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Council of Jewish Federations and Welfare Funds, Committee to  
Oppose National Budgeting, 1945-1946.



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BOARD ACTION  
1945 GENERAL BULLETIN FOR MEMBER AGENCIES  
NO. G - 10

SUMMARY OF COUNCIL BOARD OF DIRECTORS MEETING  
June 23-24, 1945 at Detroit, Mich.

The Board of Directors of the Council of Jewish Federations and Welfare Funds meeting in Detroit on June 24th approved national advisory budgeting in principle, subject to the acceptance of such a program by its local member agencies.

The program, if adopted, would provide for the review by a representative national committee of the budgets of the national and overseas organizations, and the reporting of the findings to the local member agencies as an advisory guide to them in distributing the funds they raise.

The Board likewise considered the reconstitution of the United Jewish Appeal, voted to call a conference of outstanding lay and professional leaders to chart post-war Jewish social services, elected an executive committee, heard a report of the Provisional Committee on Inter-Welfare Fund Cooperation, reviewed the Council's expanded publicity and campaign service, and received a report of its Committee on Local Organization for Community Relations Work.

The national advisory budgetary proposal under consideration, upon which member agencies will be asked to vote in a mail referendum starting September 1, 1945 and closing November 15, 1945, is limited to the following definition:

National Advisory Budgeting is defined as a review by a national committee selected by the Council or by the welfare fund members of the Council. It is assumed that the Committee appointed for this task would be acceptable both to the member agencies of the Council and to the national and overseas organizations as an impartial and objective group concerned primarily with reaching equitable decisions which would be helpful to fund raising and to local budgetary procedures. The national and overseas agencies would in the first instance, as heretofore, determine what their budgets should be. The national committee to be established would then review the budgets, and after objective and thorough study, would attempt, together with the national and overseas agencies, to arrive at joint decisions on the amount of funds required to carry out the specific program. These would be recommended - in an advisory way - to the welfare funds as minimum goals for fund raising and fund distribution. Where joint decisions could not be reached, the Committee would advise the welfare funds as to the part of the agency's budget and program of work which had been agreed upon and would present both sides of the major items of difference. The Committee would not attempt to establish local quotas. The decisions reached by the Committee could be utilized by the member agencies which desired to do so as a guide in determining the distribution of the maximum funds raised in each local community.

Action of the Board in setting this referendum followed a mail poll of the complete Board membership which showed 40 in favor, and 8 opposed, to national advisory budgeting as thus defined.



The referendum will bring to a head the process which began in 1940 when several regions of the Council adopted resolutions calling for such budget service. A committee was established by the Board to study the question and following its report in favor of national advisory budgeting, the Board approved and submitted the question to the General Assembly of Council in Atlanta in 1941. The referendum of member agencies authorized by that Assembly showed a small majority in favor of instituting national advisory budgeting, and resulted in the decision of the 1942 Assembly to develop a limited form of budgetary service for a three-year experimental period and to leave open for later determination the question of the fuller service. This agency reporting service has been under the direction of the Budget Research Committee headed by Jacob Blaustein of Baltimore.

The Board agreed that prior to the referendum member agencies should receive necessary information explaining the proposal and an analysis of the questions that have been raised concerning it.





B'NAI B'RITH

1003 K STREET, N.W. - WASHINGTON, D.C.

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August 14, 1945

Dear Friend:

I am enclosing herewith an editorial which is to appear in the September issue of The National Jewish Monthly, on the subject of the referendum among Welfare Funds and Federations throughout the country. This referendum is intended to obtain a vote on the proposal whether national budgeting should be instituted by the Council of Jewish Federations and Welfare Funds.

The Central Administrative Board of B'nai B'rith has joined in the opposition to national budgeting. They earnestly urge you to consider all the implications of such a program and to join in opposing national budgeting if you reach the same conclusion. A number of Welfare Fund leaders have already voiced opposition to the proposal.

The referendum will be submitted for a vote to your Welfare Fund or Federation. It will ask whether your community is for or against a system of national budgeting which was passed upon by the Board of Directors of the Council of Federations and Welfare Funds in Detroit in June. If you agree with the Central Administrative Board, please urge upon the officers of the Board or other governing body of the local Welfare Fund or Federation that the question be discussed by the full Board of Welfare Fund and try to obtain a negative reply to the national budgeting referendum.

In essence, national budgeting means that a select group of men will examine the budgets and, in effect, determine the program for every Jewish institution in the United States appealing for support for domestic or overseas needs. While it is said that the recommendations of a national budgeting committee would be advisory and not mandatory, experience has shown that such centralized power eventually grows on itself. Causes should be supported or not supported through the favorable or unfavorable attitude of the communities. Their support should not depend on the verdict of a centralized control body, which is the net effect of national budgeting.

We do not believe that Jewish life in America or elsewhere can be served by centralizing all authority for every institution in the hands of a small group of men, however impartial they may be. Jewish life must not be regimented. National budgeting is a step in the direction of regimentation, and reality must make us recognize that objectivity is not always present, however carefully



selected are the men who are clothed with such important responsibility. Giving is a manifestation of community interest; it should not be responsive to fiat or mandate. It should be the expression of the feeling of the giver after he is fully aware of the facts. What we need is increased community understanding and intelligence concerning the causes which affect Jewish life, and less of mandate and direction from outside the community.

We hope that you will agree with our view and join us in opposing national budgeting through vigorous presentation of the case before your Welfare Fund and Federation.

By instruction of President Henry Monsky.

Sincerely,

(Signed) MAURICE BISGYER

Secretary

Enclosure





ZIONIST ORGANIZATION OF AMERICA

1720-16th Street, N.W.

WASHINGTON, D. C.

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August 16, 1945

Dear

An issue is being projected into American Jewish life which keenly concerns the future of Palestine and the activities of the Zionist organization.

The Council of Jewish Federations and Welfare Funds is conducting a referendum among its member communities. It is intended that each community should vote on whether national budgeting should be instituted by the Council. The officers of the Z.O.A., feeling that the imposition of such a proposal upon the American Jewish communities would jeopardize the progress of our efforts in Palestine, have joined the active opposition to a national budgeting proposal. They earnestly urge you and the other Zionists to consider all the implications of this proposal and to join in the local action to oppose national budgeting.

In the very near future the question will be submitted for a vote to your Welfare Fund or Federation. It will be asked to ballot for or against a system of national budgeting which was passed upon by the Board of Directors of the Council of Jewish Federations and Welfare Funds in Detroit, in June. This communication should, therefore, be read at the earliest possible meeting of your district so that all members may become acquainted with the issue. Your local Zionist organization should then make known its views to the officers of the Board or other governing body of the local Welfare Fund or Federation. Such members of your organization as are officers of those bodies should urge the question be fully discussed by the Welfare Funds and/or Federation and try to obtain a negative decision in the national budgeting referendum.

In essence, national budgeting calls for the establishment of a small committee selected by the Council of Federations, to determine the area of function for every Jewish organization in the United States, appealing for support for domestic or overseas needs. There is obvious danger to Palestine and to the Zionist movement in entrusting to a hand picked Committee the power to evaluate the fundamental aim and ideology of the Zionist Movement. Instead of submitting its program to the democratic acceptance or rejection of the large body of Jews throughout the country, each organization would be subject to the decision of a small central committee. Such a committee would not be representative of a cross section of Jewish opinion and may be over-balanced with individuals whose ideological attitudes are hostile to our program.



The Zionist movement like other movements, has grown because of the devotion, the energy and the vision of those devoted to its aims. We cannot agree to the centralization of all authority in Jewish life in the hands of a small group of men, however impartial they may be. Jewish life cannot and it must not be regimented. That is what is at stake in the effort to impose national budgeting on the American Jewish community.

In urging your immediate action, I stress the utter significance for the future of what is involved in this plan.

Please take immediate steps to advise your local Welfare Fund or Federation of the views of the Zionist in this matter. Please let me hear from you with regard to the action you take.

With kindest regards, I am

Cordially yours,

(Signed) SAUL SPIRO

Saul S. Spiro  
Executive Director





COMMITTEE TO OPPOSE NATIONAL BUDGETING  
44 East 43rd Street  
New York 17, N.Y.

RELEASE: WEDNESDAY, AUGUST 29th

COMMITTEE TO OPPOSE NATIONAL BUDGETING FORMED BY WELFARE FUND LEADERS

Ezra Shapiro, of Cleveland, Named Chairman of New Group; William  
Sylk, of Philadelphia, To Serve As Secretary  
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In order "to prevent the imposition of national budgeting upon the American Jewish community," a Committee To Oppose National Budgeting has been formed by leaders of federations and welfare funds throughout the country, it was announced yesterday by Ezra Shapiro, who has been named Chairman of the newly formed Committee. Mr. Shapiro is President of the Jewish Community Council of Cleveland. William Sylk, Secretary of the Allied Jewish Appeal of Philadelphia, will serve as Secretary of the Committee, while outstanding figures in national and local American Jewish communal life have pledged their support as Co-Chairmen of the Committee, Mr. Shapiro told reporters at a press conference at the Hotel Biltmore.

The Committee was organized, he explained, to mobilize the overwhelming sentiment of American Jewry in opposition to any program which would give centralized authority to a single group to determine the future of all causes, national and international, appealing for American Jewish support. The Committee will endeavor to coordinate the opposition of federations and welfare funds on the issue which will be taken up at the next General Assembly of the Council of Jewish Federations and Welfare Funds.

It had been voted by the Board of Directors of the Council of Jewish Federations and Welfare Funds at a June meeting to conduct a referendum among the member agencies of the Council on their attitude toward national budgeting. By action of the Executive Committee of the Council the resolution of the Board was overridden and action on the proposal will be taken at the annual meeting of the Council, presumably to be held early in 1946.

In commenting upon the decision by the Council Executive Committee, Mr. Shapiro said:



"I note that the Council of Jewish Federations and Welfare Funds has modified the decision of its Board of Directors, so that the issue of national budgeting will be presented to the next General Assembly, presumably to be held early in 1946. As a result of this action, more adequate time will be afforded to the Jewish communities of America to discuss and to decide on this problem, the most vital that has ever confronted Welfare Funds and one of the most serious that has ever called for the consideration of the whole of American Jewry.

"However, the principle of a referendum involved in the original resolution of the Board, is sound and should be followed through. Thus, every member agency of the Council should, between now and the time of the General Assembly, permit the most thorough discussion of the national budgeting proposal so that when the Assembly meets, it may record the mandate of the individual communities. In this way, the views of the Assembly may be an accurate cross-section of the views of the member agencies and not merely individual opinions.

"The Committee To Oppose National Budgeting will proceed on the democratic assumption that the Council itself and all member agencies welcome this extended opportunity for discussion of the pros and cons of national budgeting. Only by local action, registered officially and in a representative way, will any decision on national budgeting have meaning and validity."

The Council of Jewish Federations and Welfare Funds has stated that the purpose of national budgeting is to provide for the review by a national committee of the budgets of the national and overseas organizations for the purpose of reporting the findings to the member agencies as a guide in distributing the funds they raise.

Summarizing the basic reasons for the opposition of the Committee to the national budgeting proposal, Mr. Shapiro declared that at a time when there is "no uniformity on basic ideologies and principles" in American Jewish life and when Jewish needs here and abroad require an expansion rather than a contraction of "the horizons of community thinking on basic Jewish problems," it would be "the height



of un wisdom to entrust the grave responsibility of far-reaching decisions to one centralized authority."

Mr. Shapiro pointed out that the Budget Research Committee of the Council, which was appointed in 1942 for the purpose of conducting a fact-finding service, had voted by an overwhelming majority in opposition to National Budgeting. He declared that the program was being presented to the General Assembly of the Council for review despite the fact that the Committee which had been appointed by the Council for the specific purpose of determining the value of national budgeting had rejected it by a majority vote.

Another vital factor, he said, is the undesirability of creating a situation which would "plunge American Jewry once again into violent internal controversies." Finally, he said, bearing in mind the fact that budgetary control involves functional control of Jewish life, the members of the Committee To Oppose National Budgeting are not ready to turn over to the CJFWF "the determination of the destiny of American and world Israel."

Mr. Shapiro, an outstanding leader of the Cleveland Jewish community for more than two decades and a prominent member of the legal profession in Cleveland, was at one time the Director of Law of Cleveland. He is Chairman of the Social Agencies Budget Sub-Committee of the Cleveland Federation as well as a Chairman of the Attorneys' Division of the Cleveland Welfare Fund. Mr. Sylk, noted Philadelphia businessman and Jewish communal leader, was at one time Campaign Chairman of the Allied Jewish Appeal of Philadelphia, of which he is now Secretary.

Among the Co-Chairmen of the Committee To Oppose National Budgeting are: Judge Samuel Barnet, President, Jewish Community Council, New Bedford, Mass.; Sam Beber, President, Federation for Jewish Service, Omaha, Neb.; Bert C. Broude, President, Jewish Welfare Fund, Milwaukee, Wis.; Charles Brown, Vice-President, Jewish Community Council, Los Angeles, Cal.; A.B. Cohen, President, Scranton-Lackawanna Jewish Community Conference, Scranton, Pa.; Hon. David Diamond, President, United



Jewish Fund, Buffalo, N.Y.; Ben Dreyer, President, Jewish Welfare Fund, Canton, O.; Mrs. Moses Epstein, President, Hadassah Women's Zionist Organization of America; Leon Gellman, President, Mizrachi Organization of America; Harold J. Goldenberg, President, Federation for Jewish Service, Minneapolis, Minn.; Frank Goldman, Lowell, Mass. Vice-President, National B'nai B'rith; Hymen Goldman, President, Jewish Community Council, Washington, D.C.; Dr. Israel Goldstein, President, Zionist Organization of America; Sylvan R. Gotshal, President, United Jewish Appeal of Greater New York; Chaim Greenberg, Editor, Jewish Frontier.

Also, Isaac Heller, President, Jewish Welfare Fund, New Orleans, La.; Dr. James G. Heller, Cincinnati, O., National Chairman, United Palestine Appeal; Jack Isaacs, President, Wyoming Valley Jewish Committee, Wilkes-Barre, Pa.; Joseph Leonard, Chairman, United Jewish Campaign, Allentown, Pa.; A. J. Levine, President, Jewish Community Council, Toledo, O.; Louis Lipsky, Chairman, Executive Committee, American Jewish Conference; Julius Livingston, Board Member, Jewish Community Council, Tulsa, Okla.; Samuel D. Lopinsky, President, Federated Jewish Charities, Charleston, W. Va.; Mortimer May, Vice-President, Jewish Community Council, Nashville, Tenn.; Henry Monsky, Omaha, Neb., President, National B'nai B'rith; Rabbi Joseph Narot, Chairman, United Jewish Campaign, Atlantic City, N.J.; Isaac Potts, Assistant Treasurer, Jewish Welfare Fund, Baltimore, Md.; Sol M. Reiter, President, United Jewish Charities, Newburgh, N.Y.; Dr. Bernard M. Ritter, Chairman, United Jewish Appeal, Lowell, Mass.; Felix Rosenbaum, President, Jewish Community Council, Fitchburg, Leominster, Mass.

Also Charles J. Rosenbloom, President, United Jewish Fund, Pittsburgh, Pa.; Judge Morris Rothenberg, President, Jewish National Fund, New York; Bernard G. Rudolph, Vice-President, Jewish Welfare Fed., Syracuse, N.Y.; Albert Schiff, Board Member, Jewish Community Council, Columbus, O.; Irving Schneider, Chairman, Jewish Welfare Fund, Long Beach, Cal.; Louis Segal, Executive Director, Jewish National Workers Alliance, N.Y.; Dr. Abba Hillel Silver, Cleveland, O., Chairman, American Zionist Emergency Council; Dewey D. Stone, General Chairman, Conference for the United Jewish Appeal, Brockton, Mass.; Michael Stavitsky, Board Member, Essex County



Council of Jewish Agencies, Newark, N.J.; Emanuel Teitelbaum, President, Jewish Community Council, Johnstown, Pa.; Joshua Trachtenberg, President, Jewish Community Council, Easton, Pa.; David Wertheim, Executive Director, Poale Zion; Dr. Stephen S. Wise, President, American Jewish Congress; Harry K. Wolff, San Francisco, Cal., Vice-President, National B'nai B'rith; Henry Yozell, Chairman, United Jewish Appeal, Lynn, Mass.

In announcing the new committee, Mr. Shapiro said:

"I am glad to announce the formation of a Committee To Oppose National Budgeting, which has been organized by a group of leaders of communities throughout the United States, particularly those who are active in federations and welfare funds. We intend to coordinate the opposition of federations and welfare funds on the issue which will be taken up at the next General Assembly of the Council of Jewish Federations and Welfare Funds.

"These are the purposes which animate the Committee To Oppose National Budgeting. We hope to mobilize the support of American Jewry in opposition to any program which would give centralized authority to a single group to determine the future of all causes, national and international, appealing for American Jewish support.

"At a time in American Jewish life when there is no uniformity on basic ideologies and principles; at a time when the needs of Jewish life, in the United States and abroad, are at the beginning of a new and unpredictable era; at a time when it is essential to enlarge and not contract the horizons of community thinking on basic Jewish problems -- it seems to us the height of unwisdom to entrust the grave responsibility of far-reaching decisions to one centralized authority in American Jewry; admittedly not constituted along broad, democratic lines, regardless of the competence or impartiality of the men who may be selected.



"It is important to observe that the overwhelming majority of the members of the Budget Research Committee set up by the CJFWF opposed the introduction of national budgeting in the form in which it is now sought to be imposed on the country.

"It should be borne in mind that this Spring when American Jewry was engaged in controversial campaigns affecting the two major agencies for overseas purposes, the country as a whole seemed to feel that the division was undesirable. Now a state of reasonable harmony has been restored. It is a source of wonder that anyone should be willing to plunge American Jewry once again into violent internal controversies, which will not merely disturb the communities at this time, but will be recurrent if national budgeting is actually approved. The gains in the face of such disadvantages are not visible.

"National budgeting involves control over Jewish life. However desirable that may appear to some, it does not seem feasible to us. One of the factors involved are the national agencies, each of which harbors a conception which has been injected into Jewish life and which has enriched and enlarged it. The leaders of these various causes are the champions of purposes from which the whole of American and world Jewish life benefits. A statistical machine will never take the place of a Jewish communal leader imbued with the zeal to render service to his people.

"To avoid overlapping and duplication and to improve practices among agencies, the Council of Jewish Federations and Welfare Funds has the authority to engage in the most extensive fact-finding. If what it has done to date is insufficient, it should increase its fact-finding facilities and operations. But we feel that we are not yet ready to turn over to the Council of Jewish Federations and Welfare Funds, even if it be only for so-called advisory decisions, the determination of the destiny of American and world Israel."

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8/28/45



[August 1945?]

ACTION ON "NATIONAL BUDGETING" TO BE TAKEN AT GENERAL ASSEMBLY

On August 27th the Executive Committee of the Council of Jewish Federations and Welfare Funds decided to present the proposal for the establishment of a National Budgeting Advisory Committee to its General Assembly early in 1946. This action sets aside the previous decision of the Board of the Council to hold a referendum on national budgeting, as described in the attached statement. The decision of the Executive Committee does not change the urgency of the matter.

The aim of the Committee To Oppose National Budgeting will be to encourage full and complete discussion in each community of the threat implied in "national budgeting." We are convinced that a careful study of the attached statement and community-wide discussion will result in a decision on the part of the community to reject "national budgeting."



