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United Jewish Appeal, 1944-1945.

C O N F I D E N T I A L

MINUTES OF A MEETING OF THE EXECUTIVE COMMITTEE OF THE 1944 UNITED JEWISH APPEAL

FRIDAY, OCTOBER 6, 1944

HOTEL BILTMORE, NEW YORK CITY

PRESENT: Rabbi James G. Heller in the chair; Paul Baerwald, Joseph E. Beck, Samuel Berson, Louis Broido, Ralph F. Colin, Isidor Coons, I. Edwin Goldwasser, Sylvan Gotshal, Joseph C. Hyman, Stanley M. Isaacs, Sidney Lansburgh, Al Paul Lefton, Isaac H. Levy, Albert H. Lieberman, Henry Montor, Charles J. Rosenbloom, William Rosenwald, Jacob Sincoff, Rudolf G. Sonneborn.

By invitation: Herbert R. Bloch, Stanley C. Myers, David M. Watchmaker, Henry C. Bernstein, Samuel Blitz, Edward Goodell, Julia Rubenstein.

The meeting opened at 1:00 P.M.

EXECUTIVE VICE-CHAIRMEN'S REPORT

MR. ISIDOR COONS, on behalf of MR. HENRY MONTOR and himself, read the report of the Executive Vice-Chairmen (Appendix A).

Council on Taxes and Philanthropy

There was a discussion initiated by MR. I. EDWIN GOLDWASSER of participation by the United Jewish Appeal in the Council on Taxes and Philanthropy. The question was raised as to whether the United Jewish Appeal would be warranted in joining the Council in view of the possibility that the Council was interested in legislation affecting tax exemption for charitable contributions.

MR. JOSEPH C. HYMAN pointed out that a great many philanthropic, educational and religious agencies are participating in the Council on Taxes and Philanthropy and presumably they are aware of the legal implications. He suggested further inquiry into the matter. MR. EDWARD GOODELL stated that he did not wish to express an opinion on the question of policy as to whether the United Jewish Appeal should join the Council on Taxes and Philanthropy. However, it was Mr. Goodell's opinion that the United Jewish Appeal would not affect its tax exempt status, if it were to make a contribution to the Council on Taxes and Philanthropy for the specific purpose of assisting it in its efforts to obtain modification of "The Simplified Tax Bill" (to wit, in its relation to the 10% "average deduction" granted to taxpayers with income of \$5,000 or less, covering all deductible expenses including charitable contributions) inasmuch as such legislation directly affects the purpose for which the United Jewish Appeal was created, namely, the raising of funds, and such activity would be incidental to that primary purpose. It was moved by MR. RALPH F. COLIN, seconded and approved, that inquiry be made among other organizations now members of the Council on Taxes and Philanthropy to ascertain their attitude toward the question of tax exempt status but to take no action on participation or non-participation in the Council until a report on the findings is brought back to a subsequent meeting of the Executive Committee of the United Jewish Appeal.

Comments on Campaign

In commenting upon the report presented on behalf of the Executive Vice-Chairmen, the CHAIRMAN felt that the members of the Executive Committee of the United Jewish Appeal ought to indulge in at least some self-congratulation on the remarkable campaign of 1944. He felt that some of the reasons were to be found in the economic condition of the American Jewish community but he did not believe that this represented the whole story. He felt that a large part of the credit should be ascribed to the executive heads of the organizations for the manner in which they had conducted the campaign. He emphasized that self-congratulation should not be based merely upon an achievement in the collection of funds but on the tremendous possibilities made available for assistance in the fields served by the United Jewish Appeal agencies. He said that as CHAIRMAN of the meeting and on behalf of the Executive Committee, he wished to express thanks to the Executive Vice-Chairmen of the United Jewish Appeal for the task they had performed in 1944 and to express the hope that they would be able to do even better in 1945.

MINUTES OF JUNE 16TH MEETING

It was moved by MR. GOLDWASSER, seconded and approved, that the minutes of the meeting of the Executive Committee of the United Jewish Appeal on June 16th be approved as circulated.

PRESIDENT'S WAR RELIEF CONTROL BOARD

MR. LOUIS BROIDO reported on the meeting of the United Jewish Appeal delegation with the President's War Relief Control Board in Washington on June 28th. That meeting resulted from the resolution passed by the Executive Committee of the United Jewish Appeal on June 16th when it was decided that the United Jewish Appeal should formally make representations to the President's War Relief Control Board to the effect that the United Jewish Appeal, as the major fund-raising organization of American Jewry, should be given maximum cooperation to collect funds for overseas work, for Palestine and for refugee assistance and, further, that the United Jewish Appeal should reiterate the position taken by the National Chairmen of the United Jewish Appeal when they met in March with the Board. At that time the National Chairmen urged that the launching of new organizations into the relief field was not warranted so long as responsible and experienced agencies exist to cover the needs.

At the meeting on June 28th, Mr. Broido reported, there were present Mr. William Rosenwald, Mr. Henry Montor, Mr. Joseph C. Hyman, Mr. Joseph E. Beck and himself. Present for the President's War Relief Control Board were Hon. Joseph E. Davies, Chairman, Mr. Charles P. Taft, Mr. James Brunot, Executive Director, Mr. Melvin D. Hildreth, General Counsel, Mr. John W. Pehle, Executive Director of the War Refugee Board, and his assistant Mr. Lawrence Lesser.

Mr. Broido referred to the discussion in which Messrs. Rosenwald, Hyman, Montor and himself participated. He felt that Messrs. Montor and Hyman had most effectively presented the United Jewish Appeal position. One of the things that impressed itself on the mind of Mr. Broido was the fine standing which the agencies and their professional representatives have with the governmental agencies in Washington, both with the President's War Relief Control Board and with the War Refugee Board. The second impression he

derived was to the effect that the President's War Relief Control Board seems to feel deeply that the Jews of the country, perhaps particularly in New York, have not disciplined themselves enough in their fund-raising efforts to keep themselves from proliferating with new organizations. The third impression arose from the fact that the President's War Relief Control Board, when pressed on the point that it ought not to authorize the creation of additional fund-raising organizations when responsible agencies were already in the field and were doing a proper job, responded with the thought that anyone who had an emotion to be of help should be permitted to help to a maximum extent.

At one point, Mr. Broido reported, the President's War Relief Control Board took the offensive, urging the United Jewish Appeal delegation to attempt to come to some understanding with the Landsmanschaften organizations which were desirous of obtaining registration for fund-raising purposes from the President's War Relief Control Board. Mr. Broido referred to the viewpoint of Mr. Davies who felt that Jews in this country who have an emotional attachment to their places of origin in Europe should have an opportunity of expressing that emotion through financial contributions.

Mr. Broido felt that the United Jewish Appeal delegation had impressed the Board with its insistence insofar as the business section of the Jewish community is concerned that there ought to be no toleration of new organizations to raise funds for work in Europe until the existing organizations have been found wanting.

MR. HYMAN supplemented Mr. Broido's statement and emphasized that Mr. Broido had made a remarkable contribution to the success of the meeting by the clarity and intelligence with which he had stated the United Jewish Appeal case. He referred particularly to the impression registered on Mr. Davies. Mr. Hyman referred to the status of a number of agencies which have made application to the President's War Relief Control Board for registration, but none of which, up to the present time, had yet been registered, insofar as he knew.

MR. MONTOR also emphasized the splendid contribution made by Mr. Broido to the effectiveness of the meeting with the President's War Relief Control Board. Mr. Montor read from a letter from Mr. James Brunot dated August 10, 1944 (Appendix B) which referred to a formula whereby Landsmanschaften might be enabled to raise funds within the framework of the United Jewish Appeal. Mr. Brunot's letter of August 10th followed a conference which Mr. Hyman had initiated in New York to discuss the problem with Landsmanschaften groups. He read the letter as an introduction to what Mr. Hyman would himself report on this discussion.

The CHAIRMAN stated that he felt it his duty to report to the Executive Committee that the problem of earmarked contributions had been discussed at the meeting of the Administrative Committee of the United Palestine Appeal the day before. The feeling was expressed there that acceptance of such a program would constitute a dangerous precedent in regard to the work of the agencies of the United Jewish Appeal. The vote of the United Palestine Appeal was against such earmarking.

MR. HYMAN stated that, prior to the meeting on June 28th with the President's War Relief Control Board and subsequent to that meeting, there

had been a series of discussions with Mr. Brunot and with members of the Board by himself on behalf of the JDC and by other members of the JDC. During these discussions the President's War Relief Control Board representatives expressed the feeling that even if it were not feasible and practicable to consolidate the efforts of all the fund-raising agencies under the aegis of the UJA, it would be highly desirable to achieve some progress. Some effort should be made to encourage the consolidation of at least some of the proposed new campaigns, particularly of Federations of Landsmanschaften.

Mr. Hyman said that Mr. Davies, at the meeting on June 28th, had declared that, with all the admiration he bears for the UJA and for the great capacity of the Jewish communities of this country in philanthropy, they had failed in respect to coordination of their activities. Where other religious communities had succeeded in various ways in consolidating their efforts through the National War Fund, Mr. Davies felt that it was to be deplored that the Jewish community had been unable to discipline itself to the extent of associating under one banner in fund-raising many of the agencies that are now in the field or that are seeking to enter the fund-raising field. Mr. Brunot had appealed to the JDC to renew its efforts to tie in the Hungarian, Roumanian, Bulgarian, Polish and other Landsmanschaften groups, all of which had been going to Washington and had been insisting that they be given registration and a license to raise money.

In response to the suggestion of the President's War Relief Control Board and after discussion in the Emergency Administration Committee of the JDC over a period of weeks, Mr. Hyman reported, the JDC determined to explore the possibilities of some cooperative relationship that would in no wise impair or prejudice the interests of the UJA nationally or in New York City--and which would, at the same time, attempt to harness the efforts of these various groups to the UJA insofar as possible; and also to make some provision whereby the special fields of interest of these Landsmanschaften would be provided for.

During the meeting with these Landsmanschaften representatives, Mr. Hyman said, he had found them professing loyalty to the UJA and most willing to cooperate fully with it but they also wanted to find a special way of helping in their own home localities. There were two things that Mr. Hyman wanted to call to the attention of the Executive Committee. One was the direct insistence, as a matter of national policy, by the President's War Relief Control Board on some form of consolidation of fund-raising activities and the other was the very keen anxiety and desire of the Landsmanschaften groups to do something special on behalf of their kin, preferably within the framework of the UJA.

Based on these two considerations, Mr. Hyman attempted to work out with these people a formula that did not do violence to the UJA national agreement of 1944 because, as he explained both to the Washington authorities and to the Landsmanschaften, he had no right to discuss arrangements for 1945. He then went on to describe the proposal that the JDC had formulated. The JDC was prepared to say to any special Landsmanschaften group that if it wanted to raise funds for a specific purpose it would have to turn over the entire sum to the UJA. The JDC would guarantee to the Landsmanschaft that its own percentage of the receipts of the UJA would be devoted to that specific project and that, in addition, the JDC would undertake, as part of its normal budget, that a sum equivalent to the balance would be spent within the area in which the Landsmanschaft has an interest in terms of general relief and aid although not along the lines of the special project. All of the money raised would go

into the UJA and would be distributed in the same proportions as all other income of the UJA.

At first some of the Landsmanschaften were opposed to the suggestion on the ground that they did not want a certain percentage of their money to go to any other cause than to the specific one for which they had raised it. But in the course of the discussions all the Landsmanschaften agreed that they were willing to work out such an arrangement with the JDC as Mr. Hyman had outlined. It was understood that the arrangement would be subject to the approval (a) of the President's War Relief Control Board, and (b) of the national United Jewish Appeal and of the United Jewish Appeal of Greater New York.

It was understood that any attempt to raise money for such special projects should not be permitted in any way to diminish the current activities of these Landsmanschaften in the Greater New York United Jewish Appeal or in any other community that has a Welfare Fund; that such fund-raising must be done at a time and in a manner that would not prejudice the United Jewish Appeal interests.

For weeks now the JDC has been pressed both by Washington and by the Landsmanschaften to go ahead on the formula, Mr. Hyman said.

He further pointed out that during the discussion many of the Landsmanschaft people had referred not merely to their desire to bring special help to countries in Europe but to give special assistance in Palestine affecting refugees from their various countries. Mr. Hyman said he had made clear that he had no authority to pursue the matter but that he felt sure that the UPA would in due course follow these matters up with the Jewish Agency and see what could be done in the light of the general situation in Palestine.

Prior to the inception of the United Jewish Appeal, in 1938 just such an arrangement as Mr. Hyman had outlined was worked out between JDC and the Federations of Polish, Roumanian, Lithuanian, Latvian and other such Landsmanschaften. At that time an inquiry was initiated to see what special projects not mormally within the possibilities of the JDC could be carried out by Landsmanschaften groups. The JDC was about to proceed with the program when the war broke out. Then the whole plan had to be discarded. Mr. Hyman felt that if the UJA does not go ahead with some such plan insofar as it affects the JDC there would be found on the part of the Washington authorities a definite feeling that we are not proceeding in good faith to collaborate with them in the working out of what they regard as one of the knotty problems affecting fund-raising. He did not know that the President's War Relief Control Board had a right to question our good faith but he was sure that they would feel keenly disappointed and would feel that the objections urged to such a course were not completely germane or satisfactory.

Insofar as the Landsmanschaften are concerned, Mr. Hyman stated, if such a formula is not worked out they will go forward with their activities and the result will be chaos and anarchy.

Mr. Hyman was of the opinion that in a technical sense the JDC could proceed with the program because it affects JDC activities in Europe and JDC relationship to these various groups. He was sure, however, insofar as his personal view was concerned, that the JDC would not resort to any technical

interpretation as to its right and would take into account its relationship to the UPA, NRS, and the UJA and would feel itself bound by the discussion and the spirit of the action taken.

MR. MONTOR observed that Mr. Hyman had used the phrase "good faith" as applied to the relations between the UJA and the President's War Relief Control Board. Under the circumstances he thought it necessary and desirable for the Executive Committee to have a better understanding of the frame of mind of members of the Board. He felt that except for the informal interchange between members of the Board and some of the UJA representatives, the Board had not fully exercised the prerogatives with which it was vested with respect to other agencies concerned.

Mr. Montor then read from a Minute of the meeting on June 28th with regard to the views held by Mr. Davies with respect to fund-raising in America.

"Mr. Davies said that fund-raising often becomes too mechanical. He understands that people become attached to a certain type of project. It was desirable to continue that emotional attachment.

"Reference was made to the agreement of the United Jewish Appeal which prevents earmarking. He said he could not understand that a man should not be allowed to earmark his gift for whatever purpose he wished. He should have a chance to continue to support a cause with which he was emotionally attached.

"Mr. Montor observed that Mr. Davies apparently did not understand how fund-raising was conducted in the American Jewish community. There were welfare funds in most of these communities. They represent a consolidation of fund-raising. If Mr. Davies' theory was carried to its logical extreme, you could have no unified fund-raising. As an example, he referred to the UJA. There were adherents among the United Palestine Appeal, Joint Distribution Committee and National Refugee Service who urged the leaders of each to conduct a separate fund-raising effort, saying that more money could be raised and more prestige could be acquired by separate campaigns for each. There were people within the UPA, for example, who said the cause of Palestine was being lost through a merger in the UJA, that not enough was being said about Zionism, that not enough was being said about the importance of the acquisition of land. But apparently it had been concluded by the United Palestine Appeal and the other agencies that a larger purpose was served, that greater funds were made available; that it was possible to tell a little less of the story of each, but to a much greater number of people. The same thing applied in welfare funds. These funds sometimes had as many as sixty agencies or more. It would destroy these welfare funds if each cause were permitted to conduct its own campaign. That realistic situation had to be taken into account in discussing the fund-raising problem in this country.

"Mr. Davies said that he did not agree with Mr. Montor's picture and, in any event, the mere fact that a situation existed did not mean that it could not be changed. We had to be flexible in the light of changing circumstances. ... Mr. Davies then went into the question of whether it would not be possible to earmark money. Mr. Hyman had described the

experience of the JDC with a group representing the United Roumanian Jews. That group had come to the JDC and said that Roumanian refugees had gone to Palestine and needed support. The United Roumanian Jews wanted to conduct the campaign. The JDC said that assistance to refugees in Palestine was not within its province, but that of the United Palestine Appeal agencies. It urged the United Roumanian Jews not to go into any campaign, but to take the matter up further with the United Palestine Appeal. It was pointed out that the UPA agencies were giving assistance to all the refugees coming to Palestine, and certainly the Roumanian Jews would be given the same type of assistance as was furnished to the other refugees entering.

