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Israel Bonds, Miami, Florida, conference, 1956-1958.



You are cordially invited

to attend the

Inaugural Conference for Israel Bonds

marking the official launching of

the 1956 campaign

Saturday evening, February 4, 1956

Sunday, February 5, 1956

Hotel Seville

Miami Beach, Florida

In the five years since the Israel Bond drive was initiated, the State of Israel has made outstanding progress in its program of economic development. Israel Bonds have played a decisive role in making this progress possible.

Today, as Israel faces a grave crisis in its relations with neighboring states, the key importance of intensive activity in behalf of Israel's economic growth is once again highlighted. The 1956 Inaugural Conference for Israel Bonds will seek to mobilize the maximum response to the challenge which confronts us. The Conference will set forth a program of action during 1956 for the following purposes:

1. *Achievement of the highest possible level of Israel Bond campaign activity.*
2. *Speedy re-enrollment of Trustees, Guardians of Israel and National Sponsors.*
3. *Development of a widespread awareness of Israel's intensified need for large-scale industrial and agricultural expansion in the face of increased Arab hostility.*



PROGRAM

1956 Inaugural Conference

for

State of Israel Bonds

Hotel Seville

Miami Beach, Florida

Saturday evening, February 4th

Sunday, February 5th, 1956

1956 INAUGURAL CONFERENCE
FOR
STATE OF ISRAEL BONDS
HOTEL SEVILLE, MIAMI BEACH, FLA.
FEBRUARY 4-5, 1956

SATURDAY, FEBRUARY 4, 1956

12:00 NOON SABBATH LUNCHEON *Alhambra Grand Ballroom*

NATIONAL WOMEN'S DIVISION, ISRAEL BOND ORGANIZATION

MRS. MICHAEL A. STAVITSKY, *National Chairman*
Presiding

MRS. BENJAMIN MEYERS, *Chairman, Greater Miami Women's Division — Greetings*

MRS. ALFRED M. KARLIN, *National Chairman of "Chen"*

MRS. ALEXANDER SIMSON, *National Chairman of Sponsors*

MRS. AVIS SHULMAN, *Chairman of Speakers and Information*

MRS. J. BARNEY GOLDHAR, *National Chairman of Sponsors for Canada*

MRS. FRANKLIN D. ROOSEVELT

7:30 P.M. OPENING DINNER *Alhambra Grand Ballroom*

ABRAHAM FEINBERG, *President, Israel Bond Organization*
Presiding

RABBI LEON KRONISH — *Invocation*

JACOB SHER, *Israel Bond Chairman, Greater Miami — Greetings*

HIS EXCELLENCY DR. JOSEPH BURG, *Minister of Posts, State of Israel*

LEON H. KEYSERLING, *former Chairman, President's Council of Economic Advisers*

DR. ABBA HILLEL SILVER, *Chairman, Board of Governors*

SUNDAY, FEBRUARY 5, 1956

8:30 A.M. BREAKFAST SESSION *Alhambra Grand Ballroom*

DR. JOSEPH J. SCHWARTZ, *Vice President, Israel Bond Organization*
Presiding

MORRIS W. BERINSTEIN, *National Campaign Chairman*
Report on campaign results

MRS. MICHAEL A. STAVITSKY
Report on National Women's Division

DISCUSSANTS:

