Tuesday. It is a fact, however, that a few people did see that report and did help work on it. The people who saw that report and worked on it, in addition to myself as chairman, Mr. Rosenwald, Mr. Lurie, Mr. Hollander, and I think Ira Younker and maybe Mr. Shroder saw the report in advance.

When we came to this meeting here on Thursday at five-thirty, we stayed in meeting until two o'clock in the morning. Mr. Montor knew full well what the principle was. He came into that meeting with a very lengthy speech and he read it and we were glad to listen to him, and ~~we~~ indicated

to him that the particulars of the report made very little difference; that it was the principle that he was absolutely against.

Now, I say that, not wanting to find fault with Mr. Montor, but I would like to have this group feel that after a committee had worked hard and earnestly, very hard - a lot of meetings were held, with the co-chairman and with the staff particularly, and I would not like to have you feel that we are coming here just precipitously recommending something that is affected by any hysteria. There is no hysteria, believe me. I am not an impetuous person. I am not going into a program and recommend it unless I studied it very thoroughly.

Mr. Montor, I think, says that the national overseas agencies were not consulted. The reason why Mr. Montor, Mr. Haber, Mr. Hyman, one or two others, Rabbi Silver, were put on the Committee was so that we might have their joint thinking along with that of the Committee.

Mr. Montor has quoted the Council as saying at some stage of this thing that they foresaw at the outset great difficulties. That is so. They did. It is a difficult thing for the Council to decide. These requests did come from all over the country, from the Welfare Funds, that it wanted guidance, and because it was a difficult thing for the Council to decide, that they appointed at the outset not a National

Budgeting Advisory Committee, which these Welfare Funds wanted, but instead a Committee which took plenty of time, and they took six or seven months to study whether or not there should be a committee, an advisory committee on national budgeting.

Now, then, Mr. Montor, too, quotes the preliminary opinion of four of the eighteen members of the Committee who sent in their initial comments. I submit whether it is fair to take a little paragraph out of even those four comments without even the context of the letter. But even if those four felt as if Mr. Montor said, that was healthy. It was not a packed committee. There was a difference of opinion. Now what Mr. Montor fails to tell you is this: That when that group came together at this October meeting, and after there was a discussion of all these opinions - and it was not because of any pressure to the situation that has arisen out of the U.J.A. - he fails to tell you that that Committee and the next day the Board of the Council, unanimously approved this program in principle, - excepting Mr. Montor, as I stated yesterday, objected.

He fails to tell you, too, that while initially Mr. Goldhamer in one part of that originally commented, in one part of that original comment, had some doubt not about the question of whether there should be a national advisory budgeting committee, but rather under whose auspices it should be.

But Mr. Montor does not tell you that we received a letter from Mr. Goldhamer and he says, "I am heartily in accord with the adoption of some such definite recommendation. In fact, I believe it will be essential for the Council to take action at this time if it is to maintain its own position as representative of the constituency, particularly at this time when its authority or right are challenged in the manner they have been. It is going to be important not only for the Council to act because of the mandate of the constituency but also because of situations that will inevitably develop in the respective communities ... Budgets are being set up in the communities that are so absurd in the amount asked for as to make it necessary to bring these agencies down to earth."

There is more to this letter which I can read to you. I do think that is all that is right to this point.

I would like then to say this - I hope Mr. Montor bears with me, I am not trying to be offensive against you, Mr. Montor. I am trying to make clear to the group, as I earnestly feel whatever you do with the recommendation of the Committee, the Committee has tried to do its job, objectively, fairly and honestly. [Applause]

Mr. Montor as a member of this Committee received certain information, like these comments to which he referred, and when he read the speech the other day, we asked

him, or rather, it was the sense of the group that since it was matter within the Committee, that no organization should use it, let us say, for propaganda purposes. Mr. Montor did not say yes or no to that but to my surprise, the very next morning, which means it was already in print, I found in the box at my hotel a printed copy of this report. Now if Mr. Montor feels that this information as a member of the Committee that it is proper to use it, as issued by the United Palestine Appeal, I find no fault with that, if that is his opinion, if he thinks that is his right. But I do submit that when this thing was printed, not a part story should have been told, because a part story can be very misleading; that there should be instead a complete and whole story.

And this printed story has a letter from Dr. Silver to me. This is in print now, and this will perhaps be my only opportunity to give you the reply to this letter, and if I may take the time, I am going to read Rabbi Silver's letter to me and I am going to read my reply.

... [Mr. Blaustein was given permission by Rabbi Silver to read the entire letter. For Rabbi Silver's letter and reply by Mr. Blaustein see Appendix, paper #2] ...

I thank you very much for your patience.

[Applause]

MR. H. L. LURIE: I would like to speak very

briefly. First, I would like to say that the report by Mr. Blaustein yesterday in spite of the depleted exchequer to which Mr. Montor so graciously referred, will be mimeographed and will be available for distribution tomorrow when this report will be discussed by the General Assembly.

Of the report itself, I am going to talk entirely on a non-partisan basis. The Council is an agency of a multiple character. Although we have no Hatch Act which applies to Jewish centers, I take it it is not the function of the civil servant to engage in political activity.

It has been said about neutrals - a plague on both your houses! I have the most sincere and profound interest and sympathy in all of the causes which are before the Jewish community. I want merely to say something about the activities of the Council in this field previous to this suggestion, in order that you might have a factual basis of determining how far and to what extent this proposal is a departure from present practice of the Council.

We have had for about five years a Committee on National Agencies and a Staff Service on Reports. We were asked by many agencies, and I think I could find for you at least forty or fifty member agencies over a period of a year who wrote in saying something like this: We raised five, or ten, or twenty thousand dollars in our community. Please

tell us how to divide it. Give us a list of agencies and tell us ratios of division. We obviously did not reply either directly or indirectly to requests of that kind.

We have had what are called fact-finding reports. Let me explain something about fact-finding. After all, that subject is being used very loosely at the present time. No report that we have issued is completely a fact-finding report in the sense that it does not have some items of interpretation, and surely many items of selection.

Now, that involves evaluation. We had evaluated, to a limited extent, all of the agencies by the selection of the material, by the exclusion of material offered to us by their publicity and propaganda officers, by an insistence on a certain calibre of facts that are to go into our reports.

In addition to that, we have had the problem of some new appeals which we have evaluated. We have made some suggestions as to whether these appeals were duplication of existing effort, whether these appeals met what we considered to be certain minimum standards, and the like.

In addition to that, we have gone beyond that in one field and have evaluated a complete field of work in order to aid budgetary services of local communities. We have evaluated the agencies for the care of the tubercular, and we had a study jointly conducted by the Council and by these

agencies which arrived at evaluating decisions on the needs and programs of these organizations.

This year there was an allotment committee of the United Jewish Appeal which did an evaluating study which consisted of the agencies in the U.J.A. plus neutral members. They made evaluating studies, and went further and arrived at ratios.

The reason this question has been proposed is not that the Council did not consider that it had certain authority to evaluate facts, which it was presenting to member agencies, but because this particular problem is so invested with feelings and interests and parties concerned, that we felt it was necessary to bring it up definitely for discussion and therefore the processes which we have gone through.

I want to say, in conclusion, that it was the example of the allotment committee of the United Jewish Appeal which furnished the basis for the suggestion in the Committee which the Committee is proposing to be taken over by the Council, so that the Council set up a similar process of evaluation and fact-finding to one which has been in existence now for a year in this country.

CHAIRMAN SHRODER: I recognize Mr. Shetzer of Detroit.

MR. SHETZER: Mr. Chairman, Ladies and Gentlemen:

Let me say at the very outset that I rise to speak as one, only one of the six delegates representing the Jewish Welfare Federation of Detroit, and not as one of the members of the Board of Governors of that Federation. I emphasize that fact because the impression was gained from some of the comments yesterday in the discussion of the subject that some of the people were speaking for whole communities.

There was some indication that there had been a prior discussion upon the report, which is the subject of our discussion at this conference and that conclusively judgments had been arrived at by specific communities. The facts that were presented here very clearly by Mr. Blaustein and Mr. Montor and by the presiding officer, that the report which is the basis of our discussion was not completed until two o'clock Thursday morning - when many of us were en route to Atlanta, and I don't know of any community that could have had it for discussion and for judgment and for instruction to its delegates - so that I, as well as those others who have preceded me and will follow me speak only for themselves.

It has already been said by several of the participants in the discussion that the proposals in the Blaustein report represent a radical departure from both policy and practice on the part of the Council of Welfare Funds and Federations. Stripped of all surplus verbiage and argumenta-

tion and apologeta, the report simmers down to a recommendation that the Council set up a national budgetary advisory body with power to find-facts, evaluate those facts, make recommendations as to ratios and to advise as to allocations.

Now, I think it is important at this point to remember that the Council of Welfare Funds and Federations represents a voluntary association of some 225 Federations and Welfare Funds, and that these 225 Federations and Welfare Funds in turn represent voluntary associations of agencies and institutions and individuals in a community for the purpose of setting up machinery for the raising and distribution of funds for local, regional, national and overseas agencies. The association has always been purely voluntary.

I submit that now for the first time these recommendations introduce an element of coercion and compulsion. Despite the fact that the chairman of the Committee on a number of occasions has indicated that the recommendations would be purely advisory, I submit that the Committee hopes that they will be much more than advisory. I am certain that no one contemplates that five or nine men will be occupied for six or nine months or more purely for intellectual exercise for their own amusement. If there was no vision on their part that the recommendations and suggestions carry with them an authority which implies, if it does not express it, necessity

for acceptance, I see no necessity for the report in all its ramifications. We have fact-finding machinery at the present time. There is a desire to go beyond fact-finding on the part of some and to set up formulae and ratios.

Now, we have been doing a lot of talking for twenty-four hours about unity, and I am reminded that in all of our talk in past years when we spoke of unity in community organization, and unity in community action, there was always one or another gentleman who would arise to explain that when we speak of unity we are not speaking of uniformity. This is an exercise in uniformity. This is an attempt to regiment the thinking of the communities of America. If the communities of America are prepared to abdicate, of course that is their privilege. I for one, and for what part of leadership I have to contribute to the leadership of Detroit, want to do my own thinking. I am prepared to accept facts, but I want to exercise my own judgment on those facts and not to be handed a ready-made formula. [Applause]

CHAIRMAN SHRODER: I recognize Mr. Lazarus of Cincinnati.

MR. J. L. LAZARUS (Cincinnati, Ohio): I would like to give just three reasons why I believe from the standpoint of a local welfare fund advisory budgeting as well as fact-finding committee is necessary. As to the budget commit-

tee, first, the important thing is whether the facts are correct. If you only get facts from the committee, or any agency, they have to be taken as absolutely correct. If however in making this budget, the same as any budget in your business, you find that the facts are not correctly interpreted in the budget, then you have a chance to go back and re-check your facts.

Two - as there is not enough money to do all the work we wish to do, the difficult question for a budget committee is to set up one kind of work against another and determine the relative value of this work. This is difficult enough to do in the local field and practically impossible for any local committee to do in the national field. If a committee will give suggested budgets and they be responsibly checked and changed wherever necessary, this work, I believe will be much more efficiently done. I know that the statement that I make that it is practically impossible for a local committee to do in the national field, will be challenged and therefore I just want to bring up these points and see how close to the working of your local welfare fund this comes.

The reason I said real efficient budget is practically impossible to get in the national field is the matter of time. Budgets normally cannot be prepared more than two months in advance, if they are going to reflect the facts

at that time. And I think any of you know who have been collecting welfare funds know that you cannot get your money unless your facts are up to date and correct. The committee, therefore, has these two months. Usually your budgeting committee consists of, at least most of the people of that committee are some of your main workers, who work on various phases, who are going to use this in collecting money. You are lucky if you don't have more than ten or twelve meetings. They are from two or twelve hours a-piece, in addition to getting these facts, they listen to the needs of 30 or 40 agencies.

I simply would like you to consider that as against a suggestion of a national budgeting set-up which any community which has their work well in hand will not take as having to follow at all but simply as a guide.

CHAIRMAN SHRODER: I recognize Mrs. David deSola Pool.

MRS. DAVID DESOLA POOL: Mr. Chairman, I want to speak on behalf of the National Board of Hadassah. I want to say a word about the method in which we reach our budgets, and I say that as a trustee of public funds which we recognize come from many of the communities here represented. We recognize our obligation to each and every contributor for the expenditure of the funds entrusted to us, down to the last

dollar.

Now, how do we spend the money that you entrust to us and how do we arrive at sums that we present to you for your consideration and your generous contribution?

We have in Hadassah a National Board consisting of 25 to 30 people, in New York City, plus regional representatives throughout the country. We get our budgets prepared in Palestine by experts in the fields of health, child-feeding, Youth Aliyah, and the other aspects of our activities. When these budgets come to us, we refer them here to a medical conference board, consisting of the directors of the largest hospitals in New York; one of them a professor of public health at Johns Hopkins; others are professors in other universities, and they study for us the budgets that are presented. They study for us the number of beds per nurse. They study for us the reports of our nutrition experts; whether we should give a child a three cent meal, which would lack some necessary vitamins and necessary nutritional elements, or whether to give a four-cent meal, which would be sufficient for the maintenance of life and growth. And we value these matters in relation to the needs of the country.

I don't want to go into further detail, except to emphasize the fact that every single dollar that is in our budget represents months of study in Palestine and months of

study in America.

We have a War Emergency Committee, of which Dr. Magnus is chairman, Miss Szold and Mr. Julius Simon are secretary and treasurer, respectively.

Now, it seems to us unthinkable and inconceivable that a budget thus arrived at could be either judged or in a sense prepared by less devotion than is implied in the work of the National Board of Hadassah. We recognize our obligations to you. We recognize every duty of stewardship of public funds, and we seek eagerly to have a constituency, a contributing public that wants to know the facts and challenge us and test us and examine us at every step of the way, but in the last analysis the preparation of the budget, the thinking upon the budget, the responsibility for the budget belongs to the National Board of Hadassah, representing 95,000 members, who are, in their turn represented at national conventions, which give to us direction and instruction.

And because of that, we feel that while we would like to see the attitude of inquiry, and the search for knowledge, and the interest in the details of the daily work that is being done with the money which is supplied by the community, while we want to see these things enlarged, emphasized, and we are grateful to the committee that has made the suggestion that these things be made far more important than

they have been in the past, we, the National Board of Hadassah, unanimously express ourselves as opposed to transferring our responsibility to a committee that can only met intermittently and that cannot begin to consider one-hundred budgets with the dedication and the personal responsibility that we are willing to accept for our work.

I thank you. [Applause]

CHAIRMAN SHRODER: I recognize Mr. Levison of San Francisco.

MR. GEORGE LEVISON (San Francisco, Cal.): I happen to be one of the members of the advisory committee to study budgets. I was on my way, trying to get to the meeting last Thursday but unfortunately arrived at one in the morning instead of three in the afternoon because of bad weather.

I came into the meeting and saw the copy of the report which the co-chairman had submitted, and I have had a good deal of time to think about it since then.

Now, I want to say a little bit about what Mr. Blaustein said about this question of rushing to a decision. On October 17, I wrote a memorandum to the chairman of the Committee, expressing my views. The first paragraph of that memorandum read this way:

"As I see it, the reason for consideration of any national budgeting program is basically because there is a

feeling that many communities do an inefficient, hap-hazard job. I do not believe that this is universally true, by any means, and that in the main, the larger communities budget fairly effectively. However, because of the comparative newness of the problem to the great number of Welfare Funds, no consistent practices have been followed. In San Francisco, where we have had our Welfare Funds for many years, we follow very definite procedures which have worked, we believe, efficiently even in the face of rapidly changing conditions.

"After all, the primary question is whether through a national committee a more efficient job can be done than by educating and stimulating the local budgeting process. I believe that it is the Council's function to stimulate local budgeting and to educate the communities so that they will arrive at logical conclusions. This can be done, to my mind, by following certain basic principles.

"First and foremost, it is necessary for the Council to determine whether it will evaluate the work of the different participating agencies. If the Council is not prepared to do this, then I cannot see how it can be effective in either a national budgeting process or in a program to really help in local budgeting. I fully realize the difficulties and dangers of the Council entering into the field of evaluation, but it is obvious that as a national organization representing

all of the Welfare Funds, the Council is in a better position to evaluate than are the individual communities.

That is only part of what I said in October. On my way here, somewhere between Omaha and Chicago, I realized I was not going to arrive in time for the meeting. So I just jotted down my thoughts at that time. Now that was before I had seen this report.

The Council must take a definite position as a result of the U.J.A. split. If for no other reason than that the split has left the Council as the only unifying organization. [Applause]

It seems clear that now, if never before, we must evaluate. We must set ourselves to the task of getting sufficient information, to distribute sufficient information, factual findings as to legitimate maximum and minimum needs for the agencies. This will necessitate an analyses of agencies, past operations, both from a financial and functional standpoint, and a thorough analysis of contemplated programs its necessity, advisability and cost. If agencies are not willing to cooperate, the Council has no other alternative than to so advise the communities. This task is difficult, but through small, conscientious sub-committees it can be accomplished in a reasonable time. I would suggest that in no case should a committee be more than seven, and preferably less.

Ideologies do enter into this, but there is a more sane way to deal with differences in ideology than to resort to pressure, fighting claims and counter-claims. The facts which can thus be developed by the Council will naturally be weighted in each community by local preferences and ideologies, but the Council should strive to impress every agency with the inadvisability of indiscriminate propaganda in welfare fund cities. I think the Council must take a firm, proper stand on behalf of the Welfare Funds as a unifying force. I doubt whether in reality we have any need to fear a firm stand based on sound principles. [Applause]

CHAIRMAN SHRODER: I recognize Rabbi Heller.

RABBI JAMES G. HELLER: Mr. Chairman, Ladies and Gentlemen: We spent a great deal of time this afternoon on the Book of Genesis. I would like to proceed to Exodus.

A government, it seems to me, is not only according to the consent of the governed, but also in many profound ways according to the ability of the governed. And I should like to appeal to the members of the members of the Board of the Council of Jewish Welfare Funds and Federations, and through them to the Council itself, that they do not take what has frequently this afternoon been called precipitate action, without realizing to the full how much may be involved in that action. No one can fail to realize that the

temptations to move in this direction at the present moment seem to be almost overwhelming. No one likes the disunity that may come into Jewish life by the conduct of separate campaigns. It would be a great boon to the American Jewish community if the Council were to offer its good offices, in some effective fashion to heal the breach and to prevent the conducting of separate campaigns. Should that, however, not be possible, it would be the height of unwisdom, in my opinion, for the Council so to alter its structure and so to deviate from its own functions as to adopt the proposals that have been made by the committee of which Mr. Blaustein is the chairman.

All of you know that it has been repeatedly stated, I know that it has been within my own hearing by those interested in the National Council of Federations and Welfare Funds that they proceed with the utmost caution; that they are dealing with certain differences of opinion which are not only implicit in Jewish life today but which has been historically explicit for many ages in the past.

You can drive your constituents no faster than a certain pace, and I think that a wise policy would be to appreciate the influence which the Council can properly exert by the conditions that actually exist in American Jewish communities and in the American Jewish scene as a whole.

It seems to me that the crux of this question is to be found in the word "evaluate". No one can find fault with the National Council for furnishing to communities any multitude of facts which they may request, for putting at their disposal all the information which may enable them to arrive at a decision of their own. But to evaluate the appeal which causes have to Jewish life is by that very fact is to arrange yourself on one side or the other. I should like to predict, with the utmost confidence, that the initiation of such a process would not be devastating to the National Council as a whole, but will precipitate disunity in community funds and welfare funds throughout the United States. [Applause]

The National Council must have the statesmanship and the sanity not to proceed any more rapidly than the status of American Jewry itself permits. All of us know what has happened in the past. What does evaluating mean? You cannot take a definite number of dollars that have been spent and a definite amount of work that has been done and put a line under it and divide it by the people who have received benefits from it and say that is an evaluation of that particular undertaking. There are qualitative factors that come into the appeals of the American Jewish community. If you had come to the communities of America, as I remember with the utmost vividness, twenty-five years ago and appealed for money

for Palestine, you would have been told that it was a little venture that had no future, to which no sums of money could properly be applied. Had it not been for the devotion, the fanatic devotion of a group of men who believed they had certain faculties, some elements of qualitative analysis, the Jewish Homeland would certainly have died a'born and it certainly would have died at the hands of a committee which would only deal with quantitative factors and evaluate on such basis. [Applause]

CHAIRMAN BRUDER: I recognize Mr. James Marshall.

MR. JAMES MARSHALL (New York City): Mr. Chairman, Ladies and Gentlemen:

I want to address myself to the four arguments that have been made here this afternoon. First, that this proposal would be compulsory upon the communities. For some it would be the first compulsory thing in Jewish communal life that I have ever heard of. I don't think from my observation of the life of the Jewish community that there can be anything compulsory by one group upon another.

Now, Mrs. Pool argued very eloquently against having any such body as is proposed here pass upon the carefully prepared budget of Hadassah or similar organizations. As a budget-maker myself, Mrs. Pool, I can appreciate that.

And yet, any budget-maker knows that in the preparation of his or her own budget, he has to weigh the relative demands and needs that are made upon him. And it seems to me that just as Hadassah and the other organizations must themselves weight these relative demands and needs, so the community as a whole is entitled to have some dispassionate judgment as to the relative needs and demands of the various organizations that appeal to them. And I have faith that a budget, a recommendation of budgeting can be made by members of this group without passion and without prejudice, and based solely upon the presentation of the various organizations that make national appeals, no matter how prejudiced or passionate those presenting members may be.

Now, thirdly, it has been said that this might result in some kind of a deciding or weighting of ideologies. Now, Ladies and Gentlemen, I don't believe that you or anybody in the last analysis can make any decision between the varying ideologies in the Jewish ranks. I think that depends upon far, far greater than we are. If Hitler wins, it does not matter much what our warring ideologies are. If we go from this war to a revivication of the nationalist competitions that have existed, I think a nationalist ideology among the Jews is inevitable. If, on the other hand, the world goes to a greater internationalism, then I think the nationalist

ideology of the Jews will fail. It does not depend upon us. It depends upon world events which ideology will triumph and in what degree.

And finally, it has been said that this Council is in danger if it passes any such resolution. Ladies and Gentlemen, I believe that it will give to this Council the greatest opportunity that has been presented in modern life to any group in the American Jewish community. Because I can say as a member of the American Jewish Committee that that committee as a leader in unifying American Jewish life has been a flop, and I believe equally the leadership of the American Jewish Congress has been a failure. But if this group, which I have watched for several years now, having its roots right in the community, dealing with matters on a functional basis, has a great opportunity for leadership, and I think that if it is not ready to assume the burden of advising on matters of budget such as suggested here today, it will be ducking a very great opportunity for real leadership in American Jewish life. [Applause]

CHAIRMAN SHRODER: I recognize Judge Levinthal.

MR. LEVINTHAL (Philadelphia): Mr. Chairman, Ladies and Gentlemen: It has been about four years since I acted as an advocate before any jury! The experience yesterday left me quite exhausted. I just rise to say a few words

on this question. I want to report to you that in addition to what we have heard from Mrs. deSola Pool as to the unanimous action of the Board of Hadassah in opposing the proposal of Mr. Blaustein's committee, the United Palestine Appeal administrative committee unanimously adopted a resolution protesting against the proposal. You will say that both of these organizations are biased. Let me tell you that in Philadelphia we have a Welfare Fund, an all-inclusive Welfare Fund, and we considered last Thursday, after calm and deliberate discussion at a meeting presided over by Mr. ^{of the} Maurice Wolfe, a member of the executive committee of the American Jewish Committee, a member of the executive committee of the Joint Distribution Committee, an officer in the National Refugee Service, a meeting during which the discussion lasted for sometime and everyone who wanted to speak had an opportunity to speak.

Among those who participated in the discussion were Mr. Justice Horace Stone of the Supreme Court of Pennsylvania, Mr. Albert Lieberman, Mr. Kurt ¹⁹⁴⁵ Pizer and many others.