Committee to Oppose National Budgeting  
Room 319  
44 East 43rd Street  
New York 17, N. Y.

## A STATEMENT OF PRINCIPLES

### CJFWF ACTION

At a meeting of the Board of Directors of the Council of Jewish Federations and Welfare Funds, held in Detroit on June 24th, a decision was taken to approve National Advisory Budgeting in principle and to submit the proposal for the establishment of a National Advisory Budgeting Committee to the member agencies of the Council of Jewish Federations and Welfare Funds for a vote in a mail referendum starting September 1, 1945 and closing November 15th, 1945. This action was taken in spite of the fact that in its most recent poll of the Budget Research Committee only three votes out of twelve were recorded in favor of the plan for national budgeting.

After careful consideration we, the members of the Committee to Oppose National Budgeting have reached the view that the proposal for a National Budgeting Committee would reverse the trend towards a democratization in the direction of Jewish affairs and would restrict the response of American Jewish communities to the increasing opportunities for Jewish rescue and reconstruction in the critical years ahead.

### ADVISORY POWER BECOMES MANDATORY

The decision of the Committee is based on the belief that the authority of such an advisory committee would soon become mandatory and would deprive local communities of their inherent right to make their own decisions respecting their support of programs and movements in Jewish life. As it is now constituted, there is no representative body in the American Jewish Community which has been democratically chosen or democratically delegated with the authority to discuss and control fundraising and general Jewish activities on the American scene. We cannot agree to the delegation of this authority to a small hand-picked committee which could never provide as accurate a cross section of Jewish opinion as is now represented in local budgeting committees.

### BUDGETARY CONTROL LIMITS FUNCTIONS

We cannot accept a proposal for a National Budgeting system which would delegate to a limited group of individuals having no direct responsibility to any democratic process the power: to advise on national goals; allocate or recommend the percentage of such funds which should be provided by each community; or even



to suggest the ratio of apportionment to the various agencies participating in the local Welfare Funds. The adoption and implementation of this proposal would result in entrusting to a small hand-picked committee complete power and authority over Jewish public funds. In effect such a committee, of necessity exclusive and supported by the appearance of objectivity, would usurp complete control over Jewish public funds and establish a ceiling on the aspirations and aims of all organizations depending for their support upon the Welfare Funds. Budgetary control is always the foundation for complete control over functions. Under a National Budgeting System, the recognized and elected leadership of every organization would be subject to the authority of a committee influenced only by the biases and prejudices of its individual members. It would give the Council or the committee the directive control and veto power over trends and movements in Jewish life which should be subject to the democratic acceptance or rejection of the mass of supporters who contribute to the community.

#### CONVICTION VS. NEUTRALITY

We further contest the assumption that there are "neutrals" on the national level in the American Jewish Community who can appraise the validity of any movement with greater objectivity than its protagonists. At this point in Jewish life "neutrality" can hardly be considered a virtue nor its adherents objective. The urgency of Jewish needs requires strong conviction and sympathetic understanding. The national programs of the American Jewish Community are now receiving the support of the communities throughout the country as a result of the initiative, personal concern and energetic promotion by their individual proponents on the national and local scene. The American Jewish Community owes a debt of gratitude to the protagonists of many movements, who because of a keener understanding of the problems involved, took the initiative in fostering agencies which have made important contributions in these years of urgent Jewish needs.

We cannot subscribe to a proposal which in effect would circumscribe the initiative of such movements and would result in their being confined within narrow, fixed patterns set by a few individuals. It is our belief that leadership in Jewish life should be democratically delegated by those and to those who have demonstrated a personal and warm concern for the needs of various movements in Jewish life.

#### DISCOURAGES LOCAL INITIATIVE

The entrusting of the control over the Jewish funds to an impersonal administrative committee would tend to divorce the causes, for which funds are being raised



from their local supporters who have made the growth of such causes possible. Devoid of such initiative and personal interest, fund-raising on the local level for the large programs in Jewish life would tend to diminish, and local support would be arrested.

Especially at this moment when international and domestic affairs are unstable, when the political and economic developments which will inevitably influence the patterns of Jewish rescue, relief and reconstruction are in their earliest formative stages, the delegation to a limited group of such authority over future expenditures would straitjacket the agencies responsible for the many phases of Jewish rehabilitation. Their ability to meet constantly changing conditions and to take advantage of new opportunities would be circumscribed and subjected to the paralysis of red tape.

#### IMPROVED FACT-FINDING SERVICE

We readily endorse the services which the Council offers its member communities in providing information and analysis on a statistical basis of the agencies applying to individual Welfare Funds. Recognizing the problems which the officers of local communities responsible for the allocation of funds must meet in order to reach equitable and effectual distribution, we appreciate their desire for maximum, accurate and authoritative information. We, therefore, urge the Council to extend its fact-finding service to the communities and fulfill the functions in this field which have already been allocated to the Council. We call upon the Council to submit for the consideration of its members a proposal made to the Council which would permit the Council to extend its fact-finding services to its members. This proposal would give to the Council the responsibility for a more complete and adequate review of the reports submitted by agencies applying to the Welfare Funds. It would further permit the Council to establish unified accounting within agencies and to indicate duplications and shortcomings in agency activities. The fulfillment of such conditions would obviate the necessity for the union of a few Welfare Funds to engage in a more thorough fact-finding activity. We also call upon the organizations applying to the American Jewish communities for funds to give their fullest cooperation to the Council in making available complete statements of their financial programs and requirements.

#### LOCAL BUDGETING AN EDUCATIONAL PROCESS

We also wish to record our recognition of the efforts of the Council and its various regional sub-divisions towards encouraging a broadening of the budgeting



powers within each community. They have thus contributed to the education of community leadership to an understanding of the nature and activity of the various causes. With the establishment of a National Advisory Budgeting Committee this trend would be arrested and reversed. Leadership in the communities would be encouraged to shift completely to the National Committee this responsibility for review and understanding of the purposes involved in fund-raising activities. The establishment of this committee would tend to remove the necessity for decisions on the local level reflecting local composition of divergent views.

#### NATIONAL BUDGETING THREATENS UNITY

Keeping in mind the bitterness of the referendum in 1941 and recent differences in Jewish Public life, we view with concern the injection of a proposal which would tend to create additional dissension in the American Jewish Community. The establishment of such a committee and its potential disagreement on ideologies with any or all programs within its purview would constitute a perpetual source of irritation in the Jewish community. It would aggravate possibilities for secessions from the combined fund-raising efforts in the local communities. We, the members of the Committee To Oppose National Budgeting, therefore, earnestly appeal to the officers of the Council of Jewish Federations and Welfare Funds to withdraw their proposal so that we may avoid unnecessary division in Jewish life and possible detriment to American Jewry's mobilized efforts in the war for the survival of our overseas communities and their reestablishment on secure foundations in the future. In the event of the holding of the referendum on National Budgeting, we call upon the member communities of the Council of Jewish Federations and Welfare Funds to vote in opposition to the establishment of National Budgeting.



## CO-CHAIRMEN

Judge Samuel Barnett  
Pres., Jewish Community Council  
New Bedford, Mass.

Sam Beber  
Pres., Fed. for Jewish Service  
Omaha, Neb.

Bert C. Broude  
Pres., Jewish Welfare Fund  
Milwaukee, Wis.

Charles Brown  
V.P., Jewish Community Council  
Los Angeles, Calif.

A. B. Cohen  
Pres., Jewish Community Conf.  
Scranton, Pa.

Hon. David Diamond  
Pres., United Jewish Fund  
Buffalo, N. Y.

Ben Dreyer  
Pres., Jewish Welfare Fund  
Canton, Ohio

Mrs. Moses Epstein  
Pres., Hadassah

Leon Gellman  
Pres., Mirachi

Harold J. Goldenberg  
Pres., Fed. for Jewish Service  
Minneapolis, Minn.

Frank Goldman  
National V.P., B'nai B'rith  
Lowell, Mass.

Hymen Goldman  
Pres., Jewish Community Council  
Washington, D. C.

Dr. Israel Goldstein  
Pres., Z.O.A.

Sylvan R. Gotshal  
Pres., U.J.A., Greater New York

Chaim Greenberg  
Editor, "Jewish Frontier"

Isaac Heller  
Pres., Jewish Welfare Fund  
New Orleans, La.

Dr. James G. Heller  
National Chairman, U.P.A.  
Cincinnati, Ohio

Jack Isaacs  
Pres., Wyoming Val. Jewish Com.  
Wilkes-Barre, Pa.

Joseph Leonard  
Chair., United Jewish Campaign  
Allentown, Pa.

A. J. Levine  
Pres., Jewish Community Council  
Toledo, Ohio

Louis Lipsky  
Chairman, Executive Committee,  
American Jewish Conference

Julius Livingston  
Bd. Member, Jewish Com. Council  
Tulsa, Okla.

Samuel D. Lopinsky  
Pres., Fed. Jewish Charities  
Charleston, W. Va.

Mortimer May  
V.P., Jewish Community Council  
Nashville, Tenn.

Henry Monsky  
National Pres., B'nai B'rith  
Omaha, Neb.

Rabbi Joseph Narot  
Chair., United Jewish Campaign  
Atlantic City, N. J.

Isaac Potts  
Asst. Treas., Jewish Welfare Fund  
Baltimore, Md.

Sol M. Reiter  
Pres., United Jewish Charities  
Newburgh, N. Y.

Dr. Bernard M. Ritter  
Chair., United Jewish Appeal  
Lowell, Mass.

Felix Rosenbaum  
Pres., Jewish Community Council  
Fitchburg, Leominster, Mass.

Charles J. Rosenbloom  
Pres., United Jewish Fund  
Pittsburgh, Pa.

Judge Morris Rothenberg  
Pres., J.N.F.

Bernard G. Rudolph  
V.P., Jewish Welfare Fed.  
Syracuse, N. Y.

Albert Schiff  
Bd. Member, Jewish Com. Council  
Columbus, Ohio

Irving Schneider  
Chairman, Jewish Welfare Fund  
Long Beach, Calif.

Louis Segal  
Exec. Dir., Jewish National  
Workers Alliance

Dr. Abba Hillel Silver  
Chair., Amer. Zion. Emer. Council  
Cleveland, Ohio

Dewey D. Stone  
Gen. Chair., United Jewish Appeal  
Brockton, Mass.

Michael Stavitsky  
Board Member, Essex County  
Council of Jewish Agencies  
Newark, N. J.

Emanuel Teitelbaum  
Pres., Jewish Community Council  
Johnstown, Pa.

Joshua Trachtenberg  
Pres., Jewish Community Council  
Easton, Pa.

(Incomplete)  
(COMMITTEE IN FORMATION)

# COMMITTEE TO OPPOSE NATIONAL BUDGETING

Room 319

44 EAST 43rd STREET  
NEW YORK 17, N. Y.

September 5, 1945

Ezra Shapiro, *Chairman*  
President, Jewish Community  
Council, Cleveland

William H. Sylk, *Secretary*  
Secretary, Allied Jewish  
Appeal, Philadelphia

Dr. Abba Hillel Silver  
The Temple  
East 105th St. & Ansel Road  
Cleveland, Ohio

Dear Dr. Silver:

May I take this opportunity to express my personal appreciation of your readiness to accept Co-Chairmanship on the Committee to Oppose National Budgeting. Your participation on the Committee will contribute immeasurably to the success of its efforts, both as evidence of the thinking on this subject of community leaders and in stimulating local and regional mobilization of opposition to the proposal for a National Budgeting Committee.

As you will recall, our invitation was issued as a result of the decision by the Board of Directors of the Council of Jewish Federations and Welfare Funds on June 23rd to conduct a referendum on the proposal among all the member agencies of the CJFWF between September 1st and November 15th. Since then, the Executive Committee of the CJFWF has decided to postpone the decision on the matter to the next Assembly of the CJFWF, presumably to be held early in 1946.

This latest action in no way alters or minimizes the urgency of the purposes which motivated the organization of the Committee to Oppose National Budgeting, namely:

- (1) to mobilize community-wide opposition to the plan
- (2) to stimulate community-wide discussion
- (3) to reach a democratic decision in each community

We must concern ourselves with the election of delegates to the forthcoming Assembly and the expression of each community's point of view through local representative action as a guide to the delegates from the community to the Assembly of the CJFWF. We must, by all means, forestall a hasty vote without discussion. Immediate steps must be taken to assure the opportunities for open discussion on the proposal in your own community.

The office of the Committee is prepared to cooperate with you in these tasks by furnishing literature, information, speakers, etc. A number of national organizations have joined in the action of our Committee. Some of them have already taken steps to contact

David Wertheim  
Exec. Director, Poale Zion

Dr. Stephen S. Wise  
Pres., American Jewish Congress

Harry K. Wolff  
National V.P., B'nai B'rith  
San Francisco, Calif.

Henry Yozell  
Chair., United Jewish Appeal  
Lynn, Mass.

All titles listed for purposes of identification only



their local adherents, urging that they join local action to oppose national budgeting. I am enclosing herewith copies of the letters sent out by the B'nai B'rith and the Zionist Organization of America to their local leaders, as well as a copy of an editorial which will appear in the B'nai B'rith National Jewish Monthly.

We are now issuing a general invitation for membership on the Committee. I am enclosing a copy of our invitation. In the near future I shall forward a list of all the invitees from your own community. In the meantime I should appreciate any names which you may suggest for this invitation.

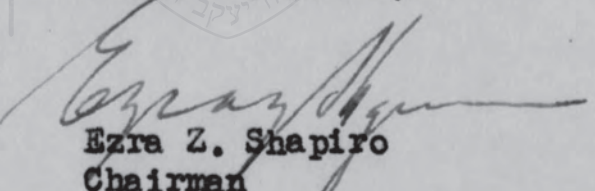
I am also enclosing herewith the following material:

- (1) A copy of the resolution adopted by the CJFWF on June 23rd.
- (2) A copy of the Statement of Principles of the Committee to Oppose National Budgeting.
- (3) A copy of a draft of a leaflet entitled "Questions and Answers".

I shall appreciate your suggestions and comments on these.

With renewed appreciation for your cooperation, I am

Sincerely yours,

  
Ezra Z. Shapiro  
Chairman

EZS:SNG  
Encs.



## CO-CHAIRMEN

Judge Samuel Barnett  
Pres., Jewish Community Council  
New Bedford, Mass.

Sam Beber  
Pres., Fed. for Jewish Service  
Omaha, Neb.

Bert C. Broude  
Pres., Jewish Welfare Fund  
Milwaukee, Wis.

Charles Brown  
V.P., Jewish Community Council  
Los Angeles, Calif.

A. B. Cohen  
Pres., Jewish Community Conf.  
Scranton, Pa.

Hon. David Diamond  
Pres., United Jewish Fund  
Buffalo, N. Y.

Ben Dreyer  
Pres., Jewish Welfare Fund  
Canton, Ohio

Mrs. Moses Epstein  
Pres., Hadassah

Leon Gellman  
Pres., Mizrahi

Harold J. Goldenberg  
Pres., Fed. for Jewish Service  
Minneapolis, Minn.

Frank Goldman  
National V.P., B'nai B'rith  
Lowell, Mass.

Hymen Goldman  
Pres., Jewish Community Council  
Washington, D. C.

Dr. Israel Goldstein  
Pres., Z.O.A.

Sylvan R. Gotshal  
Pres., U.J.A., Greater New York

Chaim Greenberg  
Editor, "Jewish Frontier"

Isaac Heller  
Pres., Jewish Welfare Fund  
New Orleans, La.

Dr. James G. Heller  
National Chairman, U.P.A.  
Cincinnati, Ohio

Jack Isaacs  
Pres., Wyoming Val. Jewish Com.  
Wilkes-Barre, Pa.

Joseph Leonard  
Chair., United Jewish Campaign  
Allentown, Pa.

A. J. Levine  
Pres., Jewish Community Council  
Toledo, Ohio

Louis Lipsky  
Chairman, Executive Committee,  
American Jewish Conference

Julius Livingston  
Bd. Member, Jewish Com. Council  
Tulsa, Okla.

Samuel D. Lopinsky  
Pres., Fed. Jewish Charities  
Charleston, W. Va.

Mortimer May  
V.P., Jewish Community Council  
Nashville, Tenn.

Henry Monsky  
National Pres., B'nai B'rith  
Omaha, Neb.

Rabbi Joseph Narot  
Chair., United Jewish Campaign  
Atlantic City, N. J.

Isaac Potts  
Asst. Treas., Jewish Welfare Fund  
Baltimore, Md.

Sol M. Reiter  
Pres., United Jewish Charities  
Newburgh, N. Y.

Dr. Bernard M. Ritter  
Chair., United Jewish Appeal  
Lowell, Mass.

Felix Rosenbaum  
Pres., Jewish Community Council  
Fitchburg, Leominster, Mass.

Charles J. Rosenbloom  
Pres., United Jewish Fund  
Pittsburgh, Pa.

Judge Morris Rothenberg  
Pres., J.N.F.

Bernard G. Rudolph  
V.P., Jewish Welfare Fed.  
Syracuse, N. Y.

Albert Schiff  
Bd. Member, Jewish Com. Council  
Columbus, Ohio

Irving Schneider  
Chairman, Jewish Welfare Fund  
Long Beach, Calif.

Louis Segal  
Exec. Dir., Jewish National  
Workers Alliance

Dr. Abba Hillel Silver  
Chair., Amer. Zion. Emer. Counc.  
Cleveland, Ohio

Dewey D. Stone  
Gen. Chair., United Jewish Appeal  
Brockton, Mass.

Michael Stavitky  
Board Member, Essex County  
Council of Jewish Agencies  
Newark, N. J.

Emanuel Teitelbaum  
Pres., Jewish Community Council  
Johnstown, Pa.

Joshua Trachtenberg  
Pres., Jewish Community Council  
Easton, Pa.

(Incomplete)  
(COMMITTEE IN FORMATION)

# COMMITTEE TO OPPOSE NATIONAL BUDGETING

Room 319

44 EAST 43rd STREET  
NEW YORK 17, N. Y.

September 5, 1945

Ezra Shapiro, *Chairman*  
President, Jewish Community  
Council, Cleveland

William H. Sylk, *Secretary*  
Secretary, Allied Jewish  
Appeal, Philadelphia

A vital issue is being projected into American Jewish life. Every community which is a member of the Council of Jewish Federations and Welfare Funds will be asked to vote on a proposal for the establishment of a "National Budgeting Committee" at the next General Assembly of the Council. It is our earnest hope that this proposal will be defeated. We want and need your support to achieve that objective.

We urge you as a leader in your community concerned with local, national and overseas problems, to accept this invitation to join the Committee To Oppose National Budgeting, which is striving to mobilize the overwhelming sentiment of American Jewry in opposition to any program which would give undue "control", to a small national committee, over the future of all causes, national and international, appealing for American Jewish support.

It is our belief that this proposal would:

- (1) Reverse the trend towards democracy in Jewish life,
- (2) Remove from the local community the right to make its own decisions,
- (3) Give to a small select committee "control" over all of Jewish life --- and
- (4) Hamper the American Jewish Community in meeting the large problems which it must face on the national and international scene.

We are enclosing herewith the "Statement of Principles" of the Committee To Oppose National Budgeting. May we urge your careful study of this material. If you are in accord with these principles, will you kindly indicate your willingness to join the committee on the enclosed card and return it to us.