MORRIS R. DEWOSKIN, *Chairman, Board of Governors, Chicago Israel Bond Drive*

JULIUS GINSBURG, *National Chairman for Organizations*

D. LOU HARRIS, *Israel Bond Chairman for Canada*

JOSEPH H. HOODIN, *Cincinnati, Member, National Executive Committee*

LOUIS A. KASEN, *Israel Bond Chairman, Newark*

MAX BRESSLER, *Chicago, Member, National Executive Committee*

NATHAN S. JACOBSON, *Israel Bond Chairman, Baltimore*

JUDGE LOUIS E. LEVINTHAL, *National Chairman, Guardians of Israel*

FREDRIC R. MANN, *Israel Bond Chairman, Philadelphia*

12:30 P.M. LUNCHEON SESSION *Alhambra Grand Ballroom*

DR. ABBA HILLEL SILVER, *Presiding*

RABBI IRVING LEHRMAN — *Invocation*

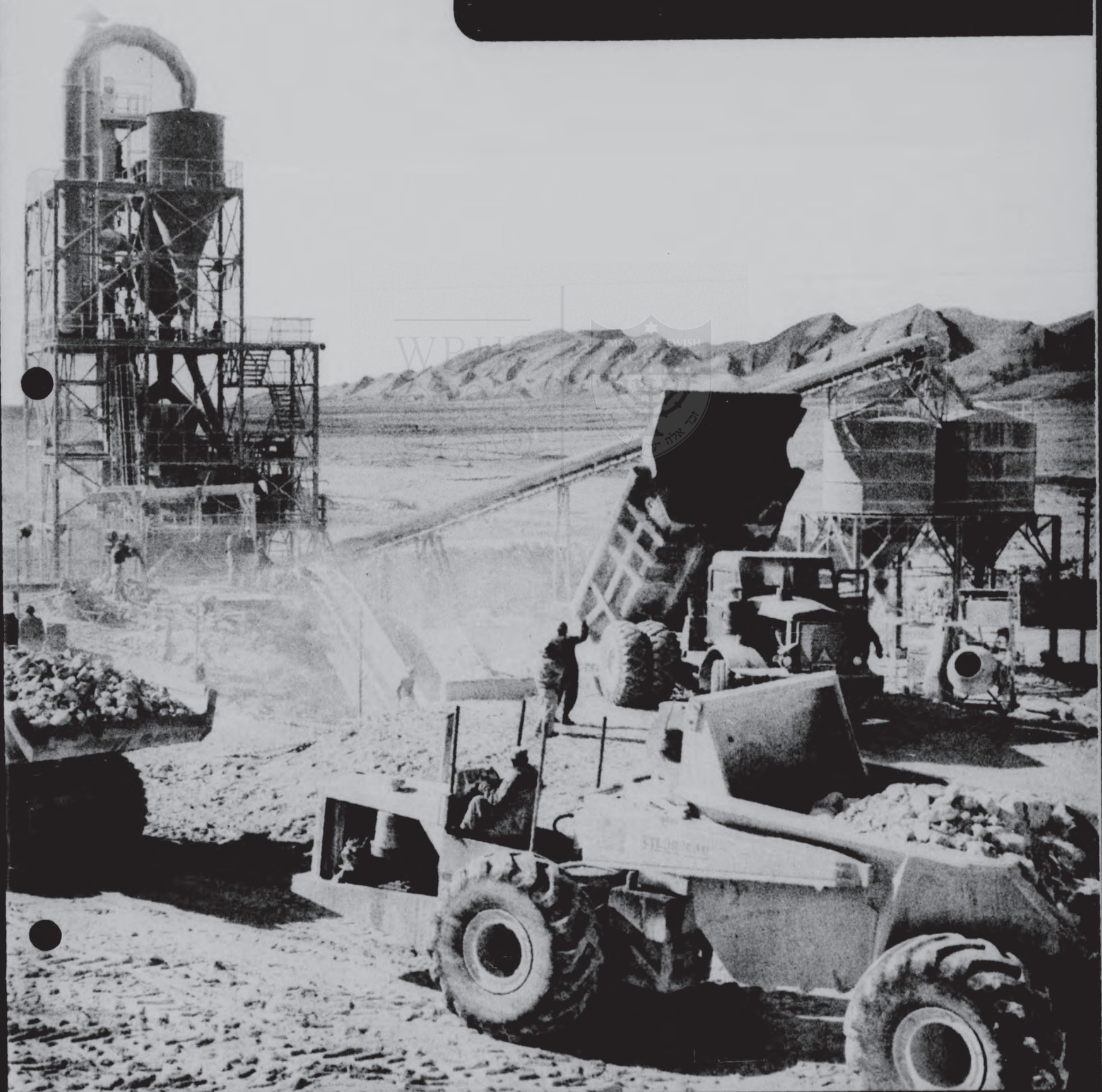
INDUCTION OF 1956 TRUSTEES

HONORABLE DAVID HOROWITZ, *Governor, Central Bank of Israel*

ABRAHAM FEINBERG

Dietary Laws Observed

**HIGHLIGHTS
OF
ISRAEL'S ECONOMIC PROGRESS**



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INTRODUCTION

The tables on the following pages present an over-all survey of the agricultural, industrial and commercial growth of Israel. Only the most significant achievements are summarized in these pages. However, many other noteworthy developments have taken place in the period under review.