It was unanimously adopted, excepting for the dissenting vote of Mr. Albert Lieberman, whom I am glad to see in the room, and who wanted to have his dissenting vote recorded - it was unanimously resolved, as a matter of policy that our Welfare Fund should go on record in opposition to the proposal that this Council establish an evaluating and a

budget advisory committee.

Let me say in addition to that, that the only editorial comment outside of the NEW PALESTINE, which of course would be regarded as biased, THE RECONSTRUCTIONIST, which I don't think anyone would consider biased [Laughter] - (if they do consider it biased, let me say THE RECONSTRUCTIONIST represents the opinion of a large section of American Jewry, and to that extent, an editorial indicates calm and deliberate judgment of an editorial board consisting of about twenty names from all over the United States, headed by that distinguished scholar and rabbi, Professor Mordecai Kaplan of New York.) Let me just read this in conclusion, one sentence or two from the editorial which is headed "No Predigested Budgets":

"In general, there is much to commend the establishment of independent fact-finding bodies to aid local communities in evaluating the movements that appeal to them, but fact-finding and policy-making are two different functions. And finally, it concludes, "Our advice, therefore, to local Jewish community budget committees is: beware; don't prepare your budgets on the basis of predigested facts. Don't pretend on "unprejudiced" sources of information." [Applause]

CHAIRMAN SHRODER: I recognize Mr. Hyman. Mr. Hyman, a member of the Committee, is entitled to ten minutes.

MR. HYMAN: Mr. Chairman, and representatives of the Jewish communities: I want to preface my remarks by saying I speak not in behalf of the Joint Distribution Committee, from which I have no authority to discuss this topic, but in my individual capacity as a member of this committee. I speak as a Jew and as an American citizen who today views a very difficult and alarming problem in the Jewish life of this country. I am not going to attempt to appeal to sectional or class prejudices or organizational prestige. I want to put it on a plane of direct Jewish and American interests in proportion as the world situation becomes more chaotic. In that degree you and I and every other Jew in this country will be confronted with appeals, with applications not merely from the existing agencies, who today - 50, 60, or 70 - come to our communities and ask for help, but you will be confronted by an increasing number of committees, of organizations and institutions, who under the pressure of this tremendous world emergency will feel obliged in good faith to ask for your and our support. Already we are getting that. Groups have been come over, day in and day out in the last month, and we will be faced not merely with the three major agencies soliciting support but 50, 60, 70 other committees.

How are we going to tackle this problem? Are we going to do it on the basis that each organization says,

as Mrs. Pool said, our own board of trustees knows perfectly well what the needs are. Our own directorate has studied these problems with absolute dispassionate objectivity. We get the advice of the best people everywhere. We call upon professors and economists and leaders of every kind. But, ladies and gentlemen, when the appeals of one organization have to be matched by the appeals of other organizations, somewhere along the line somebody, some group, some committee will be forced not only to find the facts - and that in itself is difficult - will be forced, in addition, to give some help to those who are bewildered and uncertain and who don't know just what to do.

Today there are 200 such organized communities in this country. Some of them perhaps like Philadelphia feel that they are completely competent alone without any help from anybody else to determine in what ratios and what proportions they should give their help to all of these competitive demands. Other communities are less fortunate than the budget committee of Philadelphia. If I can sense what is happening today in American Jewish life, there is a demand, a compelling and insistent demand that somewhere, somehow those groups and those communities that want help, that want advice, that want some measure of guidance shall be given it, whether or not they choose to accept it. If Philadelphia in

its own wisdom determines that it does not want to accept the advice of any national advisory committee, well and good. Nobody will attempt to coerce the Philadelphia committee in any way whatsoever. And I know, and you know, speaking honestly, and coming through all the underbrush of this discussion, that hundreds of communities today plead anxiously and even desperately for some measure of information and advice.

Mr. Blaustein has made clear that that is to be an advisory committee, in an advisory capacity and is not to be coercive or compulsory.

I ask you these questions: Today, do the organized communities want any measure of central information and fact-finding and advice? If your answer is yes, or if any substantial number of the American Jewish community answers that question in the affirmative, then there has to be in compliance with that request some body, some creature, some organizational attempt to meet that need.

The next question is: who shall offer that service? Shall it be on the chaotic, propagandist basis of all of our organizations, flooding your budget committees with representatives and with spokesmen and with literature and with visits; or shall it be on the basis of attempting to find in this country a group of men whom you may designate, whom you may esteem adequately enough to believe that they

will try as decent Jews and as decent American citizens to view the ideologies and the philosophies and the facts and the statistics and in the light of that come to you with some advice.

I would believe, Ladies and Gentlemen, that if you reject this type of proposal, you are confessing to a degree of Jewish moral bankruptcy which I would hate to believe exists among the Jewish community of America. Can you actually sincerely believe, stripping yourselves of partisanship, if you can, that we cannot find in this country five, seven decent, honorable men who will be honest and sincere and objective? If you feel that no such five men can be found in this country, I am sorry for the American Jewish community.

I believe that just as we were able to set up in local communities allotment committees that do evaluate, and just as we have had an allotment committee in the United Jewish Appeal, and just as other allotment committees have worked and have endeavored to serve the common good, that you and we collectively, through the aegis of this neutral body, which is neutral, and I respect it because it is made up of men and women who have faith in and sympathy for every Jewish cause, that under the aegis of that body such a group of five, or seven upstanding, decent, disinterested men, sympathetic to all decent causes that require help, can be found to meet

the needs, to furnish the service and to satisfy the obligation that today is pressing upon our American Jewish community life.
[Applause]

CHAIRMAN SHRODER: I recognize Mr. Monsky.

MR. MONSKY: Mr. Chairman, Ladies and Gentlemen:

I shall not discuss the principle involved in this recommendation. I find myself under the handicap of not being able to analyze my arguments and pack them all into five minutes, and I assume I shall have the opportunity to discuss the principle of the recommendation before the Board when they consider it, and there may be other opportunity at this conference for that, but I do think I must state my own conviction in the matter before this Assembly.

As I sat here this afternoon I felt a tenseness, a division of opinion that seemed to me somewhat unhealthy in Jewish life. We have talked about unity. As a matter of fact, every effort is now being made to bring about a reconciliation of the agencies that have recently split in the U.J.A., and I profoundly hope that there will be a reconstitution of the U.J.A. [Applause]

The tenseness that is prevalent in this room as manifested from the circumstances, that when exhibits are presented, some one asks for more of that kind of exhibit, and that will be multiplied 200 times throughout the nation.

if the Council of Welfare Funds and Federations makes, in my judgment, the unwise decision not at this moment to depart from its traditional policy.

Now, it seems to me that what is called for right now is that we shall entertain the hope, as I have already expressed it, that these agencies get together. Just yesterday we were told, and we were thrilled with the prospect that the new formula had been suggested that might possibly bring them together. I hope it will. But by the adoption of this budget-making plan, by the adoption of the evaluation recommendation, immediately you have caused in the American Jewish community more of a split than already exists.

It has been complained that the average community does not know enough about evaluating the work of the respective agencies and that they are constantly the recipients of volumes of literature which they don't understand and that therefore this body must give them that service. And I would like to make the point that I would like to have every one of the Welfare Funds and Federations in America receive literature from time to time and impose upon them the duty and the responsibility to study and analyze, with a view to making them intelligent with respect to them instead of any attempt to pre-digest the figures and to evaluate the qualitative things in the various causes in advance for them and to give

them a measuring stick which comes out from on high.

Now, on the question whether there are five men in the American Jewish community, I want to say that I trust the leadership of the American Jewish Committee; that I trust the leadership of the Hadassah; that I trust the leadership of the U.P.A., and I am forbidden by modesty to say that I trust the leadership of the B'nai B'rith, and I am not speaking now as the president of the B'nai B'rith. I have respect for their leadership. You talk to me about neutral. You know where I would find the neutrals? The neutral, to my mind, is the man that has a universal interest in all activities that are close to the hearts of the people of Israel in this country. [Applause] The tendency has been to find the men who are indifferent to, or disinterested in, not disinterested, but unaffiliated with any of the organizations, and that is not neutrality.

I shall present my views on the principle of the matter before the Board tonight, I hope. [Applause]

CHAIRMAN SHRODER: I recognize Dr. Haber.

DR. HABER: Mr. Chairman, Ladies and Gentlemen:

I should like first, as a member of the committee, to express the wish that Mr. Montor was not serious when he implied that this committee was packed. No one told me how to vote. I came to some conclusions about this matter

in an absolutely objective manner, in an absolutely objective and rational manner as I believe the facts justified. That the question is complicated, no one denies. But I would like to submit to you that if there is any experience that I have ever had which justifies the proposal of this committee, it is my experience in the last 24 hours in this Assembly. May I illustrate what I mean?

Here is a problem presented to the American community by the National Refugee Service, a budget, a request for support, certain basic facts. All over these lobbies everyone doubts the budget, doubts the facts, questions whether there is immigration, questions whether you need this money, whether you spent two million for relief, and when you say the State Department told you immigration has not stopped but actually 40,000 people did come in and when you say further that the State Department told you that the quota in 1941 will be filled and you had better get ready for it, there are serious-minded men and women who said to me, how do I know? How do I know? That is what you tell me. And I propose to you that you ought not to be put in the position of either calling the agency a liar or not having the facts at your disposal and that you ought to have an agency representing you which will have at least the obligation to say to you we have checked those facts, they are so and on the basis of that kind

of information come to some conclusion.

In the whole area of refugee services in this country, how much money is being spent for it? I have heard figures from four and one-half to ten million. How many refugees are coming? I have heard figures from none to a few thousand. How many refugees need help? I heard a few people to 40,000.

I propose, Ladies and Gentlemen, that we are dealing with a developing situation, a countless number of appeals which will develop during the years ahead. We ought not to get ourselves confused by calling what seems to me at least a simple proposal a lot of dangerous names.

I know that once you start talking about ideologies - I have heard that word constantly in these last 24 hours - you will never convince anybody. I come from Detroit. We have a great respect for everything Si Shetzer says; he is usually right, and I am certain he does not mean to imply that the national advisory service says to Detroit these are the facts; that means regimentation; that Detroit is thereby prohibited from standing on its own feet, as it does and always will and of saying, I have read your facts, Mr. Advisory Committee, I have examined your ideologies, to use Rabbi Heller's terms, we believe so and so.

I am impressed with the fact that after a

great number of years in volving not only the refugee problem but a dozen problems in the whole sphere of the Council, we have nothing but gossip or rumor or innuendo or slight statement exaggerated and amplified. May I emphasize to you that is the essence of my observation. We all want a United Jewish Appeal. I want to emphasize to you that I believe there are very genuine areas of discussion and agreement to make such an appeal possible. I regret exceedingly that this discussion about national budgetary procedure comes at a time when the United Jewish Appeal is temporarily, and I hope only temporarily, dissolved, for I want to predict, were it not the situation, 90% of the criticism against this proposal would never have been made, because it is simple and rational and involves no conflict with anyone's ideas. It is a mere request by local funds to their national agencies which says, we are confused; everybody is asking for money; everybody is sending us piles of literature; the field representatives are making claims to the very heavens; for goodness sakes! where are the facts! That kind of request is a sound and sensible request, whether there is or is not a United Jewish Appeal, and I should be very regretful if the temporary situation involving the United Jewish Appeal led to any defeat or postponement of a proposal which is fundamentally sound, and may I say, as far as my vote is concerned, fundamentally honest. I urge adoption.

CHAIRMAN SHRODER: We must be out of here at six o'clock. We have to crowd whatever is left to be said in that period. I recognize Rabbi Silver.

RABBI SILVER: I have never yet had the experience of making a speech in five minutes. I will do the best I can and I hope to have an opportunity, if it were given at the Board meeting to go more deeply into the merits of the problem.

"I am very grateful to Mr. Blaustein for having read the letter I addressed to him a week or so ago. There is not the slightest doubt in my mind that the committee has been giving very earnest and very serious consideration to the problem. No one questions the sincerity of purpose and its devotion to the task which it set before it.

In the letter which Mr. Blaustein read, I raised one question, and that is the tempo in which this proposal is being acted upon; a proposal of such vast implications deserves a somewhat more protracted discussion on the part of the Jewish communities of America, and a 24 or 48 hour meeting of a body which assembled without first having been apprized of the content of the report and without first having had the opportunity in the respective Federation boards and Welfare boards to amply and deliberately discuss it. I submit to you, that merits quite apart, that this accelerated tempo is

uncalled for. After all, our work is going on in 1941, in 1942, and for many, many years to come.

This proposal of establishing a national advisory budgeting committee is as has been indicated to you productive of such a sharp division of opinion that if it is to be enacted at all to satisfy American Jewry should receive more deliberate and more protracted discussion. This committee was only called into existence last May. It made its first report in October. The final report was actually made 48 hours ago. What is the hurry?

— It seems to me the logical thing - and again, believe me, Ladies and Gentlemen, I speak now as a member of the Board of the Council, which is a very dear organization to me - it seems to me the logical procedure is to take the very fine and carefully worded report of the Committee and send it broadcast to our welfare funds and federations, with the request that they discuss it in the next few months at their boards and then give this committee the benefit of considered judgment. Then we can meet again, either in '41 as indicated in the letter, perhaps call a special General Assembly, and vote intelligently upon the basis of actual reaction on the part not only of Welfare Funds and Federations but of national organizations involved. The Jewish press ought to have an opportunity to discuss it.

I submit that this is the logical procedure. Certainly there is no point in rushing through a motion. You don't have to majorize anybody. I am ready to say that you have the votes; that the Committee can put through this report. What are you going to accomplish by it? This is not a political device of majorization. If there has developed, as clearly as there has developed, a strong minority resistance to it, then give American Jewry a chance six months or even a year to discuss it. Perhaps other suggestions will be forthcoming; modifications; perhaps suggestions as to the machinery that is to be set up. That is my appeal. With regards to the merits of the case, I will refer you to the letter which I sent to the Committee long before the dissolution of the United Jewish Appeal, in October, 1940, when there was no talk of dissolution, when the negotiations for the coming year had not yet begun, in which I stated what I believe would be my thought on the merits of the thing. I will not read it to you because I have not the time.

This is the one thought that I should like to leave with this body, and it is not controversial I assure you. It would be a mistake, in my humble judgment, to act at this time affirmatively or negatively on this report. We are not ready for it. The American Jewish communities are not ready for it. This report ought to be submitted without recom-

mendation, but with all covering data that the Committee regards as important to the constituent bodies of this Council. Ask them for a formal expression of their Welfare Boards and Federations. Give them a chance, educate, inform them as to what is involved, and then come back and act. [Applause]

CHAIRMAN SHRODER: The Chair recognizes Mr. Perlstein, one of the members of the allotment committee, representing Welfare Fund cities. He is chairman of the committee.

MR. PERLSTEIN: I don't think it is going to take five minutes to express a very simple view of this thing. Certainly, the discussions have made it amply clear that fact-finding is not disagreed with by any one. I would like to emphasize, though, the part that fact-finding can play in overcoming all of the differences in this mysterious ideology that we hear about.

The allotment committee, I am glad to say, was unanimous in its opinion that the only means by which an all-acceptable reconciliation of the sharply divergent points of view can be accomplished is on the basis of practical consideration of carefully assembled factual data. We have reached the point where the gathering of such data in the future gravitates naturally to the Council. I think everyone is agreed as to that.

We face then the very simple question; it may be difficult, but nevertheless simple as to whether those who gather and study data through the Council for the Welfare Fund communities of the country shall attempt to evaluate, interpret and recommend. It seems to me that Dr. Silver is right in this, namely, that whether that should be attempted is purely a matter of whether the Welfare Fund communities want it so. But I am going to emphasize that I regard that purely a matter of whether the Welfare Fund communities want it so, not a matter of whether the agencies want it so.

I think there is a sharp distinction there. Certainly that should be determined. And certainly the Council should have the courage to act in accordance with whatever that finding may be. We have the situation practically that we are told that disruption of our communities will result. Perhaps if that is attempted, then it is the plain duty of each community to decide those matters for themselves, for itself, and I confess my amazement when the same Assembly that produces that atmosphere is one that rises definitely to every suggestion that the U.J.A. must be continued, to relieve the communities of that responsibility. Let's be sane and let's be consistent. The communities have abdicated in that matter. They have had until this year nothing whatever to say about it and this year so far as the U.J.A. is concerned,

they have had a little something to say. If the communities are willing to place that decision in the hands of perfectly good, intelligent, honorable men, who are not at all of their choosing, I see no reason why they should shudder at accepting or designating the men Monsky designated as neutral. Perhaps the Welfare Funds don't want it. If they don't, they have not shirked their duties as compared with the way they now say we have nothing to do with the organization; the beneficiary matters. I believe it should be determined what the Welfare Fund cities want, and without delay. I don't know how the thing can be gotten at mechanically, whether by questionnaire to be sent to Welfare Fund communities. That is a matter for the Board and the Assembly, but definitely in view of the break, the possibility that the U.J.A. will not function, a substitute mechanism is imperative, unless the communities want to settle it in 200 different ways. If they do, that is their affair. Otherwise, I think the Council should provide an answer.

CHAIRMAN SHRODER: Mr. Solomon Lowenstein.

MR. LOWENSTEIN: Mr. Chairman, I recognize the exigency of time. I understand this room is required very shortly..

First of all, I want to make a personal remark only because Mr. Montor in presenting his minority report

referred to my connection with two of the national agencies. I happen to be connected with a good many more. But that is not the point. As a member of this committee, I speak only in my personal capacity. This matter has never been considered by either of the two agencies to which reference has been made in connection with me. I don't know what the members of this Board feel. I accepted service as an individual, and acted as such.

I favor that report, but with certain statements. I agree entirely with Rabbi Silver. I am not an impetuous person. I don't believe there is any legitimate criticism of the committee up to the point for the steps it has taken, its action, its procedure. I do believe this question is so momentous and so vital and so complicated as indicated by this very sincere debate this afternoon, that even the General Assembly that is going to meet tomorrow should not act finally on this. I think the Board should consider it very carefully tonight and properly make recommendation tomorrow. I do not believe recommendations should become finally effective until there has been a referendum, properly protected, to the membership agencies of the Council.

Some one said to me in connection with this discussion, you ought to oppose it because it would affect you adversely. I am not interested in that type of argument at all.

I think this is a fair proposal and I think the agencies that have a good case to present would present that case and be fairly considered and that the judgement of such a group as would be set up under this proposal would be a judgment that everybody respects.

We go through exactly that same process in all our local Federations. I am sure this agency or that are not always happy with the decisions of the local distribution or budget committees. Nevertheless they accept them because they believe them impartial and the best that can be made within the funds available. And that is the point worth emphasizing here. Remember, I know and you know, how these budgets are made up. I don't mean to say they are padded. I am sure the J.P.C. and the U.P.A. and the N.R.S. could spend the sums by many millions more of dollars, but those millions of dollars are not going to be available, and the decision must be made somewhere as to the vital and essential parts of those budgets which can be realistically met, and I don't think you can do that by the scattered judgments of 200 communities. It is perfectly true there are a limited number of cities in which there are budget committees with proper staff to help them appraise these things. No community as has been said often is going to be subject to any coercion. There is no question whatever if Chicago or San

Francisco or Philadelphia or any other city that has adequate allocation committee, with proper staffs, to determine upon their own allocation, they can disregard entirely if they see fit to do so any recommendation made by the national committee. All communities are not in that position. Yesterday it was brought out that there are many communities who welcome this sort of guidance and intelligent advice.

On other thing that commends itself. It is only a first step in a limited field about which we know a great deal. If it were a comprehensive thing, I should be very loathe to give my assent at this time. We learn a great deal if we take this cautious step forward.

I would refer to something Mr. Monsky said. I believe he is mistaken. He says it is a mistake when sincere efforts are being made to reconstitute a United Jewish Appeal to bring in this effort. If those efforts are successful, it won't make a bit of difference again preliminary to the reconstitution of such a United Jewish Appeal. There are definitely worked out formulas for the allocation of the funds to be raised in the campaign of 1941.

I do want to say, as I see Mr. Perlstein had definitely in mind, I think this proposed procedure is a definite and logical extension of the allotment committee method of which you all approved so enthusiastically last year.

I believe that there are men in this country

that are capable of doing this thing well, intelligently, and fair-mindedly. As a member of last year's allotment committee, I was impressed very deeply by the fair-mindedness, the intelligence, the devotion of the three neutral members of the committee and the alternative who served for one of them when he became ill. I am certain that can be repeated. I am certain we can have confidence in their judgment. I am certain the data that will be available very shortly as a result of the publication of this year's inquiry of the allotment committee will be very informative to you. I am quite certain that inadequate as it is, and no one knows that better than the director, it represents a tremendous step forward, and if it had not been for the interruption of communication, it would have been still better. All of you who have had local budgetary experience, know how your work and knowledge and experience express themselves in the increased values from year to year, and you know this if you compare your budgets with those of twenty years ago. And I see here the promise of equal advance, with justice and fairness to all in the adoption of this report. [Applause]

CHAIRMAN SHRODER: Mr. Blaustein opened the meeting. I give him two minutes to close it.

MR. BLAUSTEIN: I talked today for the plan, but there has been so much very illuminating discussion

that much from me now is unnecessary. I want to say only this as a final word. In my opinion, we will gain nothing by complete inaction at this time, at this Assembly. I hope it will be up before the Board and the Assembly will take definite action. If that action is subject to referendum by the Welfare Funds, by questionnaire process, consulting the Welfare Funds as such and not the intangible community, in the unorganized term, that certainly would be all right, in my opinion. I would dislike it very much to have any dilatory action sent in and believe that some positive action, subject to that type of action, that type of referendum to the Welfare Funds as such would be desirable.

CHAIRMAN THRODER: On behalf of the Board of Directors of the Council, I wish to thank all of you for your patience and for the assistance that you have given me. At their meeting tonight, they will have to consider this question and it will come before the Assembly at its regular meeting tomorrow for discussion and possibly for action.

... The meeting adjourned at six-fifteen o'clock ...

Sunday
February 2, vol.
Session



questionnaire, with a deadline for votes not later than April 1, 1941. The motion was carried 17 for, 5 against; Messrs. Rosenbloom, Monsky, Dr. asking that their dissenting votes be recorded.

That, Ladies and Gentlemen, represents my report to you as best as I was able to give it to you; I hope, a fairly accurate submission to you of what took place, and may I, my good friends, make this one personal concluding comment on my part. That I think the discussion on both sides represented a very high level of discussion, undoubtedly very real convictions, and undoubtedly very honest differences of point of view. [Applause]

CHAIRMAN BUTTEL: The report on the subject of Coordinated Budgeting for Welfare Funds, the chairman of the majority report referred to, is a business man whose business, or I should say, who is busy with budgeting all the year around and handles business problems. We are very fortunate to have his services in this work to get further business organization into our work. Mr. Blaustein of Baltimore.

MR. BLAUSTEIN: Mr. White and Mr. Greenstein have reported so well what has transpired with respect to the report and the recommendations of the Committee on the Study of National Budgeting Proposals that very little need be said by me here today. As you know, the report has been distributed

among you. That is a majority report. There is also a minority report which was not ready for distribution and which will be mailed to the Welfare Fund cities. The report was a basis of much discussion, as has been reported here to you today. And you have also been informed about the action of the Board last night. I think all I need do then is to add this one word: That when you get in your Welfare Fund cities, the questionnaire referred to in this motion of the Board, and the accompanying reports, that you please be good enough to study them; study them promptly; study them thoroughly. It is a very important subject. And report back to the Council offices as quickly as you can and before April first of this year. [Applause]

CHAIRMAN BUTZEL: Chairman William Rosenwald, who bears for the purposes of discussion, the title of Acting Co-Chairman - I don't know how he came to act! - will follow up from his wealth of experience in this work the report of Mr. Blaustein. At least, so it is announced in the program.

Mr. Rosenwald says he has nothing to supplement. He believes the subject has been fairly covered.