All of us will be encouraged by the knowledge of your readiness to help keep Jewish life free of unwarranted regimentation.

We should like to suggest the urgency of full community-wide discussion of this matter before action is taken.

Looking forward to early word from you, I am

Cordially yours,

Ezra Z. Shapiro  
Chairman

David Wertheim  
Exec. Director, Poale Zion

Dr. Stephen S. Wise  
Pres., American Jewish Congress

Harry K. Wolff  
National V.P., B'nai B'rith  
San Francisco, Calif.

Henry Yozell  
Chair., United Jewish Appeal  
Lynn, Mass.

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The Facts Concerning  
"National Budgeting"

The Board of Directors of the Council of Jewish Federations and Welfare Funds, by majority vote, has approved "national budgeting" in principle, and has proposed that a National Advisory Budgeting Committee be set up. Member agencies of the CJFWF have been asked to vote on the question in a mail referendum beginning Sept. 1 and closing Nov. 15.

This is how the CJFWF directors define their proposal:

"National Advisory Budgeting is defined as a review by a national committee selected by the Council or by the Welfare fund members of the Council. It is assumed that the committee appointed for this task would be acceptable both to the member agencies of the Council and to the national and overseas organizations as an impartial and objective group concerned primarily with reaching equitable decisions which would be helpful to fund raising and to local budgetary procedures. The national and overseas agencies would in the first instance, as heretofore, determine what their budgets should be. The national committee to be established would then review the budgets, and after objective and thorough study, would attempt, together with the national and overseas agencies, to arrive at joint decisions on the amount of funds required to carry out the specific programs. These would be recommended -- in an advisory way -- to the welfare funds as minimum goals for fund raising and fund distribution.

"Where joint decisions could not be reached, the Committee would advise the welfare funds as to the part of the agency's budget and program of work which had been agreed upon and would present both sides of the major items of difference.

"The committee would not attempt to establish local quotas. The decisions reached by the committee could be utilized by the member agencies which desired to do so as a guide in determining the distribution of the maximum funds raised in each local community."

This proposal is fraught with serious implications. The trend in Jewish life is and must continue to be in the direction of greater democratization. The proposal, however carefully phrased, would tend to centralize control of fund-raising (which in the long run means control of program) in the hands of a few hand-picked individuals, in no way responsible to any direct constituency who had participated in their selection. Local budgeting committees are selected through representative community agencies. The people who choose them are the same people who give financial and other support to the causes in Jewish life. They are in the best position to know the attitudes of the various segments of Jewish population in the community. They can be presumed to be the best judges of the way the money given should be expended. All this would be lost under the CJFWF proposal.

If robbed of this function, local supporters of the Welfare Funds would lose interest both in the causes and in their financial support.

The CJFWF already offers an information service to all its local members concerning the agencies that apply for inclusion in Welfare Fund.



quotas. Its function should be limited to this. Such service supplies members with the facts about the applying agencies. What more is needed by intelligent community leaders? Given the facts, the local budgeting committees are well equipped to set quotas and allocate the income. Why should such local community leadership abdicate its responsibility, in favor of an agency whose perspective may be colored by the predilections of a few hand-picked persons?

True, the CJFWE definition states that the National Committee would only "review the budgets" and "recommend -- in an advisory way" the amount of funds needed after thorough and "objective" study. But these are only words. What is the reality? The reality is that -- at least in most cases -- the local budgeting committee, confronted with an imposing document purporting to be a thorough and "objective" study of the whole subject, would be influenced by such recommendations, though they may be wholly at variance with the attitudes of the givers in the particular community.

In this way, a small group under the guidance of the CJFWE would ultimately exercise a large measure of control over what causes should be supported in Jewish life.

The implementation of the CJFWE proposal would result in additional disunity and tension in American Jewry, of which we already have too much. It would be sure to meet with the resistance of all who understand its implications and who want wider participation in Jewish life. Thus, in every community it would lead to increased internecine strife, to the detriment of the very causes we all want to support. In fact, there is already in formation a great gathering of forces to oppose national budgeting.

For these reasons we earnestly urge the CJFWE to recall the referendum, or, if that is not done, we urge the member agencies to vote against the proposal.

E.E.G.



COMMITTEE TO OPPOSE NATIONAL BUDGETING  
44 East 43rd Street, New York 17, N.Y.

October 25, 1945

MEMORANDUM

To: Dr. Abba Hillel Silver

From: Ezra Z. Shapiro, Chairman

We are planning to offer a constructive program which would meet the desire of Welfare Funds for adequate fact-finding service by the Council of Jewish Federations and Welfare Funds and at the same time avoid the dangers consequent to the American Jewish community which are implied in "national budgeting".

I am herewith enclosing a copy of such a proposal. I shall appreciate your comments and/or suggestions as quickly as possible, so that we may publicly issue our plan. In order to counteract misleading statements made by proponents of national budgeting that the Committee to Oppose National Budgeting wishes to discourage fact-finding, it is important that this plan be issued at the earliest possible date.

I am looking forward to hearing from you promptly.

HS:AZ



COMMITTEE TO OPPOSE NATIONAL BUDGETING  
44 East 43rd Street  
New York 17, N.Y.

FOR IMMEDIATE RELEASE

CLEVELAND FEDERATION JOINS PHILADELPHIA IN OPPOSING NATIONAL BUDGETING

Instructs Delegates to Vote "No" on  
Proposal If It Is Not Deferred

- - -

New York -- The Board of Trustees of the Cleveland Jewish Welfare Federation at its meeting on December 26th, with but one dissenting vote, passed a motion instructing its twelve delegates to the General Assembly of the Council of Jewish Federations and Welfare Funds to vote "for any deferment of a vote on the proposal of National Advisory Budgeting Service and in the event the Assembly votes not to defer action, the delegates are further instructed to vote, 'No' on the proposal," it was announced here today by Mr. Ezra Shapiro, Chairman of the Committee To Oppose National Budgeting and a member of the Board of Trustees of the Cleveland Federation.

Mr. Shapiro is also President of the Jewish Community Council of Cleveland and a former President of the Jewish Social Service Agencies. He reported that the decision reached at the meeting of the Board of Trustees followed a very lengthy and exhaustive discussion of national advisory budgeting which is being proposed by the Board of Directors of the Council of Jewish Federations and Welfare Funds.

This proposal will be submitted to the delegates of the member agencies of the Council of Federations at the General Assembly to be held in Detroit on February 8-11 at the Statler Hotel. Mr. Shapiro declared that some of the members of the Board of Trustees of the Cleveland Jewish Welfare Federation voted for the resolution without regard to the merit of the proposal for national advisory budgeting, but were of the opinion that the best interests of Jewry would be served by taking no action at this time which would tend to be divisive.

The Committee To Oppose National Budgeting, which was organized after the Board of Directors of the Council of Jewish Federations and Welfare Funds had



projected the issue, has pointed out that the establishment of a national advisory budgeting committee would create added divisiveness in the American Jewish community.

This decision follows closely the decision passed unanimously by the Philadelphia Allied Jewish Appeal where the proponents joined with the opponents of national budgeting in order to assure the greatest degree of unity in the total mobilizing of all forces in an effort to meet full responsibility to Jewish needs. This brings to more than fifty the communities that have instructed their delegates to the General Assembly to vote against the institution of national advisory budgeting.

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1/10/46





# COMMITTEE TO OPPOSE NATIONAL BUDGETING

44 EAST 43rd STREET  
NEW YORK 17, N. Y.

Room 319

## CO-CHAIRMEN

Judge Samuel Barne  
Pres., Jewish Community Council  
New Bedford, Mass.

Sam Beber  
Pres., Fed. for Jewish Service  
Omaha, Neb.

Rabbi Barnett R. Brickner  
Chairman, Jewish Welfare Fund  
Cleveland, Ohio

Bert C. Broude  
Pres., Jewish Welfare Fund  
Milwaukee, Wis.

Charles Brown  
V.P., Jewish Community Council  
Los Angeles, Calif.

Sol Cheerman  
Chairman, Jewish Welfare Fund  
Meriden, Conn.

A. B. Cohen  
Pres., Jewish Community Conf.  
Scranton, Pa.

Samuel H. Daroff  
Chair., Special Gifts Committee  
Philadelphia, Pa.

Hon. David Diamond  
Pres., United Jewish Fund  
Buffalo, N. Y.

Ben Dreyer  
Pres., Jewish Welfare Fund  
Canton, Ohio

Mrs. Moses Epstein  
Pres., Hadassah

Joseph A. Feder  
Chair., Chest Committee, J. C. C.  
Passaic, N. J.

A. B. Freyer, Sr.  
Nat'l V.P., B'nai B'rith

Edward E. Gelber  
V.P., Zion. Organ. of Canada  
Toronto, Ontario, Canada

Leon Gellman  
Pres., Misrachi

Harold J. Goldenberg  
Pres., Fed. for Jewish Service  
Minneapolis, Minn.

Frank Goldman  
National V.P., B'nai B'rith

Hymen Goldman  
Pres., Jewish Community Council  
Washington, D. C.

Dr. Israel Goldstein  
Pres., Z.O.A.

Sylvan R. Gotshal  
Pres., U.J.A., Greater New York

Chaim Greenberg  
Editor, "Jewish Frontier"

Benjamin R. Harris  
Board Member, J. W. F.  
Chicago, Ill.

Isaac Heller  
Pres., Jewish Welfare Fund  
New Orleans, La.

Dr. James G. Heller  
National Chairman, U.P.A.  
Cincinnati, Ohio

Sidney L. Herold  
Hon. Chair., Jewish Welfare Fund  
Shreveport, La.

Jack Isaacs  
Pres., Wyoming Val. Jewish Com.  
Wilkes-Barre, Pa.

Max Katz  
Pres., Jewish Welfare Fund  
Springfield, Mass.

Sidney G. Kusworm, Sr.  
Nat'l Treas., B'nai B'rith

Joseph Leonard  
Chair., United Jewish Campaign  
Allentown, Pa.

Abe J. Levine  
General Chairman, U. J. C. F.  
Toledo, Ohio

Morris Levine  
Campaign Chair., J. C. C.  
Port Chester, N. Y.

Louis Lipsky  
Chairman, Executive Committee,  
American Jewish Conference

Julius Livingston  
Bd. Member, Jewish Com. Council  
Tulsa, Okla.

Ezra Shapiro, *Chairman*  
President, Jewish Community  
Council, Cleveland

William H. Sylk, *Secretary*  
Secretary, Allied Jewish  
Appeal, Philadelphia

January 18, 1946

Dr. Abba Hillel Silver  
The Temple  
Cleveland, Ohio

Dear Dr. Silver:

The struggle against National Budgeting is now drawing to a close and the decision may well be resolved at the General Assembly of the Council of Jewish Federations and Welfare Funds. At this point I think the Committee ought to know that more than 70 communities have already taken a definitive stand in opposition to National Budgeting. The list includes such major cities as Los Angeles, Philadelphia, Cleveland, Pittsburgh, Hartford, Dallas, and New York United Jewish Appeal. The total vote already pledged to oppose National Budgeting is approximately 150. To our knowledge, only two or three cities have instructed their delegates to vote for National Budgeting.

Day by day, additional reports reach our office and we have reason to be encouraged by the results. It is clear, however, that a number of major cities and many smaller ones will be sending delegates to the General Assembly uninstructed and it may be that the balance of power will be held by those delegates who will be influenced by the presentations and by the personalities at the General Assembly.

It is, therefore, imperative that all our Co-Chairmen make every effort to meet together at the General Assembly for the purpose of developing our strategy in the floor debate and implementing any plan agreed upon. It would be unfortunate if the issue was lost because of poor attendance by the opponents of National Budgeting from the communities.

It is also of equal importance that we bend every effort to assure that every community which has voted against National Budgeting shall cast its vote at the General Assembly. This can only be done by the personal presence of a delegate from that community. It would, therefore, be of considerable help if you are able to come from your community as an official delegate.

(Continued on reverse side)

All titles listed for purposes of identification only



CO-CHAIRMEN  
(Continued)

|  |   |
|--|---|
| Samuel D. Lopinsky<br><i>Pres., Fed. Jewish Charities<br/>Charleston, W. Va.</i>           | Albert Schiff<br><i>Bd. Member, Jewish Com. Council<br/>Columbus, Ohio</i>                              |
| Rabbi Carl Manello<br><i>Member, Budget Com., J. W. F.<br/>Wichita, Kansas</i>             | Irving Schneider<br><i>Chairman, Jewish Welfare Fund<br/>Long Beach, Calif.</i>                         |
| Mortimer May<br><i>V.P., Jewish Community Council<br/>Nashville, Tenn.</i>                 | Louis Segal<br><i>Exec. Dir., Jewish National<br/>Workers Alliance</i>                                  |
| Dr. Lewis I. Miller<br><i>Treas., Allied Jewish Council<br/>Denver, Colo.</i>              | Dr. Abba Hillel Silver<br><i>Chair., Amer. Zion. Emer. Count.</i>                                       |
| Harry Mittelman<br><i>Chair., Budget Com., J. W. F.<br/>Portland, Ore.</i>                 | Dewey D. Stone<br><i>Gen. Chair., United Jewish Appeal<br/>Brockton, Mass.</i>                          |
| Henry Monsky<br><i>National Pres., B'nai B'rith</i>  | Michael Stavitsky<br><i>Board Member, Essex County<br/>Council of Jewish Agencies<br/>Newark, N. J.</i> |
| Rabbi Joseph Narot<br><i>Chair., United Jewish Campaign<br/>Atlantic City, N. J.</i>       | Joseph Swiff<br><i>Campaign Chair., U. J. W. A.<br/>Galveston, Texas</i>                                |
| Isaac Potts<br><i>Asst. Treas., Jewish Welfare Fund<br/>Baltimore, Md.</i>                 | Emanuel Teitelbaum<br><i>Pres., Jewish Community Council<br/>Johnstown, Pa.</i>                         |
| Sol M. Reiter<br><i>Pres., United Jewish Charities<br/>Newburgh, N. Y.</i>                 | Dr. Joshua Trachtenberg<br><i>Pres., Jewish Community Council<br/>Easton, Pa.</i>                       |
| Dr. Bernard M. Ritter<br><i>Chair., United Jewish Appeal<br/>Lowell, Mass.</i>             | Abe D. Waldauer<br><i>Bd. Mem., Jewish Welfare Fund<br/>Memphis, Tenn.</i>                              |
| Felix Rosenbaum<br><i>Pres., Jewish Community Council<br/>Fitchburg, Leominster, Mass.</i> | David Wertheim<br><i>Exec. Director, Poale Zion</i>   |
| Henry Rosenbaum<br><i>Plainfield, N. J.</i>  | Samuel Whitehead<br><i>Co-Chair., Fed. of Jew. Charities<br/>Albuquerque, N. M.</i>                     |
| A. Rosenberg<br><i>Pres., Jewish Federated Charities<br/>Kitchener, Ontario, Canada</i>    | Dr. Stephen S. Wise<br><i>Pres., American Jewish Congress</i>   |
| Bernard W. Rosenberg<br><i>Secy., Warren Jewish Federation<br/>Warren, Ohio</i>            | Harry K. Wolff<br><i>National V.P., B'nai B'rith</i>  |
| Charles J. Rosenbloom<br><i>Pres., United Jewish Fund<br/>Pittsburgh, Pa.</i>              | Harry K. Wolkoff<br><i>Pres., United Jew. Fund &amp; Council<br/>St. Paul, Minn.</i>                    |
| H. Rosenthal<br><i>Pres., Jewish Community Council<br/>Windsor, Ontario, Canada</i>        | Henry Yozell<br><i>Chair., United Jewish Appeal<br/>Lynn, Mass.</i>                                     |
| Judge Morris Rothenberg<br><i>Pres., J.N.F.</i>  | Samuel Zacks<br><i>Pres., Zion. Organ. of Canada<br/>Toronto, Ontario, Canada</i>                       |
| Bernard G. Rudolph<br><i>V.P., Jewish Welfare Fed.<br/>Syracuse, N. Y.</i>                 |   |

(Incomplete)  
(COMMITTEE IN FORMATION)

*All titles listed for purposes of identification only*

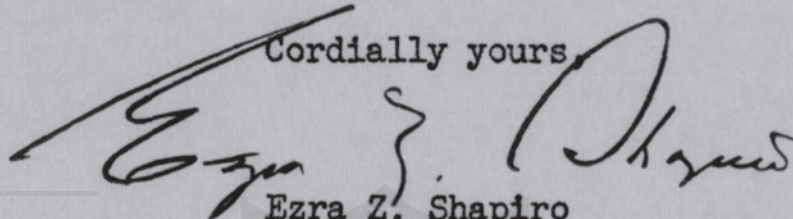


We are inviting you to attend the final report meeting of the Committee to Oppose National Budgeting which will be held at the Book-Cadillac Hotel in Detroit on Saturday, February 9th at 2:00 P. M. At that time, there will be a complete report of the progress made by the Committee and a careful plan of strategy for the presentation of our opposition and the defeat of National Budgeting.

We can be confident of victory only if you and other members of our Committee will be sure to attend the General Assembly.

Would you be good enough to indicate on the enclosed card your intention to attend.

Cordially yours,



Ezra Z. Shapiro  
Chairman

EZS:SDD  
Enc.





# FOR NATIONAL ADVISORY BUDGETING

FOR INFORMED DELEGATES VOTING ON THE ISSUE  
GENERAL ASSEMBLY • CJFWF • DETROIT • FEBRUARY 8-11

January 21, 1946

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

Dear Rabbi Silver:

I note with regret that your organization has taken a position against National Advisory Budgeting. I particularly regret that your Board undoubtedly made its decision before the receipt of the arguments for and against the proposal which have only just gone out and before the receipt of much of the material which this Committee has released. The explanations offered for the negative vote demonstrate that the arguments of the opposition group were not scrutinized in relation to the affirmative aspects of the issue.

The statement of the affirmative position is now available for consideration on its merits. Would it not be sound judgment to place this material before your Board and request it to reconsider its position?

It seems to me that the matter is important enough to be decided in the light of all the evidence. It would be a pity to have a service lost, which communities really want, because of a premature decision stimulated by an overseas agency against the legitimate needs of local communities.

I hope you will make every effort to get a reconsideration in the interest of your and all other communities.

Sincerely yours,

*J. Blaustein*  
JACOB BLAUSTEIN  
Chairman



COMMITTEE TO OPPOSE NATIONAL BUDGETING  
44 East 43rd Street  
New York 17, N.Y.

FOR IMMEDIATE RELEASE

PITTSBURGH JEWISH FUND JOINS OPPONENTS OF NATIONAL BUDGETING

100 Jewish Communities Already Recorded in Opposition to Council Plan

- -

New York -- The United Jewish Fund of Pittsburgh has joined the growing list of approximately 100 Jewish communities which have thus far registered opposition to the introduction of national advisory budgeting at this time, it was reported here today by Ezra Shapiro, Chairman of the Committee To Oppose National Budgeting. Following the example of Philadelphia and Cleveland, the Jewish Welfare Fund of Pittsburgh instructed its delegates to the General Assembly of the Council of Jewish Federations and Welfare Funds to be held in Detroit, February 8-11, to vote to defer and failing that, to vote to oppose the institution of national advisory budgeting.

With few exceptions all communities which have given consideration to the question of national budgeting have voted to oppose it at the Assembly. "The opposition," Mr. Shapiro stated, "is beginning to take landslide proportions."