Between 1948 and the end of 1955, the country received and, to a large extent, absorbed economically 771,500 immigrants. More than 36,000 came in during 1955.

Approximately 440 new agricultural settlements were founded since 1948, in addition to the 230 which existed prior to Statehood. There are now 50,000 Jewish farm units in the country. New industrial crops, such as sugar beets and cotton, are being grown in increasing quantities.

Industrial enterprises, which numbered less than 8,000 in 1948, at present exceed 20,000. A total of 520,000 men and women make up the present Jewish labor force.

Israel Bond purchasers have a key role in Israel's progress through the dollars which they loan the Israel Government. The extent to which Bond funds have strengthened the various segments of Israel's economy is recorded in the tables of this report.

AGRICULTURAL PRODUCTION

(at 1948/49 prices)

<u>Year*</u>	<u>Total Value**</u>
1948/49	\$ 75,500,000
1949/50	98,800,000
1950/51	104,000,000
1951/52	127,800,000
1952/53	138,400,000
1953/54	170,300,000
1954/55	180,000,000 (est.)



Israel Bond allocations toward agricultural development totaled approximately \$72,000,000 by March 31, 1955.

* The years are crop years, extending from October 1st to September 30th.

** Based on the official "effective" exchange rates.

Number and Floorspace (in sq. ft.) of Completed Rooms

(Annual Figures)

	<u>Residential</u> (incl. New Immigrant Houses)		<u>Non-Residential</u> (Commercial, Industrial, Public Buildings, etc.)		<u>Total</u>	
	<u>Rooms</u>	<u>Area</u>	<u>Rooms</u>	<u>Area</u>	<u>Rooms</u>	<u>Area</u>
1949	32,431	8,085,782	1,125	1,016,431	33,556	9,102,213
1950	48,005	12,237,890	1,810	1,251,180	49,815	13,489,070
1951	82,279	21,019,370	2,601	2,059,150	84,880	23,078,520
1952	66,667	19,557,040	3,264	3,138,696	69,931	22,695,736
1953	31,667	9,094,140	4,543	3,416,515	36,210	12,510,655
1954	25,684	8,712,142	3,094	2,131,763	28,778	10,843,905
1955 (first 7 mos.)	<u>13,552</u>	<u>4,714,948</u>	<u>1,592</u>	<u>1,254,804</u>	<u>15,144</u>	<u>5,969,752</u>
<u>Total</u>	300,285	83,421,312	18,029	14,268,539	318,314	97,689,851

More than 23% of all dwelling units which were built for new immigrants since 1951, when the State of Israel Bond drive began, were financed by loans and mortgages derived from the proceeds of Bond sales. Bond dollars were also invested in the construction of commercially important non-residential buildings (factories, new hotels, remodelling and enlargement of existing hotels, etc.)

ELECTRIC POWER

(in 1,000 kwh)

<u>Year</u>	<u>Total Sales</u>	<u>For Industrial Purposes</u>	<u>For Irrigation</u>	<u>For Other Purposes</u>
1948	260,103	70,888	56,971	132,244
1949	329,205	96,897	65,468	166,840
1950	464,052	140,565	85,010	238,477
1951	588,170	157,796	112,938	287,436
1952	668,591	176,817	139,682	352,092
1953	759,267	206,736	172,398	380,133
1954	895,584	270,069	200,741	424,574
1954 (Jan.-June)	406,408	112,320	69,894	214,194
1955 (Jan.-June)	495,175	144,090	104,218	246,867

The Israel Government, between 1952 and 1955, made available from its Israel Bond income \$14,000,000 as loans to the Palestine Electric Corporation for the increase of its generating capacity.