I don't know what the procedure should be from here on, Ladies and Gentlemen. I have gone through three or four days of discussion. I could stand some more were it absolutely necessary, but it would certainly reduce my vitality

considerably! However, if there is anybody who wishes to discuss, any questions of fact or action on the report, I am sure they will be very welcome and we have sufficient authority to give such attention..

MR. TAYLOR (Pittsburgh): I don't think there is any need for further comment. I would like to see go out with the report and the questionnaire you refer to a statement of what the budget will be for the carrying out of this service. And I would also like to suggest that whatever the budget is, that it be provided for solely out of the Welfare Funds and Federations that are supporting the Council and from no other source. It seems to me it would be bad strategy and weakening the whole proposal if there was even any suspicion that the money was to come from any other source.

MR. MAY (Atlanta): May I suggest as a peace offer that in view of that fact that we have the hope, and I may say the feeling, that we will have again a U.J.A., that this particular proposal be kept in abeyance until the final decision is made. In other words, let's put no obstacle in the way of getting together.

CHAIRMAN BUTZEL: Are there any other suggestions or questions of any sort?

While you are thinking of them, I take this opportunity to introduce something that is not at all related

but should be gotten to the agency today.

When we adjourned this morning, Mr. Perlstein was chairman. There was to be a report on the National Tuberculosis Hospitals at Denver. Mr. George Rabinoff was to make the report, but at his special request, I am reporting very briefly for him that the attempt to coordinate and possibly consolidate the work of the hospitals is progressing not as quickly as has been hoped for but with the promise that the work will be hurried up. There is pressure steadily and surely being applied for that purpose and it is the hope of the committee that when we meet again we can have a real report of progress and that it will not be necessary for the communities of America to, through a budgetary process, take the entire matter in their own hands, but the hospitals would see the reason for consolidate, but are somewhat appalled at the difficulties, will work out a solution and will reduce the cost.

We are back on the matter of the report of this afternoon.

MR. BLAUSTEIN: Mr. Butzel, perhaps in answers to "Old Taylor" of Pittsburgh, I think this ought to be made clear - that the amount of money which will be required to carry on this national budgeting service has been stated and there will be a minimum of \$15,000 a year or a maximum of \$20,500 a year for the professional staff work, as far as the

work in connection with those three organizations that were formerly beneficiaries of the United Jewish Appeal are concerned; that the recommendation of this Committee is that the work of this national budgeting service be extended to other fields of operation when the funds are available for that fact-finding.

I don't think that it will be a difficult job to raise 15 or 20 thousand dollars for this job if it is really important, but I don't think it ought to be specifically stipulated that that money need come just from the Welfare Fund cities. It probably will. The Council has been able to get pretty much all the money it needs through the Welfare Fund Cities, and it is hoped that that will happen here, but if the Council cannot get the money from that source, I see no reason why the Council should not be permitted to get that money from other sources. For instance, some cities such as New York City, Baltimore, where they do not have welfare funds as such. If those cities want the service and want to contribute towards it, certainly there is no reason why their money has to be refused. Similarly, certain foundations give money to this organization and other organizations. And if some of those foundations want to furnish some money for this purpose, there is no reason why that money should be refused.

One kind of money should be refused - as far as money spent on this particular project is concerned, and

that money should not be taken from the agencies under review. The agencies that are going to be subject to this review should not be asked to supply money for it and the money should not be taken so that the Council can be absolutely free and uninfluenced by any such financial obligation.

MR. KALMANSON (St. Paul): I have not read this report completely since I got it as I entered the room. However, I do see at the end of it that a recommendation is made to the Welfare Funds, while this report is pending and being considered, that they use the 1940 ratios of payment to these three agencies. Was it the consensus of opinion of the Committee that that should be the fair basis of allocation of the 1941 funds?

MR. BLAUSTEIN: Obviously some procedure had to be set up for an initial recommendation, as to initial allocations. This is a primary recommendation - that the question of the allocations to the three beneficiaries in 1941 UJA, as far as 1941 UJA is concerned, that the formula should be left to the so-called three neutral members of the 1940 UJA.

Now, that is fundamental. Then there is stated here that a proposed plan was this plan: That does not necessarily have to be the plan. That the 1940 neutral members of the UJA 1940 will recommend. But if it happens to be that

plan, what happens under it is a division into two parts. First, they start off because they have no other information to go by. They start off with the allocations that were presented to these three agencies in 1940 and then they say, let each community, if it chooses, set aside a certain amount of money in 1941 for these three agencies. Then let it, as a first step, give 60% to each agency of the amount it was allocated in 1940. However, by May, 1941, it is then expected this allotment committee, the 1940 UJA allotment committee, will have learned enough about the programs and about the progress up to that period to be able to recommend an allocation for each of the three agencies for the whole of the year 1941, and if by giving 60% to one or the other organization is too much, I assume that it will be taken off in the final amount that is suggested for the balance of 1941.

CHAIRMAN BUTZEL: It would be a terrible calamity if we could all get out and enjoy the fresh air between discussions!

MR. BERNSTEIN (New York): I rise perhaps not in the regular order as to the subject under discussion - I am not going to speak on the question of these resolutions. I would like to call the attention of the Assembly, however, that because of the battle royal between the lions of the overseas work, the little lambs have been entirely overlooked.

Not a word has been said here either about Hias or about Ort or about the Jewish Telegraphic Agency or about any of the other organizations that are beneficiaries of the Welfare Funds. It seems to me that when these organizations were invited to attend this most momentous gathering that they should be given an opportunity until the time that their budgets are going to be investigated to place their claims before the Welfare Funds.

I notice very significantly that this fact-finding and budgetary recommendation resolution is still only considered as to the three organizations which were lucky enough last year to share in the 1940 UJA appeal. They are not even beginning to think of fact-finding with regard to the other organizations, and that is very important.

On behalf of Hias, at least - I have not the right to speak about the others - I ask that these organizations be given the opportunity this afternoon, which is the last afternoon of this session, to present their claims on these Welfare Funds.

CHAIRMAN BUTZEL: Mr. Bernstein, we will have a report from Mr. Blaustein on that.

MR. BLAUSTEIN: Far be it from me to forget the smaller agencies. I happen to be connected with one of them. I would like to say this, that in the recommendation of our

report with respect to a reconstitution of the UJA, we were most eager to have that accomplished as such and if at this late date we tried to also specifically recommend that additional organizations be brought into the UJA for 1941, we thought that might present an extra obstacle and further complicate and there would be further delays, which would be inadvisable.

However, I would like to call attention to just this sentence in the recommendation. "Furthermore, [that is, after we tell what should be done] the committee believes that all possible steps should be taken to establish methods of joint appeals and inter-agency cooperation in arriving at equitable fund allocations for all agencies operating in the same or related fields of service." That was about as far as we deemed it practical to go at this time.

MR. J. C. HYMAN (New York): I merely wanted to say that I echo the very sincere desire of Mr. Bernstein, that all of the agencies have ample opportunity to present their cases before this grand jury. The fact of the matter is that neither the United Palestine Appeal has presented its case in terms of factual requirements of the Keren Hayesod and Keren Kayemeth, the Jewish Agency. Certainly neither any representatives of the J.D.C. have had the opportunity that we also very anxiously request to present the needs of

millions of Jews in Poland and Germany, and the refugees all over the world. And if it be proper, Mr. Chairman, and if time permits, it seems to me that at least, the very least that this very large Assembly of men and women coming from all over the country, the very least that they should have is a factual presentation on the part certainly of what Mr. Bernstein has expressed, on the major agencies as well as on some of the minor agencies.

I understand that tomorrow morning a number of our groups are having special meetings. Unfortunately, even there, there is competition and we have to step on each other's toes and the meetings are held simultaneously and people who want to know about the needs of the U.F.A. and about the needs of the J.D.C. and about the needs of the Hias unfortunately have to become partisan and decide they are going to attend one meeting or the other instead of attending all meetings.

So, Mr. Chairman, if I may be permitted, if the debate does not last too long on the general question of how to decide to divide the money that is to be raised, perhaps this audience should know what the money is needed for and how it is proposed to be spent and where the services are to be rendered and how the services are to be conducted. It seems to me that is the sort of thinking any group would wish to know, including the Hias and other agencies. [Applause]

MR. PERLSTEIN (Chicago): Assuming that there is nothing further to be said with reference to the resolution itself, it would seem to me to be entirely in order that a definite amount of time, perhaps 15 or 20 minutes, be allotted to any of the agencies caring to talk about their cause; to take advantage of the fact that we have finished earlier than expected with regard to the subject that was primarily before this afternoon's meeting, and I would suggest that that be done.

CHAIRMAN BUTZEL: I will call your attention to the fact that there are meetings for each of these subjects, as far as I know, tomorrow. Of course, they are competitive and the entire Assembly will not be available. Incidentally, that very important subject of Jewish Education is also on for tomorrow. If we had not had such a crowded program I would be glad to entertain such a motion, if anybody cares to make one on that subject.

MR. PERNE (Cleveland): Mr. Chairman, I do not arise to make any motion...

I did not expect when I got on my feet to do anything so formal as to come up here and make a speech. It just occurred to me, since we seem to have no business of pressing importance, that perhaps some purpose might be served in making a few observations which occur to me and which I have

heard around the halls of the hotel, some thoughts which occur to one who has been merely a soldier in the ranks in this convention.

I have been here three days and with some others find it necessary to leave tonight. That is why I thought I would say a few words now. This has been a very discouraging experience. Discouraging in the sense of the realization of the intensity of feeling and the bitterness of the forces of opposition which have been disclosed during this convention. Discouraging because with all of it there has been the great and intense feeling that what is needed most at the present time, even if we cannot have it in the future, is some unity. I am not going to define unity. I mean merely working together in the next campaign. Nobody knows what next year will bring. Why not work together for a little while longer?

And discouraging because we leave here with some encouragement, but not enough, that this objective will be accomplished. And yet it does not seem to me that the convention has been altogether one of disappointment.

No group of men and women of this size, and with the earnestness that has been evident here, could come together without some good coming out of it. One of the fine things that seemed to me developed in the last few days, and before I say what it is, I want to tell you that I am not an

officer of the N.R.S. (because everyone has an ax to grind), and I am not connected with the N.R.S., but I believe the N.R.S. has done every fine thing and we think that we ought to realize what they have done; that the real subject of dispute in connection to getting together with the United Palestine Appeal, we have been told, and I know because I happened to sit in the meeting in New York when the final decision was made, has been N.R.S. and the contention how much should be allowed to N.R.S. in this campaign. It seems to me that the leaders of the N.R.S. have the same right to feel responsibility and jealousy for their cause as the leaders of the other causes, and I think it was a splendid gesture on their part, and a fine piece of statesmanship for them to come before this group and say we make no restrictions; we leave our cause in the hands of a disinterested group of people. I think that was a most constructive and statesmanlike thing to do. I hope it will not be in vain. [Applause]

And while I am on my feet, I want to say one more word - something which has been burning inside of me just as other things have been burning inside of other people in this convention. I have been horrified, I have been taken aback, I have been shaken to my roots to read the things that have been printed in responsible publications, Jewish publications; the things that have been said publicly; the things

that have been said privately by Jewish leaders in this country. It is hard to understand how men and women who have for many years past, and some of them for a lifetime devoted themselves to Jewish causes and to Jewish leadership, honored, respected, and their work appreciated, have suddenly in the heat of conflict become self-centered, selfish, full of self-interest, their integrity attacked. If there is any one thing that will do damage to every cause in which any of you are interested, it is attacks of that kind. They don't belong among any decent Jewish life, or any decent Jewish movement. I sincerely hope we will never see a recurrence of some of the things I have read and heard about the Jewish leaders in this country.

Finally, let me say that I leave with only one hope and I know that every man and woman in this convention is going to leave with only one hope. If we must have a split, let us not have it now. I sincerely hope that the United Jewish Appeal will be reconstructed. [Applause]

CHAIRMAN BUTZEL: Ladies and Gentlemen, I wish to make an announcement that the newly elected Board is to meet at five o'clock in Room 10.

If there are any matters of business to be brought up, this is a very good time to do it.

RABBI ARONSON (Minneapolis): I trust the chairman and the delegates will bear with my naivete. It is

the first time that I attended a national conference of this nature. I am not a "conventional" Jew and naive people may enter where angels fear. During the past two days in the discussion on this subject, a term has been used which I note has been omitted from the resolutions. The term is "impartial" or "neutral". For example we have that the committee of the Council shall be appointed. Throughout the discussion the term impartial or neutral committee was used.

Now, frankly speaking, it is my conviction that upon this one word the whole controversy rages. I wonder, Mr. Chairman, whether we cannot at this time perhaps evolve some formula regarding the term "a neutral committee". Mr. Monsky, I believe, raised the point the other day. The neutral committee may be either a committee made up either of individuals who are indifferent, say, to the three major agencies, a committee may be made up of individuals representative of each of the three agencies, and a committee may be made up of individuals who are interested in all the three agencies.

Now, I believe it is very important, and frankly speaking, it is my conviction that people who will be voting against the majority report or communities will be motivated primarily because they will not be clear in their own minds what the term neutrality means.

I want at this time to emphasize the point

raised by Mr. Monsky that the committee, if this resolution is adopted, and I wonder if we cannot perhaps even get a mandate from this body, that if the resolution be adopted, the committee be made up of individuals who have proven an interest in all three of the major agencies. For I maintain, as has been said before, and we have that an individual, for example, who was interested in the N.R.S. did refuse to contribute to the U.P.A. I still have to see a case of a representative of the U.P.A. who was not interested either in the N.R.S. or the J.D.C. Therefore, I would urge upon you, if possible, to crystallize at this time a formula as to what should be understood by the term "a neutral committee." [Applause]

MR. WARNER (Buffalo): Most of you do not remember these lines. I differ from my friend who left the platform just before the previous speaker. It was in 1896 that someone wrote

Dewey was the morning upon the first of May,
Dewey was the admiral's name that stormed
Manila Bay.

Dewey were the eyes of azure blue.
Do we feel discouraged? I hardly feel we do!

[Laughter]

I believe, my friends, that hope springs eternal in the human breast. Though some of you who were here this morning and saw or listened to me lay down the law

to the rabbi may not know that I am . If my Latin is at fault, and it probably is, you may be thankful that I did not attempt to put it in Hebrew. But it seems to me after this very illuminating program, despite the fact of the militancy exhibited before Dr. Finkelstein took the platform today, that it would be a magnificent thing to close this business meeting on the most beautiful note sounded by him. At this particular moment we are all in good humor. Dr. Finkelstein pleaded for our national defense and a brotherhood of man. So let us close this meeting now on the idea and the theory of the brotherhood of Jews. I, therefore, Mr. Chairman, move that we adjourn.

... The session adjourned at four-fifty o'clock ...

A d j o u r n m e n t

METZGER REPORTING CO.

Stenotype Reporting
MILWAUKEE
NEW YORK CITY

MINUTESMEETING OF THE BOARD OF DIRECTORSCOUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDSHOTEL BILTMORE, ATLANTA - FEBRUARY 1, 1941

Present: William J. Shroder, Cincinnati, presiding

Irvin Bettmann, St. Louis
 Jacob Blaustein, Baltimore
 Arthur Brin, Minneapolis
 Fred M. Butzel, Detroit
 Mrs. Siegmund Herzog, Cleveland
 Sidney Hollander, Baltimore
 Donald Kaffenburgh, Hartford
 Dr. Louis Levy, Memphis
 Joseph P. Loeb, Los Angeles
 Dr. Solomon Lowenstein, New York
 Herbert Mallinson, Dallas
 Mrs. Irving Metzler, Los Angeles

Henry Monsky, Omaha
 Charles J. Rosenbloom, Pittsburgh
 William Rosenwald, Greenwich
 Edwin J. Schanfarber, Columbus
 Dr. Abba Hillel Silver, Cleveland
 Edward M. M. Warburg, New York
 Eugene Warner, Buffalo
 James L. White, Salt Lake City
 Joseph Willen, New York
 Henry Wineman, Detroit
 Ira M. Younker, New York

Ex-Officio: Dr. William Haber, AMERICAN JEWISH
 Joseph C. Hyman, ARCHIVES

Regional Chairmen: Amos S. Delnard, Minneapolis
 Dr. E. J. Gordon, Columbus

Guest: Albert H. Lieberman, Philadelphia

Staff: H. L. Lurie
 G. W. Rabinoff
 H. M. Propper

Committee reports and staff memoranda were presented on each item discussed. Folders containing these reports and memoranda were distributed to all board members present and to absentee board members by mail.

The chairman called the meeting to order at 1:00 P.M.

1. MINUTES OF PREVIOUS MEETING

One correction was made in the minutes of the previous session of the Board, held in New York City on October 26, 1940. MR. ROSENWALD said that the reference on page 5 of the minutes to the "American Philanthropic Foundation" should be corrected to read "American Philanthropic Fund, Inc."

2. COUNCIL ACTIVITIES

The report of the Executive Director was APPROVED for presentation to the Assembly.

3. COUNCIL FINANCES

The Board was informed that because the estimated budget of the Council for 1940 of \$116,260 was not met, planned extensions of field service to undeveloped regions had been eliminated and cuts made in the research program of the Council. As a result, actual expenditures for 1940 amounted to \$99,960 and total income from member agencies, foundations and other sources totalled \$97,805, leaving a deficit of \$2,155. For 1941, a tentative budget calling for expenditures of \$110,000 was presented. Since the total estimated income from member agencies for 1941 was placed at \$85,000, the Council faced a deficit of \$25,000.

DR. LEVY asked why the Council accepted contributions from any agencies other than its own organizations. He felt that it was unwise for the Council to accept contributions from the JDC, UPA and NRS. MR. HOLLANDER explained that the Council had received \$5,000 from the JDC, \$2,500 from the UPA and \$2,500 from the NRS not as gifts from these national agencies, but in lieu of a contribution to the Council from the New York United Jewish Appeal. Since New York had no Welfare Fund, the only sources of income were the New York Federation - the Council's only member agency in the City - some individuals and foundations. When the Council applied for a contribution from the Greater New York Campaign of the United Jewish Appeal, MR. HOLLANDER said, the Council was informed that the New York UJA was not able to contribute funds to any agency other than its own constituents. The UJA leaders suggested, therefore, that the Council apply to each of the constituent agencies of the UJA for contributions intended to cover New York's obligations to the Council. DR. LEVY asserted that the receipt of contributions by the Council from national agencies raises questions of the impartiality of the Council in the eyes of local leaders.

MR. SHRODER called for suggestions on meeting the expected deficit. MR. LURIE pointed out that the level of contributions to the Council from various cities differed greatly. Some cities, he said, were paying their proper share of the Council's costs, while others were not. MR. LOEB asked whether the Council might accept membership of individuals on a subscription basis, aside from welfare fund contributions. MR. LURIE asserted that individual contributions were obtained from some people in New York City. MR. BETTMANN felt that the emphasis should be on raising the level of contributions from those cities which were not meeting their obligations to the Council. He suggested that Board members appear before budget committees of neighboring communities to urge them to make adequate subscriptions to the Council. MR. MALLINSON seconded the suggestion.

MR. BETTMANN MOVED that an effort be made to raise the level of contributions to the Council of member agencies whose past subscriptions have not been deemed adequate, through personal appearance of Council Board members before the budget committees of the member agencies in question.
The MOTION was seconded and carried.

MR. MONSKY felt that the Council, which strives to centralize fund raising in each community, ought not to set an example of permitting uncoordinated fund raising for itself. He felt that a campaign for individual gifts by the Council would not be appropriate. MR. LURIE asserted that in a number of instances the Council had provided informational services to individuals, and that many individuals had been contributors to the Bureau of Social Research before it was incorporated in the Council.

Jewish

MR. YOUNKER MOVED that a finance committee be appointed to take such steps as it deemed advisable, in consultation with the President, to improve the financial situation of the Council and to report on its efforts, and make recommendations, to the next meeting of the Board. The MOTION was seconded and carried.

MR. WINEMAN MOVED that the estimated 1941 budget of the Council be accepted.

The MOTION was seconded and carried.

4. TUBERCULOSIS INSTITUTIONS

MR. RABINOFF reviewed the discussions at the previous Board meeting on the contemplated merger of the National Jewish Hospital and the Jewish Consumptive Relief Society of Denver. At the October meeting, representatives of the Denver institutions had told the Board that a coordination of the two institutions was possible but might result in an additional annual deficit of about \$100,000. The Board had agreed that the Council staff should meet with the agencies' representatives to study the facts and figures upon which their estimate was based and to report to the present Board meeting. Members of the Council staff had met and discussed the points with the Denver representatives, but no written material on the subject had yet been submitted for review. The Council's special Committee on National Tuberculosis Agencies met on December 10, 1940, in New York and considered next steps. Following the meeting, Dr. Harold G. Trimble of Oakland, Chairman of the Committee, wrote to the two hospitals that the Committee agreed in principle with the decision of the Boards of the two sanatoria, that amalgamation would benefit the institutions, but noted that no detailed plan for the amalgamation had been submitted to the Council as the Board had requested. Dr. Trimble suggested that some person, ^{experienced} in the administration of tuberculosis hospitals, be requested to work out such a detailed plan. This person, Dr. Trimble wrote, should visit Denver to study the existing facilities, the sources of patients, the character of treatment, past performance of the institutions and the contemplated future tasks; and on the basis of such information, should present a suitable and practical plan of amalgamation.

In reply to Dr. Trimble's letter, Dr. Lewis I. Miller of the Jewish Consumptive Relief Society and Samuel Schaefer of the National Jewish Hospital replied in a telegram as follows:

"Original motion both board still in effect and special committee meeting regularly with and in view of developing programs of coordination to be made effective if when and as national economic condition and other attendant factors make such step practicable. We have nothing to report at this time beyond the details given you at your board meeting in October. These should be available to you from the transcript of the stenographer present at meeting. Your statement that we promised you a plan before February first not accurate. You surely must realize by this time that both boards are sincere and that a project of this magnitude cannot be rushed into without complete study and evaluation of all aspects of a very complicated situation. Joint Committee prepared to act advice from authorities in similar field when and as such advice deemed necessary by it."

MR. BUTZEL remarked that the situation reminded him of a social work conference in 1905, and that the discussion had been going on ever since. MR. RABINOFF reported that when the Memphis Welfare Fund cut down its 1941 appropriation to the National Jewish Hospital, the Hospital had written a strong letter of protest to the Memphis Welfare Fund and asked the Council to join in his position. The Council office replied that since the hospital continued to procrastinate in carrying out the recommendations of the Klein Study, it was to be expected that welfare funds would cut down appropriations. MR. LURIE remarked that the tuberculosis field was one in which the Council had already embarked on a process of advisory budgeting on a national scale, and an evaluation of programs and needs. The recommendations to the communities with reference to support, in this case, he said, are that each community should determine its allocations to the tuberculosis institutions primarily on the basis of the services which these institutions perform for the particular community, plus a small stand-by charge to cover the needs of unorganized communities, etc.

MR. HOLLANDER asserted that one of the problems was the practice of the hospitals in accepting patients from local communities without previously checking with the local welfare agencies as to the need for transporting patients from their homes to Denver for treatment. After some discussion on this point, with DR. LEVY, and MESSRS BUTZEL, SCHANFARBER, MONSKY and WARNER participating, MR. LURIE pointed out that the situation varied from one community to another; that in some communities there was clearance through the local welfare agencies, that in others the relationship was with the local B'nai B'rith or some other volunteer body, and that in many cities there was no clearance at all. He said the institutions were getting only about 20% of their money from welfare funds. At the same time, he asserted, local communities have been utilizing and developing their own resources for the care of the tuberculous. Although the welfare funds have not reached their objective in making the national tuberculosis hospitals follow the program outlined in the Klein Study, he said, they have recommendations available on how to work out their financial relationships with the institutions.