Approximately 100 Jewish communities, large and small, have already passed resolutions opposing national advisory budgeting and have instructed their delegates to vote accordingly. Some of the communities which have recently voted their opposition to national advisory budgeting are: New Haven, Waterbury, Champaign, Peoria, Louisville, Fitchburg, Springfield, Mass., Battle Creek, Benton Harbor, Saginaw, Jersey City, Plainfield, Trenton, Newburgh, Utica, Dayton, Salem, Toledo, Allentown, Chester, Easton, Harrisburg, Scranton, Sioux Falls, Nashville, Suffolk, Va., Madison, Charleston, W.Va., Windsor, Hammond, Camden, Elizabeth, Youngstown, Oklahoma City, McKeesport, Sharon-Farrell, Knoxville and Memphis.

"There is every reason to believe that when the next General Assembly meets early in February, the Jewish communities throughout the country will vote decisively to defeat national advisory budgeting," Mr. Shapiro declared.

1/22/46

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AN ANALYSIS OF MR. JACOB BLAUSTEIN'S  
STATEMENT ON NATIONAL BUDGETING

Answers to Mr. Blaustein's  
Statement in the Pro and Con  
Publication on National Budgeting  
Issued by the Council of Jewish  
Federations and Welfare Funds

Issued By  
Committee To Oppose National Budgeting  
44 East 43rd Street  
New York 17, N. Y.



## INTRODUCTION

The Council of Jewish Federations and Welfare Funds has at long last published Mr. Blaustein's pro statement on National Budgeting, appended to which is the opposition statement by Isaac Heller of New Orleans. It is significant that, in spite of six months for preparation, the Council was able to present this material barely four weeks before the General Assembly. It will be a source of wonder to many community leaders as to why this document was so long delayed.

The Council, which has been so technically efficient, should explain why, after applying pressure on Isaac Heller some five weeks ago for his report on the negative side of the story, allowed five weeks to go by before it obtained and published the statement prepared by Mr. Blaustein.

The Council has been strongly bitter about decisions made in local communities which were opposed to National Budgeting. They scolded communities that discussed the issue fully because they did not wait for the Council's material. They applied pressure on Mr. Isaac Heller, giving him deadlines to meet, and then after the deadlines were met, five weeks elapsed. The finished product gives Mr. Blaustein an opportunity for rebuttal, in addition to his presentation.

In any case, "let's look at the record" of inconsistencies between Mr. Blaustein's statements and the Council's own publications.



MR. BLAUSTEIN SAYS:

p. 2, Introduction:-

"I am convinced, as are the majority members of the Council Committees which have studied the question.....that a national advisory budgeting service is necessary and desirable....."

At the substitute Assembly of the CJFWF held in Cincinnati on February 9-11, 1945 a report was submitted of the votes of the members of the Budget Research Committee on whether "to recommend that the Council's budgetary service be extended to include budget review and advice." The votes were as follows:

YES:

Sidney Hollander  
William J. Schroeder  
Ira M. Younker  
Jacob Blaustein

Total -- 4

NO

Fred M. Butzel  
Samuel Goldsmith  
Joseph Goldstein  
Maurice B. Hexter  
Charles J. Rosenbloom  
William Rosenwald  
Morris Rothenberg  
Rabbi Abba Hillel Silver  
David M. Watchmaker

Total -- 9

MR. BLAUSTEIN SAYS:

p. 2, ibid:

".....such a service would create a more confident and sympathetic understanding on the part of the communities for all Jewish causes and, as a consequence, would stimulate their fund-raising efforts so as to meet their full responsibilities toward them."

You, Mr. Blaustein, have done everything in your power to characterize the national agencies as bogeymen in the eyes of the local communities. It is hardly likely that you and your central committee would "create....sympathetic understanding."

As a matter of fact, even the staff of the Council believes that "national budgeting would result in possible restrictions on the free flow of contacts between national agencies and local welfare funds."

--(Memorandum for the Committee on the  
Study of National Budgeting Proposals  
-by the staff of the CJFWF, September, 1940.)



MR. BLAUSTEIN SAYS:

p. 2, ibid:

".....that national budgeting would tend to improve relationships within the communities, between the communities and the national and overseas agencies, and among the national and overseas agencies themselves toward the goal of real unity, as against so-called unity."

The Council staff says, Mr. Blaustein, that "a National Budgeting Committee might become an arena of conflict between controversial and partisan groups, and would result in more rather than less inter-agency friction."

--(Memorandum for the Committee on the Study of National Budgeting Proposals - by the staff of the CJFWF, September, 1940.)

MR. BLAUSTEIN SAYS:

p. 3, Question 1

That local Welfare Funds want information about the "multiplication of new appeals and extension of existing agencies into fields new to them but within the established programs of other national and overseas agencies ..... What are the facts and the amounts of the budgets involved? Which of these appeals are superfluous or duplicate more effectively established services?"

Mr. Blaustein, in accordance with the agreement of the Budget Research Committee of 1942, the Council of Jewish Federations and Welfare Funds now has the authority to undertake "intensive examination of all basic financial records" and to analyze for "efficiency in organization activities, overlapping of programs and other qualitative factors."

MR. BLAUSTEIN SAYS:

That National Budgeting is needed in order to provide Welfare Funds with information on (p.3, Question 2) "How good a job is being done by an agency in its particular area of service.....?"

Mr. Blaustein, in accordance with the agreement of 1942, the Council is empowered to undertake a "collection of periodical service data for all organizations and subsidiaries" and to analyze for "efficiency in organization activities."



MR. BLAUSTEIN SAYS:

p. 3

"To get the facts and appraise and correlate them takes more time, staff, and facilities than is at the disposal of any one community."

The Agreement of 1942 calls upon the Council to supplement its staff by "such additional regular or special staff as may be required to conduct the services herein contemplated." How many staff members have been added as a result of the Budget Research Committee agreement? The Council is empowered to provide every member agency with all the facts and it has been instructed to engage the staff which will enable it to gather and correlate such facts. Why has it not done so?

MR. BLAUSTEIN SAYS:

p. 3

"Where hearings are held, they are frequently brief and unsatisfactory because of the numerous agencies involved and other limiting factors. Most welfare funds have to depend largely upon the published material of the agencies which requires considerable time and experience for analysis and study and which are never fully adequate for the purpose."

What about the "published material of the Council?" The Council is now empowered to gather, study and correlate complete factual data on agencies. Why cannot it provide adequate published material to its member agencies now? Why do they have to depend only on the "published reports" of the agencies?

MR. BLAUSTEIN SAYS:

That National Budgeting is needed in order to ascertain (p.3, Question 3) "How much overlapping and duplication is there among national and overseas agencies and how much of their budgets are involved?"

Mr. Blaustein, the 1942 agreement empowers the Council of Jewish Federations and Welfare Funds to analyze for "overlapping of programs" and to "undertake a study and description of needs met by the organizations and by other resources in the same field."



MR. BLAUSTEIN SAYS:

That National Budgeting is needed to check whether the agencies are (p.3, Question 4) "adjusting their programs and budgets promptly and adequately to meet rapidly changing conditions? Are conditions such as to enable them still to perform, and are they continuing to perform, all their previous functions; and what parts of their programs and budgets, if any, represent 'dead' services and what are 'live'?"

I refer again to the agreement of 1942. It empowers the Council to undertake a "collection of periodical service data for all organizations and subsidiaries." If, Mr. Blaustein, you recognize the need for prompt adjustment of programs, why do you insist on the establishment of more red tape and added intermediaries between the national agencies and their supporters?

MR. BLAUSTEIN SAYS:

That National Budgeting is needed in order to provide information on (p.3, Question 6) "How much of the work indicated is being done, or should reasonably be done, by governments or other agencies; what effort is being made to bring that about; and how much must be done by Jewish agencies because of inadequate governmental responsibility?"

But, Mr. Blaustein, the Council of Jewish Federations and Welfare Funds may now undertake "study and description of needs met by the organization and by other resources in the same field."

MR. BLAUSTEIN SAYS:

p.4

"The fact is that the Budget Research Committee has in the course of its work fully employed the fact-finding procedures within its authority and has made both short and full, exhaustive fact-finding studies....."

Mr. Blaustein, the following questions relating to the Budget Research Committee and its activities still remain unanswered since November 29, 1945 when they were put to Mr. Hollander:

- 1: "How many times did the Budget Research Committee meet since it was established in 1942? What were the dates of these meetings? How many people attended each of these sessions?"
- 2: "Just how often were 'reports on progress' 'recommendations or modifications of the program' submitted to the Board of the Council by the Budget Research Committee? What were these 'reports'? How many members of the Budget Research Committee signed them?"



- 3: "To what extent was the staff of the Council supplemented in order to perform this expanded job? How many people were available for the job in 1942 and how many are available in December, 1945?"
- 4: "Was the Council ever denied the authority to examine the 'basic financial records' of any organization appealing for funds? What are the names of these organizations? Did the Council ever undertake to examine the accounts of 'the ultimate spending organizations?' Which organizations were thus examined? Did any organizations decline to permit such examination? What are their names?"
- 5: "To what extent did the Council call attention in its reports on causes to the use of 'other resources in the same field?' How many such reports were issued?"
- 6: "How many such reports have been issued by the Council since February, 1942? On which organizations? If the Council could do only a limited job in this field, why?"
- 7: "How many studies of efficiency in organization did the Council undertake since 1942? Which organizations were reported upon? Why did not the Council use this prerogative to the satisfaction of its member agencies?"
- 8: "Is it not true that two-thirds of the Budget Research Committee DID NOT VOTE to recommend 'the full national advisory budget service'?"

MR. BLAUSTEIN SAYS:

p. 4

"It is no wonder that well organized and conscientious welfare funds are deeply concerned and are looking to a National Advisory Budgeting Service to assist them in doing a better and fairer job.

"The initiative and demand for national advisory budgeting has always come from the communities themselves, and it is clear from the experience of local welfare funds that if the question were one to be decided entirely on the basis of the benefits to the local community, there would be an overwhelming sentiment in favor of the proposal. This is evidenced by the following:"

p. 5

"The constant demand of the member agencies and their budget committees, and the local and regional resolutions to that effect, when outside pressures have not been applied."



Are you, Mr. Blaustein, casting reflections on the integrity of the more than 100 communities who have already rejected National Budgeting?

Has the demand for National Budgeting really come from the communities or has it been stimulated by the Council staff and been achieved with only one side of the story told?

This Fall, Mr. Blaustein, at regional conferences when both sides of the story were told, and in two cases, where an actual vote was permitted, the overwhelming sentiment was in opposition to National Budgeting, yours, Mr. Hollander's and the Council staff's efforts notwithstanding.

MR. BLAUSTEIN SAYS:

C.3 - p.5

"The overwhelming sentiment of the delegates at the 1944 General Assembly in Pittsburgh that the present limited services of the Council are not adequate, and their resolution that the subject of National Advisory Budgeting Service be restudied and recommendations made to the next General Assembly."

But, Mr. Blaustein, the Budget Research Committee which was assigned to study this plan did not recommend the submission of your National Budgeting scheme.

MR. BLAUSTEIN SAYS:

C.5 - p. 5

"The overwhelming approval of National Advisory Budgeting by the Board of Directors of the Council consisting of some of the most active welfare fund leaders of the country. They have considered the proposal most carefully on several occasions and the great majority of them recognized its merits and validity."

But note, Mr. Blaustein, that they do not reflect the will of the communities which subsequently voted down the proposal and in many cases, with the assent of the same board members.



MR. BLAUSTEIN SAYS:

p.5 - 3.(2)

"Since the United Palestine Appeal is opposing this proposal, it is worthy of note that National Advisory Budgeting was concurred in, personally, by Rabbi James G. Heller, its Chairman. At our meeting on December 20, 1944, he and I agreed to submit to the UPA and the Council, respectively, our individual recommendation for an objective National Advisory Budgeting Committee. We had agreed on the procedures to be followed in securing a fair and responsible Advisory Budgeting Committee and that the offering of the budgeting advice would be on an experimental basis for a three-year trial period, after which the project would again be resubmitted to the Assembly for review and decision as to its continuation. Unfortunately, the UPA Administrative Committee rejected its Chairman's recommendation."

In a recent letter to Mr. Ezra Shapiro, Dr. Heller stated:

"I regret to say that Mr. Blaustein's recollection of our meeting and of its results, does not coincide with mine. First of all, I want to make clear that I have always been opposed to "National Advisory Budgeting," not only on Zionist grounds, but because I believed five years ago, and I believe now, that it is fraught with serious peril for the American Jewish community. I opposed it vigorously at the Atlanta Meeting of the Council in January 1941. I opposed it at a meeting held with Mr. Blaustein and some members of his committee in New York. And I have opposed it on many subsequent occasions. I hope to argue against it at the meeting of the Assembly of the Council in Detroit early in February.

....."in the months that have ensued, the manner of the presentation of the case to the American Jewish public, and many other incidents that have occurred in relation to the Council of Welfare Funds all have intensified in me the conviction, which I held originally, that National Advisory Budgeting, in the hands of this group, would constitute the most serious menace ever developed to the freedom and the future of American Jewish life, in respect to some of its deepest and dearest objectives. This point of view I hope to be able to present to the delegates who will come to decide on the question in Detroit."



MR. BLAUSTEIN SAYS:

D. - p. 6

"One of the primary advantages of the proposal is that it would counteract agency rivalries which affect the unity of local welfare funds."

But, Mr. Blaustein, in 1940 the Council's staff said that "a National Budgeting Committee might become an arena of conflict between controversial and partisan groups and would result in more rather than less inter-agency friction." The staff also added that it might result in the "possible restrictions on the free flow of contacts between national agencies and local welfare funds."

MR. BLAUSTEIN SAYS:

D. - p.6

"Only the intervention of a governmental agency with emergency wartime authority was able to remove this serious source of disunity and disruption and thus free the Jewish welfare funds for the maximum fund raising in 1945 and 1946 so desperately needed to meet the emergencies of the war and the post-war period."

Does this imply the threat that when decisions made by a Central Budget Committee are not readily accepted, Mr. Blaustein and perhaps Mr. Hollander with him, will invoke the force of non-Jewish governmental authorities? Mr. Hollander has already provided the precedents!

MR. BLAUSTEIN SAYS:

That National Budgeting is needed in order (D. -p.6) "to establish an instrument to work continuously with the national and overseas causes in order to establish good working relationships among the various agencies and between the agencies and local communities. A National Advisory Budgeting Committee is the most feasible instrument for that purpose."

BUT THE CJFWF SAYS:

"A National Budgeting Committee might become an arena of conflict between controversial and partisan groups and would result in more rather than less inter-agency friction."

(Memorandum for the Committee on the Study of National Budgeting Proposals - by the staff of the CJFWF, September 1940.)



MR. BLAUSTEIN SAYS:

D. - p. 6

"The National Advisory Budgeting Committee to be established would represent the Jewish welfare funds of the country as a responsible and impartial body to assume the task of reaching agreements, where possible, with each of the appealing agencies concerning the extent of its practical needs."

The Council is already authorized according to the 1942 agreement, Mr. Blaustein, to engage in "study and description of needs met by organizations and other resources in the same field." It is also authorized to undertake "examination of the results on services provided by organizations." Why do you need additional power when the Council has not as yet used the authority granted to it?

MR. BLAUSTEIN SAYS:

That National Budgeting (D. 1 - p.6) "would strengthen community organization in this country-- by developing improved relationships between the national agencies and the local communities, and among the national agencies themselves;.....and by broadening the knowledge -- and increasing the interest -- of divergent elements of each community in all legitimate Jewish causes."

But can't you realize, Mr. Blaustein, that centralization of budgeting will remove local incentives for studying agency programs and will make even more tenuous the present relationship between the contributor and the agency he supports. It will result in the intensification of the struggle between divergent elements.

MR. BLAUSTEIN SAYS:

That National Budgeting (D. 2 - p.7) "would help to create greater sympathy for the national and overseas agencies among Jewish contributors by clearing up mistaken impressions and unfounded criticisms which now hamper the work of even the best and most legitimate agencies."

Mr. Blaustein, you have already done incalculable damage by your repeated innuendos and inferences against national agencies during your campaign for national budgeting. Your crocodile tears are meaningless in view of the Chinese wall you have tried to build between the national agencies and the local Jewish communities.



MR. BLAUSTEIN SAYS:

That National Budgeting (D. 3 - p.7) "would lay a firm foundation for improved fund-raising programs in each community by basing appeals on authoritative and unquestioned facts and figures, objectively and fairly interpreted, rather than on competitive and often conflicting pressures."

But, Mr. Blaustein, the Council staff report of September 1940 says that national budgeting would result in "possible freezing of status quo of agencies."

(Memorandum for the Committee on the Study of National Budgeting Proposals - by the staff of the CJFWF, September 1940.)

MR. BLAUSTEIN SAYS:

That National Budgeting (D. 4 - p.7) "would encourage the development of more specific and realistic budgets by each of the national and overseas agencies, budgets embodying recognition of the relationships of their own programs and expenditures to those of other agencies and total needs."

Mr. Blaustein, again I remind you of the agreement of 1942 in accordance with which the Council is empowered to undertake fact-finding and analysis of the "efficiency in organization activities" and "overlapping of programs and qualitative factors."

MR. BLAUSTEIN SAYS:

That National Budgeting (D.5-p.7) "would stimulate greater cooperation between the national agencies, especially those operating in the same fields, in regard to their functional programs, and help to eliminate unnecessary duplication among them."

In February 1942, the Council of Jewish Federations and Welfare Funds was specifically authorized in the agreement establishing the Budgeting Research Committee to undertake an examination of "efficiency in organization activities, overlapping of programs and other qualitative factors." This was to be part of its "fact-finding and analytical procedure." Obviously, Mr. Blaustein, you are aiming at more than just this because the Council now has that authority.



MR. BLAUSTEIN SAYS:

p. 7 - E. 1

"There are also definite advantages in this proposal for the national and overseas agencies and these advantages have been recognized by many of the leaders of these agencies.

1. "National Advisory Budgeting would provide an opportunity for them to present and discuss their basic needs and problems with a responsible group of typical welfare fund leaders. Since it is impossible for the agencies to appear directly and adequately present their needs and programs to each one of the more than 300 Jewish welfare funds in the country, a national advisory committee is the nearest approximation to an adequate basis of relationship between the national and overseas agencies and the welfare funds."

Mr. Blaustein, do you know of any responsible national agency which has ever refused to send a representative to discuss with a local budget committee its needs and its responsibilities? You would not, Mr. Blaustein, wish to deprive communities of this important face-to-face relationship with the agencies they support. Does that mean, Mr. Blaustein, that you would wish to have all the agencies channel their contacts with the communities through you and your committee?

MR. BLAUSTEIN SAYS:

P. 7 - E. 2

2. "National Advisory Budgeting would serve as a check against new, unnecessary overlapping appeals -- a protection which the agencies and the communities should have and which the agencies feel they need, as evidenced by their requests even now for such limited aid in this direction as the Council's Budget Research Committee can give."

The Council already has the power to do this, Mr. Blaustein. We refer you to the agreement of the Budget Research Committee of 1942. Why did not your committee use it?

MR. BLAUSTEIN SAYS:

E. 4 - p. 7

"National Advisory Budgeting would serve as a needed, outside, independent endorsement.....

"The time has arrived when the agencies will have to prove their cases to the communities more than heretofore. Campaign efforts will have to appeal to the head as well as the heart. The story of needs and wants will have to be told....."