FOREIGN TRADE

<u>Year</u>	<u>Imports</u>	<u>Exports</u> (incl. Re-Exports)	<u>Deficit</u>	<u>Exports as Percentage of Imports</u>
1948 (May-Dec.)	\$ 75,000,000	\$ 3,700,000	\$ 71,300,000	4.9%
1949	253,100,000	29,700,000	223,400,000	11.7
1950	301,000,000	37,000,000	264,000,000	12.3
1951	343,300,000	46,800,000	296,500,000	13.6
1952	309,600,000	43,400,000	266,200,000	14.0
1953	281,200,000	59,700,000	221,500,000	21.2
1954	289,700,000	88,100,000	201,600,000	30.4
1955 (11 mos.)	<u>299,300,000</u>	<u>80,200,000</u>	<u>219,100,000</u>	<u>26.8</u>
May 15, 1948 - Nov. 30, 1955	\$2,152,200,000	\$388,600,000	\$1,763,600,000	18.1%

Structure of Imports and Exports: 1953, 1954

	<u>Imports</u>		<u>Exports</u>	
	<u>1953</u>	<u>1954</u>	<u>1953</u>	<u>1954</u>
Food, Drink and Tobacco	28.4%	24.4%	43.5%	46.4%
Raw Materials and Unfinished Products	20.5	23.3	0.9	1.3
Finished and Partly Finished Products	50.6	51.7	55.5	52.2
Livestock	0.3	0.4	-	-
Miscellaneous	0.2	0.2	0.1	0.1
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Comparison of Exports 1954 and 1955

January - November 1954	\$79,600,000
January - November 1955	\$80,200,000

Imports to Israel in the period January - November 1955 were 13.4% higher than during the same period in 1954. This was mainly due to the greater number of immigrants who arrived in Israel during 1955. Immigration in 1955 exceeded immigration in 1954 by 108%.

The import of industrial raw materials and unfinished products was on the upward trend from 1953 to 1954, while the import of consumer goods declined.

The dollar values of exported goods in 1954 and 1955 were approximately the same. The food and tobacco industries reported increased exports.

INDUSTRIAL PRODUCTION

(at 1949 prices)

	<u>Total Values*</u>
1949	\$226,600,000
1950	356,000,000
1951	469,200,000
1952	513,700,000
1953	476,500,000
1954	609,500,000
1955	760,000,000 (est.)

Israel Bond allocations toward industrial development totaled \$46,000,000 by March 31, 1955.

* Based on the official "effective" exchange rates.

INDUSTRIAL PRODUCTIONMajor Industrial Items

All industrial items in this table are produced in plants aided by Israel Bonds. The increase of their production reflects to a significant degree the effect of investments or loans extended to industrial enterprises by the Israel Government from Bond revenue since 1951.

	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>1955</u> (first 8 mos.)
Cement (tons)	439,112	445,938	464,755	563,099	438,698
Flour (tons)	157,363	196,662	238,993	251,979	154,239
Plywood (cu. ft.)	-	268,245	378,098	553,821	485,022
Plate Glass (sq. ft.)	8,395,920	9,527,205	17,366,229	18,736,755	9,010,846
Electric Bulbs (units)	-	-	1,468,274	2,100,332	1,906,068
Ball Clay (tons)	2,088	4,002	5,001	8,381	3,961
Superphosphates (tons)	11,440	24,437	32,963	70,547	60,175
Sulphuric Acid (tons)	1,875	7,341	16,205	42,076	43,758
Rock Phosphates (tons)	-	-	23,092	58,195	40,645
Tires (units)	-	21,413	115,776	143,972	120,982
Corrugated Asbestos - Cement Slabs (sq. ft.)	-	6,881,802	5,500,587	7,250,006	5,719,473
Flat Asbestos - Cement Slabs (sq. ft.)	-	30,035	43,185	712,222	541,279

IRRIGATION

Israel's water problem is not insufficiency of water. There is plenty of water available from rainfall, rivers, wells, underground streams, etc. The total quantity has been estimated at 750,000,000,000 gallons a year. Of this, only 240,000,000,000 are utilized at present.

Israel's water problem is the inadequate distribution of water. The common objective of all irrigation projects in Israel is to conserve water where it accumulates and is going to waste, and to deliver it to the areas where it is needed.

An outstanding example of Israel's engineering skill and imagination in carrying out its irrigation projects is the double pipeline running from the Yarkon River north of Tel Aviv over a distance of 65 miles to the arid area of Beersheba, in the northern Negev. One branch of this pipeline was completed and put into operation in the summer of 1955.

The total irrigated area now extends over 225,000 acres. That is 200 per cent more than in 1948, when the State was established.

All water projects are under the combined supervision of the Ministry of Agriculture and the Agricultural Settlement Department of the Jewish Agency. To implement them is the responsibility of Mekorot, a non-profit public utility.