"Mr. Davies said that he could understand the feeling of Roumanian Jews in this country that they had a special interest in Roumanian Jews wherever they might be. Would it not be possible for them to conduct fund-raising in such a way that their money could be earmarked for that specific purpose? ...

"Mr. Pehle interjected that it might not be possible to earmark funds under the present agreement of the United Jewish Appeal, but he could not understand why the agreement could not be rewritten even in the middle of a calendar year if the situation required it. ...

"Mr. Broido, in his presentation to the effect that there should be a rule of conduct for agencies operating in the field, stated that as far as he was concerned, the criterion that had to determine the question of earmarking was, What is best for the Jewish community? He did not agree with Mr. Davies' observations on earmarking. He pointed out that in New York City there was one contributor who had once given \$50,000 to the JDC. In a period of six years the JDC had lost \$300,000 from that source. That man had not given a penny to the United Jewish Appeal because he was not interested in Palestine. The JDC has taken similar losses, but it must continue to accept that position for the good of the entire community. If that criterion of the common best interests were not to be accepted, there would be complete chaos in American Jewry. The good judgment of the total community must be taken into account and not merely the emotional urge of one or more people. He asked the Board not to be frightened merely because a group of people calling themselves emotional began shouting. The shouting itself was no criterion as to their representative capacity or as to their greater interest in the problem than those who do not advertise their emotional urges. He felt that the Jewish community itself should do something about the coordination of fund-raising, but at the same time the President's War Relief Control Board would have to meet its own responsibilities."

MR. MONTOR then stated that the question arises as to what constitutes a proper new organization to be admitted to the field of relief and rescue. There had been much discussion on the subject of Landsmanschaften. He felt that in considering this matter other items should be taken into account. Mr. Montor then referred to a letter before him dated September 8, 1944 from Mr. Arthur C. Ringland, Acting Executive Director of the President's War Relief Control Board, in which the UJA was asked to comment on an application for registration before it of the Jewish Labor Committee (Appendix C). He thought it a tribute that the President's War Relief Control Board should have submitted the letter to the UJA for its comment. Mr. Montor reported

that a copy of the letter had been turned over by him to the JDC inasmuch as the JDC has a close relationship to the Jewish Labor Committee.

Since much was being made of the alleged threat of Landsmanschaften to the existence and income of the UJA, it was a fact, Mr. Montor stated, that the Jewish Labor Committee represented a far more serious problem in terms of its fund-raising capacity. Yet the JDC had advised the President's War Relief Control Board that it was perfectly prepared to assent to registration of the Jewish Labor Committee with the President's War Relief Control Board for fund-raising purposes. Mr. Montor read a copy of the letter which Mr. Hyman, as Executive Vice-Chairman of the JDC, had addressed to Mr. Brunot on October 4, 1944 (Appendix D).

If there is to be a selection of new organizations which may be admitted into the field to compete with existing agencies in the UJA, who has the right to make that selection? Is it to be one or another agency in the UJA or the President's War Relief Control Board? Mr. Montor said that he does not see how the UJA has the ethical right to differentiate between a group of Jews interested in Warsaw and a group of Jews interested in the laboring section of the Warsaw community. The principle was exactly the same in his view.

Mr. Montor referred to the statement which Rabbi Heller had made that the UPA had gone on record as being opposed to earmarking. He felt that the members of the Executive Committee ought to be informed as to the reasons which had animated the UPA Administrative Committee in arriving at its decisions. The UPA, he pointed out, does not have the same function as the JDC. The latter distributes funds and makes decisions as to where they should be used. The UPA has none of these functions. It is purely a transmitting agency turning its funds over to the Palestine Foundation Fund and the Jewish National Fund which forward the money to Palestine. Insofar as the Jewish Agency for Palestine is concerned, Mr. Montor continued, it has indicated through the years that it will not permit budgeting by pressure. Its program is based on the conception that it must deal with a total community and not with one type of Jews rather than another. The Jewish Agency is interested in all Jews wherever they come from. In administering its affairs it must use its best judgment as to what is best for the total interests of the Palestine Jewish community. The UPA is debarred both by its own constitution and by the nature of the activities of the Jewish Agency from sharing in a program which would permit earmarking which in effect would dictate to the Jewish Agency for Palestine a departure from its established programs.

At the same time, Mr. Montor thought it only fair to bring to the attention of the Executive Committee the fact that the UPA has endeavored in all good faith to meet certain practical requirements. He cited several instances. He referred to an effort that had been made to raise funds in New York City for Dutch Jewish refugees who had come to Palestine during the summer on an exchange plan. This matter came to the attention of the New York United Jewish Appeal which referred it to the United Palestine Appeal. The UPA had cabled to Palestine. As a result of interchanges with Palestine, the Jewish Agency established a loan fund for the use of the Dutch Jewish refugees in addition to the money it had already been spending in the normal program of assistance to the Dutch Jewish refugees. The UPA also persuaded the sponsor of the Dutch Jewish Refugee program in New York City to turn over to the New York United Jewish Appeal all the money he had raised. Mr. Montor also

described action that had been taken to attempt to clarify the situation with respect to the needs of Roumanian Jewish refugees in Palestine. It became clear when the facts were analyzed that the Jewish Agency was spending very large sums of money for the very same purpose for which presumably Roumanian Jews wanted to raise money in this country.

The Jewish Agency, Mr. Montor said, is meeting the needs of the various refugee groups to the extent that it has resources. Obviously, however, until the American Jewish community gives enough money it is not possible to meet all the needs that arise. That applies to Europe and also to Palestine. Mr. Montor felt that in permitting the establishment of earmarking campaigns there would be a diversion of interest from the major tasks of the United Jewish Appeal. He felt that if a man had an opportunity to give to a special project in a community where he has a special interest, the likelihood was that the maximum of his support would go to that particular project and thus the amount which he would normally give to the UJA would be less than if he did not have this additional outlet.

Mr. Montor did not believe that there was involved any question of evading directives of the President's War Relief Control Board with respect to earmarking of funds by Landsmanschaften. There were no directives whatever from the Board. If the UJA is to continue to exist as the coordinating and coordinated and unified and united agency that it has been during these six years, a dangerous precedent would be established if any group of citizens in the country would be permitted to earmark its funds. He felt that eventually this would come home to roost against the whole UJA and to his mind would very seriously affect ultimately the whole budgeting process of each of the agencies of the United Jewish Appeal.

The CHAIRMAN suggested that another meeting of representatives of the United Jewish Appeal with the President's War Relief Control Board would be desirable.

It was moved by MR. RUDOLF G. SONNEBORN, seconded and carried, that a Committee representing the UJA and consisting of representatives of the three agencies in it should review the problem and suggest a mode of action in regard to it by which some decisions may be reached by the next meeting of the Executive Committee. A question was raised as to the date of the next meeting.

In response to this the CHAIRMAN stated that it is implicit in the motion that whenever the Committee is ready to report another meeting of the Executive Committee will be called.

It was moved, seconded and carried, that a Committee of Six be appointed, two from each of the agencies.

The CHAIRMAN stated that discussion of correspondence with the President's War Relief Control Board re Jewish Labor Committee, re Roumanian, Dutch and other groups concerned with refugees reaching Palestine; and re Ort, which was to have been disposed of by the Executive Committee at its current meeting would be referred to the Committee of Six dealing with the Landsmanschaften problem and the whole problem of earmarking.

IN MEMORIAM

The CHAIRMAN referred to the death in recent weeks of Herman Gessner of Escanaba, Michigan, Edwin J. Schanfarber of Columbus, Ohio, and Mrs. Adolph Sieroty of Los Angeles, California, and spoke of their contribution to the work of the agencies of the United Jewish Appeal and of the service they had rendered throughout the years in promoting Jewish communal life in America. The texts of resolutions paying the tribute of the Executive Committee to the departed were read and approved for transmission to the members of families of the deceased. (Appendices E, F, G)

UNITED JEWISH APPEAL MEDIATION COMMITTEE

MR. MONTOR reported that in accordance with the national agreement of the United Jewish Appeal a meeting was held on June 27th to organize the Mediation Committee. The meeting was attended by Messrs. Ralph F. Colin and Max Freedman for the JDC, Judge Louis E. Levinthal and Mr. Irving D. Lipkowitz for the UPA; Mr. Hyman and himself.

The meeting was given over to a consideration of the various problems that had arisen within the UJA and the relationship to the Jewish National Fund. Various statements were made and descriptions given of problems that had arisen in individual communities. It was finally agreed that prior to the next meeting of the members of the Mediation Committee certain preliminary data should be gathered. The United Jewish Appeal should prepare statements on problems that had arisen in each community; these statements should then be submitted to the JNF for comment, and the complete documents should then be circularized among the members of the Mediation Committee for their study prior to their next meeting. Certain requests were made by members of the Mediation Committee for informative material, indicating the progress of the Jewish National Fund fund-raising activities over a period of years in terms of categories of fund-raising and increases in typical communities--the small, the medium-sized and the large communities.

Mr. Montor reported that the second type of material had already been gathered and that the former type of material was stated to be almost ready.

COMMITTEE ON RESERVES

MR. COONS read a Minute of a meeting held on September 12th by the Committee on Reserves consisting of Mr. Alexander S. Keller of Hartford, Conn., Mr. Montor and himself, together with Mr. Ephraim R. Gomberg. (Appendix H)

In essence, Mr. Coons said, the Committee had discussed approaches to the problem of obtaining additional support for the UJA from reserves accumulated by local committees. It was important first of all to differentiate between reserves which were applicable to the beneficiary agencies of a Welfare Fund and reserves established for local community purposes. Secondly, the Committee recommended that the UJA should adopt a general rather than a specific position, that is, the UJA should not assert that any funds accumulated in a reserve belong to it but rather to the beneficiary agencies described by the Welfare Fund when the campaign was conducted.

It was moved by Mr. Coons and seconded that the Executive Committee adopt the Minute of the meeting of the Committee on Reserves as an expression of opinion and that this Committee be authorized to confer with the Council of Jewish Federations and Welfare Funds and with other leaders and communities in the exploration of the problem and in finding solutions for it.

MR. HYMAN referred to a recent meeting of the Board of Directors of the Council of Jewish Federations and Welfare Funds at which certain points of view were expressed which he thought should be of interest to the UJA. These took two forms, one that the time had come to "restore to a proper relationship" the position as between domestic needs and "exaggerated demands" of overseas relief and Palestine requirements. The second point raised at the meeting was that the time had come to set up reserves not merely for local community centers and for the payment of mortgages on institutions or buildings but that it was also necessary for communities to keep in their own treasuries monies raised by the Welfare Fund for overseas relief and Palestine requirements. The second of these items had been a source of concern to Mr. Hyman because it seemed to him to be directed squarely against the competence and judgment of the men who have for many years given themselves to the conduct of the work of the overseas agencies and Palestine. To assent to the position would result in a chaotic condition in which each local community would undertake to determine, at such time as it chose, when, where and how money contributed for overseas purposes was to be spent by the national agencies. He did not think that it was a major issue except in certain limited circles.

MR. MONTOR suggested the enlargement of the Committee on Reserves.

MR. ROSENWALD felt that caution should be exercised in discussing the problem of reserves. He did not think it wise that action of a formal nature should be taken at this time.

MR. HYMAN suggested that in enlarging the Committee on Reserves thought should be given to the selection of several out-of-towners. Mr. Rosenwald amended the motion to provide that no action be taken by the Committee on Reserves until after consultation with the National Chairmen.

It was MR. PAUL BAERWALD'S suggestion that the National Chairmen might ask the Council of Jewish Federations and Welfare Funds to appoint a Committee of its own to meet with the UJA Committee.

As a result of further discussion the motion was revised and approved to read that the Committee on Reserves of the United Jewish Appeal should be enlarged; that it should confer on the problem and bring back recommendations to the Executive Committee before taking any action in relation to other bodies. It was also suggested and approved that the Minute of the meeting of the Committee on Reserves read by Mr. Coons be circularized to the Executive Committee.

COLLABORATION BETWEEN NATIONAL AND NEW YORK CITY UNITED JEWISH APPEAL

MR. ROSENWALD thought that every point of collaboration between the national and the New York United Jewish Appeal ought to be strengthened. He suggested a continuation of discussion with a view to increase of efficiency and possibly of saving expenditures. Mr. Rosenwald felt that such planning should be initiated as far in advance as possible of the active campaign season.

The CHAIRMAN observed that the time may have come for reexamination of the question of the relation of the New York United Jewish Appeal to the national United Jewish Appeal but that this could be discussed more adequately if a Committee were appointed to look into the problem and to report back to a future meeting of the Executive Committee.

It was moved by MR. SONNEBORN, seconded and carried, that a Committee be appointed by the Chairmen to investigate the relation and collaboration between the national and New York United Jewish Appeal and to make a report when that Committee has arrived at a conclusion.

ALLOTMENT COMMITTEE

The CHAIRMAN closed the meeting with a word of greeting and of appreciation to Messrs. David M. Watchmaker, Herbert R. Bloch and Stanley C. Myers, members of the Allotment Committee of the 1944 United Jewish Appeal who had been invited to attend the meeting of the Executive Committee of the United Jewish Appeal. The CHAIRMAN stated that he was very grateful to those men for their public spirit in accepting membership on the Allotment Committee.

The meeting adjourned at 3:20 P.M.



REPORT TO EXECUTIVE COMMITTEE OF THE UNITED JEWISH APPEAL
FRIDAY, OCTOBER 6, 1944

Submitted by
Messrs. Isidor Coons and Henry Montor, Executive Vice-Chairmen

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PROGRESS OF 1944 CAMPAIGN

To a greater extent than in any previous year, the United Jewish Appeal has been engaged in intensive fund-raising throughout the entire first nine months of 1944. The usual summer lull was non-existent this year. Fall campaign activities are now reaching their peak. To clear the calendar for the next War Loan drive in November and to have local campaigns completed before the Presidential election, many of the communities which customarily hold their campaigns late in the Fall of each year have advanced the dates to September and early October. Despite manpower shortage and other handicaps arising from war conditions it has been found possible to gear the national headquarters machinery to the changed requirements in order to undertake to raise maximum sums. Executives and staff members of the national campaign are meeting the challenge to stimulate communities regardless of size to more generous participation in the United Jewish Appeal than ever before. It appears that the trend developed during the earlier part of the year will be sustained to the end.

The largest fund-raising undertakings of the Fall period are in the Chicago and Boston campaigns. In Chicago the UJA participates in the War Chest through the Welfare Fund. In making it possible for the UJA to anticipate the largest allotment from Chicago in recent years, the officers of the UJA and its constituent agencies have played an important role. Some months ago a preparatory discussion was held at the UJA office with our national officers meeting with the Chairman of the Chicago War Fund campaign. Together with Secretary of the Treasury Henry Morgenthau, Jr., Dr. James G. Heller and

Mr. Joseph C. Hyman were guest speakers at a most important campaign meeting on September 21st in Chicago. Mr. Louis Broido addressed a smaller group of outstanding leaders on August 15th. There is a function there today addressed by Dr. Abba Hillel Silver. This represents the type of splendid cooperation we have enjoyed from UJA officers and members of our Executive Committee in response to requests that they represent the UJA as guest speakers at meetings in important cities. In Boston the UJA receives its allotment from the United Jewish Campaign, which conducts a combined campaign with the local Associated Jewish Philanthropies. Early reports on the campaign for which a goal 50% higher than last year's has been established are most favorable.

In a number of major communities where the Jewish Welfare Fund has joined with the War Chest the tendency to freeze the UJA allotment at the 1942 level, which had obtained in the past two years, has finally been overcome. The UJA has arranged for substantial increases in allotments in Detroit, St. Louis, Cincinnati, Buffalo and Dallas as well as in Chicago and other cities. Among other important communities where fund-raising preparations are actively under way are Rochester, Providence, Denver, Youngstown and Toledo. In addition, there are hundreds of other cities and towns in all sections of the country which will contribute to the UJA through Fall campaigns. It is anticipated that at least 1,380 communities will raise funds for the UJA during this Fall period which, together with the 3,240 participating in the Spring, would make a total of 4,620 for the full year.