MR. BLAUSTEIN SAYS:

F. 1 - P. 8

"Local Jewish welfare funds operate because they have found a way to deal with these conflicting ideologies. Similarly, local welfare funds operating collectively through the instrument of a National Advisory Budgeting Committee can and would deal sympathetically with the different ideologies as they are involved in the budgets of the various agencies. The local communities which have to make the final decisions on how to distribute the funds that they raise would be helped by the results of sympathetic conferences between a fair-minded committee and the various agencies. Further, if the United Jewish Appeal is again dissolved, with the resulting conflict about ideologies in every local community, the efforts to arrive at workable decisions by such a representative group of welfare fund leaders would be a real asset to the local communities."

We are glad to learn that your committee which has been denying for so long the part that ideologies would play in budgeting, is now placed in the position of admitting the role of ideologies. We agree, Mr. Blaustein, that local welfare funds have been able to deal with conflicting ideologies, but many national agencies have shown their inability to get along with each other in the face of conflicting ideologies, i.e., The American Jewish Committee's withdrawal from the American Jewish Conference. Mr. Blaustein, you insisted that the American Jewish Conference, which was an elected body, did not have the authority to act in areas of ideology. Why do you think that the self-perpetuating Board of the Council which has never made a pretense at being representative should now be given this unusual responsibility.

You, Mr. Blaustein, are certainly not the best example of dealing "sympathetically with ideologies" with which you differ. Your refusal to accept the views of the overwhelming majority in the American Jewish Conference indicates little respect for the democratic processes in Jewish life. We agree with you, Mr. Blaustein, "the local Jewish Welfare Funds have found a way to deal with these conflicting ideologies."

Are you suggesting, Mr. Blaustein, that your Budget Committee would be "outside, independent" of the local welfare funds they are supposed to represent? To whom will your committee be responsible, Mr. Blaustein? We agree, Mr. Blaustein, that the agencies should "prove their cases to the communities....."  
To the communities---but not to you and your central committee.



MR. BLAUSTEIN SAYS:

F. 2 - p. 8

"The objective of the National Advisory Budgeting Committee would be to relieve and adjust conflicting claims and pressures."

Remember, Mr. Blaustein, the CJFWE staff reports that "a National Budgeting Committee might become an arena of conflict between controversial and partisan groups and would result in more rather than less inter-agency friction." This, Mr. Blaustein, is the view of the staff of the Council and is not limited to those who oppose national budgeting.

(Memorandum for the Committee on the study of National Budgeting Proposals - by the staff of the CJFWE, September, 1940.)





MR. BLAUSTEIN SAYS:

F. 4 -- p.8

"The National Advisory Budgeting Service would be purely advisory in character. That is definite, -- and has always been definite. The findings and advice would in no way, either at the outset or later, be mandatory upon either the national or overseas agencies or the local communities. The service would be rendered only to such member agencies as wanted it, and for only such use in local budgeting as each community cared to make of it. Local communities would adopt, modify or ignore the recommendation as they saw fit."

Let us be as frank today as was the staff report in 1940 when your committee was told that "it might be advisable to agree at the outset that the national budgeting process is to be wholly of an advisory character and that there will be no immediate transfer of responsibility to the national budget committee of the prerogatives of national and overseas agencies or the authority of local welfare funds."

You know very well, Mr. Blaustein, that a recommendation coming from a "so-called group of impartial experts" would be impressive enough to overcome local budgeting processes. If you believe, Mr. Blaustein, that local communities are sufficiently informed and independent to be able to determine whether to "adopt, modify or ignore the recommendation," why cannot they, Mr. Blaustein, make their own decisions based on a factual presentation? What special "Gift of the Gods" have you and your central committee? Given the same facts why cannot the local community display the same good judgment as a national committee?

Calling it advisory, does not make it so. Your Council staff said, "even if the work of the budgeting committee was assumed to be purely advisory in character, it might mean substitution of national judgments for local judgments. This might result in placing too much authority in the hands of a small group and restricting the participation and degree of influence of individual contributors and local views. There may be more corrective influence on national agency developments if they are dependent on multiple reactions or decisions than if they depend primarily on judgments of a small central body."

We accept the staff's report on this.



MR. BLAUSTEIN SAYS:

F. 4 - p.9

"Now what sound argument can there be for a community not wanting to know, or not being permitted to get, objective facts and advice?.....On the contrary, we seek such facts and advice, weigh it with all the other data available to us, and then make our decision and that is just as sound with respect to our Jewish causes....."

Yes, Mr. Blaustein, we agree. Give the local communities the facts, the figures, and the analyses and let the local communities make their own decisions just as "businessmen and women do."

MR. BLAUSTEIN SAYS:

F. 4 - p.9

"In the final analysis, the communities are the 'buyers;' and the overseas and national agencies the 'sellers.' And the communities have a right to investigate what they are buying, fully and with all the means that can be placed at their disposal....."

We like your interesting distinction, Mr. Blaustein, between the "buyers" and the "sellers." Which are you, Mr. Blaustein? Are you the local community leader from Baltimore or are you the arbitrary and high-handed official of a national agency such as the American Jewish Committee, the Jewish Telegraphic Agency, etc? When are you one and when are you the other? Is it a case of Dr. Jekyll and Mr. Hyde, or is it really, Mr. Blaustein, an artificial distinction which you create for the purpose of building up a case?

MR. BLAUSTEIN SAYS:

F. 4 - p. 9

"The Council has been one of the most positive factors in stimulating effective organization of welfare funds and generous giving. They have from time to time advised member agencies on their relationship with national and overseas agencies. It would be absurd to say that the member agencies have lost any of their autonomy because of these services."

If the record is good, Mr. Blaustein, why spoil it by interfering with the autonomy of the member agencies through the establishment of National Budgeting?



MR. BLAUSTEIN SAYS:

F. 4 - p.9

"It is equally absurd to believe that should a representative group of welfare fund leaders.....come together as a National Advisory Budgeting Committee, they would become a dangerous control group and that all of those undesirable results would occur merely because the Committee offered advice to the communities on whether a campaign goal was adequate, inadequate or excessive."

The Council staff says, "This might result in placing too much authority in the hands of a small group and restricting the participation and degree of influence of individual contributors and local views."

(Memorandum for the Committee on the Study of National Budgeting Proposals - by the staff of the CJFWF, September, 1940.)

MR. BLAUSTEIN SAYS:

F. 4 - p. 9

"Those who advance this argument appear to have a rather low opinion of the interest, integrity and sense of responsibility of welfare fund leaders, and contributors....."

It is because we, rather than you, have faith in the "interest, integrity and sense of responsibility of welfare fund leaders and contributors" that we oppose national budgeting and insist that the discretion over public funds remain in their hands.

MR. BLAUSTEIN SAYS:

F. 4 - p. 9

"Certainly there are at least 15 qualified Jews in this country to serve on a National Advisory Budgeting Committee who would be accepted as unbiased by Welfare funds and the national and overseas agencies. If not, then all local budget committees are biased and the whole Jewish welfare fund movement was a mistake. What the opposition is actually saying is that we have no persons in Jewish life in whom confidence can be placed. I just do not believe, or agree with that."

Given the same facts and technical assistance, why are not 15 people on the local level as intelligent, as competent, as wise, as fair minded, and as objective as 15 people on the national level? Mr. Blaustein, have you no faith in the integrity of local leadership? The Council has the authority to provide those facts to the local community. Why does it not do so?



MR. BLAUSTEIN SAYS:

6 - p.10

"It has been my observation, as it undoubtedly has been yours, that frequently when individuals or groups find it impossible to support their positions with sound reasons, they resort to the device of branding what they oppose as undemocratic."

Mr. Blaustein, you judge which is more democratic; leaving to the contributors the decision on how to distribute the funds or to remove this responsibility from them and place it in the hands of a small unrepresentative national committee.

MR. BLAUSTEIN SAYS:

P. 10 - S.6

".....the present procedure where the national and overseas agencies decide along for themselves what their budgets should be, how they will divide up the funds among several agencies. . . . .and tell the communities which support them what each should contribute without any real independent voice as to even that since the communities do not have the facilities to make intelligent and equitable decisions for themselves. . . ."

Isn't it true, Mr. Blaustein, that national and overseas agencies are more and more influenced by the thinking and participation of local welfare fund leaders? The recent United Jewish Appeal Conference in Atlantic City, not only involved chosen welfare fund leaders but included officially designated representatives of local welfare funds. No central budget committee could be more broadly representative than this assemblage. Even more, Mr. Blaustein, the representatives of the recipients and those operating in the field were brought for a face-to-face discussion of the needs with those who raise and give the funds. What better plan could you devise, Mr. Blaustein?

Tell us, Mr. Blaustein, when you sit on the Boards of the American Jewish Committee and the Jewish Telegraphic Agency, are you less of a local leader than when you sit on the Board of the Council of Jewish Federations and Welfare Funds?



MR. BLAUSTEIN SAYS:

P. 11, S.7

"This was said by the opposition in 1941, 1942 and each year thereafter. When is the time ripe? The opposition is now unwilling to set a date, but it should be recalled that in the discussions four and three years ago, it was thought by the various parties that three years would constitute an adequate evolutionary period."

What has your committee done and how often has it met to warrant more authority? Again we say, first use to the full the power now reposed in the Council, and the country will be able to judge whether National Budgeting is needed. It was not intended that the committee should simply age by three years.

MR. BLAUSTEIN SAYS:

P. 11 - S.8

"Instead of National Advisory Budgeting putting a 'ceiling' on giving, it would do just the opposite."

But, Mr. Blaustein, in 1940 the Council staff advised that National Budgeting would result in the "possible freezing of status quo of agencies" and "possible restrictions on fund-raising goals."

(Memorandum for the Committee on the Study of National Budgeting Proposals - by the staff of the CJFWF, September, 1940.)

MR. BLAUSTEIN SAYS:

P. 11 - S.8

"Without such an endorsement to resolve the many questions in the minds of local contributors, there may not only be inequitable allocations, but initiative and personal interest in fund raising may be diminished and local support arrested."

But the Council staff in 1940 said that National Budgeting would result in "possible restrictions on the free flow of contact between national agencies and local welfare funds" and would also result in "possible freezing of status quo of agencies" as well as "possible restrictions on fund-raising goals."

(Memorandum for the Committee on the Study of National Budgeting Proposals - by the staff of the CJFWF, September, 1940.)



MR. BLAUSTEIN SAYS:

P. 11 - S. 9

"Yet, one of the United Jewish Appeal agencies now proclaims that the National Advisory Budgeting Service which it opposed should not be made effective because it says it may cause disunity.

"It is easy to raise a row and deliberately cause dissension."

Who projected National Budgeting, the agency you mentioned, or you, Mr. Blaustein?

MR. BLAUSTEIN SAYS:

P. 12 - S. 9

"I am sure that none of us today would want to do away with local federations and local federation budget committees. . . . ."

Of course not, Mr. Blaustein. The Council staff said National Budgeting would "mean substitution of national judgments." Your plan would tend to do away with local federation budget committees. That is another reason why we oppose National Budgeting.

MR. BLAUSTEIN SAYS:

P. 12 - G The Main Question. . . . .The Real Issue

"Do the local welfare funds want to develop on a national basis an instrument responsible to them, established for the purpose of relating them more effectively to the operation of the many separate fund-raising appeals of the national and overseas agencies?"

. . . . . "Do or don't communities want to know what they are doing and are the national and overseas agencies willing or unwilling to have the communities know what they are doing?"

Yes, that is the function and purpose of the Council of Jewish Federations and Welfare Funds. It is now empowered to undertake "intensive examination of all basic financial records," to "collect periodic service data for all organizations and subsidiaries," to examine "administrative and fund-raising processes," to examine "results of services provided by organizations" and a host of other powers. If this has not been done, the answer is not to ask for additional authority.



MR. BLAUSTEIN SAYS:

P. 12- H (Conclusion)

"A large majority of those assigned to study the question, and many communities, have indicated that they deem National Advisory Budgeting absolutely necessary and desirable.....

"And just because it is important, it deserves the full, sound study of the member agencies and a balanced consideration of its real merits."

But, Mr. Blaustein, the report of the Budget Research Committee members in Cincinnati, was 9 to 4 against the introduction of your plan.

We agree, Mr. Blaustein, but if it "deserves the full, sound study of member agencies," why did the Council of Jewish Federations and Welfare Funds hold up the Pros and Cons until four weeks before the General Assembly -- and for five weeks after Mr. Heller presented the opposition side? Do you really want full community wide discussion -- is it possible within four weeks?

MR. BLAUSTEIN SAYS:

P. 13 - H (Conclusion)

"Certainly under the circumstances, National Advisory Budgeting is now entitled to a trial."

In your business, Mr. Blaustein, would you try a plan which reason and experience condemn as unsound? Why not first try the plan agreed upon in 1942 for the Budget Research Committee. It hasn't been tried yet, Mr. Blaustein.



COMMITTEE TO OPPOSE NATIONAL BUDGETING  
44 East 43rd Street  
New York 17, N.Y.

FOR IMMEDIATE RELEASE

BALTIMORE FEDERATION NOT TO VOTE ON NATIONAL BUDGETING

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New York -- The delegates to the General Assembly of the Council of Jewish Federations and Welfare Funds from the Baltimore Associated Jewish Charities have been instructed not to vote on the question of national advisory budgeting, it was announced here today by Mr. Ezra Shapiro, Chairman of the Committee To Oppose National Budgeting.

This action, it was learned, was taken by the Board of Directors of the Associated Jewish Charities at a meeting held on Thursday night, January 24th. It refers to the proposal for the establishment of a national advisory budgeting committee which will be submitted by the Board of Directors of the Council of Jewish Federations and Welfare Funds to the General Assembly to be held in Detroit on February 8-11.

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1/25/46



COMMITTEE TO OPPOSE NATIONAL BUDGETING  
44 East 43rd Street  
New York 17, N. Y.

FOR IMMEDIATE RELEASE

NEWARK AND CHICAGO OPPOSE NATIONAL BUDGETING

Additional Major Cities Vote To Defeat Council Proposal

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New York -- In action taken on Tuesday, January 22nd, the Executive Committee of the Essex County Community Council, which includes Newark and vicinity, voted to instruct its delegates to the General Assembly of the Council of Jewish Federations and Welfare Funds to reject national advisory budgeting, it was announced here today by Ezra Shapiro, Chairman of the Committee To Oppose National Budgeting.

This decision was reached by an overwhelming majority after a lengthy discussion. The motions adopted at the meeting were to the effect that not only were the delegates to vote in a block against national advisory budgeting, but they were to reject any motion at the Assembly to table the discussion of national budgeting.

Similar action was taken at a meeting of the Board of Directors of the Jewish Welfare Fund of Chicago on Thursday, January 24th at which time the Chicago delegates of the Jewish Welfare Fund to the General Assembly were instructed to vote against national advisory budgeting.

Decisions to reject national budgeting were also reached at recent meetings held in Houston, Lynn, Mass., Butler, Pa., Albuquerque, New Mexico, Phoenix, Albany, Akron, Bridgeport, Elizabeth, Memphis, Syracuse.

These latest reports bring to an overwhelming majority the delegates who have been instructed by their communities to oppose national budgeting. "We have every confidence," said Mr. Shapiro, "that when the communities are heard at the Assembly, the proposal for a national advisory budgeting committee will be completely rejected."

1/30/46



*Pros*  
&

**NATIONAL  
BUDGETING**

**COUNCIL OF JEWISH FEDERATION**  
**165 WEST 46th STREET**



## FOREWORD

The Board of Directors of the Council by a large majority voted its approval of the principle of a National Advisory Budgeting Service and recommends it to its member agencies. A small minority of the Board feels that the project is inadvisable. Believing that the member agencies of the Council will want to have both sides of the question, Mr. Jacob Blaustein, chairman of the Council's Budget Research Committee, has prepared a statement on the affirmative side and Mr. Isaac S. Heller, a member of the Council Board who voted negatively, has prepared a statement setting forth the position of the negative group. Both of these statements are presented in this pamphlet.

These statements plus the factual booklet "What is National Advisory Budgeting Service?" previously mailed should be considered carefully by the Boards of member agencies of the Council and by the delegates selected to represent the member agencies of at the General Assembly to be held in Detroit, Michigan, February 8-11, 1946.

A sufficient number of copies of these statements are being sent to you for distribution to the individual members of your Board. Additional copies are available on request.



## STATEMENT BY JACOB BLAUSTEIN — WHY WE NEED NATIONAL ADVISORY BUDGETING

### A. INTRODUCTION

For the past five years I have made a thorough and careful study of the question of national advisory budgeting — both its possible advantages and its possible disadvantages. That has been my duty and responsibility as Chairman of the Budget Research Committee and as a Co-chairman of the predecessor Committee on the Study of National Budgeting Proposals. It has been suggested, therefore, that my views on the subject may be of some assistance to the member agencies in their consideration of the proposal that is now before them.

I am convinced, as are the majority members of the Council Committees which have studied the question and of the Council Board which is recommending the proposal to you, that a national advisory budgeting service is necessary and desirable, and that it would be advantageous to both the local communities and the national and overseas agencies.

I believe that such a service would create a more confident and sympathetic understanding on the part of the communities for all Jewish causes and, as a consequence, would stimulate their fund-raising efforts so as to meet their full responsibilities toward them. I think a national advisory budgeting service is the democratic procedure, and that it would tend to improve relationships within the communities, between the communities and the national and overseas agencies, and among the national and overseas agencies themselves toward the goal of real unity, as against so-called unity.

I started out without any preconceptions on the subject one way or the other, and shall undertake to tell you in this memorandum why I have come to this conclusion — a conclusion reached by so many of our Jewish leaders, especially those who have had experience on local budget committees.

### B. WHY NATIONAL ADVISORY BUDGETING IS NECESSARY

In former years, when contributors gave directly to individual causes, it was not necessary to set up local budget committees or national advisory and fact-finding services. Now, however, organized welfare funds have replaced unorganized methods of fund raising in practically every city and new procedures are necessary. Local leadership and budget committees today have responsibility for deciding how the funds are to be distributed in behalf of all the contributors. They serve as trustees and have a dual obligation — directly, to the people in the communities who supply the funds and indirectly, to the people whose needs are taken care of by the national and overseas agencies supported.

Since their creation, local welfare funds — wanting to treat the national and overseas agencies fairly and understandingly — have been struggling with this problem of allocating their funds properly and equitably among the national and overseas agencies. Their methods have improved with experience, but the difficulties facing them have increased even more rapidly. The needs of the national and overseas agencies have become enormous and the number of agencies seeking support has grown each year.

#### Numerous Difficult Questions Concern Welfare Funds

Each local welfare fund budget committee must determine, among other things, the total responsibility of the community for the support of all Jewish causes, which national and overseas agencies to



support, and how much to allocate to each agency that is supported. It is constantly confronted with a number of varying and difficult vital questions, such as the following:

1. Multiplication of new appeals and extension of existing agencies into fields new to them but within the established programs of other national and overseas agencies. Sometimes these new organizations or extensions are necessary and worthwhile; often they are not. What are the facts and the amounts of the budgets involved? Which of these appeals are superfluous or duplicate more effectively established services?

2. How good a job is being done by an agency in its particular area of service and what funds does it need to do an effective job?

3. How much overlapping and duplication is there among national and overseas agencies and how much of their budgets are involved?