State of Israel Bonds hold a major share in financing Israel's irrigation projects. More than \$28,000,000 in Israel Bond funds was loaned by the Government to Mekorot during the last four years.

According to the latest official estimates, an additional \$400,000,000 will be required for the irrigation projects planned during the next 8 - 10 years.

NATIONAL INCOME

(in millions of Israel pounds, at current prices)

	<u>1951</u>		<u>1952</u>		<u>1953</u>		<u>1954</u>		<u>1955</u>	
	<u>IL.</u>	<u>%</u>	<u>IL.</u>	<u>%</u>	<u>IL.</u>	<u>%</u>	<u>IL.</u>	<u>%</u>	<u>IL.</u>	<u>%</u>
Agriculture	40	7.5	97	11.7	140	12.6	194	13.8		
Industry (incl. Mining)	124	23.4	161	19.5	219	19.8	270	19.3		
Building (incl. Publ. Works)	55	10.4	46	5.6	52	4.7	73	5.2		
Water and Power Projects	-	- *	15	1.8	27	2.4	31	2.2		
Transportation and Communication	46	8.8	59	7.1	76	6.9	95	6.8		
Commerce and Trade			92	11.1	125	11.3	162	11.6		
Finance and Banking	93	17.5	64	7.7	78	7.0	96	6.9		
Government and Public Institutions	84	15.8	199	24.1	264	23.9	329	23.4		
Other Services	<u>88</u>	<u>16.6</u>	<u>94</u>	<u>11.4</u>	<u>126</u>	<u>11.4</u>	<u>151</u>	<u>10.8</u>		
<u>Total</u>	<u>530</u>	<u>100.0</u>	<u>827</u>	<u>100.0</u>	<u>1,107</u>	<u>100.0</u>	<u>1,401</u>	<u>100.0</u>	<u>1,600**</u>	<u>100.0</u>

* Included in agriculture and industry.

** Preliminary figure.

NATIONAL INCOME

(Continued from previous page)

The table showing the estimated net values of goods and services produced in Israel in the years since 1951 gives an over-all picture of the steady economic growth of the country. Total gross investments between 1951 and 1955 averaged IL. 250,000,000 a year.

A factor of special importance for the economic development of Israel is the State of Israel Bond campaign, which between its inception in May, 1951 and December 31, 1955 provided for Israel a total of \$216,595,450, thus greatly strengthening the foreign currency reserves of the Government.



TOURISM

<u>Year</u>	<u>Number of Tourists</u>	<u>Income from Tourism</u>
1952	32,965	\$6,400,000
1953	36,212	8,000,000
1954	38,661	9,500,000
1955	48,300	11,000,000 (est.)



The number of tourists in 1955 was about 25% higher than in 1954, and 47% higher than in 1952.

Israel Bond dollars contributed considerably to this increase. The Israel Government made Bond dollars available mainly as mortgages for the construction or modernization of hotels.

The number of hotel rooms in the three top categories totaled 3,500 in 1955.

TRANSPORTATION

The Israel Government spent a total of close to \$15,000,000 in State of Israel Bond funds on the expansion and improvement of the transportation and communication networks of the country in 1951-55.

Land, sea and air transportation presented the following picture at the beginning of 1956:

(1) Railways

Length of Tracks

(including branch lines)

400 miles
(170% increase over 1948)

Rolling Stock and Equipment

75 steam locomotives
8 Diesel engines
57 coaches
12 electric cars
2,500 freight cars

Number of Permanent Employees

1,900

Number of Passengers (1955)

3,200,000 (est.)

Freight (1955)

1,400,000 tons (est.)

Major Project 1955/56

Opening in February, 1956
of 45 mile line between
Naan (south of Lydda)
and Beersheba.

(2) Ports and Shipping

Israel's merchant fleet is the second largest in the Middle East, second only to Turkey.