MR. SHRODER felt that though financial relationships were being cleared, the communities had an interest in improving the functional relationships of the institutions and in their operation on an effective basis. MR. WHITE asserted that the Denver agencies were giving more attention to the possibilities of consolidation than they would have if the Council had not continued to prod. He felt the Council should continue along the same lines.

MR. BUTZEL MOVED that a message be sent to the Denver agencies that the Council approves of the progress they have made thus far and inform them that the Council is impatiently waiting to hear of further progress before reporting the status of the negotiations to the member agencies of the Council.

MR. RABINOFF asserted that the Klein Study indicated that the organizations are still doing necessary work, inasmuch as the number of beds in the New York City hospitals, for instance, was still insufficient to care for the number of patients in the area requiring treatment. The main complaint against the institutions, he said, was their procrastination in putting into effect specific recommendations to coordinate their work, to develop cooperative relationships with local communities and to improve their operations. MR. HOLLANDER expressed the feeling that amalgamation of the Denver agencies would help the situation in terms of greater economy and improved efficiency.

MR. MONSKY seconded Mr. Butzel's MOTION. The MOTION was carried.

5. UNITED JEWISH APPEAL

MR. WARNER MOVED the following resolution:

RESOLVED that the Board of the Council ratify and confirm the acts of the President, Sidney Hollander, the Chairman of the Board, William J. Shroder, the Vice-President, Ira Younker, and such other officers who aided in bringing the United Jewish Appeal for 1940 into being;

BE IT FURTHER RESOLVED that the Board of the Council ratify and confirm the acts of the aforementioned officers of the Council in their effort to prevent the dissolution of the United Jewish Appeal and each and all of the acts, by all or by any one of them, in their effort to re-establish the United Jewish Appeal;

BE IT FURTHER RESOLVED that the Board extend thanks to the officers mentioned and any or all others who have given of their time and effort to bring into being the United Jewish Appeal and their further efforts to prevent its dissolution.

MR. BETTMANN seconded the MOTION.

MR. LOEB asked whether the motion was not similar to one which Dr. Silver had been assured (in an open meeting of the Board on January 31) would not be considered until there had been another open discussion of related problems.

MR. SHRODER said that although the resolution did not relate to the proposal for the establishment of a national advisory service, the UJA situation was so bound up with it that the passage of a resolution on the UJA might be considered a breach of faith. He said a promise was made to those opposing the budgeting proposal that no action on the subject would be taken at the Board meeting, until there was another meeting of the Board later in the day.

MR. LOEB MOVED that the resolution be deferred until the evening session of the Board. The MOTION was seconded and carried.

6. CREDENTIALS COMMITTEE REPORT; BUDGETING REFERENDUM

MR. LOEB presented the following report for the Credentials Committee, consisting of Messrs. Loeb, Shetzer and Reuben B. Resnick of Dallas:

The Committee on Credentials respectfully reports as follows:

1) That it accepts as correct the list of member agencies and the list showing the number of delegates to which each is entitled as sent by the staff to the member agencies in letters dated respectively December 20, 1940, and January 14, 1941.

2) The Committee does not accept as correct the list of delegates as certified and prepared by the Staff as of January 31: therefore the Committee is not able to pass on the credentials of delegates, except to the following extent:

- a - Delegates named on the list who have registered and are present at the General Assembly and who were certified by the President, Secretary or other appropriate officer of the agency appointing them should be accepted as duly certified.

- b - Persons present and registered but not heretofore certified, if appointed as delegates or certified to be such by the President, Secretary or other appropriate executive of a member organization, either himself present at the Assembly or by mail or telegram before any vote is taken, should be accepted as duly certified.
- c - Persons present but not certified as aforesaid, including persons from cities in which there are located agencies entitled to appoint delegates but which failed to do so, should not be regarded as delegates.

The Committee recommends that no vote taken at this General Assembly shall be binding on the Council unless ratified by the member agencies, voting in the manner provided in the By-laws with respect to the voting by member agencies at the General Assembly.

The Committee recommends that the By-laws relating to the appointment, certification and manner of voting of delegates and member agencies be examined carefully and revised. There are ambiguous provisions, for example, with respect to -

- a - The manner in which delegates are to be certified;
- b - The number of delegates which organizations located in communities of various sizes have a right to appoint;
- c - The manner in which votes of delegates and votes of member agencies are to be cast at the General Assembly.

MESSRS. BETTMANN, BUTZEL and SCHANFARBER and DR. LEVY asked for clarification of various points in the report and MR. LOEB explained them. MR. LIEBERMAN asked what effort the Council had made to see that official delegates were appointed by local communities. MR. LURIE replied that 40 days before the Assembly member agencies were informed of the number of delegates to which they were entitled, were requested to appoint delegates and to inform the Council of their names. Subsequently, two additional notices were sent to the communities urging that they take these steps. In answer to a question from MR. MONSKY, MR. LURIE asserted that at least half the communities did not respond to these letters. MR. RABINOFF pointed out that the Credentials Committee report suggested that any action taken be submitted to member agencies of the Council for ratification, in view of the ambiguity of the By-Laws. He added that no action taken by the Council was binding on member agencies, since that was a basic principle of Council organization and policy.

MR. MONSKY asserted that if a vote were taken at this Assembly and the rules for the certification of delegates were rigidly applied for the first time in the Council's history, the Assembly would meet a good deal of criticism from local communities. MR. LOEB suggested that because of the unclear provisions in the By-Laws regarding certification of delegates and manner of voting it would be wiser not to take a vote at the Assembly. MR. BUTZEL suggested that the Credentials Committee certify delegates to the best of its ability. MRS. HERZOG suggested that presidents of member agencies at the Assembly be asked to certify the delegates from their communities. MR. SHRODER pointed out that in any case whatever action the Assembly might take was binding only on the Board of the Council, but not on the member agencies. He felt that whether or not any votes were taken at the Assembly, all matters on which there was not substantial agreement at the Assembly should be referred to the constituent agencies of the Council by letter ballot. MR. MONSKY agreed with the suggestion, except that he disapproved taking a vote on the matter

FIRST MEETING OF THE 1941 BOARD OF DIRECTORS
COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS
HOTEL BILTMORE, ATLANTA - FEBRUARY 2, 1941

Present: William J. Shroder, Cincinnati, presiding

Irvin Bettmann, St. Louis
Arthur Brin, Minneapolis
Fred M. Butzel, Detroit
Mrs. Siegmund Herzog, Cleveland
Sidney Hollander, Baltimore
Donald Kaffenburgh, Hartford
Dr. Louis Levy, Memphis
Dr. Solomon Lowenstein, New York
Herbert Mallinson, Dallas
Mrs. Irving Metzler, Los Angeles

Charles J. Rosenbloom, Pittsburgh
William Rosenwald, Greenwich
Edwin J. Schanfarber, Columbus
Edward M. M. Warburg, New York
Eugene Warner, Buffalo
James L. White, Salt Lake City
Joseph Willen, New York
Henry Wineman, Detroit
Ira M. Younker, New York

Regional Chairmen: Dr. E. J. Gordon, Columbus
Amos S. Deinard, Minneapolis
Baron de Hirsch Meyer, Miami

Ex-Officio: William Haber
Joseph C. Hyman

Staff: H. L. Lurie
G. J. Rabinoff

The meeting convened at 5 P.M.

1. ELECTION OF CHAIRMAN

William J. Shroder was nominated and unanimously ELECTED as chairman of the Board.

2. APPOINTMENT OF STAFF

MR. HOLLANDER MOVED that the present executives of the Council, Mr. H. L. Lurie and Mr. George W. Rabinoff, be reappointed. The MOTION was seconded and carried.

MESSRS. ROSENWALD, HOLLANDER and SHRODER expressed appreciation of the work of the Staff during the past year.

3. FINANCIAL AUTHORIZATION

MR. SHRODER asked the Board whether the routine of authorizing bank deposits for the Council and the signing of checks should be the same as in 1940.

The Board AGREED that the same procedure be followed, with the Irving Trust Co., New York City, as depository for Council funds, checks to be issued with two signatures, and officers of the Council and the Executive and Associate Executive authorized to sign checks.

4. COUNCIL COMMITTEES

DR. LOWENSTEIN MOVED that the president be authorized to appoint the standing committees of the Council and any special committees required.

The MOTION was seconded and carried.

5. REFERENDUM QUESTIONNAIRE

DR. LOWENSTEIN MOVED that the drafting of the questionnaire for the referendum on the establishment of a national advisory budget service be referred to a committee consisting of the president, chairman of the Board, chairman of the Committee on the Study of National Budgeting Proposals and any other persons these three individuals desire to add.

The MOTION was seconded and carried.

6. RESULTS OF REFERENDUM

DR. LOWENSTEIN suggested that some preparation be made to initiate the national advisory budget service so that the fact-finding and evaluative work might be set in motion immediately, if the member agencies approve. This would permit some tentative recommendations by May 31, as suggested in the report of the Committee on the Study of National Budgeting Proposals. R. LURIE pointed out that since there was no objection to the expansion of fact-finding activities of the Council, immediate steps should be taken to extend the Staff to carry on the additional fact-finding work required, regardless of the results of the referendum on the evaluative aspects of the budgeting proposal. MESSRS. YOUNKER and BUTLER agreed that the fact-finding work of the Council should be extended. R. THORP pointed out that there was no authorization in the current budget for such extension. It was the consensus of opinion that the study should be undertaken if necessary funds could be secured.

R. YOUNKER proposed that the votes of the member agencies on the referendum be counted in the same way that the votes of member agencies would be counted at the Assembly. He felt that the Board should weigh all the factors which the vote disclosed before taking action. He said that even if there were enough votes of member agencies to approve the service, it might not be to the interest of the Council or the communities to carry the program through. He felt that the Board should not commit itself in advance on what action it would take as a result of the referendum.

R. YOUNKER MOVED that because the difficulty in interpreting the By-Laws of the Council had prevented submission of the proposal for the establishment of a national advisory budget service to the General Assembly, the votes on the referendum on the subject should be counted in the same way as the votes of member agencies would have been counted at the General Assembly.

The MOTION was seconded and carried.

7. REVISION OF THE BY-LAWS

MR. BRIN MOVED that a special committee of three be appointed by the president to re-draft the By-Laws of the Council for presentation to the next General Assembly.

MR. YOUNKER felt that such a committee should make its first report on the matter to the next meeting of the Board. MR. HOLLANDER asserted that the revised By-Laws should clear up the matter of accrediting official delegates to the Assembly. MR. SHRODER said that the Board was responsible for developing procedures and suggested that the committee working on the subject be prepared to submit its recommendations at the next meeting of the Board.

The MOTION was seconded and carried.

8. ALLOCATIONS TO UJA AGENCIES

MR. YOUNKER urged that a summary of the Assembly and its results be issued immediately to member agencies of the Council. The summary, he said, should indicate the need for making early allotments to the agencies in the UJA either on the basis suggested in the report of the Committee for the Study of National Budgeting Proposals or on any other reasonable basis. He felt it should be pointed out clearly that the suggestion made in the report was only one of various possible alternatives.

After a brief discussion, MR. DEINARD MOVED that member agencies be informed that the formula suggested in the Committee report was merely illustrative of the intent of the Committee, namely, that interim payments on some reasonable basis be made to the JDC, UPA and NRS pending any action taken as a result of the referendum, and was not a mandatory formula.

The MOTION was seconded and carried.

MR. LURIE presented a suggestion made by Harris Perlstein of Chicago that Mr. Shroder's final address to the Assembly should refer to the promises made by representatives of the three agencies in the UJA that they would not conduct separate campaigns in organized communities. MR. ROSENWALD felt that the same statement should be made to member agencies of the Council. MR. SHRODER suggested that it be included in the bulletin to member agencies summarizing the Assembly.

There was some discussion as to the way the UJA agencies would make their appeals in 1941 to local communities. It was suggested that since the NRS would be appealing independently to communities for the first time, the neutral members of the 1940 UJA Allotment Committee might be asked to indicate what they considered the minimum and maximum needs of the NRS. MR. YOUNKER and DR. LOWENSTEIN felt that since spokesmen for both the JDC and UPA at the Assembly had agreed to present the latest proposals for a 1941 UJA to their respective Boards for consideration, no step should be taken to interfere with this procedure. MR. BUTZEL added that if the negotiations finally broke down, then it might be desirable to act along the lines suggested.

Several Board members discussed the possibilities of financing a national advisory budget service if the member agencies favored it in the referendum. MR. DEINARD stressed the need for naming to any proposed national advisory budget

committee individuals who command the respect of all elements in the Jewish group.

The meeting adjourned at 6:30 P.M.

(signed)

H. L. LURIE
Acting Secretary



4/8/41

February 6, 1941

Mr. Julius Schweid, President
Mizrachi Organization of Cleveland
1485 E. 107th St.
Cleveland, Ohio

My dear Mr. Schweid:

The dissolution of the United Jewish Appeal as well as the recent action taken at the Washington Conference of the United Palestine Appeal and at the Atlanta Conference of the Council of Federations and Welfare Funds make it highly desirable for the Zionist and pro-Palestine forces in our community to have an opportunity to discuss the situation and to plan for common action. As National Chairman of the United Palestine Appeal, I am therefore inviting the leaders of the various Zionist groups in the city to meet with me on Thursday evening, February 13, 8:15 o'clock, in the Parlor of The Temple.

I am inviting each organization to be represented by its officers (not including its Board) at this preliminary conference, and I would appreciate it if you would invite your fellow officers to this meeting. I hope that it will be possible for you and your fellow officers to attend.

With all good wishes, I remain

Very cordially yours,

AHS:BK

February 6, 1941

Mrs. A. F. Mellman, President
Cleveland Chapter of Hadassah
10616 Euclid Ave.
Cleveland, Ohio

My dear Mrs. Mellman:

The dissolution of the United Jewish Appeal as well as the recent actions taken at the Washington Conference of the United Palestine Appeal and at the Atlanta Conference of the Council of Federations and Welfare Funds make it highly desirable for the Zionist and pro-Palestine forces in our community to have an opportunity to discuss the situation and to plan for common action. As National Chairman of the United Palestine Appeal I am therefore inviting the leaders of the various Zionist groups in the city to meet with me on Thursday evening, February 13, 8:15 P.M. in the Parlor of The Temple.

I am inviting each organization to be represented by its officers (not including its Board) at this preliminary conference. I would appreciate it if you would invite your fellow officers to this meeting.

I hope that it will be possible for you and your fellow officers to attend. With all good wishes, I remain

Very cordially yours,

AHS:EK

February 6, 1941

Dr. Benjamin Persky, President
Jewish National Fund Council of Cleveland
2010 E. 102nd St.
Cleveland, Ohio

My dear Dr. Persky:

The dissolution of the United Jewish Appeal as well as the recent action taken at the Washington Conference of the United Palestine Appeal and at the Atlanta Conference of the Council of Federations and Welfare Funds make it highly desirable for the Zionist and pro-Palestine forces in our community to have an opportunity to discuss the situation and to plan for common action. As National Chairman of the United Palestine Appeal, I am therefore inviting the leaders of the various Zionist groups in the city to meet with me on Thursday evening, February 13, 8:15 o'clock, in the Parlor of The Temple.

I am inviting each organization to be represented by its officers (not including its Board) at this preliminary conference, and I would appreciate it if you would invite your fellow officers to this meeting. I hope that it will be possible for you and your fellow officers to attend.

With all good wishes, I remain

Very cordially yours,

AHS:BK

February 6, 1941

Dr. I. Milcoff, President
Poale Zion of Cleveland
10012 Euclid Ave.
Cleveland, Ohio

My dear Dr. Milcoff:

The dissolution of the United Jewish Appeal as well as recent action taken at the Washington Conference of the United Palestine Appeal and at the Atlanta Conference of the Council of Federations and Welfare Funds make it highly desirable for the Zionist and pro-Palestine forces in our community to have an opportunity to discuss the situation and to plan for common action. As National Chairman of the United Palestine Appeal, I am therefore inviting the leaders of the various Zionist groups in the city to meet with me on Thursday evening, February 13, 8:15 o'clock, in the Parlor of The Temple.

I am inviting each organization to be represented by its officers (not including its Board) at this preliminary conference, and I would appreciate it if you would invite your fellow officers to this meeting. I hope that it will be possible for you and your fellow officers to attend.

With all good wishes, I remain

Very cordially yours,

AHS:BK

February 6, 1941

Dr. Samuel H. Maron, President
Cleveland Zionist District
2621 East 9th Street
Cleveland, Ohio

My dear Dr. Maron:

The dissolution of the United Jewish Appeal as well as recent actions taken at the Washington Conference of the United Palestine Appeal and at the Atlanta Conference of the Council of Federations and Welfare Funds make it highly desirable for the Zionist and pro-Palestine forces in our community to have an opportunity to discuss the situation and to plan for common action. As National Chairman of the United Palestine Appeal, I am therefore inviting the leaders of the various Zionist groups in the city to meet with me on Thursday evening, February 13, 8: 15 o'clock, in the Parlor of The Temple.

I am inviting each organization to be represented by its officers (not including its Board) at this preliminary conference, and I would appreciate it if you would invite your fellow officers to this meeting. I hope that it will be possible for you and your fellow officers to attend.

With all good wishes, I remain

Very cordially yours,

AHS:BK

February 6, 1942

Mr. Sam Deutsch, President
Heights Zionist District
1486 Crawford Road
Cleveland, Ohio

My dear Mr. Deutsch:

The dissolution of the United Jewish Appeal as well as recent actions taken at the Washington Conference of the United Palestine Appeal and at the Atlanta Conference of the Council of Federations and Welfare Funds make it highly desirable for the Zionist and pro-Palestine forces in our community to have an opportunity to discuss the situation and to plan for common action. As National Chairman of the United Palestine Appeal, I am therefore inviting the leaders of the various Zionist groups in the city to meet with me on Thursday evening, February 13, 8:15 o'clock, in the Parlor of The Temple.

I am inviting each organization to be represented by its officers (not including its Board) at this preliminary conference, and I would appreciate it if you would invite your fellow officers to this meeting. I hope that it will be possible for you and your fellow officers to attend.

With all good wishes, I remain

Very cordially yours,

AHS:EK

February 6, 1941

Mrs. Henry Frankel, President
Keren Hayesod Women's Club
2515 Overlook Rd.
Cleveland, Ohio

My dear Mrs. Frankel:

The dissolution of the United Jewish Appeal as well as the recent action taken at the Washington Conference of the United Palestine Appeal and at the Atlanta Conference of the Council of Federations and Welfare Funds make it highly desirable for the Zionist and pro-Palestine forces in our community to have an opportunity to discuss the situation and to plan for common action. As National Chairman of the United Palestine Appeal, I am therefore inviting the leaders of the various Zionist groups in the city to meet with me on Thursday evening, February 13, 8:15 o'clock, in the Parlor of The Temple.

I am inviting each organization to be represented by its officers (not including its Board) at this preliminary conference, and I would appreciate it if you would invite your fellow officers to this meeting. I hope that it will be possible for you and your fellow officers to attend.

With all good wishes, I remain

Very cordially yours,

AHS:BK

Feb 6/41

Dear Althea:-

The Holsey tragedy has cast a deep gloom over the entire Jewish community. I assume all sorts of rumors are afloat: but as I dislike petty gossip, which often borders on the scavenging, I have avoided the sad subject.

1) Saw Mr. Lowenstein last night at a meeting of the Directors of the Survey. Had with him just a few comments. He told me that Sidney Hollander attacked you viciously & that you walked out of the meeting. Mr. was a bit resentful at S. H. - I'm persona in the matter for whom or toward whom I have strong antipathy. S. H. is one of those I thoroughly dislike. Many years ago I met him at a dinner, couched in arrogant language. My reply consisted of one or two sentences. I called his attention to & urged him to ponder over that line in Pope about a little learning being a dangerous thing etc. etc. But, what was the fuss upshot in Atlanta?

2) Is a most pleasant subject! Virginia looks so lovely in Washington & I was so happy to be with her even for a short time -

Affly

Belie

Ex Social worker

Roger Baldwin & Aba Epstein once wrote articles on some social subject as the immorality of social work: but they took pains to point out that I didn't belong to the group of immoral or immoral or ... social workers. I was different!

LAW OFFICES OF
ULMER, BERNE AND GORDON
PUBLIC SQUARE BUILDING
CLEVELAND

J. M. ULMER
J. M. BERNE
B. D. GORDON
C. R. BERNE
—
T. G. KLINGER
A. J. KOEHLER
J. L. HALBERSTEIN

February 8th, 1941

Rabbi Abba Hillel Silver,
c/o The Temple,
2 East 105th Street,
Cleveland, Ohio.

Dear Rabbi:

William Rosenwald called me and asked my opinion as to certain men they were considering in connection with local representation here. I asked him what was being done or had been done to arrange a meeting of the agencies. He said his understanding was that you intended to first discuss the matter with your own agency and that they would then hear from you.

I gathered the impression in talking to you on the way back from Atlanta that you were expecting Warburg or someone else to call you with reference to arranging a meeting.

I am passing this on to you as it seems to me that there may be some misunderstanding as to the procedure. If there is and there is anything I can do to straighten it out, I am at your service.

I am going to Chicago tonight and expect to be back on Wednesday.

With personal regards,

Sincerely yours,

J. M. Berne

February 11, 1941

Mr. Eugene E. Wolf
Union Commerce Building
Cleveland, Ohio

My dear Friend:

The dissolution of the United Jewish Appeal as well as the recent action taken at the Washington Conference of the United Palestine Appeal and at the Atlanta Conference of the Council of Federations and Welfare Funds make it highly desirable for an exchange of views on the important issues involved. As National Chairman of the United Palestine Appeal, I would therefore appreciate it if you would meet with me on Thursday evening, 8:15 o'clock in the Parlor of The Temple. I am inviting the representatives of the various pro-Palestine groups in our community as well as some others, and I would appreciate it if you would find time to attend this meeting.

With all good wishes, I remain

Very cordially yours,

AHS: BK

LAW OFFICES
GUSTAVE L. GOLDSTEIN
CITIZENS NATIONAL BANK BUILDING
453 SOUTH SPRING STREET
LOS ANGELES, CALIFORNIA
TRINITY 9041

February 12, 1941.

Rabbi Abba Hillel Silver
Cleveland, Ohio

Dear Rabbi:

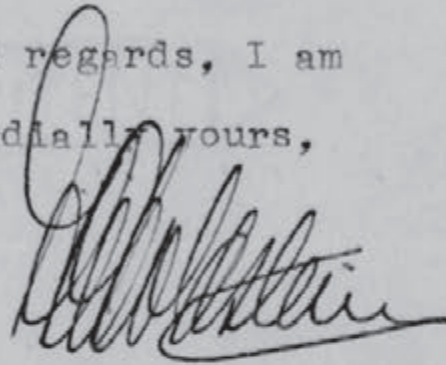
I feel impelled to write you and tell you how much I appreciate the splendid generalship that you displayed at the recently concluded United Palestine Appeal and Council of Federations and Welfare Funds Conferences.

You handled yourself perfectly and it is needless for me to say that every utterance made by you at both conferences added up to a grand total that was most effective in thwarting, temporarily at least, the efforts of those who tried to put across the national budgeting idea.

I hope that I shall see you in Los Angeles real soon.

With kindest personal regards, I am

Cordially yours,



GLG:FW

Temple Israel

Saint Louis

FERDINAND M. ISSERMAN, RABBI

OFFICE OF THE RABBI
KINGSHIGHWAY AND WASHINGTON
SAINT LOUIS

February 13, 1941

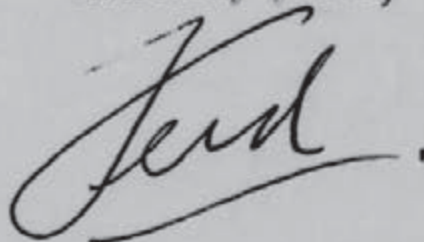
Rabbi Abba H. Silver,
E. 105th St. and Ansel Road,
Cleveland, Ohio.