Without final allotments as yet reported by such important communities as Philadelphia, Los Angeles and a score of other cities that conducted their campaigns in the Spring of 1944, the UJA officially records pledges totalling \$16,700,000 as of October 5th.

On a most conservative estimate it is our belief that the UJA will raise a minimum of \$26,000,000 gross in 1944. Past experience demonstrates

that minimum estimates are generously exceeded and, using the same yardstick as in 1943, it can be hoped that the gross will be in the neighborhood of \$27,000,000 to \$28,000,000. These figures take into account the net cash total anticipated from the New York City UJA, which has to date transmitted \$5,300,000 to the national treasury and from which, we are advised by its officers, another \$2,000,000 to \$2,500,000 net cash may be available.

Total cash received to date at national headquarters amounts to \$12,856,189 on account of the recorded pledges of \$16,700,000. The cost of administration for the first nine months of the year is \$440,000 and expenditures are well within the budget. Distributions to the constituent agencies to date are as follows:

Joint Distribution Committee	- \$7,080,000
United Palestine Appeal	- 4,320,000
National Refugee Service	- 950,000

1943 CAMPAIGN

On September 29, 1944 the national treasury of the UJA completed the distribution of \$17,200,000 to the constituent agencies, meeting the estimate that had been given to the Allotment Committee regarding net available funds from the proceeds of the 1943 campaign. There are officially recorded as of this date on the books of the 1943 UJA, gross pledges of \$17,906,000 against which \$17,731,100 has been collected to date at an administration cost of \$501,560. In addition to the officially recorded pledges, the UJA has received assurances that additional allocations contingent upon collections, surplus, etc. will be made available from a few communities, and we estimate that the final total of gross pledges will amount to over \$18,000,000. Based upon outstanding balances and assurances of additional funds contingent on collections, we are of the opinion that there will be approximately \$300,000 additional available for distribution.

SUMMARY OF UJA CAMPAIGNS

Since January 1, 1944 the UJA has received in cash to the credit of all campaigns \$18,440,000. For the entire period from the inception of the UJA on January 1, 1939 to date, a total of \$85,650,000 has been collected in cash. It is with satisfaction that we can now anticipate that when the 1944 campaign is completed the UJA will have raised during the six-year period in excess of \$100,000,000.

1944 ALLOTMENT COMMITTEE

The 1944 Allotment Committee has now been named, comprising Messrs. I. Edwin Goldwasser and Isaac H. Levy, representing the JDC, Dr. James G. Heller and Mr. Rudolf G. Sonneborn, representing the UPA, Mr. William Rosenwald, representing the NRS, and Messrs. Herbert R. Bloch of Cincinnati, Stanley C. Myers of Miami and David M. Watchmaker of Boston, representing the communities at large. We understand the first meeting is to be held today.

PRESIDENT'S WAR RELIEF CONTROL BOARD

Pursuant to the resolution adopted at the last meeting of this Executive Committee on June 16th, a meeting with the President's War Relief Control Board was held on June 28th attended by Messrs. William Rosenwald, Louis Broido, Joseph C. Hyman, Joseph Beck and Henry Montor. A separate report will be rendered on this meeting.

MEDIATION COMMITTEE

The Mediation Committee, provided for in the 1944 national agreement to consider any complaints arising from Jewish National Fund money-raising activities in their relationship to the UJA, and having as its members Messrs. Ralph F. Colin and Max Freedman, representing the JDC, and Judge Louis E. Levinthal and Mr. Irving D. Lipkowitz, representing the UPA, met on June 27th to establish procedures for its operations. After a full discussion of the

factors involved, the members of the Committee called upon the UJA national office to supply data and information for more detailed consideration and possible action.

COMMITTEE ON RESERVES

At the last meeting of this Executive Committee the National Chairmen were authorized to appoint a special committee to consider the problem of community reserves in relation to this campaign "with power to communicate with the Council of Jewish Federations and Welfare Funds, with local communities and with individuals, with a view to clarifying the whole position." Messrs. Isidor Coons and Henry Montor of New York, and Alexander S. Keller of Hartford, who were appointed members of the Committee, met on September 12th and their report to the Executive Committee will be rendered separately.

COUNCIL ON TAXES AND PHILANTHROPY

Upon invitation to the UJA and at our request, Mr. Edward Goodell attended as an observer meetings of the Council on Taxes and Philanthropy held on July 6th and July 19th. The Council on Taxes and Philanthropy, "composed of citizens representing or closely related to religious, educational, character-building and other privately supported tax-exempt philanthropic institutions and agencies," has undertaken to press for a proposal for the amendment of the "simplified tax bill" in its relation to the 10% "average deduction" granted to taxpayers with income of \$5,000 or less, covering all deductible expenses including charitable contributions. Although the particular problem does not too strongly affect the UJA, it was felt that good public relations indicated an acceptance of the invitation to attend the meetings of the Council on Taxes and Philanthropy with the representatives of Christian Churches, denominational colleges and philanthropic institutions sponsoring this program. Based on the full reports of the meetings submitted by

Mr. Goodell, it appears that the UJA will be invited in due course to contribute something to the Council on Taxes and Philanthropy for a budget not exceeding \$10,000 for the present, to be used for specified purposes, and that the UJA will be asked to nominate a member of the Council's Executive Committee to represent "Jewish relief." This body should indicate its position for future guidance.

PUBLIC RELATIONS COMMITTEE

The Public Relations Committee has functioned throughout the year. The UJA has enjoyed the most constructive and fruitful publicity and educational programs since the unified campaign came into being. These programs have been progressively geared to meet changing conditions and attitudes throughout the country.

APPRECIATION

In the advancement of the national campaign to an unprecedented level of production this year, a word of warm appreciation is due to the officers of the UJA and its constituent agencies who are extending the closest cooperation, to the office and field staffs working with devoted interest in the cause despite wartime difficulties, and to community leaders, campaign workers and contributors in communities, large and small, throughout the country who evidenced their fine understanding of the needs and earnest desire to help the UJA agencies take advantage of the expanding opportunities through undertaking the highest campaign goals in their history and surpassing these goals.

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THE PRESIDENT'S WAR RELIEF CONTROL BOARD
Washington Building
WASHINGTON 5, D. C.

August 10, 1944

Dear Mr. Montor:

Following the recent conference between representatives of the United Jewish Appeal and the President's War Relief Control Board, we asked the JDC to confer with representatives of certain landsmanschaften whose applications for registration as war relief agencies are before the Board for formal action. It was our hope that further conversations might lead to prompt agreement on mutually satisfactory arrangements for carrying out the major objectives of these special groups in collaboration with the JDC rather than through independent action either in the solicitation of funds or in the operation of relief programs in the field.

Mr. Hyman has informed us that the staff of the JDC has had a series of conversations with representatives of the Federation of Roumanian Jews, Council of Warsaw Jews, Federation of Hungarian Jews, Federation of Yugoslav Jews, and the Federation of Bulgarian Jews. Last week a conference was held with representatives of all of these organizations at which we understand representatives of the New York and national United Jewish Appeal also were present. Mr. Hyman's report indicates that this conference resulted in a tentative understanding as to a basis of collaboration. This seems to us to represent real progress and to point the way to the development of relationships which should minimize the danger of competition and overlapping as between multiple appeals.

We understand that the principles upon which last week's conference was based were clearly stated in the course of the meeting somewhat as follows:

1. The UJA, as the primary American agency for the support of Jewish war charities, must have undiminished and if possible augmented individual and collective support of the landsmanschaften membership.
2. Any fund-raising for special objectives by these organizations must be coordinated with the UJA through its New York organization of similar name and through the Jewish Welfare Funds in other places where landsmanschaften groups may wish to raise money.
3. Fund-raising activities of these groups must be timed and conducted so as not to impair in any way the larger efforts of the UJA.

Mr. Henry Montor, Executive Vice-Chairman,
United Jewish Appeal,
342 Madison Avenue,
New York 17, New York.

We understand that, with these principles in mind, a tentative understanding was reached on the following points:

- (a) The landsmanschaften groups may undertake special campaigns for specific quotas or goals under arrangements to be worked out with UJA in accordance with the principles already stated. The proceeds of such campaigns will be turned over to UJA through its New York organization or the Jewish Welfare Funds in accordance with arrangements effected in advance as to the disposition of such amounts.
- (b) Insofar as the purposes of these special efforts fall within the scope of JDC functions, the JDC will accept its share (65% during 1944) of such funds to be used exclusively for essentially and socially desirable purposes agreed upon in advance by the JDC and the sponsoring organization.
- (c) In addition the JDC would agree to include in its normal program, expenditures on behalf of beneficiaries of interest to the sponsoring group amounting to not less than the remaining 35% of the total special contribution.
- (d) The JDC would absorb administrative overhead in connection with projects undertaken on this basis.

Contrary to the Board's original understanding of the present objectives of the landsmanschaften, it appears that the activities which they desire to support are not confined to functions appropriated to JDC. This raises a question as to the extent to which arrangements similar to those suggested with JDC, or some other plan of relationship not inconsistent with that proposal, might be worked out between these special groups and UPA. We understand that the UPA already has started to explore the situation and we are requesting the UPA to pursue this inquiry as rapidly as possible.

Meanwhile we wish to express to the UJA our belief that the arrangement outlined above, despite the fact that a number of minor problems may arise in its operation, appears to us to represent a decidedly constructive step clarifying relationships among Jewish agencies in the United States engaged in war relief and welfare activities. This general pattern would make it possible for landsmanschaften and similar groups to function as affiliates or supporting units of UJA while retaining the privilege of identifiable activity on their own part. This relationship could be sanctioned by this Board through amendment of the registration of UJA to refer specifically to the cooperating groups concurring in such a plan, thus eliminating the necessity for independent registration of such organizations.

We would be happy to have a prompt expression of the attitude of the UJA toward this proposal.

Sincerely yours,

(signed) JAMES BRUNOT
Executive Director.

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APPENDIX C

THE PRESIDENT'S WAR RELIEF CONTROL BOARD

Washington Building
WASHINGTON 5, D. C.

September 8, 1944

Dear Mr. Montor:

The Jewish Labor Committee has submitted an application for registration with the Board to carry on "educational work in the field of Democracy providing food, clothing, medical aid and cash assistance to victims from Nazi and Fascist countries."

The organization's application states that it "cooperates with the American Jewish Joint Distribution Committee, the Hebrew Sheltering and Immigrant Aid Society, the National Refugee Service, HICEM, the International Rescue and Relief Committee and others." In support of its request for a license, the agency states that "no other organization is engaged in work which the Jewish Labor Committee is performing, and because of its prior connection with labor organizations throughout the world, the Jewish Labor Committee is justified in carrying on the project."

By virtue of Section 501.4 of the regulations under which the Board operates, it does not accept applications for registration until satisfactory evidence is presented on matters such as the following:

- "1. the project is not against the public interest and there is need for the particular relief or welfare carried out or proposed: . . .
- "3. the purpose to be served is not adequately fulfilled by existing programs and organizations;"

All applications for registration are reviewed carefully, therefore, to determine the relationship of the program of the applicant agency to those of organizations already licensed. In addition, the Board has been making a special effort to encourage Jewish agencies (registered and non-registered) to relate their activities by merger or affiliation in such a way as to reduce apparent duplication of effort, competitive fund-raising, and overhead costs.

The application of the Jewish Labor Committee raises the question of its relationship to other Jewish agencies and to the two labor committees already registered with the Board: the National CIO Committee for American and Allied War Relief and the Labor League for Human Rights.

Mr. Henry Montor, Vice-Chairman,
United Jewish Appeal,
342 Madison Avenue,
New York 17, New York.

Before asking the Board to take final action upon the application of the Jewish Labor Committee I should appreciate your supplying the following information as soon as possible:

1. A statement of the relationship between your agency and the Jewish Labor Committee, including any joint activities carried on, donations to or receipt of funds from this Committee, common use of agents abroad, etc.
2. Any comments you wish to make regarding the activities of the Jewish Labor Committee as they relate to the relief or welfare purposes of the organization, and to the extent that its current or proposed activities may affect those of your organization.

Sincerely yours,

(signed) Arthur C. Ringland

Arthur C. Ringland
Acting Executive Director



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APPENDIX D

October 4, 1944

Mr. James Brunot, Executive Director
President's War Relief Control Board
Washington Building
Washington 5, D. C.

Dear Mr. Brunot:

Pursuant to my letter of September 12th to Mr. Ringland, I want to let you know that we have had discussions with Mr. Adolph Held, the President of the Jewish Labor Committee, as well as with Mr. Jacob Pat, their Executive Secretary, with reference to the application submitted to your Board for registration of the Jewish Labor Committee. They have assured us that they have no interest in engaging in general welfare and relief activities, and they do not intend to duplicate the work of the Joint Distribution Committee, or to compete with its activities.

The Jewish Labor Committee has a special task of dealing with the particular requirements of the labor movement and of labor institutions in Europe which make an appeal to the labor groups here, and they do not feel it is appropriate to ask the Joint Distribution Committee to extend assistance for this purpose. In the main, their work is intended primarily in behalf of labor groups, and it is incidental to the maintenance of such labor groups and institutions, in connection with the furthering of the labor movement, that they find it necessary to raise money for special requirements which they cannot expect the Joint Distribution Committee to meet.

The J.D.C. has had a long and friendly relationship with the Jewish Labor Committee, and we have cooperated with them in a number of projects. We consider them a responsible and useful organization, and we have a high regard for the organization and its officers. If, therefore, you will receive from the Jewish Labor Committee a communication confirming the above understanding that they will not engage in general welfare work, and that they propose to limit their program specifically to special types of assistance to labor groups and organizations in programs not conducted by the J.D.C., it would seem to us that the registration of the Jewish Labor Committee with the President's War Relief Control Board would not run counter to or duplicate our program.

Sincerely yours,

Joseph C. Hyman
Executive Vice-Chairman

JCH:RP

HERMAN GESSNER

In the death of Herman Gessner of Escanaba, the Upper Peninsula has lost its dean and pillar of Jewish life, and the United Jewish Appeal has lost a devoted and inspiring leader. The cause of the UJA and its agencies was at the very core of Herman Gessner's life. His last thoughts were of the campaign and on the day of his death there was delivered a New Year's greeting which he had ordered and which was subsequently mailed out by his son to all supporters of the UJA in the Upper Peninsula.

EDWIN J. SCHANFARBER

The untimely death of Edwin J. Schanfarber of Columbus has deprived us of the friendship, counsel and cooperation of one of the most devoted leaders of Jewish communal life in the United States. Working to the end, he passed on at the inception of the 1944 campaign of the United Jewish Fund of Columbus, for which he had made extraordinary preparations again this year as during the decade in which, as President of the Fund, he gave dynamic leadership to all Jewish causes. Mr. Schanfarber was especially concerned with serving the United Jewish Appeal and its agencies. He served as a member of the national UJA Allotment Committee during 1942 and 1943. On every occasion he demonstrated his deep understanding of the relationship of the tasks of the UJA agencies to the welfare of his fellow-Jews throughout the world.

MRS. ADOLPH SIEROTY

We record with sorrow the sudden and untimely passing of Mrs. Adolph Sieroty of Los Angeles. The compass of her interests and understanding of Jewish communal needs and her endeavors in developing social consciousness of Los Angeles are reflected in the rapid and constructive growth of its welfare agencies. From the very establishment of the United Jewish Welfare Fund of Los Angeles - as in previous years - she was one of its pillars in building wider conceptions of responsibility for all Jewish needs and especially on behalf of the agencies of the United Jewish Appeal.

MINUTES OF A MEETING OF THE COMMITTEE ON RESERVES

September 12, 1944
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The members of the Committee on Reserves, Mr. Alexander S. Keller of Hartford, Connecticut, Mr. Henry Montor and Mr. Isidor Coons, in addition to Mr. Ephraim R. Gomberg, present by invitation of Mr. Keller, met at luncheon at the Biltmore Hotel on Tuesday, September 12th to formulate a program that would comply with a motion adopted by the Executive Committee of the United Jewish Appeal at its June 16, 1944 meeting authorizing a special committee to consider the problem of community reserves in relation to this campaign and "with power to communicate with the Council of Jewish Federations and Welfare Funds, with local communities and with individuals with a view to clarifying the whole position."