4. Are the agencies adjusting their programs and budgets promptly and adequately to meet rapidly changing conditions? Are conditions such as to enable them still to perform, and are they continuing to perform, all their previous functions; and what parts of their programs and budgets, if any, represent "dead" services and what are "live?"

5. What actually is the situation with respect to the greatly expanded goals of some of the agencies? Is the particular goal reasonable and realistic, or is it a hypothetical figure offered in the erroneous belief that an inflation of the budget will be more impressive than the fraction of the amount which it really expects?

6. How much of the work indicated is being done, or should reasonably be done, by governments or other agencies; what effort is being made to bring that about; and how much must be done by Jewish agencies because of inadequate governmental responsibility?

7. What is the situation with respect to the increasing number of large campaigns for capital fund expenditures?

#### **Local Welfare Funds Have No Adequate Way of Answering These Questions and Exercising Their Responsibility Effectively, Intelligently or Well.**

No local community can independently undertake to do the work to provide the necessary data for fair and equitable decisions with respect to the many agencies which appeal to it for support (of which there are more than 125). To get the facts and appraise and correlate them takes more time, staff, and facilities than is at the disposal of any one community. That applies no matter how hard and faithfully the local budget committee works.

Further, problems of time and distance make it impossible for many local budget committees to conduct hearings with the national and overseas agencies. Where hearings are held, they are frequently brief and unsatisfactory because of the numerous agencies involved and other limiting factors. Most welfare funds have to depend largely upon the published material of the agencies which requires considerable time and experience for analysis and study and which are never fully adequate for the purpose.

In making their budgetary decisions, welfare funds are frequently subjected to pressures applied by individuals and groups. Local welfare funds want to, and should, allocate community funds according to the wishes of the various contributors. But an expression of the will of contributors is frequently far



different than yielding to the pressures exerted by a relatively few persons within the community interested in the work of, or having allegiance to, this or that national or overseas agency. The local budget committees would like to have some more objective yardstick with which to counsel with these pressure groups so as to do a reasonably fair and equitable job all around to the satisfaction of the community as a whole. In addition, some of the conscientious local adherents of national and overseas causes themselves often want an objective point of view because they, too, are uncertain as to whether the particular national or overseas agency in which they are interested is fully aware of the values and importance of all the other legitimate activities which deserve local support.

### **Council Fact-Finding Is Not Enough**

*The budget reports which the Council can prepare under its present authority, satisfactory as they may be in presenting facts concerning the agencies, do not translate the facts into basic estimates of need which are indispensable for an incisive and overall view of agency requirements.*

The question has been raised as to whether the Council's Budget Research Committee has exhausted the fact-finding possibilities under its present authority. The fact is that the Budget Research Committee has in the course of its work fully employed the fact-finding procedures within its authority and has made both short and full, exhaustive fact-finding studies. However, while the longer, more complete reports were favorably received, most of the member agencies found their use limited because the Budget Research Committee was not allowed to offer precise budgetary advice. These reports were lacking the one factor essential to the operation of local budget committees. The member agencies found them rich in detail but insufficient to decide from the facts given, whether the campaign goal of an agency was excessive or adequate or inadequate for the programs involved.

This task of completing the studies in a practical manner is one involving careful study and analysis by a nationally responsible special committee charged with that function. And that is what the National Advisory Budgeting Proposal seeks to make possible. In spite of all factual material that can be made available, local welfare fund budget committees need this additional service if they are to determine what national and overseas agencies should be included and for how much.

### **Community Chests and Councils Have Set Up A National Budgeting Service for Non-Sectarian Agencies**

The Community Chests and Councils, Inc., the national association of more than 750 non-sectarian community and war chests, has adopted a National Advisory Budgeting Plan for the benefit of its member agencies and for the hundreds of national and overseas agencies that appeal to the country for financial support. They have decided that it was not enough to have factual reports prepared by their agent, the National Information Bureau. Similarly, central Jewish fund-raising agencies need to create such a service.

### **C. THE NATIONAL ADVISORY BUDGETING PROPOSAL GROWS OUT OF WELFARE FUND EXPERIENCE**

It is no wonder that well organized and conscientious welfare funds are deeply concerned and are looking to a National Advisory Budgeting Service to assist them in doing a better and fairer job.

The initiative and demand for national advisory budgeting has always come from the communities themselves, and it is clear from the experience of local welfare funds that if the question were one



to be decided entirely on the basis of the benefits to the local community, there would be an overwhelming sentiment in favor of the proposal.

The advantages and desirability of the proposal have been recognized for a long time by outstanding and far-sighted welfare fund leaders. This is evidenced by the following:

1. The constant demand of the member agencies and their budget committees, and the local and regional resolutions to that effect, when outside pressures have not been applied.
2. The majority vote in the 1941 Referendum on the question, despite the vigorous opposition of one overseas agency group.
3. The overwhelming sentiment of the delegates at the 1944 General Assembly in Pittsburgh that the present limited services of the Council are not adequate, and their resolution that the subject of National Advisory Budgeting Service be restudied and recommendations made to the next General Assembly.
4. The decision, with only one dissent, by the representatives of leading welfare fund cities at a meeting in the fall of 1944 that it is necessary for the current services of the Council to be extended to include national advisory budgeting.
5. The overwhelming approval of National Advisory Budgeting by the Board of Directors\* of the Council consisting of some of the most active welfare fund leaders of the country. They have considered the proposal most carefully on several occasions and the great majority of them recognize its merits and validity.

When the question is considered solely on its merits the proposal is accepted by national leaders as desirable and rational. For example:

1. National Advisory Budgeting was overwhelmingly recommended in 1940 by the special Committee on the Study of National Budgeting Proposals after a most comprehensive study over a period of months and despite the various shades of opinion represented in the committee.\*\* Of the 18 persons on that committee, only a few voted against the recommendation.
2. National Advisory Budgeting has been endorsed by a majority of the members of the Budget Research Committee.
3. Since the United Palestine Appeal is opposing this proposal, it is worthy of note that National Advisory Budgeting was concurred in, personally, by Rabbi James G. Heller, its Chairman. At our meeting on December 20, 1944, he and I agreed to submit to the UPA and the Council, respectively, our individual recommendation for an objective National Advisory Budgeting Committee. We had agreed on the procedures to be followed in securing a fair and responsible Advisory Budgeting Committee and that the offering of the budgeting advice would be on an experimental basis for a three-year trial period, after which the project would again be resubmitted to the Assembly for review and decision as to its continuation. Unfortunately, the UPA Administrative Committee rejected its Chairman's recommendation.

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\* See names of members and their associations in the booklet the Council has sent you — *What Is National Advisory Budgeting?* (pages 12 and 13).

\*\* See names of members in the "Brief Statement on History" included in the above booklet (page 5).



4. We have also been advised that a subcommittee appointed by the United Palestine Appeal to study the question of national advisory budgeting reported in favor of it, but that the United Palestine Appeal Administrative Committee failed to adopt the report of its own study committee.

#### **D. ADVANTAGES OF A NATIONAL ADVISORY BUDGETING SERVICE TO THE COMMUNITIES**

##### **Will Promote Harmony**

One of the primary advantages of the proposal is that it would counteract agency rivalries which affect the unity of local welfare funds. The inability of the national and overseas agencies to agree among themselves as to their respective needs frequently precipitates conflicts among rival partisan groups which are very damaging to the success of local welfare funds. On several occasions when the dissolution of the United Jewish Appeal seemed imminent the local welfare funds became a battleground of intense rivalries. Local Jewish community organization would have been seriously disrupted if these splits had not been healed and the UJA had not been reconstituted. In 1945 all the patient efforts of the majority of the local welfare funds and of the local and national leaders were proven to be impotent. Only the intervention of a governmental agency with emergency wartime authority was able to remove this serious source of disunity and disruption and thus free the Jewish welfare funds for the maximum fund raising in 1945 and 1946 so desperately needed to meet the emergencies of the war and the post-war period.

Differences which may arise from lack of agreement within the United Jewish Appeal are today the most important potential source of national friction and local disunity. But this is not the only source of difficulty. Similar problems on a lesser scale arise from the multiplicity of agencies and causes that have been unable to find a common ground for cooperative effort. Jewish welfare funds collectively, for their own protection and to maintain local community harmony and unity (so necessary for their own continued existence), need to establish an instrument to work continuously with the national and overseas causes in order to establish good working relationships among the various agencies and between the agencies and local communities. A National Advisory Budgeting Committee is the most feasible instrument for that purpose.

The National Advisory Budgeting Committee to be established would represent the Jewish welfare funds of the country as a responsible and impartial body to assume the task of reaching agreements, where possible, with each of the appealing agencies concerning the extent of its practical needs. (Where joint decisions could not be reached, the Committee would advise the welfare funds as to the part of the agency's budget and program of work which had been agreed upon and would present both sides of the major items of difference.) It would aim gradually to overcome the many handicaps to effective organization which now hamper and retard our various programs for overseas relief and rehabilitation, for Palestine, for the solution of the problems of anti-Semitism, and for the cultural, educational, health and other programs vital to the Jewish community.

##### **Some Specific Advantages**

More specifically, the National Advisory Budgeting Service would, among other things, do the following:

1. It would strengthen community organization in this country — by developing improved relationships between the national agencies and the local communities, and among the national agencies themselves; by promoting a greater degree of efficiency and harmony in the conduct of community



affairs; and by broadening the knowledge — and increasing the interest — of divergent elements of each community in *all* legitimate Jewish causes.

2. It would help to create greater sympathy for the national and overseas agencies among Jewish contributors by clearing up mistaken impressions and unfounded criticisms which now hamper the work of even the best and most legitimate agencies.

3. It would lay a firm foundation for improved fund-raising programs in each community by basing appeals on authoritative and unquestioned facts and figures, objectively and fairly interpreted, rather than on competitive and often conflicting pressures.

4. It would encourage the development of more specific and realistic budgets by each of the national and overseas agencies, budgets embodying recognition of the relationships of their own programs and expenditures to those of other agencies and total needs.

5. It would stimulate greater cooperation between the national agencies, especially those operating in the same fields, in regard to their functional programs, and help to eliminate unnecessary duplication among them. This would tend to improve the quality of work and permit savings which could be used for the extension of services or for other approved purposes.

#### **E. ADVANTAGES OF A NATIONAL ADVISORY BUDGETING SERVICE TO THE NATIONAL AND OVERSEAS AGENCIES**

There are also definite advantages in this proposal for the national and overseas agencies and these advantages have been recognized by many of the leaders of these agencies. Thus:

1. National Advisory Budgeting would provide an opportunity for them to present and discuss their basic needs and problems with a responsible group of typical welfare fund leaders. Since it is impossible for the agencies to appear directly and adequately present their needs and programs to each one of the more than 300 Jewish welfare funds in the country, a national advisory committee is the nearest approximation to an adequate basis of relationship between the national and overseas agencies and the welfare funds. It will also afford the agencies an opportunity for contacts with each other on a helpful basis in the attempt to work out overall programs for the financing of Jewish needs.

2. National Advisory Budgeting would serve as a check against new, unnecessary overlapping appeals — a protection which the agencies and the communities should have and which the agencies feel they need, as evidenced by their requests even now for such limited aid in this direction as the Council's Budget Research Committee can give.

3. National Advisory Budgeting would make clear to the communities the extent of funds which are essential to the work of our Jewish agencies, despite governmental, intergovernmental and other expenditures.

4. National Advisory Budgeting would serve as a needed, outside, independent endorsement. The fact is, that with the gravity of the situation pertaining to Jews everywhere and the stupendous sums involved, contributors are asking questions and they want the answers — and they want them objectively from an independent, unbiased and authoritative source. The time has arrived when the agencies will have to prove their cases to the communities more than heretofore. Campaign efforts will have to appeal to the head as well as the heart. The story of needs and wants will have to be told — but the analytical record and advice will have to be there to back it up. Greater funds will be forthcoming



when contributors are convinced from a source other than the particular agencies themselves that jobs are being well done and at a proper cost of doing them.

**F. DISADVANTAGES OF NATIONAL ADVISORY BUDGETING, INDICATED BY THE OPPOSERS TO THE PROPOSAL. Questions and Answers.**

During the course of studying the proposed service, I have taken the initiative in discussing the problems involved with some of the national leaders who were unconvinced or definitely opposed. I have tried earnestly and with an open mind to understand their underlying reasons and motivations, and believe I have at least an approximate idea of the obstacles presented. Freed from extraneous items introduced by some who are more eager to present their propaganda than to resolve the issues on a rational basis, the main objections may, I believe, be summarized as follows:

1. "There are conflicting ideologies in Jewish life which persist and they cannot be overcome by any technical or statistical budgeting device."

**Answer:** Local Jewish welfare funds operate because they have found a way to deal with these conflicting ideologies. Similarly, local welfare funds operating collectively through the instrument of a National Advisory Budgeting Committee can and would deal sympathetically with the different ideologies as they are involved in the budgets of the various agencies. The local communities which have to make the final decisions on how to distribute the funds that they raise would be helped by the results of sympathetic conferences between a fair minded committee and the various agencies. Further, if the United Jewish Appeal is again dissolved, with the resulting conflict about ideologies in every local community, the efforts to arrive at workable decisions by such a representative group of welfare fund leaders would be a real asset to the local communities.

2. "Any attempt on the part of Jewish welfare funds to establish such an instrument will tend to disrupt Jewish communities and increase national conflicts."

**Answer:** But why, when the conflicts originate in the national and overseas agencies and not in the local communities? The objective of the National Advisory Budgeting Committee would be to relieve and adjust conflicting claims and pressures.

3. "The plan is Utopian."

**Answer:** That one has been used to check all progressive proposals.

4. "Even if the plan is practical it would set up a dangerous control group that would have too much power, and would result in the local welfare fund budget committees transferring the responsibility for making community decisions to the National Advisory Budgeting Committee. Also, it would be impossible to find an impartial group to compose the Committee."

**Answer:** This is just not so. The National Advisory Budgeting Service would be purely advisory in character. That is definite, — and has always been definite. The findings and advice would in no way, either at the outset or later, be mandatory upon either the national or overseas agencies or the local communities. The service would be rendered only to such member agencies as wanted it, and for only such use in local budgeting as each community cared to make of it. Local communities would adopt, modify or ignore the recommendation as they saw fit.



No group acting as a National Advisory Budgeting Committee could exercise any responsibility that was not sanctioned by the local welfare funds. The local budget committees retain all of their prerogatives and their freedom of action whatever the character of advice or service under this proposal. The welfare funds are not freed from the task of making their own local allocations to the causes appealing for support. Each community, as in the past, would decide how it wishes to dispose of its funds.

The Board of Directors of the Council has been elected by the delegates of member agencies at the General Assembly since 1932. They have made many recommendations to member agencies in the course of their existence. They have promoted community and welfare fund organization, stimulated programs for fund raising, community planning and community education. The Council has been one of the most positive factors in stimulating effective organization of welfare funds and generous giving. They have from time to time advised member agencies on their relationship with national and overseas agencies. It would be absurd to say that the member agencies have lost any of their autonomy because of these services.

It is equally absurd to believe that should a representative group of welfare fund leaders (who have been so effective in stimulating local giving) come together as a National Advisory Budgeting Committee, they would become a dangerous control group and that all of those undesirable results would occur merely because the Committee offered advice to the communities on whether a campaign goal was adequate, inadequate, or excessive. Those who advance this argument appear to have a rather low opinion of the interest, integrity and sense of responsibility of welfare fund leaders and contributors. Chairmen of local welfare fund budget committees have assured me that these fears are wholly unfounded.

Now what sound argument can there be for a community not wanting to know, or not being permitted to get, objective facts and advice? Let us consider this in terms of our everyday affairs in other matters. Many of us are business men or women, or professional persons who have practical decisions to make. When we have an important problem to decide, do we deny ourselves such facts and advice as we can get from outside unbiased sources for fear that they may overwhelm our own judgment? On the contrary, we seek such facts and advice, weigh it with all the other data available to us, and then make our decision. And that is just as sound with respect to our Jewish causes. As a matter of fact, if in our other affairs someone came to us with a proposition and argued that we should not get outside facts and advice, we would be skeptical. And if he wanted us to accept 'hook, line and sinker' only what he told us, and chose to tell us, about his proposition and competitive ones, we would be skeptical. In the final analysis, the communities are the 'buyers'; the overseas and national agencies the 'sellers.' And the communities have a right to investigate what they are buying, fully and with all the means that can be placed at their disposal. Indeed, they have an obligation to their contributors not to act blindly on partisan, and possibly biased sales talk, pressure and propaganda. That, it seems to me, is not only a business viewpoint; it is common sense.

Certainly there are at least 15 qualified Jews in this country to serve on a National Advisory Budgeting Committee who would be accepted as unbiased by welfare funds and the



national and overseas agencies. If not, then all local budget committees are biased and the whole Jewish welfare fund movement was a mistake. What the opposition is actually saying is that we have no persons in Jewish life in whom confidence can be placed. I just do not believe, or agree with that.

5. "Granted that the plan is sound in principle and workable in practice, the Council is not the proper agency to sponsor this function."

**Answer:** The Council is not a separate national organization. *The Council is a voluntary association of Jewish federations, welfare funds, and community councils in 234 cities.* There is no surrender of autonomy of local agencies or any transfer of authority from the local member agencies to the Council. The General Assembly has no authority over the constituent member agencies of the Council but only over the Board of Directors and the officers elected by the Assembly, and over all the functions and activities which may be carried on by the office of the Council.

6. National Advisory Budgeting is undemocratic."

**Answer:** It has been my observation, as it undoubtedly has been yours, that frequently when individuals or groups find it impossible to support their positions with sound reasons, they resort to the device of branding what they oppose as undemocratic.

The record should dispose of that objection. Local welfare funds are autonomous and independent bodies, organized on a democratic basis and governed by their individual contributors. The history of sound community organization and democratic structure and participation is unmistakable. They can certainly be trusted to establish a cooperative National Advisory Budgeting Service on the same basis. The presentation of the national advisory budgeting question to the member agencies at the 1946 General Assembly is a clear example of the working of democratic procedures within the Council.

Now what is more democratic: (a) the present procedure where the national and overseas agencies decide alone for themselves what their budgets should be, how they will divide up the funds among several agencies (where they have joint appeals), and tell the communities which support them what each should contribute without any real independent voice as to even that since the communities do not have the facilities to make intelligent and equitable decisions for themselves; or (b) is it more democratic for the welfare funds to set up a cooperative National Advisory Budgeting Service, if they wish, for the purpose of giving those member agencies which desire it and for such use as they see fit, the benefit of review, analysis and advice which would aid them in arriving at their own properly considered decisions? There can be only one right answer — the latter as contemplated by the National Advisory Budgeting Proposal.

Further, is it more democratic, when there is a doubtful item in the budget of a national and overseas agency: (a) to have an analysis presented to the welfare fund by both sides — the National Advisory Budgeting Committee and the particular national or overseas agency involved — for the free choice and decision of the welfare fund; or (b) is it more democratic for the national or overseas agency to tell the communities to accept its story, regardless, simply because it says so? Again, there can be only one right answer — the former as contemplated by the National Advisory Budgeting Proposal.



7. "The time is not ripe. It is especially inopportune this year."