Boats

Number (after withdrawal from
service of 7 old boats)

26 freighters
3 passenger boats
1 tanker

Total Load Displacement

150,850 tons

Total Crew

1,300 officers and sailors

TRANSPORTATION

(Continued from previous page)

Number of Passengers (1954)

36,000

Cargo (1954)

600,000 tons

Ports

All Ports (1955)

2,100,000 tons of cargo handled

Haifa Port (1955)

1,640,000 tons of cargo handled

(3) Road Transportation

Total Length of Roads

(including secondary roads)

1,600 miles

Bus Service

Number of Buses in Operation (1955)

1,900

Number of Passengers (1954)

320,000,000

Mileage Covered (1954)

520,000 miles

Private Cars and Taxis

16,500

Trucks

18,400

Motorcycles

10,800

(4) Air Transport (April 1954 - March 1955)

Inter-Continental

Aircraft Landings

1,341

Number of Passengers

71,100

Freight and Mail

3,706,000 lbs.

Domestic Services

Aircraft Landings

1,988

Number of Passengers

22,700

Freight and Mail

1,444,000 lbs.

Airports

Lod (Lydda) southeast of Tel-Aviv: largest airport of Israel, main point of intercontinental traffic; "Dov" Tel-Aviv; Haifa; Eilat.

Aircraft Overhaul and Repair Base, Lydda

Largest of its kind between Paris and Hong Kong; servicing El Al planes and planes of foreign airlines.

1) Delighted ³⁰ ~~35~~ - ① Congratulate - build well - with vision - (1)
with confidence - with competence and integrity -

The one unfading technique for any thing durable & constructive
whether a private business - corporation - state - Founders

2) You have pioneered - pointed the way to others - ^{so much}
You have demonstrated how significant and helpful
the investment of private capital - can be to the develop-
ment of the economy of a new country - if it is guided
not only by the profit motive but by a social responsibility
and patriotism.

doctrinally
Christ. not
just
found
You did not challenge the right ^{or the wisdom} of other ^{forming} econ.
orgs. to make their contribution to the ^{upholding}
the country - the collective, non-capitalist ^{system} ^{official}
You denied them the right of ^{manipulating} ^{you were}
persuaded that ~~foreign~~ ^{foreign} cap. is ^{inherently} ^{more} ^{vital}
to the econ. progress, the land could be ^{more readily} ^{encouraged}
your way. You felt that your way, would attract
~~more~~ ⁱⁿ ^{increasing} ^{numbers} ^{to} ^{invest} ⁱⁿ ^{Israel}.

Time ~~has~~ is proving you right. The volume, such
investments, while not as great or deniable, is
considerable, is increasing, and points to steady
augmentation.

3) It is clear, now more than ever, that Israel must
produce more, must increase its exports, must
rapidly increase ^{its} ^{economic} ^{self-dependence} - if it
is to survive politically. ^{irrefutable}

It must make rapid technological progress ^{and progress of the people} to increase (2)
the skill and productivity, its manpower — and the
efficiency; ~~to~~ all its econ. operators.

You have been helping in all these directions:

and in doing what you have done. You have been
mindful of the rights of labor — of the requirements
civilized standards, living — of the whole social order
which were always at the heart of our movement — as
they have been at the heart of our faith.

I salute you as your ~~50th~~ anniversary — and wish
you continued success and fruitful, and beneficent
service, ~~to the~~ in our ~~most~~ way in ~~the~~ ~~future~~ ~~of the~~ ~~human~~ ~~race~~

4.) We are meeting in a grave hour — and yet not
unique or unprecedented in our experience.

~~Had~~ occasion — Z.O.A. Conference — July 4-1948 (Jerusalem)

As you see — the theme of gravity, urgency and
the need for mobilization is almost identical with
what we experience to-day.

A state may be proclaimed on one paper day — It
takes years and decades to make it ~~secure~~ ^{secure} —
and eternal vigilance to keep it secure.

5.) I have had ^{several} occasions ~~during~~ the recent weeks to discuss
the pol. situation in the Middle East as it affects Israel.
I do not wish to discuss it again this evening.

I wish only to make a few supplementary observations - 13

The free world - which is engaged in a prolonged, bitter struggle which may last decades - should not itself in secondary analysis, "who will be the winner if the Axis power is weakened or destroyed?"

Can the nations who in the past have supported the Axis powers the French, Fascists and Japanese - who sabotaged whenever they could the Allied war effort - who were pro-Vichy - and who, on only rare occasions rendered any such assistance as "free could conquer or money could buy"?