The entire matter of community reserves in relation to the UJA was discussed. It was the sense of the Committee members that our Committee differentiate between reserves strictly related to Federations (local campaigns) and community reserves related to agencies typified by Welfare Funds which do have a direct bearing upon the UJA problem; that the Committee should concern itself exclusively with reserves arising from any fund-raising activity of which the UJA is a beneficiary. (In most communities Federations derive their funds from community chests and budget them purely for local purposes. There are exceptions, however, and the UJA must protect itself with these exceptions where funds are raised through Federation-sponsored campaigns for overseas needs.)

Mr. Montor pointed out that there are three types of reserves in communities of concern for the Committee's study and decision as to procedure:

- A. Budgeted reserves - It is recognized that during this period of prosperity, especially, many communities have avowedly and with the pre-campaign knowledge of their subscribers, set aside earmarked reserves, such as for example to apply to a community Center Building Fund or similar projects, generally having a

local institutional capital fund angle. Normally, this type of allotment or earmarked reserve would not be included in the Welfare Fund set-up, but in many communities it is so included by formal action and must be recognized as such.

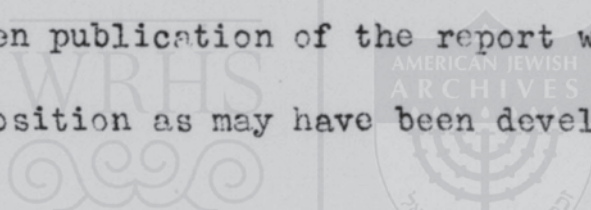
- B. Reserves arising when allocations are less than the amounts originally budgeted - These reserves are frequently legitimately accumulated as a result of better than expected shrinkage experience, but occasionally are consciously built up by leadership.
- C. Reserves arising from campaigns surpassing announced goals - Where goals are exceeded in community campaigns or more funds are collected than allotted, this so-called "surplus" is placed in a reserve fund, generally without pre-campaign advice to the donor. This may occur in any community in any given year, or as in the case of some communities of our acquaintance, in a succession of years.

It was agreed that it was to the third type of reserve noted in "C" that the UJA must particularly direct its attention. The UJA naturally also has an interest in the "B" category. Mr. Keller felt that the UJA should not make demands on Welfare Funds to receive such reserves as a matter of right. This suggestion was not wholly because of his feeling as to the autonomy of community Welfare Funds but also because of his belief that the UJA would be on much stronger ground if the matter were presented on general grounds, rather than merely from a UJA point of view. The UJA should (1) maintain that such surpluses belong to the beneficiary agencies of a Welfare Fund as a whole because it is for that purpose that the money was contributed; (2) prove that of all Welfare Fund beneficiary agencies, the UJA has the largest and most appealing requirement for any available funds and that all such funds are needed for immediate use regardless of future considerations. It was Mr. Keller's thought that in this respect the distinction between the accumulation of a legitimate future reserve on the part of a Federation for local needs must be clearly established.

It was agreed by the members of the Committee that a possible formula to cover this approach would be that "unless a community has made some other specific reservation on behalf of its included agencies or for other purposes,

the surplus represented in the reserves of any given year would belong to the beneficiary agencies listed in approaching the donor."

The procedure suggested by the Committee members was that the Committee, in conformity with the motion of the UJA Executive Committee, confer with appropriate officers of the Council of Jewish Federations and Welfare Funds as to its attitude and thinking on this problem, and also that insofar as possible there be a discussion with community leaders known to be sympathetic and also some tactful approach to critical communities on an individual basis. It was further thought that if the reactions of the CJFWE officers and of community leaders make it appear desirable, a public exploitation of the subject of reserves might be undertaken at some appropriate general meeting. There might later be undertaken publication of the report with such community endorsements of the UJA position as may have been developed at the meeting and in private interviews.



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UNITED PALESTINE APPEAL

PALESTINE FOUNDATION FUND (*Keren Hayesod*)

JEWISH NATIONAL FUND (*Keren Kayemeth*)

MIZRACHI PALESTINE FUND

41 EAST 42nd STREET, NEW YORK 17, N. Y. • Telephone: MUrray Hill 2-3320 • Cable Address—Palfund

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October 25, 1944

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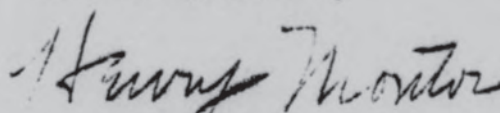
Dear Friend:

Because the problem is likely to lead to further discussion, I thought it desirable to send you a copy of a Minute of a meeting of a United Jewish Appeal committee to discuss the subject of earmarking. This is sent to you in your capacity as a member of the Administrative Committee of the United Palestine Appeal.

I should be glad to have your point of view.

With kindest personal regards, I am

Cordially yours,



Henry Montor
Executive Director

HM:BR
Enc.

From: Henry Montor
This is not an official
minute but prepared solely
for the UPA.

MINUTE OF MEETING TO DISCUSS EARMARKING OF FUNDS BY
LANDSMANSCHAFTEN TO THE UNITED JEWISH APPEAL
October 19, 1944 at United Jewish Appeal
Office, 342 Madison Avenue, New York
at 11:10 A.M.

Present: Rudolf G. Sonneborn, Presiding, Alexander Arnstein, Louis Broido,
Isidor Coons, Joseph C. Hyman, Alexander Kahn, Henry Montor, Herman
L. Weisman

The group met as a Committee of the United Jewish Appeal, representative of its three agencies, in response to a resolution adopted by the Executive Committee of the UJA at its meeting on October 6th directing the appointment of such a Committee to discuss further the subject of earmarking of funds to the United Jewish Appeal by Landsmanschaften.

At the suggestion of Mr. Hyman, Mr. Sonneborn was asked to serve as Chairman of the meeting.

Mr. Hyman stated the problem as follows: what is involved is mobilization into the channels of the United Jewish Appeal of the desire of Landsmanschaften to raise funds for specific purposes. Mr. Hyman believed that the problem resolved itself into these elements.

(a) He was advised by the New York United Jewish Appeal that the Landsmanschaften in New York City would raise for the United Jewish Appeal in 1944 between \$400,000 and \$450,000, without taking into account the results of appeals conducted by the Yiddish newspapers of New York which might provide another \$400,000 to \$450,000. (Mr. Alexander Kahn, Manager of the Jewish Daily Forward, thought that estimate was too high).

(b) The Landsmanschaften are interested in the survivors in their home towns in Europe. They are willing to continue their support of the United Jewish Appeal but their interest in their home-towns is likely to take precedence in their thinking. They want to do something specific for these towns.

(c) If the UJA does not adjust itself to this situation there is a justifiable fear that these Landsmanschaften will desert the UJA completely and will conduct fund-raising campaigns for their own special purposes. Some will tie up with Russian War Relief or with the World Jewish Congress. Aside from the fact that the UJA will not be able to receive the special monies that these Landsmanschaften can raise for their home projects it is liable to lose the loyal devotion of these people for the regular campaigns of the UJA.

(d) The Landsmanschaften are today asking for a form of cooperation which the JDC extended in the past, that is, until the UJA was formed in 1939 and until the outbreak of war. The intention of the earmarking scheme is to take the special money that Landsmanschaften may raise and to use it for certain specific projects that the JDC would not, within its normal budget, otherwise undertake. Some of these Landsmanschaften have an interest, for example, in building a cemetery gate in one town and a synagogue in another.

Regardless of any action that the UJA may take, these people are going to raise money for their special interests. The question that faces the UJA is whether these Landsmanschaften are to put this special money into the UJA or to be encouraged, by failure to cooperate with them, to go off on their own and spend money for purposes which actually may not be sound. The JDC, in cooperating in this earmarking enterprise, will, of course, see to it that the special projects selected for execution by the JDC have intrinsic merit.

(e) Mr. Hyman described the technical manner in which such earmarked funds would be received. He pointed out that there would be no loss whatever to the UJA or to any of its agencies. A landsmanschaft would agree with the JDC to undertake a special specific project. It would raise a certain sum of money. It would turn this money over to the UJA which would absorb this money in the same way as it does every other contribution. On its part, the JDC would undertake with the particular landsmanschaft that the percentage which the JDC receives from the income of the UJA would be devoted to the specific project agreed upon between the landsmanschaft and the JDC. That does not in any way affect the ratios of distribution either as agreed upon in the original agreement of the UJA or as determined upon by the Allotment Committee of the UJA.

Mr. Hyman illustrated his point. If the Federation of Rumanian Jews were to raise \$10,000, it would go in the general pool of the UJA. That money like all other money in the UJA would be divided 60% to the JDC and 40% to the UPA (if that were the ratio). Insofar as the JDC is concerned, it would be the only body dealing with the Federation of Rumanian Jews and it would tell the Federation (1) that it undertakes that 60% of the money the Federation has turned over to the UJA will be used for a specific project agreed upon between the JDC and the Federation and (2) as to the balance of the amount above the 60%, the JDC will endeavor to make up the difference out of its own resources which it will receive from the UJA.

(f) The JDC would make it clear to the Federation of Rumanian Jews and to any Landsmanschaft and Landsmanschaften groups that no activity for a special campaign project is to be undertaken except with the knowledge, the planning and the approval of the national or the local New York United Jewish Appeal, as to the timing, the manner and other details of these special appeals.

(g) It would be understood and made clear to the Landsmanschaften that any fund-raising activities they might undertake to finance such projects as they have in mind in their home-towns would be over and above the normal fund-raising activity they are expected to conduct for the UJA.

(h) Mr. Hyman said that the President's War Relief Control Board has been asking for this type of arrangement in order to eliminate the applications for registration by these various Landsmanschaften with the President's War Relief Control Board. It is the desire of the War Relief Control Board that these special Landsmanschaft activities should be under the aegis of the JDC or the UPA, depending upon the particular agency which might undertake to use its proportionate share of the total income contributed to the UJA for any specific project the landsmanschaft desired.

Mr. Hyman stated that the proposal was being made, to apply to the 1944 campaign and not to 1945. That would be a subject for discussion when the 1945 agreement was being negotiated.

Mr. Hyman said that he does not want to have his words considered as anything but a friendly suggestion but he felt that a very heavy responsibility was being assumed by the UPA if it were to oppose a program such as the JDC was prepared on its own behalf to support (a) if the Landsmanschaften were eager to share in the program, (b) if the War Relief Control Board wants it and (c) if the NY UJA feels that it is in the best interests of the NY Campaign.

Mr. Hyman observed that he does not really know if the JDC actually needs the consent of anyone within the UJA since all the proceeds of these projects would go directly into the UJA and be distributed on the same basis as all other funds coming into the UJA. The JDC alone was obligating itself, inasmuch as it undertook to provide its own share of the UJA income deriving from that particular source to the project for which the Landsmanschaft had raised funds.

Mr. Montor stated the point of view adopted by the UPA, reporting that the Administrative Committee of the UJA at its last meeting had unanimously voted to oppose earmarking of funds within the UJA.

The UPA, Mr. Montor pointed out, is only a transmitting agency for funds raised in this country. It does not determine the budgets in Jerusalem. It does not have the same functional character as the JDC. Under these circumstances it is not in a position to make any commitments with regard to any group or individual raising funds in the United States.

The second reason that animated the point of view of the UPA is that the Jewish Agency must be protected; it will not consent to any pressure for revision of its budget based on contributions for specific purposes. The Jewish Agency formulates its budget on the basis of equal consideration for all groups and individuals requiring its assistance regardless of their place of origin. To attempt to exert pressure upon the Jewish Agency budget through the raising of specific amounts in the United States for items in or outside the budget would mean one of several things. It would mean, in the first place, a distorted budget that would be based on the willingness or ability of a particular group to provide funds for a special purpose regardless of whether the Jewish Agency regarded that purpose as desirable or necessary. Secondly, it would bedevil the ability of the Jewish Agency to proceed with its distribution of funds on an impartial basis. Mr. Montor cited as a possible example the willingness of the Federation of Rumanian Jews in the United States to raise large sums that would be devoted exclusively to the needs of Rumanian Jews in Palestine. If the Jewish Agency were to accept funds on that basis it would then find itself confronted with the charge of partisanship and discrimination on the part of other refugee groups within Palestine who might not have parallel groups in the United States soliciting funds on their behalf.

It was on these grounds largely that the UPA had taken its stand against earmarking.

Mr. Montor expressed the view that earmarking might be a dangerous precedent within the UJA from the fund-raising point of view. For six years the UJA had been organized on the basis that it was the best common platform on which to present the needs of the JDC, the UPA and the NRS. Every form of earmarking was discouraged. There was being built up in the country by the UJA a sense of unity with respect to the basic needs of the Jewish people.

To permit a landsmanschaft to raise funds for a particular purpose would be to divert attention from the central purpose of the UJA and encourage individuals as well as organizations to insist on earmarking of funds.

The procedure of permitting earmarking was not a simple process, Mr. Montor said. It would be inevitable that campaigns would be initiated in all parts of the country. It would be a multiplication of the overlapping and the duplication against which contributors are today protesting. He cited as an example what might happen if landsmanschaften in New York City were permitted to engage in specialized campaigns. Even though the proceeds would go into the UJA, officers of the landsmanschaft would not restrict themselves to their own members but would go outside their fold in the hope of getting a maximum amount for the specific purpose especially since it meant publicity for that purpose. Thus contributors to the UJA would be called upon to give to that particular purpose and no mention would be made of the fact that the money would eventually go into the UJA. If mention were made then that would defeat the aim of the landsmanschaft officers to raise special sums for their specific project. Fund-raising of this type always encourages a minimization of the facts as to the purposes for which funds are being raised.

Earmarking would be a great disadvantage to the UJA, assuming the belief that the UJA is a desirable medium for concentrating the attention of American Jews on a central broad base for contributing to the major needs of Jewish life. Mr. Montor said that he was surprised by the vigor with which Mr. Hyman presented his point of view, in which he stressed the desirability of giving an emotional outlet to prospective contributors who would not be dissuaded from giving to a cause which attracted their primary interest. Mr. Montor could not reconcile that attitude with the position taken by the JDC in regard to the Jewish National Fund. Mr. Hyman replied that that was an entirely different situation and that he would be prepared to argue on the other side of the fence when there were negotiations with respect to the JNF.

Mr. Montor did not believe that earmarking of funds meant additional funds in any large degree for the UJA. In the case of the landsmanschaften if they were given a special project about which they could talk and for which they could raise funds, inevitably the bulk of their efforts would be concentrated on the raising of funds for the particular program and not on the regular program of fund-raising for the UJA. What would happen therefore would be the multiplication in the public mind of a great many campaigns for individual projects. Thus if landsmanschaften in New York were to raise \$400,000 in 1944 it would really mean that in 1945 the great bulk of that money would go into special projects rather than into the UJA. It was true that the money would all eventually come into the UJA but the effect would be to fragmentize the story of the UJA and to break down the UJA significance as a single fund-raising instrument. He pointed out that in communities throughout the country when special funds are contributed by specialized groups within a Welfare Fund for the UJA, the money is deducted from the UJA allotment and not added to it.

Mr. Kahn felt that the point of view of the UJA as expressed by Mr. Montor was based on theory and not on facts. Ordinarily what Mr. Montor said would be true: that is, that it was not desirable to fragmentize the UJA. However, there are landsmanschaften that have existed for fifty years. They have always been interested in their own little towns and in their own little projects even though the town might have been wiped out during the war. If the UJA does not provide a way for getting this money and using it for the purpose desired by the landsmanschaft then this money will be wasted, Mr. Kahn said. As during and after the last war, emissaries of the various landsman-

schaften will insist on going to Europe to make personal inspections of projects. They will launch upon projects which have not been thoroughly considered and large sums will thus be squandered. At the present time the only channel through which the landsmanschaften might contribute their money is Russian War Relief but Russian War Relief has no machinery for carrying out these intentions.

Mr. Hyman declared that rather than have the Landsmanschaften go off on their own it would be socially desirable to keep their activities in control, such as would be involved by their turning over the money they raise to the UJA and having the JDC, insofar as its share of the funds was concerned, make appropriate arrangements with the particular landsmanschaft for the execution of its project.

Mr. Kahn was of the opinion that if the UJA did not take in the landsmanschaften for these specialized campaigns, a reverse condition from that predicted by Mr. Montor would take place. They would break away from the UJA completely. Mr. Kahn recognized the validity of the position of the Jewish Agency, as stated by Mr. Montor. He thought that perhaps some special provision might be made regarding Palestine's unique relationship to this problem.