**Answer:** This was said by the opposition in 1941, 1942, and each year thereafter. When is the time ripe? The opposition is now unwilling to set a date, but it should be recalled that in the discussions four and three years ago, it was thought by the various parties that three years would constitute an adequate evolutionary period. The three year interim period is now over. I believe that it is decidedly opportune now because of the vital character of Jewish needs and programs.

8. "National Advisory Budgeting Service would place a 'ceiling' on giving."

**Answer:** Instead of National Advisory Budgeting putting a "ceiling" on giving, it would do just the opposite. The communities are deeply concerned and confused as to the constantly increasing, enormous budgets of the national and overseas agencies and also as to the many campaigns being projected for capital expenditures; further, post-war money may not be as easy as in recent years. Even today when the needs are evident and there are many official and unofficial reports of the acute distress of overseas Jewry, criticisms and detractors of programs of Jewish agencies are being circulated by both responsible and irresponsible publications. A National Advisory Budgeting Committee recognized as a responsible body concerned with Jewish welfare, would serve to allay unfounded criticisms and suspicions and stimulate giving which is checked by false rumors and statements. The national and overseas agencies may suffer from the effects of unresolved criticisms if they do not have the endorsement of their budgets by an impartial, independent group as proposed, and may not only face "ceilings" but actually have difficulty maintaining "floors."

Without such an endorsement to resolve the many questions in the minds of local contributors, there may not only be inequitable allocations, but initiative and personal interest in fund raising may be diminished and local support arrested.

9. "The plan cannot be put into effect because there is opposition."

**Answer:** That is the crux of the argument. I am sure you have noticed that the very people who invariably raise the cry that there will be disunity if some program they oppose is put into effect, completely fail to practice what they preach, and indeed, deliberately cause disunity when they are determined to enforce their own policies. Witness, what has happened in the United Jewish Appeal. Yet, one of the United Jewish Appeal agencies now proclaims that the National Advisory Budgeting Service which it opposes should not be made effective because it says it may cause disunity.

It is easy to raise a row and deliberately cause dissension. If those who oppose something, first arouse dissension, then advance the argument that the disunity they themselves have caused should prevent the proposal from being put into effect and have that argument heeded, no improvement or reform would ever be possible.

It so happens that after the 1941 Referendum, Rabbi Abba Hillel Silver and I negotiated the compromise limited Budget Research Plan which was finally adopted and is now in effect. Rabbi Silver at that time was Chairman of the United Palestine Appeal and it was understood that he was negotiating with proper authority of, and in consultation with, the Opposition Group (the United Palestine Appeal, and its related agencies) just as I was acting for the Council.



As a consideration that induced the Council and its member agencies to adopt the compromise proposal, Rabbi Silver gave me and the Council the assurance that if later, after the procedure then agreed upon had been carried through, the Assembly of the Council should decide upon a full National Advisory Budgeting Service, it would be the clear duty of all Palestinian organizations to cooperate fully and loyally. I should add that this was not intended to preclude those who are opposed to the full National Advisory Budgeting Service from opposing it, if they so desire, until the Assembly votes in favor of it.

I have faith that Rabbi Silver and the Palestinian organizations will live up to that promise and hence, the threat of disunity will be removed.

It might be well to recall the experience of local federations and local federation budget committees when they were first projected. They, certainly, have not caused disunity. The opposite is true. Yet the same fears and apprehensions on this score were then expressed against the establishment of these as are now being expressed by the opposition against National Advisory Budgeting. That is always the case when something new comes along — and especially if an entrenched group is imbued with some unfounded fear about the effect of the proposal on what it believes to be its vested interests.

I am sure that none of us today would want to do away with local federations and local federation budget committees — and yet National Advisory Budgeting for overseas and national agencies is just as necessary as are local federations and local federation budget committees.

#### G. THE MAIN QUESTION . . . The Real Issue

The proposal is based on two major premises: (1) that the communities want to work together as a group, and (2) that the national and overseas agencies (the operating end) are willing to establish a real partnership with the communities (the supporting end) instead of the present unsatisfactory and unbalanced situation.

The question — the only real issue — facing the member agencies of the Council in this referendum is clear-cut. "Jewish welfare funds are conscious of the responsibilities they have assumed for helping to meet the tremendous Jewish needs over the world. Do they want to cooperate in developing an effective method of review and analysis of these needs, and of the national and overseas agency programs engaged in meeting these needs, to aid them (to the extent they wish) in distributing equitably the maximum funds that they can raise in their campaigns?"

To put it another way. "Do the local welfare funds want to develop on a national basis an instrument responsible to them, established for the purpose of relating them more effectively to the operation of the many separate fund-raising appeals of the national and overseas agencies?"

Tersely, and perhaps bluntly, it comes down to this: (1) Do or don't the communities want to know what they are doing and (2) are the national and overseas agencies willing or unwilling to have the communities know what they are doing?

#### H. CONCLUSION

A large majority of those assigned to study the question, and many communities, have indicated that they deem National Advisory Budgeting absolutely necessary and desirable; that the many problems confronting the communities require it; that it would serve the best interests of the communities and help them do a better, more comprehensive job of fund-raising for, and make more equitable allocations to, the national and overseas agencies; that it would benefit the national and overseas agencies; that it



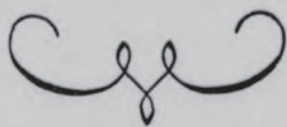
is the most democratic procedure; and that it would promote real unity, as against so-called unity. It is recommended to the member agencies of the Council.

National Advisory Budgeting is not the greatest issue in Jewish life as the oppositon have stated, but it is important. And just because it is important, it deserves the full, sound study of the member agencies and a balanced consideration of its real merits. Each member agency, it seems to me, should decide the question based on its own fundamental interests, and is entitled to the right to do so without interference from the national or overseas agencies. I urge the people of the communities to judge the issue that way — with their usual common sense and reason — and not to be thrown off balance by emotions artificially stimulated from the outside or by any agency "party line."

As previously stated, the Community Chests and Councils, Inc. has adopted a national budgeting plan for the many non-sectarian communities and agencies. We are informed that that was done without any excitement or turmoil. Questions of ideology are also involved in some of those agencies, but they know that that is no valid reason for opposing National Advisory Budgeting.

Against the better judgment of many who wanted full National Advisory Budgeting in 1941, the minority view, of the same opposition as now, was nevertheless respected, and their compromise Budget Research Plan has been tried out for nearly four years. It has been found wholly inadequate.

Certainly under the circumstances, National Advisory Budgeting is now entitled to a trial. That seems only fair and proper. Let us try it for a three-year period as Rabbi James G. Heller and I had agreed to recommend to the United Palestine Appeal and the Council, — give it a chance in accordance with the assurances of Rabbi Abba Hillel Silver for the Palestinian organizations at the time of the compromise. A trial will prove whether a National Advisory Budgeting Service can properly meet the needs of the communities and the agencies, or otherwise. If it proves desirable all will benefit. If, on the other hand, it proves undesirable in actual operation, it will fall by its own weight. I submit that that is the truly intelligent, reasonable, and common sense thing to do.





## STATEMENT OF ISAAC S. HELLER IN OPPOSITION TO NATIONAL ADVISORY BUDGETING

Jewish communities in all parts of the world are faced with problems possibly more serious than at any time in our history. The meeting of some of these problems depends on forces and decisions beyond our control. Others will be solved by intelligence and unselfish work by our leaders. Whether or not we do our utmost will depend upon unity in our own ranks — upon a spirit of moderation and understanding that all of us, regardless of our so-called ideology, must cultivate if we are to serve our brethren and the causes which mean so much to us. Any plan or purpose which makes unity more difficult and diminishes the sphere in which it can be obtained is undesirable. The endangering of whatever unity exists is an evil and will outweigh many other considerations. Believing that National Budgeting as defined by the Board of the Council of Jewish Federations and Welfare Funds would further divide our community and would constitute an evil, I voted against the establishment of a National Advisory Budgeting Service.

### **National Budgeting a Disservice to CJFWF**

A decision in favor of National Budgeting at this time would not only be a disservice to the Jewish community of America, but to the Council of Jewish Federations and Welfare Funds. Assuming that a committee whose bias would not be opened to question could be assembled (and this I believe is impossible at this period in our development), any decision on size of quota or evaluation aims, deemed unacceptable to an agency, would bring upon the committee and the Council not only the bitterness of the agency involved, but the resentment of its adherents in the several local communities.

This proposal would increase disunity and bitterness. Those of us that remember the sequence of events and the bitterness at the time of the dissolution of UJA realize that much of this has been healed only partly by the reconstitution. Time will cure this if further bitterness is not provoked on an issue, the value of which is questionable.

### **CJFWF Has Not Yet Exhausted Fact-Finding Facilities**

Quite apart from bitterness and disunity, there are other compelling reasons why the plan is neither practicable nor advisable. Our Council has not exhausted fact-finding facilities. All of us are united on the desirability of a fact-finding bureau that would be thorough, impartial and courageous. It would seem wise that we first encourage the full use of existing facilities and if necessary, the extension of those facilities before we take on additional and onerous responsibilities in the face of substantial and sincere opposition.

### **Impartial Committee Impossible to Obtain**

Briefly stated, the Utopian proposal of an impartial National Budgeting Committee acceptable to all the Welfare Funds and national agencies is an impossibility. One has only to remember the long protracted struggles, the criminations and recriminations, the wrangling and the emotion in the effort to find three impartial members of the UJA Allotment Committee to realize just what is involved; and in this instance there were only two major agencies involved. It would be an impossible task to find a larger committee acceptable to the multitude of national agencies and to the Welfare Funds. No matter what the composition of the committee, no matter how impartial its members would seek to be, it would constantly face the charge of being unrepresentative, weighted, hand-picked and subjective. There would be a justifiable demand for the election of such a national committee by democratic procedure,



which would involve all elements of the community. The Council would face the accusation, just or unjust, that it represents certain interests and is furthering this representation in the appointment of the committee.

### **Ideology Admittedly Involved**

It is folly to maintain the illusion that a National Budgeting Committee will deal solely with facts and figures. The determination of the ratio of expenditures must involve ideological considerations. In 1941, the proponents of National Budgeting were more frank than our present-day committee. In their 1941 report, they stated that National Budgeting Service

*"does not mean that decisions on goals and objectives of agencies would be governed entirely by statistical formulae. The intangibles, such as ideologies, would and should also play their part."*

At a time like this, when feelings are so intense and the Council itself has constantly denied charges that it concerns itself with ideologies, it would seem totally unwise to assume responsibility for making decisions involving ideological stands, and thereby labeling the Council as an organization furthering specific philosophies or being opposed to others. It would destroy the very purpose for which the Council was established.

### **Would Set Up Barriers Between Communities And Agencies**

By setting up a National Budgeting Committee, the Council would create the impression that it is working at cross purposes with national and overseas agencies, and fighting their own evaluation of the work that they are doing. It might be argued that this is proper in order to correct evils which may exist; but we must remember that many of the agencies have adherents and supporters in the local community, and the very nature of this plan as set forth in its definition calls for the submission of the Committee's proposal *vis-a-vis* the proposal of the National Agency. The Committee, in defense of its thesis, and the Agency in defense of its own, would engage in bitter discussions, which would destroy unity on a national and local level. It would set up in the communities local groups, as against national agencies. It would develop bitterness within the Welfare Funds themselves, and alienate active interest on the part of local contributors. The function of the Council is not to embark on so destructive a course, but to direct its energies by local Welfare Funds, and a closer relationship and integration between itself and the Funds.

### **Would Repress Giving At This Time Of Great Need**

The very nature of National Budgeting Committees implies the idea of bargaining with national and overseas agencies with respect to their financial requests. This obviously would be done in the nature of protecting the Welfare Funds. The undersigned believes in the Welfare Fund plan, but it is not without some disadvantage. Community Chest, National War Fund experiences and similar central budgeting devices have always had the result of freezing allocations into patterns difficult to alter. It has always been more difficult, using this plan, to meet emergencies. Today the Jewish need is so profound, Jewish suffering so intense, that the Council's first duty should be to avoid any measure which might result in putting a brake on Jewish giving. The American-Jewish community has been generally responsive in meeting the growing needs of our people at home and abroad. Let it not be said that by setting up a National Budgeting process, by an evaluating of conflicting ideologies, the Council has stifled maximum Jewish giving. We cannot take that frightful responsibility in the hour of our tragic need.



### **Opposition Indicates The Time Is Not Ripe**

Regardless of the merits, the time is not now ripe for the development of a National Budgeting process. I do not believe this is a good thing in the abstract. I do not believe that it is a helpful thing in the light of national and world conditions. Assuming, however, that it is a good thing to strive for, it is not feasible or helpful to drive through, even by majority decision a program so bitterly resented by so many prominent Welfare Fund leaders, by so many local groups, and by an overwhelming number of national agencies, including B'nai B'rith, UPA, Zionists, Hadassah, American Jewish Congress, National Labor Committee and others representing many different phases of our national community. At a time when the object to strive for is unanimity anything as decisive as this is an evil, unless of such obvious justice and merit as to outweigh the great harm that we know would result.

### **Plan Cannot Be Implemented In The Face Of Such Opposition**

The bitterness that has already been engendered, the accusations already made against the Council by many who were or are friendly, the intensity of organizational effort on the part of the opponents of National Budgeting, make it crystal clear that it stems not from a tiny and stubborn minority, but from a sizeable and important element of our community. The definition of National Budgeting becomes impossible by reason of this opposition. No impartial program of National Budgeting can be created in the face of so large an opposition. A National Committee which has thus far failed to overcome any of the opposition engendered by its proposal might do well to spend a few more years interpreting programs, meeting objections, enlisting support, preparing the ground for a more favorable reception, uniting rather than dividing our efforts to meet titanic problems. Under present circumstances all that will develop is a bitter struggle, attacks against the Council, local and national strife and the ultimate passing or vetoing of a plan which can never be fulfilled.

### **Council Not Organized For This Role**

I share with many others the feeling that the Council is stepping out of its role to assume responsibility for and to sponsor National Budgeting. I feel that the biased publicity already given this scheme by the Council and its Board has shown that this is not within the sphere in which the Council should act. Many communities and funds joined the Council (and this includes some of its most ardent supporters) in the belief that it would function as a technical organization. Its efforts to influence local budgeting must be looked upon as an effort to enlarge its field by moving from the technical to the policy-making area of Jewish life.

### **Control of Budgets Is A Control of Function**

The Council is not set up as a policy-making agency, because it is not adequately representative of all aspects of Jewish life. It makes itself vulnerable to vicious attack, on the ground that its manner of organization is not truly democratic. There are those who already say, and with much justice, that if the Council wishes to assume such a responsibility as National Budgeting, it should reorganize its structure, particularly with respect to those at the top, so that it truly reflects a cross section of American Jewish life.

### **Will Discourage Local Initiative and Education**

The organization of a National Budgeting Committee will undoubtedly further discourage local initiative and arrest the education of local Budget Committees. Many of them will feel that they have become superfluous and the distance between the giver and the object of his generosity will be further lengthened. It is misleading to stress the "advisory" character of a national committee's rec-



ommendation. Practice has shown clearly that so-called impartial groups have undue influence in their advisory recommendations. It would make almost impossible local adjustments in the face of the recommendation of self-styled "experts."

I am most deeply concerned about the effect this drastic proposal would have on local community development. The Council knows through its own experience, as we know in our regional activities, that considerable energy has been spent in the effort to make local communities aware of their responsibilities for detailed study and careful analysis in the equitable distribution of funds. Many communities would be all too ready to delegate the responsibility and to give up the educational process now going on in local budget committees. It would be a distinct step backward. Much of the work of the Council would be lost. There would be a lessening of interest in the part of local leaders in the vital programs of national agencies, and giving would suffer. It is the Council's responsibility to stimulate and encourage the educational process of local communities by giving them greater responsibilities, more facts, and more intensive budgeting service, leaving to the local community the evaluation and the determination of quota. This proposal would do precisely the opposite.

### **More Intensive Fact-Finding Urged**

I would urge that the Council embark on an intensive fact-finding effort, so that the local communities may have in great detail all the necessary data pertinent to arriving at decisions which will represent the interests of all elements of the local community. No major national agency, according to all information available, has ever refused fully to cooperate with the Council. This intensive fact-finding service should be provided courageously and should receive the full cooperation of all national agencies.

I sincerely trust that the proposal for National Advisory Budgeting will be decisively defeated, because it would be divisive; it would create bitterness; it would set up an unwholesome relationship between local communities and national agencies; it would endanger the CJFWF; it would destroy local community education, and thus be a disservice to the Council and the country.

Most sincerely and earnestly I urge the defeat of this proposal.





"On September 28, and in subsequent issues of the NEW PALESTINE, articles and editorials have appeared condemning the National Advisory Budgeting Proposal which will be presented to the member agencies for decision at the next General Assembly of the Council of Jewish Federations and Welfare Funds, as a threat to Zionist and Palestine fulfillment.

"The Pros and Cons of the national advisory budgeting proposal have been under consideration by the member agencies of the Council for some time. It has been voted upon favorably by the 1941 General Assembly, and set aside in the interests of the minority opposition (which in the main stemmed from the United Palestine Appeal), in favor of the present compromise method whose three year trial period is now up.

"The proposal is being studied carefully by all member agencies, and judging by the results of our democratic methods in the past, the decision which the members arrive at during the next General Assembly will be the best for all concerned.

"Because of this we are not speaking for or against National Advisory Budgeting in this statement. We are not weighing its merits and demerits or attempting to interject our beliefs and opinions whether its adoption would be a service or a dis-service to Jewish federations and welfare funds. However, we do wish to record that as Zionists we can envisage no threat to Palestine fulfillment in the proposal in its present form.

"To translate the proposal in this manner would not only be beclouding the issue but casting a gratuitous charge against the Council Board, particularly the forty who voted in favor of the proposal, and even against the seven who did not vote.

"Many of these forty-seven Board members are affiliated with Zionist organizations and there can be no denial that the Board of Directors of the Council have contributed to the fulfillment of what we have achieved in Palestine up until now by the leadership in their communities, by their labors in their fund-raising campaign as well as their generous contributions to all meritorious Jewish causes, not the least of which is Palestine."



" NATIONAL BUDGETING "

Questions and Answers

on

Why the Plan Will Be a Stumbling Block  
To Jewish Communal Progress in America



Issued by

Committee to Oppose National Budgeting  
44 East 43 Street                      New York 17, N.Y.



## " N A T I O N A I B U D G E T I N G "

A Scheme to Freeze Jewish Communal Development in the United States

- - - -

1. Question: WHAT IS "NATIONAL BUDGETING?"

Answer: "National budgeting" as proposed by its advocates calls for the appointment of a small committee to determine what American Jews should contribute to every Jewish cause here and abroad. It could endorse or condemn the aims and purposes of each and every cause.

2. Question: WHY IS "NATIONAL BUDGETING" NOW UNDER DISCUSSION?

Answer: The Council of Jewish Federations and Welfare Funds, on resolution of its Board of Directors following a meeting at Detroit in June, is now conducting a referendum among its member agencies to learn whether they favor or oppose the introduction of "national budgeting."