Can these nations be relied upon to be the bulwarks of freedom and democracy - when the hour of decision comes? I, at the nations that opened its doors wide to communist penetration in the Near East - when the very heart of Allied strategy since World War I - and long before that - was to keep them out - is Egypt to be looked upon as the citadel and backbone of the Near world in the future?

- Can the ^{embellished} French, freedom afford to weaken, or to permit the destruction of the one dependable outpost of the Free world in that strategically, rally - central area, the world?

6/. They owe it to themselves to ask themselves still another question - and to answer it in the light of the vast temporary expediency - but, the larger, historic issues -

They have undertaken to build a ring of steel in the form of military alliances in the Middle East of the Far East Union.

with the Arab states as the main thing, this alliance.
But the Arab states are forming a ring, started in the form
of military alliances against Israel. They are not interested
in joining any anti-Soviet bloc - Soviet bloc - only an anti Israeli
bloc. They have made such an alliance - in event of war, they
will volunteer - when E. stops shooting, Syria - pass the ball to
who is using whom? This sharp diff. in objectives
must create an inner contradiction - which will work
against in decisive moments impossible.

Is it not clear that the first disillusionment, the
U.S. and the free world with Egypt - will not be the first?
Helping E. build a great dam - will not end
E's flirtation with the Soviet bloc.

E. is not a democracy inherently in foreign affairs.
in the world -

It is a large scale dictatorship - where all decisions
is to keep itself in power - and to increase its prestige
through success for expansionism - as all dictators must
do - like Franco and Tito, Khrushchev will talk what
ever he can get from any source - without any consistent
views of loyalty to any source - this political alignment
will prove as shifting as the sands, his country's interests

When is this line leading the United States now? to what
disillusionments and humiliations?

7/1. Fred Pearson Minister (Eisen) should quite frankly ask himself
whether he is not walking on the edge of his position
Chamberlain - in respect to what happened to a Near East

Unworthy Eden's logic is identical with that of Banking (15)
The Arabs will not make peace with the Negro or part of it is
unwarranted to them - Negro - Under the Table - Agents.
Why give it to them? Peace in our life time?

What folly? The surrender, hostilities over the parcel
to the total surrender, Gyell and to II hold back

8/ EJ doesn't need the Negro - Problem will not be
addressed then surrender, 1000 or 2000 sq. miles - 1,300,000

Very unbalanced Paul - unjust
sem. foundation parents - disturb - disorder - (1 1/2 h)

- Raise levels -

- Rise and development - allied effort - all aid to

Arabs if make peace - open borders

No aid - as long as fight with hopes, all -

9/ allies as swiftly giving and relaying over to Arabs
part - in human

No one throughout them.

Help the one peace-loving country - seems - admirable

10/ to the - Midway - 1904

Judah - How shall we be able, being so few, to fight against so
great a multitude - "It is no hard matter for many to be shut
up in the hand of a few - and, with the Lord, Heaven, it is all as to
defence with many or with few.

- 2001 101 -

11/

to 1000 -

Country, Oct - on day - 8 -

1330 - the 11th

Enemies have
2 actions
econ
political

Vacuum
drifts

Visit to Congress =

In the last analysis it is the economic strength of the State of Israel which will determine its capacity to defend itself against aggression and consequently also its ability to survive. A sound economy, towards which the Government of Israel has been steadily moving, is the surest guarantee for the ultimate solution of its political problems. That, and the stout hearts and firm resolutions of the Israelis themselves, who have built their country with such zeal and vision and who can be relied upon to defend it with their very lives.

Whatever support is given to the State of Israel through the purchase of Israeli Bonds helps to under-gird its economy and to strengthen the hands of its defenders.

The enemies of Israel have been waiting for its collapse and they have sought to hasten it by means of boycotts and blockades. Because they believed that such a collapse was imminent they have resisted every attempt made by Israel in the last seven years to conclude an honorable peace.

Having failed to strangle Israel economically, and to check its development through an incessant harrassment of the Israeli border settlements, they are now hoping to crush it in another war, and to that end they are building up a massive reservoir of armament. In this objective Russia and Great Britain have been cooperating by sending to Egypt, which is the key figure in this conspiracy, shiploads of tanks, jet planes and heavy armament -- Russia as part of its long range policy to penetrate the Near East and expand Communist influence; and Great Britain as part of its long record of blundering retreat and defeat in that part of the world. Our own country is now in danger of being led into

similar costly blunders in the Near East by ^{the} blind guide whose actions ^{in the past} and ^{present} motives clearly disqualify it from playing ^{any} the role of mediator and honest broker.