Dear Abba:

Driving to my office a few minutes ago, I had the radio on in my car and I heard a minister, a member of the National Christian Mission of the city, deliver an address on the home. He was just getting too Christiological for me and I was about to switch to another station when I heard him say that Rabbi Silver said, and then he quoted a paragraph of yours on the home which was very beautiful. The minister happened to be from San Antonio, Texas, and I thought that you would be interested in learning of this.

With kindest greetings, I remain

Sincerely yours,



FMI:BA

M. GARBER, M. D.

10515 CARNEGIE AVE.

CLEVELAND, O.

February 14, 1941

Rabbi Abba Hillel Silver
% The Temple
Cleveland, Ohio

Dear Rabbi Silver:

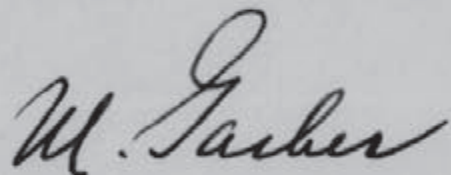
I was very happy to receive the communication where it is stated that under your chairmanship, the 1941 campaign will be conducted and allocation of funds made "to each on the basis of justice and fairness".

Considering the usual composition of the Allocation Committee membership, I would have my doubts as to the justice and fairness of the committee towards the needs of Palestine at this time. However, your chairmanship of the campaign gives me assurance that the Palestinian needs will be adequately looked after.

Assuring you of my whole-hearted support of your struggle to do justice to Palestine, I am yours

Sincerely,

MG/jba

A handwritten signature in cursive script, appearing to read "M. Garber".

Heights Temple Zionist District

3130 MAYFIELD ROAD
CLEVELAND HEIGHTS, O.

YELLOWSTONE 1820

February 14, 1941

Rabbi Abba Hillel Silver
The Temple
E. 105th & Ansel Rd.
Cleveland, Ohio

Dear Rabbi Silver:

As per agreement at our meeting of last night, I am submitting to you the names of our members to the Steering Committee.

Rabbi Rudolph M. Rosenthal, 3130 Mayfield Road, will act as the member on that committee, and Mr. Alex S. Wintner will act as the alternate.

Yours very truly,

HEIGHTS TEMPLE ZIONIST DISTRICT

Edward Braverman
Secretary

EB:PK

J. M. GARRISON, FIN. SEC'Y.
3677 EAST 161ST ST.
LONGACRE 7770.

S. KURSH, CORR. SEC'Y.
3357 EAST 146TH ST.
LONGACRE 6399

Dr. N. Syrkin Branch

JEWISH NATIONAL WORKERS ALLIANCE
ENGLISH SPEAKING SECTION No. 504
CLEVELAND, OHIO

112

February 15, 1941

Rabbi A. H. Silver
Ansel Rd. Temple
Cleveland, Ohio

Dear Rabbi:

The following chaverim will represent our
branch on the steering committee

J. Solanche
11118 Willomere Ave.

J.M. Garrison
3677 Hildana Rd.

Yours truly,

J.M. Garrison

STEERING COMMITTEE

HEIGHTS TEMPLE ZIONIST DISTRICT

Rabbi Rudolph M. Rosenthal
Alex S. Wintner - alternate

JEWISH NATIONAL WORKERS ALLIANCE - Dr. N. Syrkin Branch

J. Solanche
J. M. Garrison - alternate



February 17, 1941

Mr. S. P. Halle
Hanna Building
Cleveland, Ohio

My dear Mr. Halle:

In connection with the discussion which we had this noon, following the meeting of the Campaign Committee, you may be interested in the enclosed letter which was sent to me on February 6 by Mr. Lurie. You will see from this letter that the Council clearly understood that there was more than one proposal made at Atlanta, and the Council requested the agencies to consider all proposals and express themselves on them. "It is the understanding of the Council that proposals for reconstituting the UJA will be presented by the representatives of the agencies who were present at these meetings to the administrative bodies of their organizations."

With all good wishes, I remain

Very cordially yours,

AHS:BK
Enc.

Silver

L. L. Kenen

Pros 4800

3rd District

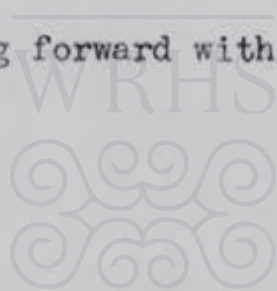
Ezra Shapiro
L. L. Kenen - alternate

My dear Friend:

I am calling a meeting of the Steering Committee which was appointed at the meeting held under the auspices of the United Palestine Appeal on Thursday evening, February 13 to meet in the Parlor of The Temple on Sunday afternoon, February 23 at four o'clock. A delegate and an alternate of each organization are on the Steering Committee, and I would appreciate it if x the two would attend this meeting.

The Jewish Community Council has called a meeting for at which the question of national budgeting will come up for discussion. It is therefore important that our Steering Committee meet before then. I shall be out of the city on Monday and Tuesday and therefore I am calling the meeting for Sunday afternoon.

Looking forward with pleasure to seeing you,
I remain



February 17, 1941

Mr. Gustave L. Goldstein
Citizens National Bank Building
453 South Spring Street
Los Angeles, California

My dear Mr. Goldstein:

Thank you so much for your kind letter of February 12. It was a pleasure to see you in Atlanta, and you were greatly helpful. I hope that we may be able to defeat the nefarious proposals of the Council, and I am sure that you are doing your utmost in your community to arouse our people against this oligarchic menace.

It will give me great pleasure indeed to see you when I visit your community. With all good wishes, I remain

Most cordially yours,

AHS:BK

February 17, 1941

Mr. J. M. Berne
Public Square Building
Cleveland, Ohio

My dear Joe:

In connection with the discussion which we had this noon, following the meeting of the Campaign Committee, you may be interested in the enclosed letter which was sent to me on February 6 by Mr. Lurie. You will see from this letter that the Council clearly understood that there was more than one proposal made at Atlanta, and the Council requested the agencies to consider all proposals and express themselves on them. "It is the understanding of the Council that proposals for reconstituting the UJA will be presented by the representatives of the agencies who were present at these meetings to the administrative bodies of their organizations."

With all good wishes, I remain

Very cordially yours,

AHS:BK

Enc.

February 18, 1941

Dr. M. Garber
10515 Carnegie Ave.
Cleveland, Ohio

My dear Dr. Garber:

Thank you so much for your kind note of February 14. Only time will tell whether the hope expressed in our communication will be vindicated. We are prepared for all eventualities. I deeply appreciate your offer of support. It is very heartening to receive such whole-hearted cooperation.

With all good wishes, I remain

Most cordially yours,

AHS:BK

H. FOX, CORR. SEC'Y.
D. FOX, REC. SEC'Y.
9217 ADAMS AVE.
MULBERRY 0180

J. M. GARRISON, FIN. SEC'Y.
3677 EAST 161ST ST.
LONGACRE 7770

Poale-Zion Zeire Zion

OF CLEVELAND, OHIO

פועלי ציון - צעירי ציון

112

Wednesday, Feb. 19, 1941.

Rabbi Abba Hillel Silver

The Temple

Cleveland, Ohio.

Dear Rabbi Silver:

As representatives to the Steering Committee
from the Poale-Zion of Cleveland we are rendering
the following names:

Dr. I. Milcoff

Mrs. D. Fox

Sincerely yours,

Mrs. D. Fox
Mrs. D. Fox, Sec'y.

February 20, 1941

Mr. I. L. Kenen
The Cleveland News
1801 Superior Ave.
Cleveland, Ohio

My dear Friend:

I am calling a meeting of the Steering Committee which was appointed at the meeting held under the auspices of the United Palestine Appeal last Thursday evening, to meet in the Parlor of The Temple on Sunday afternoon, February 23 at four o'clock.

The Jewish Community Council has called a meeting for Wednesday evening, February 26 at which the question of national budgeting will come up for discussion. It is therefore important that our Steering Committee meet before then. I shall be out of the city on Monday and Tuesday and therefore I am calling this meeting for Sunday afternoon.

Looking forward with pleasure to seeing you,
I remain

Very cordially yours,

AHS:BK

Poale Zion Organization
10221 Eastwood Ave.
275 SEVENTH AVENUE.
Cleveland Ohio
NEW YORK, N.Y.

February 21, 1941.

Rabbi A. H. Silver
Auel Road Temple
Cleveland, Ohio

Dear Rabbi Silver:

Our delegate reported about the meeting held Thursday, February 13th. As a result of this meeting we appointed Martin Estreicher, 832 Lakeview and an alternate, Shimon Kaufman, 10515 Grantwood Ave; to work on your "Steering Committee." They will be available for meetings and work which this committee demands. We hope they will be of much help to you and your work. Hoping that you will be successful, we remain.

With Zionist Greetings
Hanita Branch
Miriam Waldman, Sec'y.

GEORGE J. KLEIN

March 1, 1941

Mr. Joseph M. Berne,
C/O Jewish Welfare Federation,
Chester-12th Bldg.,
Cleveland, Ohio

My Dear Mr. Berne:

In view of the fact that I will be out of the city until the end of this month, and if the meeting of the Director's of the Welfare Federation is held to discuss the referendum of Council of Jewish Federations and Welfare Funds, I would like my vote recorded as against the majority report and in favor of the minority report of the committee to study national budgeting proposals.

Sincerely yours,

GJK:RB

GEORGE J. KLEIN

~ OFFICE OF THE PRESIDENT ~

THE NOVELTY LIGHTING CORPORATION, CLEVELAND, OHIO

1759 UNION COMMERCE BUILDING
CLEVELAND

March 12, 1941.

My dear Doctor:

I realize that my feelings in the matter are of no importance, but I cannot resist the temptation to drop you a line and tell you how elated I was to receive your letter of March 7 with regard to the reestablishment of the United Jewish Appeal.

I was greatly disheartened by the bitter personal attacks made at the Community Council meeting and by the slanderous statements made by Dr. Kaplan in his article in the Temple Bulletin. Your letter gives me, and I am sure many thousands of others, new hope and new courage. The community should feel deeply indebted to you for the magnificent job you have done for all of us.

Sincerely yours,

A handwritten signature in dark ink, appearing to be 'F. E. Joseph', written in a cursive style.

Frank E. Joseph.

Rabbi A. H. Silver
The Temple
Cleveland

REFERENDUM

APRIL 14, 1941

GENERAL BULLETIN

For Member Agencies

No. G - 4

MEMBER AGENCIES APPROVE

ADVISORY BUDGET PROPOSAL

The proposal for a national advisory budget service, which was submitted in a referendum to the member agencies of the Council, has been approved by a majority of the agencies voting, which have reported their votes to the Council offices. Reports from more than 60 agencies approving the proposal have been received.

The results of the referendum will be submitted to the Council's Board of Directors at a meeting to be held early in May, when the Board will consider the steps to be taken, and the procedures to be established to develop the type of services most helpful to the member agencies.

The Board of Directors at its meeting in Atlanta last January approved the advisory budget proposal but decided to submit it to the entire membership of the Council in order to give each the opportunity of registering its wishes.

Even before the referendum was taken, there was general agreement on the need for expanding the Council's fact-finding services and broadening their scope. The votes on the referendum, negative as well as affirmative, have supported this view.

A complete report on the referendum will be made by the Board of Directors to the member agencies after it canvasses the ballots at its May meeting.

COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS
NATIONAL OFFICE: 165 WEST 46TH STREET - NEW YORK CITY

JACOB BLAUSTEIN

AMERICAN BUILDING
BALTIMORE, MD.

May 6, 1941

AIRMAIL

Rabbi Abba Hillel Silver,
The Temple,
East 105th Street at Ansel Road,
Cleveland, Ohio.

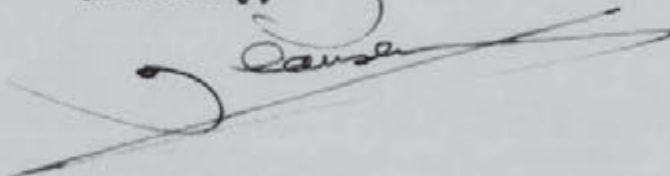
Dear Rabbi Silver:

As you know, the Board of the Council of Jewish Federations and Welfare Funds will meet in New York on Saturday, May 17th, and one of the matters on the agenda is the proposal for a national advisory budget service. I do not know whether you expect to be present at the meeting. I hope you will be.

Don't you agree, however, that in any event, it would be desirable for you and me to have a talk prior to this board meeting? Do you expect to be in the East, perhaps New York, before May 17th and if so, when could we meet if you agree that we should?

With best wishes,

Sincerely,

A handwritten signature in dark ink, appearing to read "Blaustein", with a large, sweeping flourish extending from the end of the name.

To Miss Bessie Kline, Secretary to Rabbi Silver:

If Rabbi Silver is out of town, will you be good enough to convey this message to him promptly? Thanks.

May 7, 1941

Mr. Jacob Blaustein
American Building
Baltimore, Md.

My dear Mr. Blaustein:

Thank you for your kind note of May 6th. I have but one day in New York before the 17th and that is this Friday, May 9th. It will be a very crowded day for me. I address the Moving Picture Division of the UJA at noon, and the Long Island group in the evening. At four o'clock I must attend an Administrative Committee meeting of the UPA. I suppose the only time you and I could meet would be around eleven o'clock in the morning, that is, provided you plan to be in New York on that day.

I shall make every effort to attend the meeting of the Board of the Council on the 17th. However we are having our local campaign for the Jewish Welfare Fund this coming week, and being chairman of it, I may not be able to get away.

If we can not meet on Friday the 9th, I shall be very happy to receive from you in writing what you have in mind.

With all good wishes, I remain

Very sincerely yours,

AHS:BK

MINUTES

MEETING OF THE BOARD OF DIRECTORS

COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS

NEW YORK CITY - MAY 17, 1941

Present: William J. Shroder, Cincinnati, presiding

Irvin Bettmann, St. Louis	Kurt Peiser, Philadelphia
Jacob Blaustein, Baltimore	Charles A. Riegelman, New York
Mrs. Sidney C. Borg, New York	William Rosenwald, Greenwich
Joseph Goldstein, Rochester	Charles J. Rosenbloom, Pittsburgh
Sidney Hollander, Baltimore	E.J. Schanfarber, Columbus
Donald Kaffenburgh, Hartford	Edward M.M. Warburg, New York
Albert H. Lieberman, Philadelphia	David Watchmaker, Boston
Dr. Solomon Lowenstein, New York	Joseph Willen, New York
Henry Monsky, Omaha	Ira M. Younker, New York

Regional Chairmen: Benj. Eisenstein, Schenectady
Dr. E.J. Gordon, Columbus
Baron de Hirsch Meyer, Miami

Ex-Officio: Arthur Greenleigh
Joseph C. Hyman
Louis Leventhal

Staff: H.L. Lurie
G.W. Rabinoff
H.M. Prepper
Rae Karp

(Committee reports and staff memoranda were presented on each subject discussed. Folders containing these reports and memoranda were distributed to all board members present and to absentee board members by mail.)

The chairman called the meeting to order at 10:15 A.M.

MINUTES OF PREVIOUS MEETING

At the suggestion of the chairman, MR. LURIE summarized the minutes of the previous meeting of the Board, held in Atlanta on February 2, 1941. MR. HOLLANDER MOVED that the minutes be accepted as read. The MOTION was seconded and carried.

REPORT ON THE REFERENDUM

MR. JOSEPH GOLDSTEIN, chairman of the Committee of Tellers, read his report, copies of which were prepared in advance and distributed to Board members. The report disclosed that the referendum on the national advisory budget service had received 141 affirmative votes and 127 negative, with a number of agencies not voting. MR. GOLDSTEIN informed the Board that since the meeting of the Committee of Tellers, the previous afternoon, he had been apprised by the Committee on Referendum that it had information that a number of communities, from which the Council had received neither ballots nor other communications indicating their attitude towards the referendum, had voted negatively. MR. GOLDSTEIN added that Cincinnati, in its resolution, clearly implied a negative vote. He felt that these facts should be considered by the Board before taking any official action.

MR. SHRODER felt that the question should be divided into two parts: (1) - should the Board sustain the report of the Committee of Tellers with respect to those communities which did not use the official ballot but in other ways informed the Council of the action of their communities, and (2) - should the Board sustain the Committee report with regard to those communities which did not use the official ballot but informed the Council of their action after April 1st but before the votes were officially tabulated.

MR. WATCHMAKER suggested that the Board accept as valid all votes taken by member agencies by April 1, the designated referendum deadline, regardless of the form used by member agencies to report their votes to the Council.

DR. LOWENSTEIN MOVED that the Board sustain that part of the report of the Tellers Committee dealing with the rejection of the ballots of two agencies which had resigned from the Council (Watertown, N.Y., and Centralia, Wash.); one agency (Canton Jewish Welfare League) which has paid no dues for the past five years, and one agency (Vancouver Jewish External Welfare Fund) because of uncertainty of the existence of one or two member agencies in that city.

The MOTION was seconded by MR. KAFFENBURGH and carried.

MR. SCHANFARBER registered his opposition to the motion on the ground that these communities voted on the referendum and should not be disqualified without further explanation. DR. LOWENSTEIN replied that these communities should not have been permitted to vote since they were no longer legally members of the Council.

MR. BETTMANN brought up the question of the three agencies which had voted after April 1st. MR. WARBURG asked whether these three agencies had given any excuse for their late ballots. MR. LURIE reported that a number of cities had written to him, informing that they could not vote by April 1st, and that he had replied that he did not have the authority to make any decision on the matter.

BARON DE HIRSCH MEYER MOVED that the three agencies be included in the official vote. MR. WATCHMAKER AMENDED the motion to include also the dates on which they voted.

The MOTION was seconded and carried.

MR. GOLDSTEIN referred to the Board the problem of Cincinnati which, in a resolution, indicated its opposition to the referendum proposal, he said. He felt that Cincinnati should be recorded as a negative vote, pointing out that the Board has accepted some votes even though they were not on the official ballot.

MR. SHRODER stressed that Cincinnati had never voted on the referendum but that the two opposing factions in Cincinnati, in the interest of unity and harmony, had adopted a joint resolution not to take any action on the referendum.

DR. LOWENSTEIN MOVED that the Cincinnati vote be excluded from the tabulation since it represented a compromise form and was not specifically on the question posed by the referendum. MR. BETTMANN seconded the motion. MR. WATCHMAKER objected to the motion, arguing that it was a clear and unequivocal vote against the referendum proposal. DR. LOWENSTEIN disagreed with Mr. Watchmaker, asserting that a situation similar to that in

Cincinnati had occurred at the Brooklyn Federation and that no vote was taken in the interest of harmony.

MR. WATCHMAKER withdrew his objection to the motion after MR. SHRODER outlined the Cincinnati situation, reiterating that Cincinnati had not voted on the referendum. MR. LEVINTHAL said that a letter from Dr. Heller had given him the opposite impression. A vote on the motion was called.

The MOTION was carried.

MR. GOLDSTEIN reported that he had received information from outside sources that a number of communities, from which the Council had no votes, had actually voted on the referendum. MR. LURIE said that Mr. Henry Montor had given him similar information including both negative and affirmative votes. A check-up disclosed, MR. LURIE said, that the Council had no information from any of these communities. Several ballots recently submitted to the Council by Mr. Montor had been referred to the Committee of Tellers and had been counted.

MR. WARBURG MOVED that only ballots or written communications received by the Council in time for action by the Committee of Tellers on May 16th be considered in the official vote. DR. LOWENSTEIN seconded the motion.

The MOTION was carried: 15 for, 4 against.

MR. GOLDSTEIN asserted that it was important that the Committee of Tellers be given an opportunity, even if it means delaying final action, to determine whether a number of communities listed by the Committee on Referendum (headed by Simon Shetzer of Detroit) as having voted, had actually taken action. DR. LOWENSTEIN disagreed, contending that all ballots and other written communications received by the Council, and those sent in by Mr. Montor, had been counted. The rest, he said, was merely gossip. MR. MONSKY, agreeing that the Council should not count the votes of communities from which it had no substantial information, nevertheless felt that the Council should postpone final tabulation of the vote until all information could be collected.

MR. YOUNKER, stating that the Council had been as fair as humanly possible, urged immediate action on the report of the Tellers Committee. MR. BLAUSTEIN commented that what Mr. Monsky and Mr. Goldstein wanted was another referendum. He too urged prompt action by the Board.

Following further discussion, in which MESSRS. EISENSTEIN, WATCHMAKER, LURIE, MEYER, LEVENTHAL, BETTMANN, GOLDSTEIN, WARBURG, RIEGELMAN and SHRODER participated, MR. HOLLANDER MOVED that the Board accept the report of the Committee of Tellers as submitted.

The MOTION was carried.

REPORT OF REFERENDUM COMMITTEE

MR. BLAUSTEIN, chairman, read the report of the Referendum Committee. It was decided to consider the report paragraph by paragraph, beginning with the general recommendations.

MR. HOLLANDER MOVED the acceptance of the general recommendations, which provided that the Board "take immediate steps to organize a national advisory budget service under an appropriate committee of the Council." MR. LIEBERMAN seconded the motion.

MR. ROSENBLOOM objected, stating that the vote on the referendum did not indicate a clear cut demand on the part of the communities for such a service. MR. BLAUSTEIN replied that the majority of votes indicated a definite desire for the service. MR. SHRODER stressed that both the majority and the minority expressed a desire for a service not now performed by the Council. MR. GOLDSTEIN agreed that the communities had signified a desire for a more extensive fact finding service than given by the Council at the present time but said that more time was needed to consider the Referendum Committee's report. He said that sufficient consideration should be given to the problem of the make-up of the committee and that the Board should extend assurances that the committee would be representative of both the majority and minority points of view.

DR. GORDON commented that a favorable vote on the first paragraph implied approval of the entire report, because the last sentence in the first part read: "We believe that the specific recommendations that follow meet the minimum requirements called for by the results of the referendum." MR. BLAUSTEIN asserted that the Referendum Committee would be willing to insert the above sentence among the specific recommendations rather than among the general recommendations.

MESSRS. ROSENBLOOM and GOLDSTEIN objected to the insertion in the general recommendation of the phrase; "...to organize a national advisory budget service."

MR. HOLLANDER pointed out that the wording of the report was immaterial. He stressed that the Council must be cautious, tentative and experimental in its approach to the new service in order to make it more and more acceptable to all American Jewish communities. He agreed with Mr. Goldstein that the make-up of the proposed committee was of vital importance. He stressed that the Referendum Committee did not recommend maximum or minimum budgets. MR. GOLDSTEIN endorsed the spirit of Mr. Hollander's remarks.

It was AGREED to approve the first general recommendation in the report with the understanding that it was to be subject to the consideration of the complete report.

The meeting adjourned 1:30 P.M.

The meeting was reconvened at 2:30 P.M.

CONTINUATION OF REFERENDUM COMMITTEE REPORT

MR. BLAUSTEIN suggested that the Board consider first the size and the method of selection of the proposed National Advisory Budget Committee. MR. BETTMANN asked whether membership in the Committee should be limited to Board members. MR. BLAUSTEIN replied that the Referendum Committee had considered the question and decided not to limit the national advisory budget committee's membership to Board members. MR. HOLLANDER added that the Council might want to bring in outside persons of national importance.

MR. GOLDSTEIN felt that there were inherent dangers in the proposed policy of giving the advisory budget committee full powers to prepare and issue reports to the communities. He thought it necessary, particularly since the Council would go outside its own membership for members for the advisory committee, that the Board retain control of the committee. MESSRS. HOLLANDER and YOUNKER disagreed, contending that the committee would not be an independent and objective body if it were subject to censorship by the Board.

MR. WILLEN said that the Board could not dodge responsibility for the committee and felt that Board control was necessary. MR. HOLLANDER pointed out that Board control was impractical, since the Board meets only twice a year, while the national advisory budget committee would be issuing reports constantly. MR. SHRODER emphasized that the whole question hinged on the personnel of the committee, arguing that a properly selected committee, having the benefit of detailed data, would be more qualified to issue the necessary reports than the Board.