3. Question: WHO OPPOSES "NATIONAL BUDGETING" AND WHY?

Answer: A Committee to Oppose National Budgeting has been formed to urge Welfare Funds who are member agencies of the Council of Jewish Federations and Welfare Funds to vote against "national budgeting." The Committee is composed of various sections of the Jewish community, on the local and national level, all of whom feel that the introduction of "national budgeting" would be the greatest blow ever administered to Jewish communal development in the United States. The officers of the Committee to Oppose National Budgeting are leaders in their local communities, who play a vital role in their Welfare Funds and Federations and who wish to protect their communities and the many Jewish causes in which they are interested from the freezing and paralyzing influence of "national budgeting." The Chairman of the Committee, Ezra Shapiro, is President of the Jewish Community Council of Cleveland, Chairman of the Social Agencies Budget Committee of the Cleveland Federation, Chairman of the Lawyers' Division



of the Cleveland Welfare Fund. The Secretary of the Committee is Mr. William Sylk, who is Secretary of the Allied Jewish Appeal of Philadelphia and was Associate Chairman of the Allied Jewish Appeal campaign of 1945. The Co-Chairmen are, in the main, Presidents of their community Welfare Funds or outstanding figures in the Welfare Funds or Federations of their cities. Many of them are members of the Board of Directors of the Council of Jewish Federations and Welfare Funds. The Council itself is not taking a definite position. It is leaving the decision entirely to the free judgment of its member agencies.

4. Question: IS OPPOSITION TO "NATIONAL BUDGETING," OPPOSITION TO MORE INTENSIVE FACT-FINDING?

Answer: On the contrary, the Committee to Oppose National Budgeting favours more extensive fact-finding by the Council of Jewish Federations and Welfare Funds. It insists that the Council for Jewish Federations and Welfare Funds provide more adequate information so that communities can arrive at their own budget decisions.

5. Question: IF THOSE WHO FAVOR AND THOSE WHO OPPOSE "NATIONAL BUDGETING" SAY THEY ARE BOTH INTERESTED IN MORE "FACTS" ABOUT CAUSES, WHY SHOULD "NATIONAL BUDGETING" BE FOUGHT?

Answer: It should be understood once and for all: no responsible Jew in American life is opposed to enabling the Council of Jewish Federations and Welfare Funds to obtain all the pertinent facts. The Council's research staff should be able to get exact income and expenditures, categories of expenditures, reasons for expenditures, areas of operations, relationship to other bodies in the same or other field in factual terms. These are "facts"! The Council not only should have -- IT NOW HAS -- the right to get these. No responsible Jewish agency in America has yet challenged the Council of Federations in any attempt it has made



to get all the facts it wished. Just because individual communities don't have such resources, personnel or contacts, the Council was established. The Committee to Oppose National Budgeting believes that the eagerness on the part of American Jewish communities for more "facts" is being used to introduce "national budgeting". The chief results of this proposal will be the imposition of undesirable, monopolistic control on the future of American and world Jewry. But if "national budgeting" is introduced, not facts but evaluations of Jewish issues and causes and directions will be forthcoming.

6. Question: IS THE LOCAL JEWISH COMMUNITY READY TO TRANSFER RESPONSIBILITY FOR COMMUNITY DECISIONS TO A NATIONAL COMMITTEE?

Answer: The Jews of America are not yet ready to introduce a Sanhedrin, which will make all of Jewish life subject to the decisions of a small, central body of men. On the contrary! The introduction of "national budgeting" will arrest the progress of one of the most promising developments in American Jewish life. In recent years there has been an expansion of local budgeting committees. Welfare Funds no longer distribute their funds on the basis of the views of one or two men. They have budgeting committees, whose numbers vary from ten to two hundred, depending on the size or wish of the community. These budgeting committees are subdivided for study of individual institutions and then convene to make all-over judgments based on the results of the studies of various agency needs. During the past few years, hundreds, even thousands, of American Jews have been acquiring a more intimate and practical knowledge of the operations of Jewish agencies, here and abroad. In this direction lies the greatest hope for the enlargement of knowledge among Jewish communities and for the expansion and improvement of agencies existing to meet Jewish needs of all types. All agencies which have responsible leadership and informed local following must inevitably respond to an informed electorate of this type. There is no substitute for information and education on Jewish problems



as conveyed through local budgeting committees. The establishment of a "national budgeting" committee may mean a return to the Dark Ages, insofar as facilities and desire for maximum local study of Jewish causes are involved. If decisions are to be made on the course of Jewish life, on the validity or superfluity of Jewish causes, then these decisions should represent a cross-section of the Jewish communities of America, operating through their local budgeting committees, and should not be the result of action by a handful of men at the top.

7. Question: WHAT HARM COULD "NATIONAL BUDGETING" DO IF RECOMMENDATIONS OF A NATIONAL BUDGETING COMMITTEE WOULD BE "ADVISORY" AND NOT "MANDATORY"?

Answer: A committee set up by the Council of Jewish Federations and Welfare Funds would enjoy respect and authority. However "advisory" any decision by such a national budgeting committee might be, the effect would be to persuade Jewish communities that its conclusions should be accepted. Over a period of time, however well-meaning a national budgeting committee would be, it would tend to establish the direction of American and world Jewish life. That was not the purpose for which the Council of Federations was established. A vote for the establishment of "national budgeting" would, in effect, transfer the grave responsibility for the conduct of all Jewish affairs to the Council of Jewish Federations and Welfare Funds from the bodies now responsible for various aspects of it, in the civic-protective and anti-defamation fields, in overseas relief, in Palestine rebuilding, in Jewish education, etc.

8. Question: IS THE OPPOSITION TO "NATIONAL BUDGETING" BASED ON THE THEORY THAT THERE ARE NO IMPARTIAL, OBJECTIVE MEN IN THE AMERICAN JEWISH COMMUNITY?

Answer: The opposition to "national budgeting" is based on principles and not on personalities. No group of men, **whether** ten or twenty-five, no matter how well-intentioned, how experienced, how devoted, how idealistic, should have the obligation



to pass judgment on the life or death of causes which make an appeal to American Jewry. Some Jews are interested in one way of life; other Jews in another. It should be their free, democratic, Jewish American privilege to pursue and to further the way of life or the cause to which they are devoted. The Jews of America have already made allowance for such differences by establishing Welfare Funds. Each Welfare Fund is in itself a recognition of the variety of causes which American Jewry wishes to support. Orthodox, conservative and reform, Zionist and non-Zionist, American Jewish Committee, American Jewish Congress, B'nai B'rith and Jewish Labor Committee - all of these have their expressions in the local Welfare Funds and for the sake of a common, all-embracing harmony and unity in the community, provision is made for the many activities which every segment of American Jewry supports. The term "impartial," loosely defined, would apply to hundreds of American Jewish leaders. But Jews who are informed, who take a responsible role in Jewish community life, have definite views. They consider themselves "impartial" in applying those views to Jewish problems - and, undoubtedly, they exercise every effort not to permit personal biases to affect their judgments on community problems - but the effects of such "impartial" decisions will still be decisive in their influence on the future of the whole of Jewry.

9. Question: IS THE FIGHT ON "NATIONAL BUDGETING" BETWEEN "NATIONAL AGENCIES" AND "LOCAL AGENCIES"?

Answer: Not at all! The Committee to Oppose National Budgeting is led by men and women who are outstanding representatives of their local communities. Moreover, the effort to establish a distinction between "national agencies" and "local agencies" is an unfair device to confuse public opinion and an inaccurate version of the situation. A "national agency," whether it raises funds for national or



international purposes, represents an activity or a cause which has national support. Hundreds of thousands of Jews in communities throughout the nation are in keen sympathy with the program and are willing to contribute to it and are eager to maintain it. There is no real conflict between a "national agency" and a "local agency," since the national agency exists solely by virtue of the support it receives from the local community and since the "local agency," meaning the Welfare Fund, is composed of representatives and supporters of the various "national agencies" and national movements. To create the impression that there is a difference in interest between "national agencies" and "local agencies" is of a piece with the effort of certain politicians to maintain a division between farmer and factory worker or to foster antagonism between New York City and other metropolitan communities and the smaller towns.

10. Question: WHY HAVE NATIONAL AGENCIES JOINED IN THE OPPOSITION TO "NATIONAL BUDGETING"?

Answer: The overwhelming majority of responsible national agencies seems to be opposed to "national budgeting." The reasons are neither sinister nor blameworthy. Each "national agency" represents a point of view, or an institution or an activity. It is natural that these varying attitudes toward or progress in American Jewish life should be deeply concerned that a small, centralized authority, with no democratic, representative responsibility should decide the life or death of that cause. Some attempt is being made to foster support of "national budgeting" by pretending that the "national agencies" are huge Molochs trying to swallow Jewish communities and that the latter ought to protect themselves through "national budgeting." But the Committee to Oppose National Budgeting is the best proof that this approach is purely mythical. The officers of the Committee have made their place in their own local communities. They are as anxious as any one else to preserve those communities and to make them grow - in knowledge and in responsibility.



11. Question: HAS "NATIONAL BUDGETING" BEEN RECOMMENDED BY EXPERTS?

Answer: A program for "national budgeting" was first submitted in 1941. A referendum was then conducted among the member agencies of the Council. The vote was inconclusive and the Council of Federations felt the opposition was so strong that it would not be desirable to impose so far-reaching a change under the circumstances. Instead a compromise was reached. It was decided to establish a Budget Research Committee. This would function for three years. At the end of that time, the Budget Research Committee could indicate whether it believed an extension of "national budgeting" desirable. And now, after three years, the majority of the members of the Budget Research Committee, polled by their Chairman, voted against the institution of "national budgeting". Their reasons varied. Their conclusion was the same: establishment of "national budgeting", as advocated by the Chairman of the Committee, is either undesirable or unnecessary! This report by the men entrusted with examination of the issue ought to have some weight. The Chairman of the Budget Research Committee, animated undoubtedly by sincere intentions, however mistaken his views may be, has nevertheless pressed for adoption of his program, in the face of the objections of the majority of his committee members. The Council of Federations is leaving the alternatives - adoption of the report of the Chairman of the Budget Research Committee or its rejection by the majority of that Committee - to the free choice of its member agencies.

12. Question: ISN'T "NATIONAL BUDGETING" MERELY AN EXTENSION OF A PROCESS ALREADY ENGAGED IN BY SUCH NATIONAL AGENCIES AS THE UNITED JEWISH APPEAL, THE JOINT DEFENSE APPEAL, ETC.?

Answer: The United Jewish Appeal, the Joint Defense Appeal, etc. are causes directly representing the will of large groups of American Jewish life. It is their obligation to assure their supporters that as between them ample steps



have been taken to safeguard purposes and programs.

The intrinsic activities have not in any way been altered or harmed. As long as the American Jewish community favors such methods of keeping certain types of causes together, and the leaders of these causes -- representing major segments of the Jewish community -- are in agreement, then the good of the community is served. Moreover, voluntary agreements on the distribution of funds between certain types of causes are, in themselves, the most effective means of avoiding duplication and conflict. However, agreements between causes in certain fields do not in any way attempt to establish ratios of importance between programs in varying fields. For example, overseas relief aims at a certain amount of money, while civic-protective agencies adopt their own goals. The field of public judgment, as determined by the local contributor and by the local budgeting committee, fixes the ratios in a democratic, representative manner.

13. Question: WHY NOT TRY "NATIONAL BUDGETING"?

Answer: There is no merit to the argument that a program should be "given a chance" when it is based on harmful principles. No liberal would think of giving "America First" doctrines a chance, merely to see if they work. That is not intended to establish any similarity whatever between the two propositions but merely to indicate that if an idea is wrong no purpose is served by attempting to fulfill it.

An examination of the documents issued by the Council of Federations in recent years would show that less rather than more factual budgeting documents have been issued during this period. That is certainly no indication that the many prerogatives assigned to the Budget Research Committee have been utilized. When the time comes that the Council of Federations issues factual analyses of institutions and there is violent objection from these agencies, it will be time enough to determine whether the Council has powers to provide ample facts. In the meantime, every clarification of factual data issued by the Council has been



welcomed and not condemned.

14. Question: DOESN'T THE CONTROVERSY PROJECTED LAST SPRING BY THE DISSOLUTION OF THE UNITED JEWISH APPEAL MAKE THE ADOPTION OF "NATIONAL BUDGETING" SEEM SENSIBLE, AS A MEANS OF AVOIDING OTHER STRUGGLES?

Answer: The very contrary is true. The advocates of the several agencies in the United Jewish Appeal were found in every community in the United States. These were not "national agencies" isolated from local community will but extreme expressions of them. Deep convictions, sincere convictions were involved. But they took very strong forms in some cases. They threatened the equilibrium of many communities.

What happened as a result of the dissolution of the United Jewish Appeal should be the best warning as to the reasons for avoiding "national budgeting". The operations of "national budgeting" would inevitably cause constant, violent controversies on the national and local level.

15. Question: WOULDN'T A "NATIONAL BUDGETING" COMMITTEE BE JUST AS INTERESTED IN MEETING JEWISH NEEDS AS THE OFFICERS OF AGENCIES NOW DEALING WITH THESE PROBLEMS?

Answer: Yes, but in the case of the "national budgeting" committee, its chief interest would necessarily be how to divide "available" money, while agencies are concerned with planning programs and enlisting a maximum of attention for them. Experience in the last decade has proved that the alertness, imagination and zeal of agencies promoting causes has been in large measure responsible for the great rise in generosity.

There are grave issues ahead for Jews: questions of repatriation, rehabilitation, emigration, settlement, education, communal reorganization, etc., affecting the lives of hundreds of thousands of people. It is imperative that the agencies, as symbols of points of view, be free to expand their programs, to compete with each other in the interpretation of their various aims and purposes



and to stimulate the giving capacity of the American Jewish community.

16. Question: BUT AREN'T TOO MANY COMMUNITIES DISPENSING THEIR FUNDS UNSCIENTIFICALLY TODAY? ISN'T IT DESIRABLE THAT THEIR DOLLARS SHOULD BE CHANNELED PROPERLY EVEN IF CERTAIN CAUSES HAVE TO BE STEPPED ON?

Answer: No expert analysis of the expenditures of Welfare Funds during the past decade could prove that American Jews have been distributing their funds unwisely. There has been a basic common sense which has proved the intelligence as well as the generosity of the American Jewish community. There have been variations in giving between one community and another. These have been the product of local conditions and feelings. But, by and large, the tens of millions dollars raised and allotted by American Jewry during the last decade have been spent wisely, judiciously and to support all aspects of Jewish life.

17. Question: WHAT DO YOU THINK WILL ULTIMATELY HAPPEN IF "NATIONAL BUDGETING" GOES INTO EFFECT?

Answer: Over a period of time "national budgeting" would result in:

(a) concentration of authority and power in the Council of Jewish Federations and Welfare Funds;

(b) decline in local initiative;

(c) a disintegration of local budget processes;

(d) a lessening of community education and interest in the vital program of national agencies;

(e) marked disunity with bitterness on the national and local levels;

(f) increased independent campaigns within the local community and a possible destruction of local welfare funds;

(g) a tendency to sharpen ideological issues and engender bitterness among national agencies, welfare funds and local adherents of national groups.



In brief, the implementation of "national budgeting" would endanger existing local community organizations and result in an effort on the part of a central committee to replace the leadership of national agencies in the interests of a vague promise of greater efficiency. A statistical machine can never substitute for local and national Jewish communal leaders imbued with a zeal to render service to their people.





Committee to Oppose National Budgeting  
44 East 43rd Street  
New York 17, N. Y.

PROPOSAL FOR EXPANSION OF FACT-FINDING SERVICE  
BY THE  
COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS

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Recognizing that the value of the fact-finding services of the Council of Jewish Federations and Welfare Funds is established, it is our view that the facilities of the Council should be expanded so that it may be able to provide its member agencies with a maximum of accurate information about the beneficiary agencies applying to the Welfare Funds for support.

The Committee to Oppose National Budgeting has been asked whether it has a constructive plan. Coupled with its unalterable opposition to the establishment of a National Budgeting Advisory Committee, our Committee hereby offers a comprehensive program. If instituted by the Council of Jewish Federations and Welfare Funds, this plan would enable it to meet the desire of officers of local communities for adequate background information, enabling them to make fair decisions on the allocation of funds to their beneficiary agencies.

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1. EXTENSION OF BUDGET RESEARCH

It is the view of the Committee to Oppose National Budgeting that the Council of Jewish Federations and Welfare Funds might appropriately extend the information it is now providing to its constituent agencies. The following suggestions are intended to explore the possibilities of such extension:



A. AGENCY INFORMATION

At the present time, the Council analysis of an agency's fiscal report is based substantially on a summary provided by the **agency** itself. It would be proper for the Council to request and obtain a Certified Public Accountant's report of the agency's fiscal status in the same detail as is provided to the officers of the agency for the past fiscal year as well as the budget for the ensuing year prepared on the same basis. The agencies should state the accounting basis upon which the statements are prepared, such as cash, appropriations or some other basis.

In the event that the Council finds that additional information might be desirable, it should be in a position to obtain it from the organization.

Certain criteria should be basic for determining the value of an agency's fiscal report:

- (1) Expenditures should be defined in detail, differentiating between functional activity, personal service, campaign expense, promotional expense and any other type of disbursement. The Council should undertake to formulate and present a basic method of accounting of such expenditures which the various agencies should be asked to comply with to assure uniformity for the benefit of the understanding of the Council constituent agencies.
- (2) Income should be defined in detail, covering all sources of income, whether from campaigns in the United States or other sources, here or abroad. Where the activities of several organizations overlap, with one agency providing funds for a special service provided by another agency, the amount of such contribution and the reason should be carefully indicated.



- (3) As nearly as possible to the beginning of the fiscal year of the particular agency it should submit to the budget research department of the Council a detailed outline of the budget for the following year, showing expenditures in each category, the amount expended in the same category the previous budgetary year and the reasons for any changes.
- (4) In submitting an accounting of expenditures made and of the budget for the ensuing year, an agency should indicate the number of staff it employs, with a definition of the tasks performed. The Council should be authorized to seek supplementary information from the particular agency, if needed.
- (5) There should be submitted to the Council as frequently as the circumstances warrant, a complete list of the official personnel of the agency, with an indication as to how officers are chosen and at what intervals.
- (6) Agencies raising funds in the United States for expenditure abroad should make available, as soon as possible after the fiscal year has ended, a detailed accounting of the expenditures abroad, indicating income from all sources to the agency or institution making the expenditures as well as an itemization of the total expenditures on behalf of all sources.
- (7) The annual fiscal report of each agency to the Council should also include a statement of assets and liabilities, and a reconciliation of surplus or deficit for the period.

B. INTER-AGENCY RELATIONS

An expanding problem for Jewish communities is the rise of new agencies for functioning and fund-raising. In addition, existing agencies enter fields covered partly or in full by other agencies; or long-established agencies seen to be operating in similar fields. There is an earnest desire



to assure a maximum of constructive achievement with a minimum of duplication and overlapping. The Council budget research department should be enabled to assist communities in obtaining ample information. These suggestions are offered:

(1) For new agencies entering a field of service, the Council shall obtain:

(a) The completest possible information on reasons for establishment, planned expenditures, expected income, officers and area of activity;

(b) And, at the same time, make inquiries of the agency or agencies, believed to be in that field already, of expenditures it is making or services it is rendering in that field. All exchange of information shall be regarded as available for the constituent members of the Council;

(c) As long as the President's War Relief Control Board shall be in existence information should also be obtained as to any action which the Board may have taken with respect to the agency.

(2) In those fields of activity in which more than one agency operates and in which no coordinating body now exists for the purpose of cross-indexing material and eliminating duplication, the Council of Jewish Federations and Welfare Funds shall be authorized to stimulate the establishment of a coordinating agency.

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