The hour is grave for Israel because the Western powers and the Soviet Union are now trying to out-bid one another in their avowed devotion and support of the Arab States who are committed to the destruction of Israel. The notorious action of Egypt in opening the doors of the Middle East to Soviet penetration, which was Egypt's response to Secretary of State Dulles' appeal of last November for an Arab-Israeli peace, has evoked no retaliatory action. On the contrary, Nasser is being rewarded for his act of betrayal ^{of Woodrow Wilson} by the offer of hundreds of millions of dollars to build the Assuan Dam. The little State of Israel, ^{unfailingly} loyal to the democratic world, and gravely endangered by this military coup of Egypt, has been given no support of compensatory arms nor any assurance of security.

The statesmen of the West will presumably avail themselves of another opportunity in the Security Council to censure Israel for having replied to the provocations of the Government of Syria. They will ^{however leave untouched} leave the matter of these endless provocations ^{for they are} untouched, being unwilling to offend Arab sensibilities. ^{It is these provocations cannot go on endlessly without exploding into serious conflict which will engulf the paper on the Near East and the world} We are persuaded that the great powers are pursuing a policy in the Middle East, which, if not quickly revised, will bring disaster to that part of the world and which may involve them too, in a way in which they do not wish to be involved. But until sanity returns and better counsel prevails, it is the primary responsibility of all those who love justice and freedom and who believe that the establishment of the State of Israel was one of the most significant and heartening moral achievements of this century, to rally to its support and provide it with the where-with-all to carry on its industrial, agricultural and social progress and to enable it to strengthen its defenses.

This is our challenge and our task
Those who ask for security in their investment
- Is. does not defend - defense - democracy -
- refugees - peace or stability
- well as death or fear of it

- Arabs are plotting with Vichy & Black Arab V-I. (5)
 - People in State Dept - ^{never the friends, Israel} who are exploiting this maneuver to hunt Israel.

- I am persuaded that the leadership of this administration will never permit it. They ^{are afraid of Israel, really} want a ~~strong~~ ^{strong} ~~peace~~ ^{peace} and ~~punish~~ ^{punish} Israel - even as they ~~will~~ ^{will} ~~all Arab states to be seen through~~

6/. They know - Israel wants peace - not arms, relief
 Arabs do not want peace - Feudal ruling
 They know - want to cooperate - to bring peace &
Prosperity - 1,700,000 1948 - Israel 800,000

Crying for development -

1/2% - pop. Egypt arous 38% land
 1 1/2% " " Iraq " 80% "

75% - Eg - illiterate.

90% - Iraq - "

98% - Saudi-Arabia - "

Infant mortality -

200 out of 1000 Eg
 300 " " Iraq

Oil? 1952 - Oil royalties - Iraq 110M
 Saudi - 120M

Rulers - tell people - Israel is their misfortune / Ruin for all
Version

- 7/ Free & Democr. State - millenial tradition -
Fin End | Free world - sympathies - shuttlecock -
- 8/ Self-sufficient - open to ferment - Had they had peace -
border - defense , Amazing record - Tampa
- 9/ want to make good - stout-hearted - pride - Unshakable
- demonstrate what Jews on their own
want - revivis flows of Hebrew culture
- 10/ will make good - for they have character - Stamina - 158
- 11/ He too want to make good - discredited -



File
LB
DW
MH
February 12, 1958

Dear Dr. Silver:

The conference in Miami was successful beyond my most optimistic expectations and I feel that in large measure the spirit that was aroused was due to the effectiveness of your address. I want you to know that I am deeply grateful to you for this.

We have made an excellent beginning and I feel confident that despite the current economic situation and other obstacles that face us, we shall be able to give a good account of ourselves in the months ahead in terms of Bond dollars.

With many thanks again for your valuable contribution and with kindest personal regards, I am

Cordially,

Joseph J. Schwartz
Vice President

Dr. Abba Hillel Silver
19810 Shaker Boulevard
Cleveland, Ohio

JJS:mp

cc: Jack Spencer
HA, AM, LB, DW, MH