Mr. Beck stated that the NRS had faced the problem with regard to various nationality groups in the distribution of relief. It had managed to find a way to avoid the implication of partisanship and yet build up the goodwill of the various groups.

Mr. Hyman referred again to the JNF and said when the JDC meets with the UPA in negotiations in a few weeks that subject would be argued but that subject is meant for later consideration. The fact is, Mr. Hyman said, that people do have special interests and they want an opportunity to express themselves. In this particular case, it was desirable from the community point of view that a channel be provided so that these people could give expression to these special interests. The JDC, Mr. Hyman said, has no intention of forcing anything on the UPA.

Mr. Weisman asked whether the UPA could say no to the UJA when it was an internal UJA problem that was involved.

Mr. Coons asked how much of the money from Landsmanschaften came from New York and how much from outside New York. Mr. Kahn felt that 90% of the money came from New York City.

Mr. Coons reviewed the history of earmarking within the UJA and pointed out that the agencies themselves had consistently ruled that it was detrimental to earmark funds. During that six year period the UJA had become the overall fund-raising agency. It seemed to him that in this particular case the same procedure could be carried out of encouraging giving to a central source. The landsmanschaften should be encouraged to give their money through the UJA. It is up to the agencies to decide what to do with their individual shares. He was of the opinion, however, that if the landsmanschaften were permitted to conduct an individual campaign the irritation would be tremendous and would not be worth any money that might be forthcoming.

Mr. Weisman inquired whether landsmanschaften would be able to use the name of the UJA without restriction. They might, for example, use the UJA in order to obtain funds for a cemetery.

Answering the question raised by Mr. Coons as to how money from landsmanschaften would be regarded within the UJA, Mr. Hyman stated that no note would be taken in the national UJA of any money contributed through a specific project. It would be regarded and treated like any other income. Thus, if NYC turned over to the national UJA certain sums of money there would be no specification as to the source from which it came. However, the NYC UJA will have notified the JDC that X dollars had been contributed by, for example, the Federation of Rumanian Jews. The JDC and the Federation of Rumanian Jews would, in the meantime, enter into an arrangement to discuss a certain program which the Federation had in mind and the JDC would obligate itself to spend its portion of the proceeds of the Federation of Rumanian Jews campaign for the agreed-upon program.

The Council of Landsmanschaften in the New York UJA would keep track of these special earmarked funds. Mr. Hyman said that the JDC wanted to work with Federated organizations and not with individual landsmanschaften.

Mr. Montor said that any such program (of federation rather than individual landsmanschaft campaigns) underlined the validity of his objections to earmarking insofar as the UJA campaign is concerned. He pointed out that these objections were not being made in relation to the UPA but purely from the point of view of UJA fund-raising. If a national group like the Federation of Rumanian Jews were to undertake a project it would not restrict itself to any one city. It would go over all the country raising funds either in competition with Welfare Funds or, where funds were turned over to the welfare funds, it would not mean any increased income to the UJA. The standard program would be followed: of the Welfare Fund deducting from the UJA allotment any amount that might be turned over by a national group for the use of the UJA. Thus, in terms of money there would be no additional income. In terms of the prestige of the UJA it would mean the creation of a series of campaigns that, at least in the public mind, would seem to be competitive in nature.

Mr. Broido, who entered the meeting at this particular time, did not think that the Jewish community had done sufficient to meet the requests of the President's War Relief Control Board. He recalled the meeting of the UJA delegation with the WRCB in June when Mr. Davies had expressed the thought that the Jewish agencies had not done sufficient to "clean their own house" as he had put it. There might be objections, on the part of the Jewish agencies, to the alleged inability and unwillingness of the WRCB to execute its prerogatives but if any such charges were to be sustained the Jewish community itself would have to do everything in its power first to eliminate the overlapping or competitive campaigns which either now exist or which might be increased if some such program as that proposed were not accepted.

Mr. Montor again referred to the incongruity of the JDC position which insisted that Landsmanschaften should have the right to express their special interests but objected to the traditional collections of the JNF.

Mr. Hyman said that ideally it might be desirable for all groups and individuals in America to contribute exclusively to the UJA but realistically Mr. Hyman knew that the UPA could not control the situation in its own ranks with respect to the JNF. People who wanted to earmark their money for Palestine cannot be argued with. What is true of the JNF is true of landsmanschaften. Not to accept the money of the landsmanschaften would result in chaos, Mr. Hyman said. If the UJA turns down the proposal (a) the JDC would have to

tell the landsmanschaften that it is the UPA which opposed and which made impossible the fulfillment of their plans and (b) the JDC would also have to advise the President's War Relief Control Board that the reason that the JDC could not go through with the plan was because of the opposition of the UPA.

Mr. Sonneborn said that he would like to see the question reconsidered by the UPA in the light of the discussion of the morning.

Mr. Hyman proposed one of two alternatives:

(1) Either that a special meeting of the Executive Committee of the UJA be called next week so that the question could be considered by the Executive Committee as a whole to which the recommendation of this Sub-Committee could be submitted for its action or

(2) This Sub-Committee could turn to the UPA and ask if it wishes to reconsider its own position. If the UPA wants to reconsider its position at a meeting of its own there would be no need for the reconvening of this Sub-Committee or of the Executive Committee of the UJA since in that case there would be unanimity of opinion.

Mr. Weisman said that he had been persuaded of the validity of the argument of the JDC. The use of the term "earmarking" ought to be described more clearly. The earmarking was actually being done by the JDC with its own funds and not within the UJA. He assumed, of course, that the UJA would see to it that certain forms were adhered to, involving the time, the manner, the publicity and so forth, of any such specialized campaigns along the lines that Mr. Hyman had promised. Mr. Weisman felt that a special meeting of the Executive Committee of the UPA might be called to reconsider the UPA position.

Mr. Montor thought that perhaps Mr. Hyman and Mr. Broido or any other representative of the JDC might be invited to the meeting of the Executive Committee of the UPA so that the JDC position in the matter could be stated directly.

Mr. Weisman referred to Mr. Hyman's point that the proposals involved only 1944. He did not think that this was sound procedure. After all, the problem was just beginning and would become more acute in 1945. The problem was not disposed of by confining it within 1944. Therefore, the subject should be kept in mind for 1945 by those negotiating the 1945 UJA.

The meeting adjourned at 12:45 p.m.

FROM: HENRY MONTOR

PRIVATE AND CONFIDENTIAL

MINUTE OF MEETING TO DISCUSS 1945 UNITED JEWISH APPEAL
 Held at Hotel Biltmore, New York City
 November 8th, 1944 3:15 p.m.

PRESENT:	Dr. James G. Heller	
	Judge Morris Rothenberg	for the United Palestine
	Rudolf G. Sonneborn	Appeal
	Henry Montor	
	Isaac H. Levy	
	I. Edwin Goldwasser	for the Joint Distribution
	Louis Broido	Committee
	Joseph M. Berne	
	Joseph C. Hyman	

This was the first meeting between the Joint Distribution Committee and the United Palestine Appeal to discuss the formulation of an agreement for a 1945 United Jewish Appeal.

Dr. Heller started the discussion and stated the UPA position. The obligation of the UPA rests chiefly on what is today being done in Palestine. The Jewish Agency, as a pseudo-government, has extraordinary obligations for all phases of the life of the Jewish National Home. He then described the obligations in detail. In the past year a greater number have entered than for many years past. The needs had increased tremendously. There was an increase in the price level as well as in the amount of work that has to be done. The expenditures for 1944 will be \$26,000,000 in Palestine as against a budget of \$19,500,000. There has been a steady increase in migration to Palestine. The JDC has been exceedingly helpful in this respect. The probable total of the budgets for 1945 in Palestine will be about \$30,000,000. The UPA share of that would have to be about \$22,000,000, the balance would be provided by participations, grants and other countries. Political considerations look favorable. Plans are being laid for absorbing 100,000 people a year. He referred to the tens of thousands of orphans who are now being found in Europe. Dr. Heller said that he had always regarded the UJA as a cooperative enterprise. He had always emphasized that in his addresses and his relations. The agreement for 1945 would represent the needs and every one should attempt to see the problem of the Jews as a whole. In the light of these various facts the UPA wants to see a change in the basis of the UJA. The realities of the present situation, he said, seem to show that there should be an equal distribution of funds as between the JDC and the UPA. He spoke at some length of the JDC expenditures in 1944 and what he thought the United Nations should be pressed to do for the Jews of Europe. He emphasized that the problem was far too great for any private agency to deal with and that no obstacle must be placed in the way of forcing governments and intergovernmental agencies to meet their responsibilities.

He said that there were three factors which the UPA was prepared to discuss:

- (1) the negotiations should be conducted on the basis of an

equal distribution of funds, solely because that represents the actualities of the situation as it now exists.

(2) the UPA was also prepared to discuss the amount to be distributed by initial agreement in advance and

(3) to discuss the role of the JNF in relation to the UJA.

Mr. Levy said that since Dr. Heller was presenting a total picture he might amplify what he meant with regard to the last two items.

Dr. Heller said that the UPA would be prepared to have a larger amount distributed by initial agreement, that is, the initial sum might be raised from \$15,000,000 to \$25,000,000 - the \$25,000,000 to include whatever might be allotted to the NRS.

Discussing the JNF, Dr. Heller said that his opinion had changed decidedly during his year of activity as head of the UPA, when he had visited scores of communities. He had thought originally that the JNF interfered with the UJA but as a result of what he had seen in many communities, his view had changed. Under Judge Rothenberg's leadership of the JNF, the source of friction had been eliminated. The people working for the JNF had made earnest efforts to comply with Judge Rothenberg's instructions issued earlier in the year as to how fund-raising for the JNF should be conducted. Dr. Heller thought that the agreement for 1944 was mistaken in two respects, (1) the payment to the JDC of \$600,000 on account of the JNF and (2) the imposition of a ceiling on the JNF. As to the amount the JNF raises, he did not think that it interferes with the income of the UJA. The amounts raised were small. As far as the Zionists are concerned there are certain values inherent in the JNF which represent more than money. It is true that the JNF gets most of its money from the UJA but there is a greater remoteness of the contributor from the cause and that is one of the factors motivating direct giving to the JNF. There is a problem of human relations involved in dealing with the JNF which goes beyond merely the money contributed. The JNF wants no ceiling put on its collections, as long as it adheres to the principles laid down in the agreement as to the types of activities which it may conduct.

There was being proposed, in order that no question might be raised on the nature of the traditional collections, that a Mediation Commission be set up which would consist of two representatives of the UPA, two of the JDC and a fifth person chosen by both of them by agreement. The Mediation Commission would have greater powers than the 1944 Mediation Committee. It would have full power to decide where violations had occurred without reference to the JDC, the UPA or the JNF. It would have the right to assess damages.

Mr. Hyman asked what the elimination of the ceiling on the JNF would mean. Would that mean that there would be no restriction on JNF activities and that the money would continue to go through the UPA and that those funds would be used to increase the income of the UPA? He referred to the resolution adopted by the ZOA Convention for the creation of a \$1,000,000 fund in a two year period for the establishment of a colony in the name of the ZOA. He wondered how this could be reconciled with the statement that the JNF was engaged in traditional collections only.

Dr. Heller said that this merely referred to the purpose of giving credit for the activities already engaged in by the ZOA members in relation to the JNF. This didn't mean the collection of an additional cent. It was merely a matter of credit.

Mr. Broido asked a question as to the effect of the payment to the JDC of \$600,000 in the 1944 agreement.

Mr. Levy explained what was involved. He pointed out that some 60% of this money would have gone normally to the JDC in any event. If all the JNF income had gone through the UJA the JDC would have gotten \$300,000 more than it received under the present system, he asserted. Therefore, he said, the JDC actually stood a financial loss but accepted the special amount of \$600,000 and permitted the JNF income to go through the UJA up to a ceiling of \$1,100,000.

Mr. Broido said that he would never be able to understand the moral conception that permits one partner in an enterprise to keep money that is not also available to the other partner. It was all right for the JNF to keep up the elan of its constituency but when a UJA is created all partners must have equal obligations. There ought to be credited to the UJA everything done by the JNF. Last year's compromise was not acceptable to anybody. No one was asking the abandonment by the JNF of its activities but merely that its income be made available to the UJA and to all the partners.

Mr. Levy said that for several years the JDC has felt that the exclusion of the JNF traditional collections from the income of the UJA was an immoral agreement between partners. In 1939 the net for the JNF was \$230,000. In 1943 when the JDC had negotiated with the UJA for a 1944 agreement, the JDC was under the impression that the JNF net would be \$850,000. He said that it was not until May 1944 (he was corrected on this point) that the JDC learned that the JNF gross collections in 1943 exceeded \$1,400,000 with a net of over \$1,200,000. The JDC for several years had taken the position that the income of the JNF should be included in the UJA. He referred to the letter written by Mr. Baerwald to Dr. Silver in June of 1943. At that time Mr. Baerwald had said that the further conduct of JNF activities outside the UJA was unacceptable. The JDC had tried to arrive at a satisfactory formula for 1944. It was not satisfactory to the JDC or to Dr. Silver. Actually the formula that was arrived at for 1944 cost the JDC some \$300,000.

Mr. Levy described the position of the JDC as regards 1945. The JDC has no program. It has only obligations created by Mr. Hitler. He was not going to talk to this group about the situation of the Jews in Europe. The existence of 100,000 Jewish orphans was being talked about. When would they get to Palestine? In a month, six months, two years, or when? In the meantime it would be up to the JDC to provide for them. The same was true of other Jews in Europe. No matter what statement is made about the needs of Palestine consideration must be given to the destitution of the Jews of Europe. The program of the JDC will be many, many times that of the UJA. Our budget could take on astronomical proportions. We have no choice. We must meet our obligations. If the country next year can get \$40,000,000, the JDC ought to get \$40,000,000. We recognize, however that we have a large electorate, that there is a difference of views and that we have to reckon with facts. We should ask for a substantially larger percentage in 1945

but as a concession to these community factors we are prepared to accept the same initial division of funds and accept an initial distribution of \$24,000,000 or \$25,000,000, the latter amount to include the NRS.

The arrangement respecting the JNF should involve the inclusion of its entire collections in the UJA income. There should be no provision for special deductions but it should also be definitely understood, as in the past, that no organized campaigns may be conducted and that nothing shall be done to interfere with the UJA. Therefore our proposal is a 60-40 distribution; a division of all funds above \$25,000,000 by an Allotment Committee; that the goal for 1945 should be \$42,000,000; and that all JNF collections should be included. We shall consider the establishment of a Mediation Committee with an impartial person also to serve. Mr. Levy remarked that to get a Jew that is impartial is to get an anemic Jew.

Judge Rothenberg said that before he came into the JNF he was alarmed by the apparent increase of JNF income in relation to the UJA but since he had taken the Presidency of the JNF he had learned the facts. These showed that the JNF activity did no harm to the UJA and that the income would not have been obtained otherwise. The Zionists, he said, rebelled against the 1944 UJA agreement because of what they regard as its unfairness to the JNF. He had gathered together all the complaints that had been made. He had interviewed the persons who had made the complaints. He had decided to issue instructions regardless of the merit of the complaints. Thus, shortly after he had taken office as President of the JNF he had notified all JNF committees throughout the country of the methods which they might appropriately use in conducting traditional collections. Since these instructions have been issued, he said, hardly a complaint has been made. He did not believe that the Mediation Committee of the UJA had been convinced that the JNF had hurt the UJA in the slightest. When in 1939 the JDC entered into the first UJA agreement it knew of these separate collections. It agreed to them. Since 1939 the UJA and all other agencies in the field have very substantially increased their income. It has been inevitable, therefore, for the JNF to benefit proportionately. What is to be done with the man who, in 1944, wants to buy 10 dunams instead of the one dunam in 1939?

At the October meeting of the JNF Advisory Council he had asked their view about the pooling of the JNF income in the UJA. Unanimously they had resisted and resented this suggestion. If the income of the JNF is pooled the effect will be to lose all of the money of the JNF. The Zionists will not accept any arrangement which would put a ceiling on the JNF or which will force the inclusion of the JNF income in the UJA. The views of Zionists throughout the country with respect to the JNF cannot be controlled.