MR. GOLDSTEIN brought up the possibility of the committee going beyond the limitations set up by the Board. MR. LURIE pointed out that the committee would be selected for one year and would report all its findings to the Board, which could then decide about 1942.

In response to a request for clarification by MR. HYMAN, MR. BLAUSTEIN declared that the national advisory budget committee would concern itself with the same field as the three agencies in the United Jewish Appeal. It will not overlap the work of the 1941 UJA Allotment Committee, he stressed, but will make every attempt to work collaterally with it. We contemplate collaboration with the 1941 UJA Committee, MR. BLAUSTEIN added, but "our specific task will be the agencies other than those in the UJA."

MR. HYMAN asked whether the Council planned to limit the advisory committee's activities to agencies in the Palestinian and overseas fields which apply to welfare funds for support. MR. LURIE replied that he knew of no agency in these fields which did not apply for support.

MR. WATCHMAKER asserted that the advisory budget committee should limit itself, at least for the first year or two, to an examination and analysis of the organizations engaged in overseas, Palestine or refugee service, that function in the same or related fields of service or that supplement or relate to the work of the UJA organizations. He argued that this limitation should be made so that the communities would know exactly what the Council plans to undertake. MR. SHRODER stated it was not the intention of the Referendum Committee that the Council abandon the various type of budgetary reports which the Council now sends to its member agencies. MR. WARBURG remarked that the scope of the advisory committee should not be curtailed, since many communities may approach the Council for information about agencies in other fields. MR. LURIE gave as another reason why the

committee's scope should not be limited, the fact that communities may be confronted this fall with agencies dealing with social defense problems, citing the UJA as one such development.

MR. GOLDSTEIN protested that under the provisions of the Referendum Committee report the national advisory budget committee could examine and investigate the agencies in the UJA. He argued that the UJA Allotment Committee was set up for that purpose. MR. HOLLANDER pointed out that the UJA Allotment Committee will not become active until late fall when it will be seen whether there are any funds to allocate. He said that the advisory committee would begin functioning immediately and would be of assistance to communities writing in for information. Furthermore, he said, the Allotment Committee has no direct responsibility to the communities.

DR. LOWENSTEIN urged the Board not to place limitations on the work of the committee, stating that in these times of uncertainties it is impossible to foresee future developments. MR. LEVENTHAL felt that the committee should work with the UJA Allotment Committee but should not issue separate reports on the UJA agencies. In the event the Allotment Committee issues a report with which the Council disagrees, MR. LEVENTHAL said, the Council would have the right to make a restudy.

MR. GOLDSTEIN protested against the inclusion in the proposed program for 1941 of point 'f' which authorized the advisory committee to study: "efficiency in organization activities, overlapping of programs and other qualitative factors." MR. GOLDSTEIN said that qualitative factors were matters of personal opinion and that no one could decide, for example, whether it was more important to bring one Jew to Palestine or to save one Jewish life in Europe. MR. LURIE replied that the Council had no intention of going into the question of the relative importance of one type of work to another.

MR. BLAUSTEIN reminded Mr. Goldstein that the referendum had actually empowered the Council to go much further than the Council contemplated. The committee's report, he said, constituted the very minimum "we dare to do" in the face of so many of the agencies demanding additional fact-finding. MR. GOLDSTEIN said that he was not opposed to the establishment of the national advisory budget committee but felt that it should proceed slowly and that the Council could extend the committee's service next year after it has studied the first year's experience. MR. BLAUSTEIN felt that elimination of the word "evaluation" would leave the Board open to charges that it was attempting to "put something over" on the communities.

At this point MR. WATCHMAKER complimented the Referendum Committee stating that "it has been very generously mindful of the negative votes." MR. SHRODER suggested that the Board act on the report as a whole, leaving open the questions of finance and the membership of the committee.

MR. BLAUSTEIN MOVED that the report as amended be approved.
DR. LOWENSTEIN seconded the motion.

MR. SCHANFARBER voiced his opposition to approval of the report on the ground that the Council was making "its first and most serious mistake." Stressing that in his opinion the Council has done the most valuable piece of work of any organization on the American Jewish scene, MR. SCHANFARBER said that the Board, in approving the committee's report, would tear down the structure "that you men have so diligently struggled to build up." He said that the Board could not disregard the wishes of the Zionists, who constitute an important part of the local communities. Stressing that the welfare funds have done "a fine job" for Palestine and can still do it, MR. YOUNKER remarked that no opposition to Zionist ideology was embodied in

the Referendum Committee's report. He urged adoption of the report, contending that an adjustment between the two opposing factions was impossible of attainment. MR. WARBURG deplored the political issue which had been injected into the discussion and pleaded for unity. He said it was extremely necessary that the Council recognize and serve the wishes of all the communities. The advisory budget committee, he said, would be guided by the report of the Referendum Committee and would make a careful and thorough appraisal of all the facts.

Voicing confidence in the integrity, ability and knowledge of the men who will be appointed to the advisory budget committee, MR. LIEBERMAN asserted that the committee would heed the wishes of the substantial minority. He reminded the Board that "we owe just as much to those who voted for it as those who voted against it." DR. LOWENSTEIN praised the report as "moderate and temperate" in its approach.

MR. GOLDSTEIN said that he was heartily in favor of the report although he "regretted" some of its verbiage. He said that the communities would welcome the establishment of the advisory budget committee and urged further efforts to bring about cooperation and foster friendly relations among all groups.

MR. PEISER suggested that a letter embodying the spirit of the pleas for harmony and mutual understanding as made by Messrs. Warburg and Hollander, should accompany the reports when they are sent out to the communities. A letter of this type, he said, would prevent misunderstanding with regard to the fundamental spirit of the report.

MR. HOLLANDER said that if he felt that the purposes of the report would in any way be considered a criticism of the Zionist group or would have a detrimental effect on the Palestine cause, he would not vote for it. He voiced belief that the report would engender good will among both communities and national organizations.

MR. BLAUSTEIN repeated his MOTION to adopt the report as amended.

The MOTION was carried.

MR. SCHANFARBER asked that he be recorded as voting "no" on the ground that a serious mistake was made in the method of presenting and handling the problem.

MR. GOLDSTEIN MOVED that a letter, along the lines suggested by Mr. Peiser, be sent along with the report to the communities.

The MOTION was seconded by MR. PEISER and carried.

MR. YOUNKER MOVED that the President be authorized to name a Nominating Committee to submit the membership for the National Advisory Budget Committee covered by the report to a meeting of the Board the following morning. Members were requested to submit names to the Nominating Committee.

The MOTION was seconded by MRS. BORG and carried.

FINANCES FOR NATIONAL ADVISORY BUDGET SERVICE

MR. SHRODER mentioned that the Council's budget made no provision for the \$12,000 to \$15,000 which the new program would involve. He pointed out that current Council operations contemplated a deficit of \$10,000 or more at the end of the year. MR. WILLEN suggested that the needed funds be raised from welfare funds.

MR. BLAUSTEIN reported that Baltimore had allocated to the Council the same amount as last year with the provision that if the added service was included in the Council program, an additional \$500 would be given. He felt that the communities should be asked to contribute the additional funds needed before approaching individuals or foundations for support.

MR. HOLLANDER pointed out that most of the Allocation Committees had already allotted their funds for the year.

MR. GOLDSTEIN moved that a committee be appointed to work out quotas for member agencies and that a request be made of the member agencies based on quotas established as their contribution to the new program.

MR. SCHANFARBER thought it was a mistake to present the problem to the communities in this manner, arguing that emphasis on the special fund would encounter difficulties, particularly in communities which voted against the advisory budget service proposal.

MR. LURIE believed it would be more effective to ask the communities for an increased allocation for the general Council program rather than ask for a special fund. He reported that a number of cities, which had voted negatively, had written to the Council that they were in favor of increased fact finding.

MR. GOLDSTEIN MOVED that the Council agencies be requested to finance the program of the Council including the new service and that a committee be appointed to work out the best method of securing these funds from the local communities.

The MOTION was seconded by MR. BETTMANN and carried.

MR. HOLLANDER asked the following persons to serve on the Nominating Committee which was to meet that evening:

David Watchmaker, Chairman
Joseph Goldstein
Donald Kaffenburgh
Baron de Hirsch Meyer
Kurt Peiser
Charles J. Rosenbloom

The meeting was adjourned at 5:15 P.M.

May 18, 1941

1942 GENERAL ASSEMBLY

The Board authorized the President to appoint a Committee on Time and Place and Program for the 1942 General Assembly. The President appointed Samuel Markell, chairman, Harry Greenstein, Walter S. Hilborn, Albert Lieberman, George L. Levison, James Marshall, Stanley C. Myers, Maurice Taylor and Elkan C. Voorsanger.

REFERENDUM (continued from previous session)

MR. SHRODER reported to the Board that he had received telegrams from a number of communities from whom the Council had not previously heard. Two of these cities claimed that they had notified the Council of their vote. MR. ROSENWALD pointed out that some communities may have sent their ballots to the Committee on Referendum.

MR. GOLDSTEIN, arguing that the new ballots would not affect the report as adopted the previous afternoon since the report was designed to meet the needs of both the majority and minority, nevertheless felt that official cognizance should be taken of the telegrams.

MR. WATCHMAKER MOVED that the Board authorize the Chairman to acknowledge and answer the telegrams. MR. WARBURG seconded the motion.

After some discussion in which MESSRS. ROSENWALD, SHRODER, GOLDSTEIN, MAYER, BORG, HOLLANDER, WARBURG, BLAUSTEIN, WATCHMAKER and BETTMANN participated, a vote was taken and the MOTION was carried.

MR. YOUNKER MOVED that the Chairman's statement to the communities be prepared and sent out immediately.

The MOTION was carried.

The Board decided also to issue a preliminary report on the referendum to the Jewish press.

MR. HOLLANDER reported that the Nominating Committee to select names for the National Advisory Budget Committee had met the previous evening. MR. ROSENBLOOM, who was named to the Nominating Committee, sent word that he did not care to serve on the committee because of his opposition to the Board's action.

In suggesting names to serve on the national advisory budget service the committee had tried to balance several factors, MR. HOLLANDER said. Consideration was given to geographic distribution, distribution by cities, and the need to select men who represent all points of view and are capable of independent thought and judgment.

MR. WATCHMAKER read the lists of names prepared by the committee. Other names were suggested by Board members. (The final list of 33 names is on file at the office of the Council.)

Following a discussion involving procedure and the methods of narrowing down the list of 33 names to a smaller group, the Board agreed that the National Advisory Budget Committee should consist of nine persons.

A MOTION was made to authorize a committee of three, composed of MESSRS. BLAUSTEIN, HOLLANDER and SHRODER, to select the nine persons for the National Advisory Budget Committee from the panel of 33 names approved by the Board.

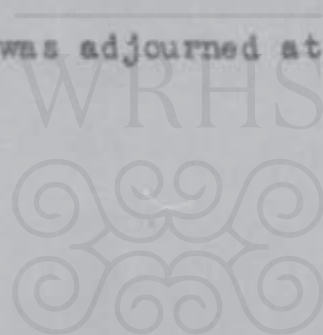
The MOTION was carried.

LONDON JEWISH HOSPITAL

MR. LURIE reported that the Council has received a communication from the London Jewish Hospital requesting the Council to help organize fund-raising for the London institution in America. MR. MAYER suggested that the letter be referred to the JDC for action.

MR. HYMAN pointed out that the Committee to Aid Britain, which raises funds in the United States for British needs, is conducted on a non-sectarian basis. He felt that the London Jewish Hospital should seek funds from the Committee to Aid Britain rather than from the welfare funds.

The meeting was adjourned at 2:30 P.M.



Summary of Proceedings
MEETING OF BOARD OF DIRECTORS
Council of Jewish Federations and Welfare Funds
New York City May 17-18, 1941

I. NATIONAL ADVISORY BUDGET SERVICE

The Committee of Tellers, headed by Joseph Goldstein, of Rochester, convened on the eve of the Board meeting and tabulated all ballots and other information pertaining to the nation-wide referendum on the national advisory budget service. All votes and other written communications available from member agencies in good standing at Council headquarters on May 16 were included in the final tabulation.

The following morning the Tellers Committee reported to the Board that the proposal had received 141 affirmative votes and 127 negative, with a number of agencies not voting. The Board accepted the report after considerable discussion and accepted the Committee's recommendation to count the ballots of three member agencies which had voted after April 1, the designated referendum closing date.

The Board then heard the report of the Committee on Referendum, headed by Jacob Blaustein, which was appointed at the Atlanta meeting of the Board last February to review the results of the referendum and to make its recommendations on the basis of the final tabulation.

The Committee report derived its recommendations from the opinions expressed by most of the member agencies that they wanted a more intensive fact-finding service. On the basis of the vote and these additional suggestions, the Committee recommended that the Board take immediate steps to expand the Council's present national advisory budget service, but to defer that type of fiscal evaluations that would involve specific recommendations on allocations and campaign quotas. It was agreed that the Council should proceed carefully and soundly, to meet the need for service and at the same time conform with the views expressed in the course of the referendum.

Because of the initial practical problems of procedure involved, the Committee recommended that the service to be developed for 1941, be experimental and consist primarily of a more thoroughgoing analysis of activities and programs. A Committee was named to proceed to develop the project.

A complete report of the Board action on the national advisory budget service was contained in General Bulletin G-5, distributed to member agencies on May 23. The Bulletin includes the report and recommendations of the Committee on Referendum as adopted by the Board, the report of the Committee of Tellers, and a tabulation of voting and summary of other actions and comments on the referendum proposals. Additional copies of General Bulletin G-5 are available at the Council offices.

II. COUNCIL FINANCES

Despite reductions in the budget for field service and other economies, the Council faces a deficit of approximately \$24,000 in its 1941 operating budget. The Board took steps to meet the deficit by authorizing the President to: (1) approach the United Jewish Appeal of New York for an allotment; (2) make an appeal to foundations for support; and (3) urge increased support from member agencies in view of the expanded services contemplated.

Members of the Board deplored the fact that some communities were not contributing to the Council in proportion to their financial ability. Inadequate contributions on the part of a few of the larger communities, the Board felt, have a harmful effect throughout the country, since the smaller communities use the big city gifts as a yardstick. After considerable discussion, the President was empowered to appoint a committee to strive for more equitable support of the Council from these communities.

III. REVISION OF BY-LAWS

Joseph P. Loeb, of Los Angeles, chairman of the Committee on Revision of the By-Laws, was unable to come East for the Board meeting but forwarded a number of suggestions which, he said, warranted thorough investigation and discussion. One of the points raised by Mr. Loeb and reviewed by the Board concerned the problem of voting representation - whether to retain the present system of representation on the basis of population or to adopt a policy of a fixed number of delegates and votes for each member agency.

In his preliminary report Mr. Loeb brought up the question of regional organizations, which are not mentioned or defined in the By-Laws. He suggested that the experience of working with the regions could now be crystallized, and that the By-Laws could more or less standardize regional organization and clarify the relationship of the regions to the Council. Included among the other points considered were the voting and accrediting of delegates, certification of delegates, unit voting and voting by proxy, methods and types of questions to be submitted to member agencies for

decisions, regional representation on the Board of Directors, and dues and provisional members.

The Board agreed that these problems required more intensive study and instructed the Committee to submit a complete report at the Fall meeting of the Board. The Board will act on the Committee's report and bring its recommendations to the 1942 General Assembly.

IV. GENERAL JEWISH COUNCIL

A committee was appointed at the General Assembly to determine whether the Council could be helpful in bringing about greater cooperation among the four defense agencies comprising the General Jewish Council. No formal meeting of the committee was held, according to the chairman, James L. White, of Salt Lake City but there were a number of individual interviews and other contacts. Shortly after the Atlanta Assembly, the Anti-Defamation League of B'nai B'rith and the American Jewish Committee announced a two-way joint fund-raising drive.

Mr. White submitted a personal report based on preliminary investigations in which he suggested that the Council endorse and encourage the two-way agreement. He expressed the belief that a joint fund-raising agreement for the four agencies was virtually impossible of attainment at the present time.

The Board took no action on Mr. White's informal suggestion. The consensus of opinion was that the situation warranted further study and deliberation.

V. UNITED JEWISH APPEAL

The Board authorized the President to cooperate with the UJA in suggesting names of leaders of welfare fund communities to serve on the 1941 UJA Allotment Committee. The procedure to be followed will be the same as used last year.

VI. UNITED SERVICE ORGANIZATIONS

The Board continued its policy concerning non-sectarian drives, urging American Jews to contribute to the USO national campaign for \$10,765,000 as individuals rather than through their welfare funds. Joseph Goldstein, who is familiar with USO activities, pointed out that the USO does not intend to appeal to Jewish organizations for support, but will solicit on an individual basis except in those cities where the campaign will be a Community Chest beneficiary. Jacob Blaustein urged the Board to make it clear that welfare funds should continue their contributions to the Jewish Welfare Board apart from individual contributions to the USO.

VII. EMPLOYEES DRAFTED UNDER SELECTIVE SERVICE ACT

It was unanimously agreed that the Council should adhere to a policy of rehiring all drafted employees when they are released from service. Employees who replace drafted workers should be informed of this policy. The Board decided that the question of extra compensation for drafted employees be handled individually.

VIII. MEETINGS OF THE BOARD ON THE SABBATH

On the request of Rabbi Abba Hillel Silver, member of Board, it was voted to omit Friday evening and Saturday day sessions, to hold meetings on Saturday evening and Sunday, and to renew experience to see whether such arrangements detract from the planned tasks of the Board meeting.

IX. 1942 NOMINATING COMMITTEE

A Nominating Committee was named to make selections for the officers of the Council (the president, three vice-presidents, secretary, treasurer) and for 13 members of the Board for a three-year term. Due to the resignation of Dr. Louis Levy, an additional nomination for one Board member for a two-year term is required.

X. 1941 GENERAL ASSEMBLY

The President of the Board was authorized to appoint a Committee on Time and Place and Program for the 1942 General Assembly.



May 26, 1941

FROM: Sidney Hollander, President

TO: Member Agencies of COUNCIL

At the meeting of the Board of Directors of the Council in New York City on May 17th and 18th, the results of the Referendum on the National Advisory Budget Service were reviewed.

The report of the Tellers on the Referendum (a copy of which is attached) indicated a divergence of opinion on the issues involved with a majority of the votes favoring the proposal. With due consideration given to all of the views expressed and recognizing the initial practical problems of procedure, the Board decided on a limited expansion of its regular advisory budget services for 1941.

The program on which the Referendum was held contemplated not only expanded fact-finding and evaluation of services, but also recommendations on financial needs, campaign goals and local quotas. The program decided upon for 1941 is more limited; it calls for an expansion of research and examination of expenditures and services only, but will not attempt to translate evaluations in terms of total budget requirements nor offer specific recommendations on financial needs or quotas for any organization. This, I think, goes part way towards meeting the wishes of those who voted affirmatively, and coincides with the wishes of those of the negative who wanted more than the Council had been giving but less than the Referendum contemplated.

Some of our members may feel that we have not gone far enough in this decision. But I think the Council Board acted wisely in proceeding slowly at the start, expanding the initial services only after they prove their usefulness. Until then, they will be considered as experimental.

The attached reports cover more fully the actions taken, and I commend them to your attention. They include:

1. Recommendations of the Committee on the Referendum, as adopted by the Board of Directors.
2. Report of the Committee of Tellers who audited the Referendum ballots and reviewed other information submitted to the Council office.
3. Tabulation of voting and summary of other actions and comments on the Referendum proposals.

In large measure, the value of these services will depend on the committee which will have responsibility for their development and operation. It is essential that this Committee be a well balanced group of thoroughly experienced persons. We are making every effort to enlist the services of such a group.

NATIONAL ADVISORY BUDGET SERVICE

GENERAL BULLETIN

FOR MEMBER AGENCIES

No

G - 5

1941

May 23, 1941

REPORT ON THE REFERENDUM ON NATIONAL ADVISORY BUDGET SERVICE

Report of the Committee on Referendum
as adopted by the Board of Directors,
May 17, 1941

Page

1

Report of the Committee of Tellers
on the Referendum Vote

6

Tabulation of Voting and Summary of other
Actions and Comments on the Referendum
Proposals

8

REPORT OF THE COMMITTEE ON REFERENDUM

As adopted by the

BOARD OF DIRECTORS

COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS

May 17, 1941



Members of the Committee

Jacob Blaustein, Baltimore, Chairman
Sidney Hollander, Baltimore
Solomon Lowenstein, New York
William Rosenwald, Greenwich
William J. Shroder, Cincinnati
Edward M. M. Warburg, New York
Ira M. Younker, New York

May 1941

REPORT AND RECOMMENDATIONS OF COMMITTEE ON REFERENDUM

Following the Atlanta Meeting of the Board in February, a Committee was appointed by Sidney Hollander, President, to review the results of the Referendum and prepare a report and recommendations to be submitted to the Board of Directors at its next meeting.* Meetings of the Committee were held on April 10, May 1 and May 16. There was available a preliminary tabulation of ballots received by the Council, information on additional member agencies that had taken various other forms of action, and a considerable amount of correspondence from voting and non-voting member agencies and individual leaders expressing a point of view on various aspects of the proposed service. The preliminary tabulation and a digest of correspondence and results are attached as appendices to this report.

A special Committee of Tellers consisting of Messrs. Joseph Goldstein, Rochester, Kurt Peiser, Philadelphia and Donald Kaffenburgh, Hartford, has been appointed by the President to prepare a final tabulation of votes on the Referendum.

Introduction

As of May 1, 1941, it was reported that 140 agencies** in 113 cities had sent in ballots or had notified the Council office on the results of the vote taken or of other action in regard to the proposal. The agencies that have voted or have taken other specific action represent cities with an estimated total Jewish population of 4,036,582. The agencies in 52 cities that have not reported are located mainly in smaller centers of Jewish population. The Committee believes that a sufficiently large and representative number of member agencies have taken action or expressed views to enable the Board to reach valid conclusions on the services desired by them.

A majority of the agencies voting have approved Proposition 1 on the Referendum "That the Council establish a national advisory budget service for national and overseas organizations appealing to local communities for support, as set forth in the report of the Committee to Study National Budgeting Proposals (Items 3,4,5,6, - P.8) which recommends that the Council set up fact-finding and

* Members of the Committee are: Jacob Blaustein - Chairman, Solomon Lowenstein, William Rosenwald, William J. Shroder, Edward M.M. Warburg, Ira M. Younker, Sidney Hollander - Ex-Officio.

** The term "agency" refers to local federations and welfare funds; the term "organization" in this report is used for the national and overseas agencies' appeals to welfare funds.

advisory services under an appropriate committee." A number of the member agencies voting affirmatively, offered additional explanations on their attitudes on the kind of services desired. Similarly a number of the minority who disapproved of specific aspects of the proposal indicated the kind of services they would welcome as extensions of present Council services.

The United Jewish Appeal was reconstituted for 1941 while the vote on the Referendum was proceeding and only a small number of member agencies expressed themselves on Proposition 2 in the Referendum, for an initial study of the needs of the JDC, the UPA and the NRS in 1941. When the 1941 UJA was announced, our member agencies were informed that action on Proposition 2 was no longer necessary.

The results of the Referendum indicate that a majority of the member agencies that voted, want the Council to develop more intensive and analytical fact-finding services, with the evaluation of programs of the organizations appealing to welfare funds, leading to recommendations on the individual and relative needs of these organizations to be developed by a properly constituted national committee. Among the minority of our member agencies who voted negatively on the first proposition, a number expressed a desire for more intensive and analytical fact-finding but were dubious or opposed to adding evaluation of organization programs or of relative financial needs, especially for those organizations that are considered as basic movements or involve ideologies that are controversial in character.

The member agencies that voted favorably on the Referendum re-affirmed the recommendations of the Committee that the proposed budget services were to be advisory only. These agencies indicated that they will give due consideration to the studies and the suggestions in the regular processes of local welfare fund budgeting.