He asked the JDC whether, if they succeeded in destroying the JNF they thought that the UJA would be benefitted by that situation. In his opinion the UJA would gain nothing. The JDC will have destroyed an institution that has had value to us for many years and will not have replaced it with any constructive values for the UJA or for anything else. If the Jews are willing to give this money to the JNF which they would not give under any other circumstances why should this money not be accepted especially when it does no harm to the income of the UJA? He said that the instructions which he had issued earlier in the year to the JNF committees could be embodied within the agreement if it were wished. He said he wanted to appeal to the generosity of the JDC representatives and to their understanding in this matter.

Mr. Berne said that the JDC could raise many hundreds of thousands of dollars for special projects if it chose to undertake such programs. \$25.00 and \$50.00 gifts must have an irritating effect upon the communities as well as with respect to the money involved for the UJA, he said.

Dr. Heller said that there was a slight difference between the two organizations. The Zionists are not only a fund-raising group but they have a nationwide constituency. The organization must be responsive to what that constituency wants it to do.

Mr. Levy said that Judge Rothenberg had presented the case for the JNF very eloquently but no more so than had Dr. Silver and Dr. Goldstein in previous years. The case was not convincing to the JDC.

Mr. Broido saw no objection to a man buying 50 dunams for the JNF but the income should go into the UJA.

Mr. Hyman said that no one was unsympathetic to Judge Rothenberg's situation. All appreciated what he had already done to clarify and to improve the JNF situation. There is, however, a third party involved, the great masses of organized Jewish communities. These people want a truly unified UJA. He said that he had a real concern that if these discussions should be left without arriving at a solution for the problem the talk of reaching \$40,000,000 in 1945 was likely to be jeopardized. Mr. Hyman felt that if Judge Rothenberg were not President of the JNF he might the more readily plead for a more truly unified UJA. In the UJA something substantial has been achieved. One of the major problems still unsolved is the JNF. He cited a letter which he had received from the St. Paul United Jewish Fund indicating that deductions would be made from the UJA because of JNF collections.

Mr. Goldwasser felt that Zionists go into the work of the JNF and are lost to local campaign activities. This was challenged.

Dr. Heller said that as a practical matter it was not within the remotest possibility to be able to pool the JNF income in the UJA. It was not in the power of the UPA Committee to act. He felt that the UPA was not proposing something new but that the JDC is, with respect to its attitude to the JNF. The UPA is asking merely that the JDC go along with the situation to which the JDC had agreed during the past six years.

Judge Rothenberg indicated that the JNF will raise between \$1,400,000 and \$1,500,000 in 1944.

Mr. Broido referred to a visit he had made to Providence on behalf of the UJA. In addressing a Big Givers meeting he had talked about land as an important element in the UJA program. It doesn't make sense to him, he said, that a week later another committee should go to the same group to talk about funds to buy land that he had been talking about and raising funds for the week before. Mr. Levy said that the situation that exists now is that the man who is interested only in the rescue of Jews must give to the JNF land purchase program through the UJA but that the person who is interested only in the purchase of land has the privilege of giving only to that.

Mr. Broido said that if the JNF feels so keenly that its activities

should not be hampered it should not have gone into the UPA and the UJA. It should have recognized that there are special things that must be done for the sake of harmony in fund-raising.

Mr. Goldwasser said that nothing that the JDC has suggested with respect to the JNF prohibits earmarking of funds for it within the UJA.

Mr. Berne said that he could not take exception to the real traditional collections but unfortunately no one could now decide what traditional collections are. An organization that exists costing \$200,000 a year to run must be doing a parallel work with that of the UJA.

Dr. Heller again said that the UPA could not make any other decisions about the JNF and urged that consideration be given to the proposal which he had made at the beginning of the meeting.

Mr. Levy said that the JDC could not consider any arrangement other than the 60-40 basis on the first \$24,000,000. With respect to the JNF the JDC position would have to be just as firm as the one which the UPA had just taken. As a matter of principle the JDC would have to insist on the inclusion of the JNF income in the UJA.

Dr. Heller said that there could not be a worse year in which to break up the UJA. It had just completed the most successful year in its history. It could look forward to even greater results in 1945. The country was expecting a continuance of that unity. The effort to find a common basis of action ought not to be abandoned.

Mr. Sonneborn said that he had the deepest sympathy for what Messrs Hyman, Broide and Levy had said and also for what Judge Rothenberg and Dr. Heller had said. He asked why, in the interest of harmony, the situation affecting the JNF could not continue as at present for the year 1945. This Committee could then go into the question of rectifying the situation if rectification were needed. The situation should be given a test for another year. At the end of 1945 the matter could be reviewed again.

Mr. Levy said that the main difficulty is that there could be no agreement on what constitutes traditional collections. Dunams and Golden Book inscriptions could be spontaneous gifts but they could also assume organized form and be campaigns.

There was a lengthy subsequent discussion during which were reiterated statements that had been made during the previous several hours of discussion.

Judge Rothenberg emphasized that the Mediation Commission would have full power to assess damages if the JNF were found by the Commission to have violated the agreement.

There was a consensus that another meeting should be held and it was agreed that a luncheon meeting should be held on Friday.

FROM HENRY MONTOR

PRIVATE AND CONFIDENTIAL

MINUTE OF MEETING FOR DISCUSSION OF 1945 UNITED JEWISH APPEAL
At the United Jewish Appeal, 342 Madison Avenue
New York City
November 28th, 1944 3:45 p.m.

PRESENT: Dr. James G. Heller
Judge Morris Rothenberg for the United Palestine
Mr. Rudolf G. Sonneborn Appeal
Judge Bernard A. Rosenblatt
Mr. Henry Montor

Mr. Isaac H. Levy
Mr. Louis Broido
Mr. Joseph M. Berne for the Joint Distribution
Mr. I. Edwin Goldwasser Committee
Mr. Joseph C. Hyman
Mr. Moses A. Leavitt

The meeting was the third held between representatives of the Joint Distribution Committee and United Palestine Appeal to discuss terms for a 1945 United Jewish Appeal.

Mr. Levy reiterated the position of the JDC and stated that it cannot expect less than 60% of the money in 1945. Moreover, the JDC cannot tolerate having a full partner who is permitted to collect on the side, referring to the Jewish National Fund. The JDC is convinced that its needs require far greater sums of money in 1945 but "in the interest of non-controversy, we have agreed to the lesser amount".

Dr. Heller referred to the National Conference of the United Palestine Appeal in Chicago and to a meeting there of the Administrative Committee at which the unanimous opinion was registered against a 60-40 division in 1945. He referred to the fact that for the current year the Keren Hayesod and Keren Kayemeth have requirements totalling in excess of \$34,000,000 which would impose upon the United Palestine Appeal the necessity of obtaining some \$26,000,000 from American Jews. He also referred to the recent judgment of the Allotment Committee which, he said, certainly didn't indicate an opinion by that body that the relation between the JDC and the UPA was a 60-40 relation. The UPA sees no possibility of agreeing to the 60-40 ratio for 1945, he said.

Mr. Levy denied that the Allotment Committee decision had any bearing on the subject. It had only determined the division of \$10,000,000. This bore upon the requirements for immediate needs but did not take into consideration the future, that is, 1945.

Mr. Leavitt made an extended statement on the position of the Jews in Europe as justifying larger amounts in 1945 for the JDC. There are 1,500,000 Jews still left in Europe, the JDC estimates. The requirements for immediate help are astronomical. The JDC has prepared an estimate of needs which will be submitted to its Board of Directors and to the Annual Meeting of the JDC on December 10th.

This amounts to \$46,570,000. Mr. Leavitt discussed the UNRRA and said that UNRRA was not now taking care of any of these Jews. He referred to the needs of 600,000 Jews known to be in the liberated area. He cited the presence of 60,000 Jews in France for whom \$750,000 a month is being asked. The JDC was unable to provide this amount. It was true that the Belgian Government was distributing 35 francs a day to all persons in Belgium in need, Jews and non-Jews alike, but whereas that amount might be enough for a non-Jew who had a home or livelihood to return to, it was far from sufficient for a Jew. France, Belgium and Holland have already indicated that they don't want UNRRA in their countries. Poland, Greece and Yugoslavia will request UNRRA's help. It was true, Mr. Leavitt said, that the JDC could not handle the vast problem of relief for 1,500,000 Jews. It could never get that kind of money. JDC is endeavoring to get Governments and Intergovernmental agencies to help but in the meantime the JDC must provide every assistance possible.

Mr. Berne asked how any one could compare the needs of 1,500,000 Jews in Europe with the needs in Palestine.

Dr. Heller then stated the UPA position and described the relations between the relief needs in Europe and the present solution of the Jewish problem in Palestine. There were many Jews who have come to the conviction, particularly as a result of the recent era, that continuing to provide money solely for relief was to pour water down a bottomless drain. The 560,000 Jews in Palestine, he said, are the best example of constructive relief. It was not possible to establish a conflict between relief in Europe and the upbuilding of Palestine. The upbuilding of Palestine was very directly a contribution to the relief of Jews in Europe. He felt it important to emphasize that the situation of the Jews in Europe is a charge upon the world. The world admitted its responsibility and it is important for Jews to force the world to accept it in concrete terms.

Dr. Heller referred to the budget figures mentioned by Mr. Leavitt which contemplated various changes in 1945. Dr. Heller pointed out that the present Palestine budget does not include changes that might occur during the year. A very sharp upward revision of the immigration tempo would completely upset the budgetary figures and require vast amounts not now included in the budgetary estimates. Under those circumstances, with peace in Europe restored, the Palestine budget would be not \$46,000,000 but hundreds of millions of dollars.

Mr. Broido said that he was persuaded by Mr. Leavitt with regard to the facts on UNRRA. He felt that the UPA had failed to meet the burden of proving its case that a 50-50 ratio was justified. He was approaching the problem objectively and he thought that the normal reaction was one of sympathy with Mr. Leavitt's statement.

Judge Rothenberg observed that the figures had been presented now and on previous occasions to prove the UPA case. This was particularly true in connection with the meetings of the Allotment Committee.

Judge Rosenblatt said that the experience of the last thirty or forty years was that money spent in Rumania was a dead loss. The whole problem of meeting the needs of Jews has to be reconsidered in the light of the situation that has developed in Europe and the transformation that has taken place in Palestine. He emphasized that the UPA is not asking American Jewry to help Palestine, which has attained a state of economic sufficiency, but American Jews are being asked to help the Jews of Europe who are going to Palestine.

Mr. Leavitt took exception to Judge Rosenblatt's remark. He declared that on various occasions the statement has been made by Zionists that what had been done with JDC money in Europe was a dead loss. He thought it should be taken into consideration that the same might well have been said for Palestine. It was only a miracle that prevented Rommel from passing beyond El Alamein. In that event the 560,000 Jews in Palestine would have disappeared as had millions of other Jews in Europe. That criterion did not seem to him to be reasonable.

Mr. Goldwasser referred to a remark by Judge Rosenblatt that if 100,000 Jews could be brought to Palestine the cost that would be involved for the JDC would be minimal in comparison with the cost that would have to be borne in Palestine for the integration of these Jews into the economy of the country. Mr. Goldwasser made various estimates to show that it requires \$7,200,000 to feed 100,000 Jews in Europe. On that basis alone the needs of the JDC in 1945 would be tremendous.

Judge Rothenberg said that the problem cannot be figured in terms of dollars and cents. The needs of the UPA are great, so are those of the JDC. The \$34,000,000 budgets in Palestine represent minimum needs. His position was that the JDC was important and Palestine was equally important. The JDC agrees that it is not in a position to save all the people who need assistance in Europe. No more can Palestine meet the needs of all of them. The 50-50 formula has been suggested as an attempt to recognize the equality of importance in both tasks.

Mr. Broido continued on his theme that the views of ideological supporters of causes were not pertinent. He was interested in the raising of money and he did not feel that the UPA had justified its claim for more than a 60-40 ratio. Judge Rothenberg's answer was that the way to meet the needs of both the JDC and the UPA was not to minimize the requirements of either but to ask the United States community for more money.

Mr. Montor addressed himself to Mr. Broido's position. He appreciated Mr. Broido's services to the UJA but he had to remind Mr. Broido that he was not at the meeting as an impartial observer but as a special pleader for and representative of the JDC. It was highly questionable for him to assume the role of objective student of the problem. Moreover, he did not think that any purpose was served at this meeting by extended discussions of the JDC and UPA positions. All present were mature, adult people. They knew thoroughly the problems of the JDC and the UPA and had discussed them for many years. He for one was prepared to make long speeches about the position in Palestine. If it were wished, he could repeat an hour's speech that he made to the Allotment Committee of the UJA but he saw no point in exchanging passionate declarations. There ought to be some realism about the problem facing the agencies. Figures had been bandied about. He thought it important to relate the discussion to the actualities. In 1944 the UJA would raise anywhere from \$28,000,000 to \$30,000,000. A quota of \$45,000,000 was being talked about for 1945. He did not think that more than that could be raised even if that could be achieved. Under the circumstances there ought to be some reference to campaign problems in a discussion of money to meet needs. He was not prepared to enter into a long discussion of the UPA requirements as Mr. Leavitt had. They were known to all but he did not think that some answer ought to be given to Mr. Broido as to why the UPA was insisting upon a 50-50 ratio. In the first place it was his conviction that the lessons of the last ten years in Europe had not been lost on the Jews of America. They were determined that out of the wreckage of Europe something constructive and stable should emerge. It was the determination, he felt, of the Jews of America to build in Palestine a structure which would help to solve the Jewish problem in permanent terms. The determination to obtain a great share of the public funds for Palestine had a definite bearing on the desire of American Jewry to divert a greater part of their resources to this

constructive and long-range program. In the second place, consideration needed to be given to the fact that a change had taken place in the structure of Jewish communal leadership and thinking. Those who believed strongly in the future of Palestine have become more and more the leaders, the givers, the workers in the Jewish community of America. Obviously they respond and associate themselves with the needs of the JDC but they were also determined that the primary purpose of constructive solution to the Jewish problem should be adequately safeguarded. Those people who in the past made philanthropic relief their sole activity in the Jewish community have become a less visible feature of the communities. They have cut down on their giving, they have withdrawn from leadership. In some cases they have even withdrawn from the Jewish community. These factors must be taken into account. It was his belief that the success of the campaign in 1945 would be enhanced by advising the country that the funds would be divided on a 50-50 basis.

Mr. Hyman took sharp issue with Mr. Montor. He would be willing to advise the JDC to take its chances on getting a proper response from the Jews of the United States. "I know where, if the question were put to American Jewry, they would want the larger part of their money to go."

Mr. Levy said that "we of the JDC are craven cowards for listening to a moment to a suggestion that American Jews would not spend their first and last cent to save their fellow Jews in Europe."

Mr. Leavitt asked Mr. Broido how he thought the public would want UJA funds distributed.

Mr. Broido said that the inclusion of Palestine in the UJA has alienated certain givers. It was not fair for Mr. Montor to say that the leadership of America had changed and that certain types of givers had withdrawn when he should know that the reasons for that were bound up with the inclusion of the UPA in the UJA. However, the JDC was prepared to bear that penalty because it believes in a UJA.

Mr. Levy said that having listened to all the discussions he thought that the JDC was very modest in its claims.

There was a lengthy discussion led by Messrs. Sonneborn and Levy on whether a 50-50 division would help raise more money in 1945.

Mr. Broido took issue with Dr. Heller, who had indicated that the country would resent the fact that the JDC had proposed a departure from previous UJA practice in its insistence on a virtual abandonment of the JNF. Mr. Broido said it was Dr. Heller who had proposed changes in asking for a 50-50 ratio and for eliminating the ceiling on the JNF. There then followed a lengthy discussion on the JNF.

Dr. Heller reiterated that it was not in the power of the UPA to negotiate further on the subject of the JNF.

Mr. Levy expressed resentment at the remarks made by Mr. Montor. The JDC and the UPA had presented their respective points of view. The JDC was not going to negotiate with the UPA on the basis of who can get more through a separate campaign. He thought it essential that there be a UJA.

Mr. Levy then made a reference to the current issue of the "New Palestine" in which Dr. Goldstein had referred to the JDC as a subsidiary of the American Jewish Committee. He and Mr. Hyman thought the remark was most inaccurate and unfair.

Mr. Levy said that no further progress could be reached and again stated the JDC position that the division should be 60-40 with an initial distribution of no less than \$15,000,000 with the JNF included in the 40% for the UPA.

Judge Rothenberg asked Mr. Broido whether he still stood by the position he had taken at an earlier meeting at which he said that he was prepared to permit the status quo of 1944 to remain. Mr. Broido, apparently ill at ease, denied that he had made such a statement at a previous meeting and insisted that he had supported Mr. Levy's position.

Judge Rothenberg repeated Mr. Levy's proposal in order to have it clear that the JDC position was for a 60-40 division with a pooling of the JNF funds in the UJA.

Dr. Heller stated again the UPA position which was that the funds in 1945 should be distributed on a 50-50 basis with an initial distribution of any amount beginning with \$15,000,000; that the JNF be relieved of a ceiling and of the necessity of a countervailing sum to the JDC of \$600,000. Also the JNF was prepared to agree to the setting up of a Mediation Committee with the power to assess damages, if any incurred, to the UJA. Mr. Hyman said that there was nothing further to discuss. Dr. Heller indicated that if there was to be another meeting it would be left to the offices of the JDC and UPA to arrange.

Meeting concluded at 6:15 p.m.



Dr. Heller's Letter

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THE AMERICAN JEWISH
JOINT DISTRIBUTION COMMITTEE, INC.
270 Madison Avenue
New York 16, N.Y.

January 22, 1945

Dr. James G. Heller, National Chairman
United Palestine Appeal
41 East 42nd Street
New York, N. Y.

Dear Dr. Heller:

I have received your letter of January 12th. I am kept at all times fully informed of the proceedings of our Negotiating Committee, and I had seen Mr. Levy's letter before it was sent.

The subject of your letter is within the competence and scope of our Negotiating Committee, and I have accordingly referred your letter to Mr. Levy as Chairman. I assume you will hear from him in due course.

I may say for my part that neither I nor the J.D.C. have ever been addressed in any communication in words such as you chose to use in your letter.

Sincerely yours,

(signed) Paul Baerwald
Chairman

PB:lc

fg 1/25/45

United Palestine Appeal
41 East 42nd Street
New York 17, New York

CONFIDENTIAL

FROM: HENRY MONTOR

MINUTES OF A MEETING WITH THE PRESIDENT'S
WAR RELIEF CONTROL BOARD
THURSDAY, APRIL 26, 1945, WASHINGTON BUILDING, WASHINGTON, D.C.

Two sessions were held, the first from 12:00 noon to 1:15 P.M.,
and the second from 3:00 P.M. to 5:00 P.M.

<u>PRESENT:</u> Joseph E. Davies, Chairman))	
Charles P. Taft	)	Members
Charles Warren)	
James Brunot, Executive Director	)	For the President's War
Melvin D. Hildreth, Counsel	)	Relief Control Board
Dr. Jacob B. Shohan)	
Henry Montor	)	For the United Palestine
Ellis Radinsky	)	Appeal
Louis E. Spiegler)	
Isaac H. Levy)	
Joseph C. Hyman	)	For the Joint Distribution
Moses A. Leavitt	)	Committee
William Rosenwald	)	For the National Refugee
Joseph Beck	)	Service
Sidney Hollander	)	For the Council of Jewish
Harry L. Lurie	)	Federations and Welfare Funds

(A stenotypist took notes during the proceedings)

The attendance of the United Palestine Appeal was in response to a telegram from James Brunot, Executive Director of the Board, reading as follows:

"Henry Montor, Executive Director,
United Palestine Appeal

Board desires to discuss fund-raising plans of former UJA Agencies at Board Offices 1044 Washington Building, 15th Street and New York Avenue, 12 o'clock noon, Thursday, April 26th. Please advise what representatives of UPA can attend.

James Brunot, President
For Relief Control Board"

(From various indications, although not through direct evidence, it would appear that the Council of Jewish Federations and Welfare Funds was responsible for instigating the War Relief Control Board to summon a meeting of

the agencies which previously constituted the United Jewish Appeal. It would also appear from the nature and content of remarks made during the meetings by members of the W.R.C.B. that their point of view had been shaped by previous discussions with the Council of Jewish Federations and Welfare Funds.)

MR. JOSEPH E. DAVIES opened the proceedings by saying that it has been the constant purpose of the W.R.C.B. to act in the public interest and to consolidate the various philanthropic organizations. This was intended to reduce costs both in solicitation expense and in the expenditure of manpower. The W.R.C.B. had thus succeeded in reducing the number of competitive appeals from 400 to 100. There has been a definite reduction in overhead and in the manpower needed.

Also the W.R.C.B. has urged on the American public that all these charitable organizations for war relief should be confined to war relief purposes. They must be conducted as American organizations rather than as nationalistic or racial organizations. I am informed that agencies which previously constituted the UJA are now conducting two separate campaigns. This is opposed to the program which has animated the W.R.C.B. I warn you that there may be resentment accumulating against you. Your action is not without dangerous possibilities to the people we all so much admire, the Jewish people. I say that as a friend.

We have succeeded in eliminating the rivalries of nationalisms in the National War Fund, and we believe that this should also be possible in the Jewish group. In lieu of the UJA, you are now conducting three campaigns involving additional costs in terms of money and at the expenditure of manpower.

I should like to ask the representative of each of the agencies to state why the UJA cannot be continued. I would ask each to be as brief and as succinct as possible. Please understand that our primary objective is to eliminate all unnecessary campaigns and to act in the interest of the American public.

MR. LEVY said during his remarks that during the last six or seven years there had been a United Jewish Appeal. Last November negotiations had been started, looking to the renewal of that agreement. The negotiations were undertaken, he was sure, with sincerity on both sides. The interests of the Jews in Europe were critical. The interests of the Jews in Palestine were also critical. However, there were differences in emphasis on the part of each of the agencies. These differences assumed an importance during negotiations that was quite apart from the money involved. MR. LEVY said that the JDC had offered to renew the agreement of 1944 and that it had been willing to accept the recommendation of a group which had met in Cincinnati in February. Following the recommendation of the Cincinnati meeting of the Council of Federations, the UJA had voted not to renew the agreement for 1945. MR. LEVY quoted from the pamphlet issued by the JDC on the dissolution of the UJA, with special reference to the summary given to the Board of the Council by Mr. William Shroder. During the meeting with the Committee which had been appointed by the Council to mediate between the two groups, Dr. Heller, Mr. Levy stated, declared that while the matter of money was of consequence, a United Jewish Appeal interfered with the possibility of the presentation of the Zionist program. While money was an important factor, the inability to present the Zionist program effectively put the UJA under the necessity of conducting a separate campaign.

MR. LEVY said that the situation, as a result of the dissolution of the UJA, was not so bad as it might appear. Welfare funds existed in each community as the unified instrument for fund-raising. All that happens is that representatives of one or another agency appear before the local budget committees to present the case for allocation to the agencies. Perhaps tensions might even be

helpful to fund-raising, because they created in the minds of special devotees of the causes an eagerness to render special service to the agencies with which they are identified. Perhaps the story of neither agency has been told adequately before. The Zionists and those who believe in a Palestine state perhaps get a better opportunity to tell their story to the communities. As to what prospect there is of a renewal of the agreement, that would require discussion. He would not dilate at this time on the needs of the Jews of Europe. However.....

MR. DAVIES interrupted to say that the thing in which I am particularly interested is why there cannot be a consolidation of the UJA, and nothing else.

MR. LEVY replied that from our point of view there should be a consolidation. He proceeded to say that the needs of the Jews of Europe were exceedingly great. They estimated that there were 1,000,000 to 1,500,000 Jews. He recognized that the Jews cannot meet all of the needs, and that the only way in which to meet them adequately is through governmental assistance. The same thing was doubtless true with respect to Palestine and its long-range settlement program; but the JDC is confronted with imminent need which it cannot possibly postpone. There is a minimum which the Jews are called upon to do, and the JDC acts on behalf of those Jews. We need every dollar.

MR. DAVIES interjected that, if you could save a million dollars through eliminating overhead, that would help you, wouldn't it; and assist the Jews whom you are trying to serve.

MR. WARREN asked to what extent would the expenses be increased as a result of the separate campaign.

MR. LEVY said that perhaps there would be an overall additional cost of \$500,000 for all of them. He estimated that the JDC campaign cost would be \$600,000. He said that both the JDC and the UJA had been stirred to greater activity through separate approaches. The greater expense might, as a matter of fact, result in greater totals for each of the agencies, and the matter of expense was one of proportions as well as of total amounts. Through the work of the separate agencies, collections were being enlarged.

MR. TAFT interjected that fund-raising was actually done by the local welfare funds and he did not understand how these national agencies, through their promotional work, increased the giving of the individual contributors, since that was a process handled locally.

MR. LEVY said that local federations did very little to emphasize the overseas picture. That has always been done by the UJA which created the machinery for local fund-raising and gave to the contributor a sense of responsibility for the overseas requirements, which resulted in very generous response.

After MR. TAFT continued to insist that it was the local groups that did the fund-raising, MR. HYMAN observed that in the UJA we never solicited individuals, but we did stimulate the communities.

MR. WARREN asked of what the expenses of the UJA, referred to as being \$591,000 by Mr. Taft, consisted in the main.

MR. MONTOR, in response to a suggestion from Mr. Hyman, said that a very substantial part of the cost of operating the UJA was the employment

of personnel and field staff, and that not too large a part was paid for promotional publicity.

MR. LEVY continued to say that the greater expenses were justified by the greater results.

MR. DAVIES interrupted to say that he wanted to adjourn at 1:00 o'clock, that he wanted to hear from all groups. Addressing himself to Mr. Levy, he said: you have been fair in elaborating on the point of view of other agencies, but don't you think that that might well be left to them? I would suggest that you tell me what it is that your agency has to say for itself.

MR. DAVIES asked Mr. Levy whether he believed that with three separate appeals more money in total would actually be raised.

MR. LEVY's reply was yes. He realized, however, that there were also greater values than money. The JDC needs the money, but, just because it needs the money so urgently, it had to take the position that it wanted the same division of funds as last year. At the present time we feel we would be recreant to the needs of the Jews of Europe if we accepted 60%.

MR. TAFT inquired how much money had already been spent by the separate campaigns. How much of what was being talked about was a fait accompli?

MR. HYMAN said that it is a fait accompli; that a great part of the expenditure had already been incurred and most of the communities were already far advanced in their campaigns.

MR. TAFT asked how many of the 265 welfare funds had actually made allocations already.

MR. HYMAN replied about two dozen.

Referring to a further question of MR. TAFT as to why it seemed impossible for the agencies to be together, MR. LEVY said that nothing stands in our way except the amount of dollars. It was probably true that more money might be raised by the three separate campaigns but, as far as he was concerned, perhaps that might be sacrificed for unity.

DR. SHOHAN, speaking for the UPA, said that he would like to clarify some of the points that he had raised. Appeals are going forward in the local communities in substantially the same way as last year. Laymen like myself were visiting communities to aid in fund-raising and, as a matter of fact, were speaking of the needs of both the JDC and the UPA as they had previously. The only tension that might possibly exist was when the subject of allocations was actually raised in each community. He referred to a meeting he had attended the previous night in Trenton, New Jersey, at which there was an increase in giving of approximately 100%, which indicated that communities generally were going forward regardless of the dissolution. As far as he could see, there was no great difference in the type of appeals being made this year as compared with the last year.

MR. DAVIES asked whether this year there was any more emphasis on the political aspect.

DR. SHOHAN replied that controversies are left out of fund-raising procedures. Everyone realized that, when funds are to be raised, the emphasis must

be placed on the factors that are non-controversial. He had found in the communities that he had visited no unusually great ferment to give. He did not believe that the effects of the dissolution had been tremendous at all. He would not enter into the history of negotiations between the JDC and the UPA; these were a matter of record. The UPA and the JDC, he said, separated because of different views whose emphasis was on money. If the UPA had received parity, the question would have been settled at once. The UPA had offered to submit the problem between the agencies, which are not competitive but collaborative, to complete and full arbitration by people who are neutral.

MR. DAVIES interjected: Is money, then, the only question at issue?

DR. SHOHAN replied: Precisely, sir. The UPA at the very beginning of the negotiations suggested that the three neutrals of the 1944 Allotment Committee should be called upon to resolve the differences between the agencies. That is the essence of the solution on the part of the UPA. The UPA has full trust in the judgment of the communities and of their leaders, and is willing to submit the matter to their decision.

MR. TAFT said that JIM HELLER was quoted as saying that the UPA was prevented by the UJA from presenting its story 100% and that, therefore, the UPA felt that it could not continue in the UJA. Is that the position of the UPA?

DR. SHOHAN replied that, when two groups disagree, their areas of disagreement have a very wide ground, and it was quite possible that during long discussions many things might be said. He did not think, however, that the quotation attributed to Dr. Heller was in any way relevant to the present discussion, particularly since it involved an excerpt from an alleged statement made on the basis of months of protracted negotiations.

Insofar as the UPA is concerned, its case is in the record. It need not amplify it at this time. The UPA certainly is agreeable to the reconstitution of the UJA and is prepared to submit its case to full and unconditional arbitration.

MR. TAFT asked: What if there isn't enough money to satisfy the needs of both agencies?

DR. SHOHAN replied that the Allotment Committee had faced the very same problem last year but had seemed to be able to deal with the situation. In fact, the decision of the Allotment Committee favored the UPA.

MR. MONTOR amplified Dr. Shohan's statement by pointing out that last January the UPA had proposed that all funds of a 1945 UJA be submitted to an allotment committee for distribution. Subsequently the UPA had offered to submit its case to full arbitration. Therefore, insofar as the UPA was concerned, it was prepared to leave its case to the judgment of others than itself.

MR. TAFT asked what the differences were between the organizations in terms of money.

DR. SHOHAN replied that the JDC started with a formula of 60-40, and the UPA 50-50, and that that was the area of disagreement.

MR. TAFT asked what was the goal for 1945. That, of course, had not been agreed upon. HE asked how much was likely to be raised in 1945. MESSRS. SHOHAN and LEVY thought it would be about \$40,000,000.

MR. TAFT said that \$4,000,000 was the difference that is separating the two organizations.

MR. HOLLANDER interjected to say that that was not the amount; that it would be less than that.

After some further brief discussion of the amounts involved, MR. HOLLANDER made a statement as President of the Council of Jewish Federations and Welfare Funds, which he said might be compared in the general field to Community Chests and Councils. The Council of Federations has 268-member agencies. These member agencies would be gratified if this Board insisted on arbitration and on the reconstitution of the UJA. What is involved between the agencies is purely a matter of agency prestige and not of money. The block arises out of personal antagonisms which were the development of protracted negotiations.

MR. HOLLANDER then described the procedures by which the Allotment Committee of the UJA used to function. Actually it made no difference what the original ratio for either organization was. This could be created by the Allotment Committee which had sufficient power and resources to make adjustments. The stumbling block which wrecked the situation is on the question of initial ratios which had to be determined by the agencies in face-to-face discussion, and without the participation of outsiders. The negotiations between these two agencies became more and more antagonistic and violent. I pointed out to them that the original allocation was meaningless; that the Allotment Committee had sufficient room to correct inequities. But the original division at the start stuck out as a shibboleth. All that these agencies were concerned about was their prestige in the communities. Both of them lost sight of the fact that the original ratio would be thrown out by the action of the Allotment Committee. Both of these groups were determined in their attitudes by agency prestige. Insofar as costs are concerned you have heard a lot of sanctimonious speeches. They haven't begun to tell you the real facts of the money being thrown away. Both of these agencies are sending their field representatives into the communities to stir up agitation and violent controversy. The communities are terrified. The hostilities, which these two agencies are developing, are breaking communities apart. Turning to the members of the Board, MR. HOLLANDER said: You can do no greater service to the Jews of this country than by not allowing this ridiculous competition and disgraceful action to continue. The performances, in which they are engaged, are shameful. I am told that agencies, in the desire to obtain fieldmen, have doubled salaries and have sent these men into the communities for the purpose of stirring up the most violent controversies.

MR. ROSENWALD said that in January an agreement had been reached on the position of the National Refugee Service in relation to the UJA. The NRS deplored the dissolution.

MR. TAFT asked Mr. Rosenwald what the NRS campaign expenses would be apart from the normal overhead.