General Recommendations

On the basis of the vote and the additional suggestions from our member agencies, this Committee recommends that the Board of Directors take immediate steps to expand its present national advisory budget service as hereinafter set forth, under an appropriate committee of the Council. In order to meet the needs for service requested and mindful of the views of all the agencies which expressed themselves, the Council should proceed carefully and soundly. In recognition of the initial practical problems of procedure involved, it is recommended that an experimental service be developed for 1941.

Specific Recommendations

We believe that the specific recommendations that follow meet the minimum requirements called for by the results of the Referendum.

(1) A Council Committee to be known as the National Advisory Budget Committee should be appointed by the president with the approval of the Board of Directors, consisting of not less than nine nor more than fifteen persons. This Committee shall have responsibility for all its studies, service in an editorial capacity, and approval^{of} all reports to be transmitted to member agencies. It shall have the authority to appoint sub-committees on specific organizations or fields of service, and to appoint advisory committees including representatives of organizations being studied.

(2) The present fact-finding and budgeting service of the Council* should be supplemented by such additional regular and special staff as may be required to conduct the services herein contemplated including research, accounting and clerical personnel. The approximate cost of such additional services, at the start, is estimated at \$12,500 to \$15,000 per year.

(3) Program for 1941

A. The National Advisory Budget Committee should address itself in 1941 to an examination and analysis of the organizations engaged in overseas, Palestine or refugee service, that function in the same or related fields of service or that supplement or relate to the work of the UJA organizations; but this limitation shall not prevent the National Advisory Budget Committee from considering and reporting on the UJA agencies should necessity arise. The Council advisory budget service for 1941 shall work collatorally with, and supplement, the work of the Allotment Committee and the Inquiry of the UJA, and will at all times hold itself in readiness to cooperate with them.

* For a brief statement of present Council fact-finding and budgeting service, see page 5.

4

Agencies in other fields shall also be considered for study if staff resources are available.

Nothing herein contained shall limit the Council from furnishing the budgetary services heretofore rendered.

B. Subject to paragraph C, the fact-finding and analytical procedures to be undertaken will include:

- (a) Intensive examination of all basic financial records, including those of the ultimate spending organizations,
- (b) Collection of periodic service data for all organizations and subsidiaries,
- (c) Study and description of needs met by the organization and by other resources in the same field,
- (d) Examination of administrative and fund raising processes,
- (e) Examination of results of the services provided by organizations,
- (f) Efficiency in organization activities, overlapping of programs and other qualitative factors.

C. Reports issued on evaluations of organizations will be limited to analysis and descriptions of functional services, administration and fund raising procedures, the problems with which the organization deals, and the results of services rendered. The reports in 1941 will not attempt to translate evaluations in terms of total budget requirements and no specific recommendations will be offered to member agencies on approved minimum or maximum financial needs of any organization. If as a result of the studies undertaken, the Committee concludes that it is possible to arrive at individual or relative budget evaluations, it shall so report to the Board of Directors of the Council.

(4) Program Beyond 1941

The National Advisory Budget Committee shall undertake to study all developments and progress made during 1941 and make recommendations to the Board of Directors of the Council on the program of service to be undertaken in 1942. It shall advise the Board on the values of its 1941 services, utilization by member agencies and other pertinent facts. It shall recommend to the Board the fields of work and organizations to be studied in 1942 and such extension of its functions in evaluations and budget recommendations to communities as may seem desirable.



Present Fact-Finding and Budgeting Service

For a number of years, the Council has been engaged in the development of a budget service for its member agencies. This reporting service on national and overseas organizations has been limited to the preparation of standard reports based upon financial audits and other available records of administration and service secured from the organizations. Items of income and expenditure have been classified and the scope and extent of organization operations are described. Where available, annual service statistics have been secured. The information is assembled in a condensed report consisting of statements believed to be factual and referred to an editorial committee of the Council for review prior to submission to our member agencies.

The Council has an arrangement with the Social Service Department of the Vaad Leumi of Palestine for direct reports, similar in character to our own, on the traditional educational and philanthropic institutions of Palestine. Reports received from this source are submitted directly to our member agencies without editing or revision. The JDC has made available to the Council information of a similar type of the yeshivoth and other traditional institutions of Eastern Europe which also are submitted directly to our member agencies without editing or revision.

The present budget reporting service of the Council includes some aspects of analysis and evaluation so far as these have been feasible within the limitations of the studies undertaken. Opinions are expressed on new appeals if they obviously duplicate existing efforts or if they are defective in organization or pursue unethical practices in fund raising or service programs. On a number of occasions, statements by Council officers, welfare fund leaders or major agencies such as the JDC and the UPA have been used as a basis for defining the validity of the appeals.

One field of service - that of institutions for the care of the tuberculous - was evaluated in 1938 as a joint project undertaken by the Council and the organizations. Expert information was secured on the needs for national and local Jewish hospitals in this field and recommendations made for adjusting the existing institutions to Jewish local and national needs.

REPORT OF THE TELLERS ON THE REFERENDUM VOTE

The Committee of Tellers on the Referendum, appointed by the President of the Council, Mr. Sidney Hollander, met on Friday, May 16, at the office of the Council and received all the ballots and information on votes taken by member agencies that had been received by the Council office. Using a preliminary tabulation of the material that had been prepared by the Council office as the basis, the Committee of Tellers scrutinized each ballot or information from member agencies and arrived at the following final tabulation.

✓ The Committee reports that 62 agencies in 54 cities voted affirmatively for proposition No. 1 set forth in the ballot submitted to them. These agencies are entitled to a total of 141 votes based on the number of agencies and Jewish population as provided in the By-Laws of the Council. The population figures used were taken from the American Jewish Year Book for 1940-41, but were not verified by the Committee.

Included in the above tabulation are votes from Indianapolis and Jacksonville which were the result of action taken by those agencies after April 1, 1941. All of the other ballots were based on votes taken on or before April 1, 1941, excepting the United Jewish Welfare Fund of Stockton, California, which took action after April 1 and indicated its voting by telegram signed by the President and Secretary, not on the official ballot. The Committee, however, included these in the total tabulation above set forth. Also, Buffalo did not send in its vote on the official ballot but sent a letter signed by the President setting forth a resolution in favor of the proposition.

The Committee rejected the vote of the Jewish External Welfare Fund of Vancouver, B.C. because there is no clear indication that a vote had been taken by this agency.

✓ The number of agencies which voted in the negative on proposition No. 1 is 57 in 53 cities. These agencies are entitled to a total of 127 votes. One agency, the Federation of Jewish Charities of Little Rock sent in their ballot on April 9. The ballot from the Essex County Council of Jewish Agencies of Newark, N.J. was not received by the Council office until May 15, 1941, although it appears from the ballot that the vote was taken on March 31, 1941.

The following three agencies sent letters indicating their negative vote - Jewish Federation of Social Service and United Jewish Council of Dayton, Ohio and the Jewish Welfare Association of Spokane, Washington.

The Committee rejected the ballot of the Jewish Welfare League of Canton, Ohio because of its failure to pay dues to the Council for the past five years. The By-Laws of the Council provide that "agencies which are in arrears in the payment of dues for a period of two years or more shall be deprived of representation at the General Assembly."

In computing the tabulation - the number of votes given to Detroit was 4 instead of 6. From information given to the Committee, it appears that Detroit has only one member agency in the Council and as such is entitled to 2 votes plus 2 additional votes for population.

We have not examined the comments or letters which came from those cities and agencies that did not vote, but considered the referendum and made a report to the Council. These should be considered by the Board. Additional information on the agencies which did not vote or from which no information was received is set forth in the tables included in the Report.

Respectfully submitted,
Joseph Goldstein, Rochester
Donald Kaffenburgh, Hartford
Kurt Peiser, Philadelphia

Committee of Tellers
May 16, 1941

At the meeting on May 17, the Board took the following actions:

1. Watertown, N.Y., Centralia, Wash., Canton Jewish Welfare League and Vancouver External Welfare Fund were eliminated -- the first two because of discontinuance of membership, the third on non-payment of dues since 1936, the fourth because of the ballot already cast by the Jewish Administrative Council.
2. Tellers' action approved in including the three agencies which voted after April 1, and in not counting cities such as Cincinnati, which had acted on a compromise proposal, not specifically on the Referendum proposal.
3. Received information that a number of agencies had taken action on Referendum without advising Council of results of such action. Decided to limit official Referendum tabulation to action taken by member agencies and received by the Council in time for action by the Tellers' meeting on May 16.
4. Accepted the report and count of the Tellers Committee as originally submitted.

Tabulation of Voting and Summary of Other Actions and Comments on the Referendum Proposals

At the General Assembly of the Council held at Atlanta February 1, 2 and 3, 1941 the Committee on the Study of National Budgeting Proposals submitted its Report, recommending to member agencies the establishment of a national advisory budget service in relation to local budget processes. A Minority Report was presented by Mr. Henry Montor, recommending increased fact-finding services but opposing evaluation of agency needs and programs.

At the meeting of the Board of Directors of the Council on February 1, 1941 the Committee Report was approved and referred to the Assembly for action the following day with the recommendation that the Committee and Minority Reports be submitted to the member agencies of the Council for a referendum vote through an appropriately constituted questionnaire, to be completed April 1, 1941. These motions were adopted by the Board of Directors with a vote of 17 to 5.

At the meeting of the Board of Directors on February 2, a committee was appointed to draft the questionnaire and carry on the referendum process, consisting of the President of the Council, Chairman of the Board, Chairman of the Committee to Study National Budget Proposals. These individuals were given authority to add other persons to the Referendum Committee. The members of the Committee are Mr. Jacob Blaustein, chairman, Solomon Lowenstein, William Rosenwald, William J. Shroder, Edward M.M. Warburg, Ira M. Younger, with Sidney Hollander ex-officio.

The Committee prepared the referendum ballot which, with a letter of transmittal, was sent out officially to all member agencies of the Council on February 26th. Accompanying the ballot were: 1) copies of the Report of the Committee on the Study of National Budgeting Proposals which had been approved by the Council's Board of Directors, 2) the Minority Report submitted by Mr. Montor and 3) a list of member agencies and the number of votes to which each is entitled which had been prepared for the use of the General Assembly.

Mr. Jacob Blaustein, Mr. William Rosenwald, the co-chairmen of the Committee, Mr. Sidney Hollander, president and Mr. William J. Shroder, chairman of the Board of Directors, each prepared individual letters or statements on the referendum, which were mailed to our member agencies and to key leaders in our member agency cities. The staff of the Council was asked to prepare a general statement setting forth the development of the proposal for budgetary service and other relevant facts, which was sent out in a document entitled "Facts - A Manual for Discussion". A committee on the referendum in opposition to the proposals of the Majority Report had been established independently of the Council, and had sent letters and material to a large number of individuals in our member agency cities, urging them to vote against the proposal.

On March 21, 1941, the executive director of the Council sent out a reminder to member agencies from whom replies on the Referendum had not yet been received.

Action on Referendum (see Table I)

(Corrected as of May 18, 1941 on basis of decisions of
Committee of Tellers)

A close check of member agencies entitled to vote resulted in a list of 198 eligible agencies in 167 cities. This includes two cities with small Jewish population -- Watertown, N.Y. and Centralia, Washington -- which were members of the Council at the time of the General Assembly but subsequently dropped their membership. Watertown voted against the referendum; Centralia did not vote but the president of the Centralia organization indicated that his agency would approve the Referendum if they were continuing as a member agency of the Council. These two agencies have not been included in the present tabulation.

In the tabulations, votes were assigned according to the provisions of the Council By-Laws as follows:

- (1) Agencies having two votes were assigned these values as indicated in the original list.
- (2) Single agencies in cities entitled to credits for population have been tabulated on the basis of the most recent estimates of Jewish population as reported in the American Jewish Year Book for 1940-41.
- (3) With two member agencies in one city, both voting, we have credited each agency with two votes plus one-half of the extra votes available on the basis of population.
- (4) Where only one agency of two eligible agencies voted, it has been credited with the two votes to which it is entitled, plus the credit for population.

One hundred and twenty-one member agencies in 105 cities voted and sent in their ballots or informed the Council office of such vote. In 97 cities, all of the eligible agencies, numbering 113, voted on the Referendum. In 8 cities with 16 member agencies, one agency voted and the other did not. Eleven agencies in 8 cities did not vote directly on the ballot, but informed us that the proposal had been discussed and the agency had tabled the Referendum or had decided not to vote. (See Table I.) A number of agencies indicated their points of view in special resolutions or letters.

Affirmative Votes - (see Table II)

In 49 cities all eligible member agencies (58) voted affirmatively. In three cities, one member agency voted favorably, the other did not. In two cities, one of the two eligible member agencies voted affirmatively with the other agency voting negatively. Ballots have been received from 59 agencies in 51 cities voting on April 1 or before. Two additional agencies in 2 cities voted after April 1. Two agencies in 2 cities sent a confirming letter or telegram but did not submit a formal ballot.

Sixty-three agencies that voted affirmatively have an estimated total of 143 voting points, including the two agencies with 4 votes that took action after April 1. (Ballots have been received for 61 agencies in 53 cities with 139 votes.) In addition 2 agencies with 4 votes reported affirmative action but sent no ballot. (See Table II attached)

Negative Votes (see Table III)

Negative ballots or reports of votes were received from 58 agencies in 53 cities. Fifty-one agencies in 46 cities represented all eligible voting agencies in these cities. In five cities one member agency voted in the negative; the other eligible agency not voting. In two cities - Bridgeport and Los Angeles - one member agency voted for and one against the proposal.

The 58 agencies in 53 cities voting negatively are entitled to 131 votes. Ballots have been received from 54 agencies in 50 cities entitled to 121 votes, including one agency (2 votes) that took action after April 1. In addition 4 agencies with 10 votes reported negative action but sent no ballot.

Other Action or Not Reported

In 8 cities with two member agencies - Table IV A - only one agency voted. Eleven agencies in 8 other cities did not vote but reported other type of action, including special resolutions. No direct information has been received from 52 cities with 56 member agencies that have a total Jewish population of 233,973.

General Observations

There are no sharp differences between large and small communities. In 23 cities with 20,000 or more Jewish population, the tabulated score is 42 votes for and 31½ votes opposed. In cities between 10,000 and 20,000, there is an approximately equal division on the Referendum. Cities under 10,000 population gave 82 votes for and 80 against the proposal.

Affirmative votes in 54 cities represent a Jewish population of 1,861,681. Negative votes in 53 cities represent a Jewish population of 819,063. Eight cities with 1,257,868 population (including Brooklyn) did not vote on the Referendum but took special action such as tabling, deferment or special resolution. In two cities, where one member agency voted affirmatively and the other voted negatively, there is an estimated Jewish population of 98,970. Many reservations and comments from organizations, individuals and national agencies were received. They give testimony to the attitudes of agencies and leaders in both the affirmative and negative groups. The following generalizations can be drawn.

On the Affirmative Side

Local communities find it difficult to reach budgetary decisions because of lack of information and pressures from partisan groups. The present services of the Council, while useful, are too limited in scope. Agencies would like to see the Council develop an intensive service of fact-finding with a competent group authorized to study and review these findings, evaluate them and make suggestions on organization needs. They recognize that the community itself must make final decisions on distribution of funds and that the wishes of local contributors are of primary importance. They believe that carefully formulated evaluations secured in a national fact-finding process will be of value to local budget procedures for the following reasons:

(a) No matter how much effort is expended in local studies, the most intensive job that can be undertaken locally is not adequate for intelligent budgeting; only an all year-round intensive study can hope to achieve a thorough approach to understanding the work of organizations making appeals to welfare funds.

(b) The more enlightened the local community can become concerning the organizations which it supports, the more effective will be the results of campaigns for funds.

(c) A compendium of facts which is not analyzed or interpreted by a competent group which has undertaken the entire process of fact-finding and analysis would have limited value to a local budget committee. Local budget committees want to know what the data mean to a competent impartial group that has studied the facts more closely than is possible in most local communities.

(d) A national budget service will serve to promote local unity and eliminate much of the friction and competition between local partisan groups.

On the Negative Side

Many of those who voted negatively emphasized the fact that they accepted the recommendations of the Minority Report, asking the Council to increase and intensify its fact-finding services but to avoid the process of evaluation or recommendations on relative needs of organizations. They expressed doubts on the ability of a national committee to be non-partisan in weighing the programs of varying and often controversial causes. On the other hand, many of those who replied to a special letter sent out by the executive director, were in favor of national budgeting if undertaken by the national organizations combining into group appeals. So far as we can ascertain, the reason for the acceptance of national budgeting by the organizations themselves, and the disapproval of advisory recommendations from a national committee set up by the Council, depend upon the following arguments:

(a) National budgeting arrived at cooperatively by national organizations with participation of neutral members representing welfare funds is a guarantee that the leaders of national organizations have safeguarded the interests of the local partisans and supporters of these causes.

(b) A committee set up by the Council presumably would work independently of the representatives of the national and overseas causes. It is questioned that conclusions reached by such a committee would have the approval of the national and overseas organizations. Doubts were also expressed on the ability of the Council to establish a committee which would be representative of the national causes and their local supporters and partisans.

TABLE I. SUMMARY OF REFERENDUM ACTION

Action Taken by April 1, and After	Number of Votes	Number of Agencies	Number of Cities	Jewish Population
Affirmative Action - Ballot by April 1	135	59	51	1,844,776
Affirmative Action - Ballot after April 1	4	2	2	15,670
Affirmative Action Reported - No Ballot	<u>2</u>	<u>1</u>	<u>1</u>	<u>1,332</u>
Total Affirmative Reports	<u>141(b)</u>	<u>62(b)</u>	<u>54(a)</u>	<u>1,861,651(c)</u>
Negative Action - Ballot by April 1	115	52	49	720,855
Negative Action - Ballot after April 1	2	1	1	2,300
Negative Action Reported - No Ballot	<u>10</u>	<u>4</u>	<u>3</u>	<u>95,678</u>
Total Negative Votes	<u>127(b)</u>	<u>57(b)</u>	<u>53(a)</u>	<u>819,633</u>
No Votes but Reported Action (d)	<u>32</u>	<u>11</u>	<u>8</u>	<u>1,257,265</u>
No Votes from Second Agency in Voting City	<u>16</u>	<u>8</u>	<u>8</u>	<u>430,425</u>
Total Reporting Agencies	<u>316</u>	<u>139</u>	<u>113(b)</u>	<u>4,037,582(f)</u>
No Votes or Information as of May 18, 1941	<u>114</u>	<u>56</u>	<u>52</u>	<u>233,973</u>
Totals - All Agencies	<u>430(e)</u>	<u>195(e)</u>	<u>165(f)</u>	<u>4,271,555(e)</u>

- (a) Includes Los Angeles and Bridgeport with divided votes of two member agencies.
 (b) Unduplicated Count.
 (c) Does not include population figures for Los Angeles and Bridgeport.
 (d) Action includes Tabling, deciding to take no action or special resolution.
 (e) Does not include Jewish Welfare League, Canton (see Report of Tellers).
 (f) Does not include Centralia, Wash., and Watertown, N.Y., who discontinued membership after February 1, 1941.

TABLE II. AFFIRMATIVE ACTION ON REFERENDUM

City and Agency	Date Voted	No. of Votes	Jewish Population*
<u>1. Agency Votes on or Before April 1</u>			
Alexandria, Jewish Welfare Federation	3-27	2	585
Altoona, Federation of Jewish Philanthropies	3-28	2	1,800
Atlanta, Jewish Welfare Fund	3-25	2	12,000
Federation for Jewish Social Service	3-26	2	
Atlantic City, Federation of Jewish Charities	2-27	2	12,800
Baltimore, Associated Jewish Charities	3-13	4(a)	73,000
Bridgeport, Jewish Welfare Bureau and Children's Society	3-10	2	13,765
Buffalo, Jewish Federation for Social Service	2-10	3	21,880
Butler, Jewish Community Chest	3-27	2	325
Chattanooga, Jewish Welfare Federation	3-18	2	3,800
Chicago, Jewish Welfare Fund	3-20	4	370,956
Jewish Charities	3-31	4	
Dallas, Jewish Federation for Social Service	3-31	2	10,400
Davenport, Jewish Charities	3-28	2	710
Des Moines, Jewish Welfare Fund	3-6	2	4,000
Erie, Jewish Community Council	3-25	2	1,000
Evansville, Jewish Community Council	3-25	2	1,765
Fargo, Fargo Jewish Community	2-28	2	475
Fresno, Jewish National Welfare Fund	3-31	2	935
Hamilton, United Jewish Welfare Fund	3-7	2	3,000
Hammond, United Jewish Appeal	4-1	2	1,930
Helena, Federated Jewish Charities	3-7	2	220
Kansas City, Jewish Welfare Federation	3-2	2 $\frac{1}{2}$	28,100
United Jewish Charities	3-13	2 $\frac{1}{2}$	
Lima, Allied Jewish Appeal	3-7	2	470
Lincoln, Jewish Welfare Federation	3-5	2	1,200
Los Angeles, Federation of Jew. Welfare Orgs.	4-1	3	85,205
Memphis, Jewish Welfare Fund	3-26	2	13,350
Minneapolis, Federation for Jewish Service	3-6	3	20,700
Monroe, United Jewish Charities of N.E. La.	3-28	2	320
Montgomery, Jewish Federation	3-10	2	2,400
Nashville, Jewish Community Council	3-30	2	4,200
New Orleans, Jewish Welfare Fund	3-27	2	8,700
Jewish Charitable & Educ. Fed.	3-27	2	
New York, Fed. for the Support of Jew. Phil. Soc.	3-31	6	1,092,355
Oakland, United Jewish Welfare Fund	3-27	2	8,669
Jewish Federation	3-27	2	
Peoria, Jewish Welfare Fund	3-3	2	1,570
Richmond, Jewish Community Council	3-26	2	7,500

TABLE II. (Cont.)

City and Agency	Date Voted	No. of Votes	Jewish Population*
<u>1. Agency Votes on or Before April 1 (Cont.)</u>			
Sacramento, United Jewish Welfare Fund	3-31	2	1,225
Saginaw, Jewish Welfare Federation	3-25	2	475
St. Louis, Jewish Federation	3-24	3	51,000
Jewish Welfare Fund	3-24	3	
Salt Lake City, United Jewish Council	3-2	2	2,535
San Antonio, Jewish Social Service Federation	3-27	2	6,900
San Diego, United Jewish Fund	3-6	2	5,000
San Francisco, Jewish National Welfare Fund	3-11	2 $\frac{1}{2}$	40,900
Federation of Jewish Charities	3-14	2 $\frac{1}{2}$	
San Jose, Jewish Welfare Fed. and Community Council	3-27	2	580
Seattle, Federated Jewish Fund	3-24	2	14,500
Jewish Welfare Society	3-7	2	
Sheffield, Muscle Shoals Federated Charities	3-9	2	110
Vancouver, Jewish Administrative Council	3-10	2	2,220
Vicksburg, Jewish Welfare Federation	2-28	2	378
Virginia, Federation for Jewish Service	3-18	2	135
Wichita, Mid-Kansas Jewish Welfare Federation	3-17	2	1,315
Williamsport, Federation of Jewish Charities	3-26	2	825
Wilmington, Jewish Federation of Delaware	3-20	2	6,200
Winston-Salem, Jewish Community Council	3-27	2	315
Sub-Total for 59 Agencies in 51 Cities		135	1,844,776(b)
<u>2. Agency Votes After April 1</u>			
Indianapolis, Jewish Federation	4-3	2	10,850
Jacksonville, Jewish Community Council	4-2	2	4,820
Sub-Total for 2 Agencies		4	15,670
<u>3. Information from Agency but No Ballot</u>			
Stockton, National Jewish Welfare Fund	After 4-1	2	1,235
GRAND TOTAL FOR 62 AGENCIES IN 54 CITIES		141	1,861,681(b)

* Represents area covered by the agency; figures for 1937 as given in American Jewish Year Book for 1940-1941.

- (a) Only one agency in the city voted; the voting agency therefore credited with the additional votes available to the city on the basis of Jewish population.
- (b) Exclusive of population of two cities in which one agency voted favorably and one voted unfavorably (98,970); Bridgeport - 13,765; Los Angeles - 85,205.

TABLE III. NEGATIVE ACTION ON REFERENDUM

City and Agency	Date Voted	No. of Votes	Jewish Population*
<u>1. Agency Votes on or Before April 1</u>			
Albany, Jewish Community Council	3-18	2	9,400
Albuquerque, Federation of Jewish Charities	3-18	2	450
Asheville, Federated Jewish Charities	3-12	2	950
Bayonne, Jewish Community Council	2-24	2	12,900
Bridgeport, Jewish Community Council	2-10	2	13,765
Camden, Federation of Jewish Charities	3-26	2	3,600
Canton, Jewish Welfare Fund	3-24	2	4,300
Columbus, United Jewish Fund	3-18	2	9,250
Detroit, Jewish Welfare Federation	3-25	4	92,645
Duluth, Jewish Welfare Federation	3-6	2	3,700
Easton, Jewish Community Council	3-26	2	1,800
Fitchburg, Jewish Community Council	3-27	2	795
Fort Wayne, Jewish Federation	2-27	2	1,960
Harrisburg, United Jewish Community	3-20	2	4,900
Holyoke, United Jewish Appeal	3-4	2	1,870
Joplin, Jewish Welfare Fund	2-24	2	275
Johnstown, United Jewish Appeal	3-3	2	1,300
Knoxville, Federation of Jewish Charities	3-10	2	1,700
Los Angeles, Jewish Community Council	3-26	3	85,205
Louisville, Jewish Welfare Federation	3-27	2	13,800
Conference of Jewish Organizations	3-30	2	
Lowell, United Jewish Appeal	3-24	2	2,420
Madison, Jewish Welfare Fund	3-25	2	1,350
Miami, Greater Miami Jewish Federation	3-31	2	8,900
Milwaukee, Jewish Welfare Fund	3-6	3	29,600
New Bedford, Federation of Jewish Organizations	3-6	2	4,520
New Haven, Jewish Community Council	3-26	3	24,700
Newburgh, United Jewish Charities	3-6	2	2,220
Omaha, Federation for Jewish Service	3-14	2	11,500
Philadelphia, Allied Jewish Appeal	3-31	5(a)	293,000
Pittsburgh, Federation of Jewish Philanthropies	3-13	3	52,000
United Jewish Fund	3-13	3	
Portland, Oregon Jewish Welfare Fund	3-11	2	10,700
Reading, Jewish Community Council	4-1	2	3,000
Rochester, United Jewish Welfare Fund	3-31	3	23,400
Rockford, Federation of Jewish Charities	3-11	2	720
Rock Island, United Jewish Charities	3-20	2	1,900
St. Paul, Jewish Welfare Association	2-19	2	14,000
United Jewish Fund	3-5	2	
Schenectady, United Jewish Appeal	3-10	2	3,750
Sharon, United Jewish Appeal of Shenango Valley	3-10	2	585
Sioux City, Federation of Jewish Social Service	3-3	2	3,500
Springfield, Mass., Jewish Welfare Fund	3-20	2	12,270

Table III (Cont.)

City and Agency	Date Voted	No. of Votes	Jewish Population*
Steubenville, Jewish Community Council	2-11	2	1,000
Tacoma, Federated Jewish Fund	2-27	2	900
Trenton, Jewish Federation	3-10	2	9,650
Troy, United Hebrew Charities	3-24	2	3,120
Tulsa, Jewish Community Council	2-10	2	2,850
Utica, Jewish Community Council	3-10	2	3,650
Warren, O., Jewish Federation	2-17	2	650
Washington, Jewish Community Council	3-5	2	18,540
Wilkes Barre, Wyoming Valley Jewish Committee	3-19	2	6,200
Sub-Total for 52 Agencies in 49 Cities		115	720,585(b)
2. <u>Agency Votes After April 1</u>			
Little Rock, Federation of Jewish Charities	4-9	2	2,500
3. <u>Information from Agency but No Ballot</u>			
Dayton, Jewish Federation for Social Service	4-1	2	5,000
United Jewish Council	3-7	2	
Newark, Essex County Council of Jewish Agencies	3-26	4	89,470
Spokane, Jewish Welfare Association	3-26	2	1,200
Sub-Total for 4 agencies in 3 cities		10	95,670
GRAND TOTAL - 57 AGENCIES IN 53 CITIES		127	819,063(b)

* Represents area covered by the agency, figures for 1937 as given in the American Jewish Year Book for 1940-1941.

(a) Only one agency in the city voted; we therefore credited the voting agency with the additional votes available to the city on the basis of Jewish population.

(b) Exclusive of population of two cities in which one agency voted favorably and the other voted unfavorably (98,970): Bridgeport - 13,765; Los Angeles - 85,205.

TABLE IV A. CITIES IN WHICH ONE OF THE TWO ELIGIBLE AGENCIES DID NOT VOTE

City and Agency	No. of Votes Allowed	Jewish Population*
Baltimore, United Jewish Appeal	2 (a)	73,000
Columbus, Jewish Welfare Federation	2	9,250
Hamilton, Ont., The Jewish Social Services	2	3,000
Philadelphia, Federation of Jewish Charities	2 (a)	293,000
Portland, Federated Jewish Societies	2	10,700
Springfield, Mass., Jewish Social Service Bureau	2	12,270
Washington, United Jewish Appeal	2	18,350
Indianapolis, Jewish Welfare Fund	2 (b)	10,850
8 Agencies in 8 Cities		(430,420)

(a) The voting agency was credited with the additional votes available to the city on the basis of population.

(b) This agency tabled the referendum on 4/3.

* Represents area covered by the agency; figures for 1937 as given in American Jewish Year Book for 1940-1941.

TABLE IV B. CITIES AND AGENCIES THAT DID NOT VOTE BUT CONSIDERED THE REFERENDUM AND MADE A REPORT TO THE COUNCIL

City and Agency	Date of Consideration	No. of Votes Allowed	Jewish Population*
Boston, Associated Jewish Philanthropies	NR	3	130,330
United Jewish Campaign	NR	3	
Brooklyn, Bklyn. Federation of Jew. Charities	3-31	6	974,765
Cincinnati, Jewish Community Council	4-2 (a)	2½	21,800
United Jewish Social Agencies	4-9 (a)	2½	
Cleveland, Jewish Welfare Fund	3-13	3	91,073
Jewish Welfare Federation	3-13	3	
Hartford, Jewish Welfare Fund	3-19	3	24,680
Houston, Jewish Community Council	3-19	2	13,500
Waco, Jewish Federated Charities	3-27	2	1,150
Butte, Jewish Welfare Chest	4-?	2	270
11 Agencies in 8 Cities			(1,257,868)

(a) Special resolution passed.

* Represents area covered by agency; figures for 1937 as given in American Jewish Year Book for 1940-1941.

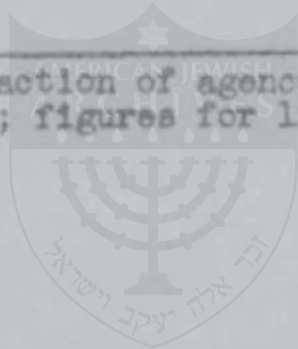
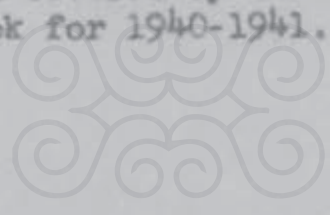
NR Not Reported.

TABLE IV C. CITIES IN WHICH NO ACTION WAS TAKEN OR NO
INFORMATION RECEIVED PRIOR TO MAY 18, 1941*

City and Agency	No. of Votes Allowed	Jewish Population*
Akron, Jewish Federation	2	8,400
Jewish Welfare Fund	2	
Allentown, United Jewish Campaign	2	3,000
Bakersfield, United Jewish Welfare Fund of Kern County	2	425
Bay City, Northeastern Michigan Jewish Welfare Federation	2	770
Binghamton, Jewish Community Council	2	2,900
Birmingham, United Jewish Fund	2	5,300
Brockton, United Jewish Appeal	2	3,200
Corpus Christi, Jewish Welfare Fund	2	643
Cumberland, Jewish Community Fund	2	880
Edmonton, Alb., Jewish Federation	2	1,057
El Paso, Jewish Federation	2	2,250
Elgin, Jewish Welfare Chest	2	565
Flint, Federation of Jewish Charities	2	1,700
Fort Worth, Jewish Federation	2	2,200
Galveston, United Jewish Welfare Association	2	1,200
Gary, Jewish Welfare Federation	2	2,450
Huntington, Federated Jewish Charities of Huntington, Inc.	2	810
Joliet, Jewish Welfare Chest	2	590
Lafayette, Federated Jewish Charities	2	300
Lancaster, Organized Jewish Charities	2	1,700
Lansing, Federated Jewish Charities	2	500
*Long Beach, Cal., United Jewish Welfare Fund	2	2,570
Middletown, N.Y., United Jewish Appeal	2	950
*Niagara Falls, Jewish Federation	2	1,200
Norfolk, United Jewish Fund	2	8,500
Passaic, Jewish Community Council	2	12,496
Petersburg, United Jewish Community Fund	2	393
*Pontiac, Federated Jewish Charities	2	550
Providence, Jewish Federation for Social Service	3	23,800
Raleigh, Federated Jewish Charities	2	334
Riverside, Riverside County Jewish Joint Distribution Com.	2	150
Roanoke, United Jewish Appeal	2	470
Salem, O., Jewish Federation	2	50
Santa Ana, United Welfare Fund of Orange County	2	315
Savannah, United Jewish Appeal	2	3,900
*Scranton, United Jewish Appeal	2	9,800
Jewish Federation	2	
*Selma, Jewish Welfare Fund	2	325
*Sheboygan, Federated Jewish Charities	2	1,000
Sioux Falls, Jewish Welfare Fund	2	425
South Bend, Jewish Welfare Fund of St. Joseph Valley	2	2,850

City and Agency	No. of Votes Allowed	Population*
Syracuse, Jewish Welfare Federation	2	14,500
Toledo, United Jewish Fund	2	10,500
Jewish Federation	2	
Toronto, United Jewish Welfare Fund	2 ¹ / ₂	46,751
Federation of Jewish Philanthropies	2 ¹ / ₂	
Tyler, Federated Jewish Charities	2	650
*Waterbury, Jewish Federated Appeal	2	5,800
West Palm Beach, Federated Jewish Charities	2	500
Wheeling, Jewish Community Council	2	1,150
Windsor, Ont., United Jewish Welfare Fund	2	2,517
Winnipeg, Jewish Welfare Fund	2	17,660
Worcester, Jewish Welfare Fund	2	13,300
York, Jewish Organized Charities	2	935
Youngstown, Jewish Federation	2	6,650
56 Agencies in 52 Cities		235,273

* Information subsequently received on action of agency on referendum.
 ** Represents area covered by the agency; figures for 1937 as given in American Jewish Year Book for 1940-1941.



REPORT ON NATIONAL ADVISORY BUDGET SERVICE

The recommendations adopted by the Board of Directors at its meeting on May 17, 1941, following the referendum of member agencies, is attached. Letters of invitation to serve as members of this Committee were sent to:

Jacob Blaustein, Baltimore
Fred M. Butzel, Detroit
Joseph Goldstein, Rochester
Harris Perlstein, Chicago
Charles J. Rosenbloom, Pittsburgh
William Rosenwald, Greenwich
Judge Morris Rothenberg, New York
Edwin J. Schanfarber, Columbus
William J. Shroder, Cincinnati
David M. Watchmaker, Boston
Ira M. Younker, New York

Acceptances have been received from Messrs Blaustein, Butzel, Rosenwald, Schanfarber, Shroder, Watchmaker and Younker. Mr. Harris Perlstein accepted tentatively but declined subsequently because of pressures of other responsibilities. Messrs Goldstein and Rosenbloom and Judge Rothenberg stated that they were unable to accept membership on the Committee pending the settlement of several controversial issues which still surround the project. Discussion and correspondence have been continuing between Mr. Jacob Blaustein, Chairman of the Committee on the Referendum and Rabbi Abba Hillel Silver. The results of this further discussion will probably be presented to the Board.

In the meantime, pending development of Committee activity, the Council office has been engaged in the collection of additional factual material on two agencies -- the American Friends of the Hebrew University and the American Ort Federation -- to be submitted to the Committee as a basis for considering and planning the development of its functions.

9/17/41

RECOMMENDATIONS ON THE BUDGETING SERVICE REFERENDUM*

Adopted by the Board of Directors

May 17, 1941

General Recommendations

On the basis of the vote and the additional suggestions from our member agencies, this Committee recommends that the Board of Directors take immediate steps to expand its present national advisory budget service as hereinafter set forth, under an appropriate committee of the Council. In order to meet the needs for service requested and mindful of the views of all the agencies which expressed themselves, the Council should proceed carefully and soundly. In recognition of the initial practical problems of procedure involved, it is recommended that an experimental service be developed for 1941.

Specific Recommendations

We believe that the specific recommendations that follow meet the minimum requirements called for by the results of the Referendum.

(1) A Council Committee to be known as the National Advisory Budget Committee should be appointed by the president with the approval of the Board of Directors, consisting of not less than nine nor more than fifteen persons. This Committee shall have responsibility for all its studies, serve in an editorial capacity, and approval of all reports to be transmitted to member agencies. It shall have the authority to appoint sub-committees on specific organizations or fields of service, and to appoint advisory committees including representatives of organizations being studied.

(2) The present fact-finding and budgeting service of the Council should be supplemented by such additional regular and special staff as may be required to conduct the services herein contemplated including research, accounting and clerical personnel. The approximate cost of such additional services, at the start, is estimated at \$12,500 to \$15,000 per year.

(3) Program for 1941

A. The National Advisory Budget Committee should address itself in 1941 to an examination and analysis of the organizations engaged in overseas, Palestine or refugee service, that function in the same or related fields of service or that supplement or relate to the work of the UJA organizations; but this limitation shall not prevent the National Advisory Budget Committee from considering and reporting on the UJA agencies should necessity arise. The Council advisory budget service for 1941 shall work collaterally with, and supplement, the work of the Allotment Committee and the Inquiry of the UJA, and will at all times hold itself in readiness to cooperate with them.

Agencies in other fields shall also be considered for study if staff resources are available.

Nothing herein contained shall limit the Council from furnishing the budgetary services heretofore rendered.

B. Subject to paragraph C, the fact-finding and analytical procedures to be undertaken will include:

- (a) Intensive examination of all basic financial records, including those of the ultimate spending organizations,
- (b) Collection of periodic service data for all organizations and subsidiaries,
- (c) Study and description of needs met by the organization and by other resources in the same field,
- (d) Examination of administrative and fund raising processes,
- (e) Examination of results of the services provided by organizations,
- (f) Efficiency in organization activities, overlapping of programs and other qualitative factors.

C. Reports issued on evaluations of organizations will be limited to analysis and descriptions of functional services, administration and fund raising procedures, the problems with which the organization deals, and the results of services rendered. The reports in 1941 will not attempt to translate evaluations in terms of total budget requirements and no specific recommendations will be offered to member agencies on approved minimum or maximum financial needs of any organization. If as a result of the studies undertaken, the Committee concludes that it is possible to arrive at individual or relative budget evaluations, it shall so report to the Board of Directors of the Council.

(4) Program Beyond 1941

The National Advisory Budget Committee shall undertake to study all developments and progress made during 1941 and make recommendations to the Board of Directors of the Council on the program of service to be undertaken in 1942. It shall advise the Board on the values of its 1941 services, utilization by member agencies and other pertinent facts. It shall recommend to the Board the fields of work and organizations to be studied in 1942 and such extension of its functions in evaluations and budget recommendations to communities as may seem desirable.

-
- * Committee which prepared the draft of this Report for action by the Board consisted of the following: Jacob Blaustein - Chairman, Solomon Lowenstein, William Rosenwald, William J. Shroder, Edward M.M. Warburg, Ira M. Younker, Sidney Hollander - Ex-Officio.

1941
COUNCIL OF JEWISH FEDERATIONS
AND WELFARE FUNDS
165 West 46th Street
New York, N. Y.

FOR IMMEDIATE RELEASE

MEMBER AGENCIES APPROVE

ADVISORY BUDGET PROPOSAL

The proposal for a national advisory budget service, which was submitted in a referendum to the member agencies of the Council of Jewish Federations and Welfare Funds, has been approved by a majority of the agencies voting, it was announced today by H.L. Lurie, executive director of the Council. The results of the referendum will be submitted to the Council's Board of Directors at a meeting to be held early in May, when the Board will consider the steps to be taken, and the procedures to be established to develop the type of services most helpful to its member agencies.

The Board of Directors at its meeting in Atlanta last January approved the advisory budget proposal but decided to submit it to the entire membership of the Council in order to give each the opportunity of registering its wishes.

Even before the referendum was taken, there was general agreement on the need for expanding the Council's fact-finding services and broadening their scope. The votes on the referendum, negative as well as affirmative, have supported this view.

A complete report on the referendum to the member agencies, Mr. Lurie said, will be made by the Board of Directors, after it canvasses the ballots at its May meeting.

The questions on which member agencies expressed their views on the referendum were based on recommendations made at the Atlanta Assembly by the Council's Committee on the Study of National Budgeting Proposals. After an extended study, this Committee, headed by Jacob Blaustein of Baltimore and William Rosenwald of Greenwich, Conn., proposed the establishment of a national

advisory budget service for national and overseas agencies appealing to local communities for support. It recommended that a competent and intensive process of fact-finding, both on programs of service and on financial experience, should be developed under the auspices of a Committee of the Council and that this Committee, with appropriate sub-committees for special fields, should be responsible for evaluating the information secured in the fact-finding process. The reports and findings of the Committee when established would be made available on an advisory basis to the local communities who wished to use this service in determining their allocations to agencies appealing for support.



COUNCIL OF JEWISH FEDERATIONS
AND WELFARE FUNDS
155 West 46th Street
New York City

FOR IMMEDIATE RELEASE

[1941?]

ATLANTA GENERAL ASSEMBLY TO ACT

ON PLAN FOR NATIONAL BUDGETING SERVICE

FOLLOWING SPLIT IN UNITED JEWISH APPEAL

✓ A proposal for the establishment by the Council of Jewish Federations and Welfare Funds of a national advisory budgeting service to "avoid the friction and chaos of competitive appeals" is now under consideration by leaders of federations and welfare funds throughout the country following the decision of the major national and overseas agencies to conduct separate campaigns in 1941.

✓ The proposal has been put forward by Sidney Hollander of Baltimore, president of the Council, in a letter to presidents of the 202 member agencies of the Council in the United States and Canada and will be one of the major questions to be acted on when the Council's General Assembly meets in Atlanta on February 1, 2 and 3.

✓ Relating the events which led up to the decision of the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service not to renew their joint fund-raising arrangement for the coming year, Mr. Hollander urged local leaders to discuss his proposal and to be prepared to act on it at the General Assembly.

Under Mr. Hollander's proposal, the Council would undertake to set up its own advisory budgeting service with the necessary machinery to supply local budget committees with data and recommendations "so that they can make their 1941 decisions on a basis of carefully determined needs, rather than as a result of competitive pressure."

Mr. Hollander suggested that welfare funds await the recommendations of such a body before completing their local budgeting.

Asserting that the present situation "contains many elements of uncertainty and perhaps some hazards to welfare fund campaigns,"

Mr. Hollander stated:

"I am firmly convinced that even with separate appeals, welfare funds will continue as vigorously as before to promote the policy of local cooperation. I urge strongly that all possible steps be taken by local communities to avert any undesirable aspects of competition for funds which were so detrimental to campaign efforts in the past and left trails of friction and ill-will. There can be no question that welfare funds will continue to put forth the same energies and enthusiasm in order to secure adequate funds for these important Jewish causes, but they should not allow their communities to become battle grounds for competitive causes."

✓ Mr. Hollander asserted that as soon as he heard that negotiations between the Joint Distribution Committee and the United Palestine Appeal for a united campaign in 1941 had reached an impasse, he called a meeting of representatives of the two agencies in the office of the Council. At this meeting on December 17, Mr. Hollander wrote, he urged continuance of the United Jewish Appeal in 1941, inclusion of additional agencies in the appeal to bring about greater cooperation in these fields of service, and employment of the UJA Allotment Committee, which had distributed the final \$1,250,000 of the 1940 drive to the participating agencies on an acceptable basis, for the task of recommending initial 1941 allocations for the JDC, UPA and National Refugee Service.

The JDC and UPA, Mr. Hollander said, were apparently willing to continue a joint appeal if acceptable conditions could be found. The

major points on which the two agencies differed, he said, were on the ✓ proportion of the 1941 receipts which the initial allotment should cover and the amount to be allocated to the NRS. After this meeting had proved unsuccessful, Mr. Hollander requested the heads of the three agencies concerned to meet again on December 27 but Rabbi Abba Hillel Silver, national chairman of the UPA, informed him that separate campaigns had already been announced and no practical purpose could be served by another meeting.

Mr. Hollander's proposal will be taken up by the Board of Directors of the Council, meeting just before the Atlanta General Assembly. The Board's recommendations will then be presented to the delegates from local communities at a special business session of the Assembly devoted to "Overseas Agency Relationships" on Sunday, February 2.

Another business meeting will take up committee reports on coordination in the fields of civic-protective work and national tuberculosis institutions; prospects of setting up a permanent national budgeting process for welfare funds; and the adaptation of local welfare services to the requirements of the national defense program.

Prominent speakers will address the Assembly at general sessions on "Social Planning for Defense," "Cooperation of Religious Faiths for American Democracy" and "Our Responsibilities in a War-Torn World." Special meetings will be held by national organizations to consider their particular problems. Among the agencies planning sessions are the JDC, UPA, NRS, American Association for Jewish Education, American Jewish Congress, Hadassah, HIAS, Jewish Welfare Board and the Ort.

The program of the General Assembly is being planned by a committee headed by Edward M. M. Wasburg of New York.

The Jewish Welfare Federation and The Jewish Welfare Fund of Cleveland

Room 320, Chester-Twelfth Building

Telephone: CHerry 8176-7-8-9

OFFICERS of THE JEWISH WELFARE FEDERATION

Honorary President
Edward M. Baker

President
Joseph M. Berne

Vice Presidents
Harry F. Affelder
Judge Maurice Bernon
Rabbi B. R. Brickner
Philip Frankel
Salmon P. Halle
Mrs. Siegmund Herzog
Adolph Keller
Max Myers
Sol Reinthal
Rabbi A. H. Silver
Max Simon
Sidney N. Weitz
S. D. Wise

Treasurer
Max Myers

Executive Director
S. Goldhamer

Assistant Director
Philip Bernstein

Honorary Trustee
E. S. Halle

Board of Trustees

Milton P. Altschul ✓
Alfred A. Benesch ✓
Louis S. Bing, Jr.
Rabbi Armond E. Cohen ✓
Myron A. Cohen ✓
Rabbi Louis Engelberg ✓
I. F. Freiburger ✓
Harold Galvin ✓
E. L. Geisner ✓
Rabbi Harold Goldfarb ✓
Simon J. Green ✓
Mrs. Joseph H. Gross ✓
Marc J. Grosman ✓
George H. Hays ✓
Richard H. Kohn ✓
Mrs. Norbert F. Kruger ✓
Jack Lampl ✓
Irwin N. Loeser ✓
Nathan Loeser ✓
Leo D. Markowitz ✓
George B. Mayer ✓
Lester I. Miller ✓
Aaron Permut ✓
A. E. Persky ✓
Henry A. Rocker ✓
Edward L. Rosenfeld ✓
Rabbi R. M. Rosenthal ✓
William J. Schoenberger ✓
Louis H. Schwarzenberg ✓
Ezra Z. Shapiro ✓
Jacob Soglovitz ✓
William C. Treuhaff ✓
Alex S. Wintner ✓
Eugene E. Wolf ✓

WRHS



Philomena Haber
Miriam Chavon