MR. ROSENWALD said that, in order to get a fund-raising staff, it had to take people from its functional staff. It had an appropriation of \$57,500 in addition to its normal appropriations in order to conduct its campaign, with an authorization to spend more if it were required.

MR. TAFT asked Dr. Shohan how much the UJA expenses would be. DR. SHOCHAN replied about \$600,000.

As MR. DAVIES prepared to adjourn the meeting at 1:00 o'clock, as he had

originally announced, MR. LEVY said that he wanted a chance at a brief statement for one minute. He was not interested in what might develop into a personal altercation, but he wanted to express his resentment at the speech of Mr. Hollander. He believed that any reflection on the integrity and on the sincerity of those who had represented the JDC and the UPA in the negotiations or in the current campaign was most unjust and most uncalled for, and had no place at this meeting. I give my time and my effort as a layman to the cause in whose service I am enlisted. I think I can fairly say that the effort I contribute is much more than Mr. Hollander gives to any Jewish cause.

MR. DAVIES, in great impatience, said to Mr. Levy that he had taken three minutes instead of one, which he had asked for. MR. DAVIES said that he was impelled to quote from the late President Wilson: that "great causes are more often hurt by the conflict of personalities than by differences of principles."

Already, MR. DAVIES continued, there was a reflection in the American community on Jews, because they had not joined the War Fund. We in the W.R.C.B. had felt you ought to join the War Fund. When you declined to do so, we thought that you were a high-minded group who could be relied upon to take care of your own problems; but now we find an entirely ^{different} situation. It is up to you to avoid this scandalous situation and to get together.

MR. LEVY attempted to add to his remarks with regard to Mr. Hollander, and MR. DAVIES very emphatically interrupted him and said: Now listen, Mr. Levy, I think that what Mr. Hollander said he had a right to say. I am sure that he spoke with full sincerity, and from his point of view he was correct whether you agree with him or not. I can understand the statement also which you made.

This Board will do anything we can to cooperate with you, but we are placing the responsibility on you to remedy the situation. It may not be scandalous yet, but it might become so. I am sure that, if charges are hurled about in this room, it must also be true throughout the country; and we are determined to prevent such a situation from developing.

MR. WARREN said that it would be unfortunate to the Jews in the United States if you people should not get together -- I mean the publicity that would result among the American people because of your actions. I think that all of us on the Board are now familiar with the broad outlines of the situation. I doubt the necessity of a further hearing.

MR. LEVY said: I certainly want time to discuss what Dr. Shohan has said, because I did not in my remarks deal at all with the question of the negotiations and the offers made during that time.

MR. DAVIES interrupted Mr. Levy to say: Please let Mr. Warren continue his remarks.

MR. WARREN continued that, insofar as the details of a consolidation of the agencies were concerned, he did not think that the Board could give much time to that.

MR. TAFT thought that it would be helpful if each agency would indicate what it is authorized to say in regard to arbitration of the differences. MR. DAVIES thought that Mr. Taft's suggestion was excellent. He ordered the groups to return at 3:00 o'clock and recommended that the agencies get together for

lunch and come back with some common view; but, in any event, to come back at 3:00 o'clock with a written statement of what they were prepared to do. I suggest in the meantime you cool off and get together and reestablish a situation that was excellent before. We will hear you if you wish, but no useful purpose is to be served in recriminations. The only fact that we are concerned with is that they shall be united. And on this he pounded his fist on the table. Now go to lunch together.

MR. HYMAN said that he had to take exception to most of what Mr. Hollander had said.

MR. DAVIES observed that you cannot get anywhere by not being tolerant and making concessions.

MR. TAFT said that this Board has had to get tough on only two cases out of thirty-eight. We might have to take fund-raising licenses away from all of you.

MR. LEVY observed that perhaps that was a good idea.

The session adjourned at 1:15 P.M.



II.

The session resumed at 3 o'clock. The agency representatives had not had lunch together.

MR. WARREN said that Mr. Davies had just come out of the hospital after being there for three weeks; that he was ordered by his doctors to spend only a certain time in his office on his routine work and therefore he could not be at the meeting for the afternoon session.

MR. TAFT took over the chair.

MR. HOLLANDER opened the meeting by saying that one of the men had told him during the luncheon interval that the remarks which I had made had been directed toward him. Mr. Hollander said that what I had reported was factual evidence and was not directed at any individual. He did not feel that any one person was responsible.

MR. TAFT said that as far as the Board is concerned, it has no knowledge of the negotiations and therefore knows nothing of any personal references. MR. LEVY said that the least that a man could do under the provocation that had been given was to express his resentment.

MR. WARREN asked who first determined the ratio of 60-40. MR. LEVY said that he would answer, but MR. TAFT interjected that everybody should be heard during the afternoon. But what he was concerned with was the basic issue of re-establishing the United Jewish Appeal.

At this point, Dr. Shohan handed up to the Chairman a statement of the U.P.A. position and Mr. Leavitt submitted one for the J.D.C. The U.P.A. statement was subsequently read by Dr. Shohan. The J.D.C. statement, which was never read, was a reiteration of the four points which the J.D.C. had previously submitted to the Inter-City Committee involving a renewal of the 1944 agreement --42-58 on \$25,000,000, the New York City 43-57 formula and 60-40 on the \$17,500,000.

MR. TAFT said that what disturbed the Board is the development of any kind of controversy, local or national, in addition to what seems to us a waste of \$1,000,000.

MR. LEVY said that he wanted to present the background of the situation. This was not an ordinary commercial enterprise. It has a deep historical background. The J.D.C. is a non-political organization engaged solely in the work of relief and rehabilitation of the Jews of Europe. Its non-political character is of the utmost importance. It operates in all countries and with the cooperation of governments. Its work can be compared with the Red Cross. It knows no nationalistic boundary lines, although most of its work is done for Jews.

The U.P.A. represents the functioning Palestine agencies. The U.P.A. is no less concerned about saving Jewish lives than the J.D.C., but it is a fundamental postulate with them that more Jewish lives can be saved by establishing a national commonwealth in Palestine. So without answering any charge, we attribute to the U.P.A. the same sincerity regarding interest in the Jews of Europe. The position of

the J.D.C. is that it must resort to all Jews for J.D.C. support. Among the most active supporters of the J.D.C. are Zionists.

MR. TAFT interjected that so long as such an objective, political in character, is not identified with relief operations for which an agency is raising money, the War Relief Control Board cannot interfere. But the Board definitely objects to the intermingling of relief, fund-raising and political propaganda. The Board had had occasion to take up that subject with the U.P.A. last year. It had come to an agreement with the U.P.A. about identifying some \$250,000 to be spent for work which the U.P.A. thought was important to its program. This was done with some doubt by the Board as to the wisdom of its action. In a number of other cases, the Board had wanted the two types of activity completely separated. The question to the Board now is: To what extent the views of the U.P.A. are part of the appeal made to contributors to give to the campaign.

MR. LEVY continued that the U.P.A. represents a function; the J.D.C. represents a function. This year the differences between us are intensified. The White Paper is running out. There is a question as to the future of Palestine and the U.P.A. is anxious to present its case in a more intensive form than ever before. We have left in Europe 1,000,000, perhaps 1,500,000 Jews. I will not dilate on their needs. We of the J.D.C. are the mouthpieces of these Jews. It is our duty to get as much money as possible for them. It is our duty, but we were prepared to consider other factors. Our financial conditions enter into the negotiations. I think it is important to keep this in mind in view of the U.P.A. proposals for arbitration, since we have to point out why our arbitration is not acceptable.

Through Mr. Paul Baerwald, the J.D.C. entered into an arrangement with two banks for a credit of \$6,000,000 on which we have already borrowed \$5,000,000 to date. We have a deficit from last year's activities of several millions of dollars. We don't have a penny of assets. We have no land and we have no water development companies, such as the U.P.A. has. That is why we have to know now where we stand. The only safe machinery for us is a stated, stipulated amount in terms of percentage of the money.

MR. TAFT asked whether \$20,000,000 would be enough. Mr. LEVY said no. MR. TAFT asked whether \$24,000,000 would do it. MR. LEVY again said no. We will need more and much more. Then we will be in the hole. Our deficit now, he continued, is \$4,000,000. We are spending at the rate of \$32,000,000 to \$33,000,000.

MR. TAFT asked to what extent do your deficits arise from guarantees in Switzerland. MR. LEVY said that they certainly did not contribute to the deficit and were not taken into account.

MR. LEAVITT said that actually the funds referred to by Mr. Taft had not yet been committed for expenditure.

MR. TAFT said: "I thought you had a large amount on deposit in Switzerland." Mr. LEAVITT said that that amount is included in the deficit. We have a substantial sum on deposit in Switzerland, but we have not included this in appropriations.

There was subsequently a rather lengthy exchange between Messrs. Leavitt, Levy and Taft on the subject of the Swiss money, (See page 11a)

MR. LEVY continued that there was another feature of the negotiations involving the Jewish National Fund. The JNF was one of two constituent agencies of the U.P.A. The National Fund had certain traditional collections. These traditional collections had gotten up to \$1,400,000. The J.D.C. felt that the J.N.F. had overstepped the bounds of permissible license. In 1944 the J.D.C. had agreed to compromise on a ceiling of \$1,100,000, with an amount of \$600,000 to equalize this for the J.D.C.

Finally, the negotiations eventuated, said Mr. Levy, in a meeting at Cincinnati in response to a telegram from Sidney Hollander. The two agencies met with a committee appointed by Mr. Shroder. Following these negotiations, Mr. Shroder had reported to the Board of Directors of the Council on the recommendations it had made to the two groups.

MR. LEVY then read from the Shroder report that passage in which Mr. Shroder quoted the UPA as saying that a United Jewish Appeal prevented them from making 100% use of their campaign story.

DR. SHOHAN interrupted to say that in all fairness to both sides, the programs and aspirations of each agency should be described by the representative of each agency.

MR. LEVY said that the whole situation was such that it was hard for outsiders to understand unless the full background were given. Dr. SHOHAN continued that he believed that the UPA has the capacity and intelligence to state its own case.

MR. LEVY again referred to the recommendation made by the Shroder-appointed committee in Cincinnati. Mr. Levy tried to say this several times, but Mr. Taft interrupted him each time to say that he was not interested in what Mr. Shroder had said or what had been done in Cincinnati. All he wanted to hear was what was the position of the J.D.C. What was its position now in regard to a United Jewish Appeal.

MR. LEVY continued that the group in Cincinnati had recommended that \$17,500,000 be allotted initially on the basis of 60% to the JDC and 40% to the UPA, with a ceiling of \$1,100,000 for the JNF and with the JDC to give up its \$600,000 equalizing amount. The JDC had accepted this recommendation, but the UPA said that they would submit this to their Executive Committee. Their Executive Committee turned it down. Following that, the JDC received a telegram from Mr. Hollander asking the JDC to arbitrate. The JDC agreed to arbitrate the unresolved differences and we have set forth those unresolved differences in the

with Mr. Taft saying that all that he was trying to get at was whether the amount of the deficit referred to by Mr. Levy included the amount on deposit in Switzerland. After some exchanges, Mr. TAFT said he was sorry to have raised the question.

MR. LEVY, continuing his statement of the so-called historic background, said that last November he had written a letter to Joseph C. Hyman explaining the attitude of the JDC to a 1945 United Jewish Appeal. He had felt that this was a year in which the Jews should unite and should not bargain. Therefore we asked for the same division as in 1944.

In 1939 the division for the JDC was 66.7; in 1940, 67.7; 1941, 62.9; 1942, 63.7; 1943, 63.7; 1944, 60% of the initial division. Thus, we have been going continuously downward, but we were prepared to start at the lowest point.

MR. WARREN asked who fixed the percentage of 60-40. MR. LEVY replied: "By agreement".



statement just submitted to you. The differences have been so narrowed that as far as the protection of our program and of the UPA program is concerned, we felt entirely satisfied to go to arbitration.

MR. TAFT said you were willing to start with an initial allotment of \$17,500,000 in Cincinnati. Has there been any change in your position since then? MR. LEVY said since then the JDC had made other offers but he was informed that the UPA had even refused to listen to these offers as submitted to the Inter-City Committee. The JDC, he continued, will take 58% of the first \$25,000,000, or the New York City formula, or the over-all results of last year's distribution being made up of the initial distribution and the actions of the Allotment Committee which he said was approximately 58%. In New York City they gave us 57%, plus \$275,000 for collections from Landsmannschaften which we have never had before. The JNF had been cut down to a ceiling of \$300,000. MR. TAFT said but the Landsmannschaften does not exist in the rest of the country. Was there any further modification in the JDC position. MR. TAFT said that he did not think there was anything involved for arbitration.

MR. HOLLANDER asked what percentage of the money raised in the country was obtained in New York City. MR. LEVY estimated one-third. MR. MONTOR remarked about 27%, or less.

As MR. LEVY continued in an attempt to state the UPA's position in the negotiations, MR. TAFT insisted that MR. LEVY should let the UPA state its own position. But Mr. Levy declared that he would have to say why the JDC cannot accept the UPA proposal for arbitration and why the JDC insists on arbitration on the unresolved differences. He was stopped from going further by Mr. Taft.

DR. SHOHAN said that he had followed the instructions of the Chair and had prepared a statement for submission which he read as follows:

"THE UNITED PALESTINE APPEAL OFFERS TO REUNITE WITH THE JOINT DISTRIBUTION COMMITTEE INTO A UNITED JEWISH APPEAL, ALL TERMS AND PROVISIONS OF SUCH A RECONSTITUTION AND ALL ASPECTS OF PERFORMANCE THEREUNDER TO BE ARBITRATED BY A COMMITTEE OF ARBITRATION MUTUALLY ACCEPTABLE TO JOINT DISTRIBUTION COMMITTEE AND UNITED PALESTINE APPEAL."

DR. SHOHAN continued: "If we went back into history, we would find that many proposals had been made and rejected. At this particular time it seems to us that the proposition which the UPA has made for full arbitration is virtually the only one that can meet with satisfactory results for both sides. If we should discuss here the merits of the cases, each side would undoubtedly point to the rejection by the other side of proposals it had made. No purpose would be served by such rehearsals. We of the UPA have complete faith in the integrity and the judgment of the public which supports both agencies.

"This offer of arbitration is unreserved. It is without any strings. It is total and unreserved. We are willing to abide by all decisions". (This referred to an observation that had been made earlier by Mr. Hollander who, during a castigation of both the JDC and the UPA, had said that when the UPA proposed arbitration it had tied a string to it by insisting that there should be an initial distribution of funds on an equality basis, whereas the JDC had attached a string to its offer of arbitration by insisting that it would have to be on the basis of unresolved differences.)

We of the UPA, said Dr. Shohan, yield to no Jewish group in existence in our loyalty to our European brethren. The beneficiaries of the two agencies are the very same people. In our opinion, we felt that in justice to these European Jews and their ultimate survival a division of funds on a 50-50 basis was just and equitable. We feel that very keenly--just as keenly--as Mr. Levy feels that a 60-40 distribution is equitable. We ask for 50-50 because we think it is equitable. Naturally, if we went before arbitration we would seek to persuade the arbitrators of our 50-50 position and in the same way the JDC would seek to persuade the arbitrators of their position. That arbitration committee would then have to decide the issue on the merits and on the examination of the budgets.

MR. TAFT asked Dr. Shohan whether the JDC report is correct--that the UPA proposed an unequal division at an earlier date (referring to a 42-58 proposal).

MR. TAFT then quoted Mr. Hollander at length on the operations of the Allocations Committee. He did not see how it could make any difference to the UPA what its original ratio was. If it was true, as had been said, that the Allocations Committee had full power to make a decision on distribution, it would make no difference what the original amount or original percentage was. He wanted to make clear that the heat was not being applied to only the UPA, but to both agencies. What difference did it make to the JDC as to what it got originally if a sufficient amount was left in the hands of the Allotment Committee to enable it to get justice at the hands of an Allotment Committee.

MR. MONTOR interjected that Mr. Hollander had been inaccurate in reporting the UPA offer on arbitration. There was a slight alteration as to whether Mr. Montor should continue with his explanation. Mr. Montor said that in January the UPA had proposed that the full amount raised in 1945 should go to an Allotment Committee but that an initial drawing account should be established on a 50-50 basis. The purpose of that was to eliminate the argument that had consistently been made by the JDC that the initial ratios agreed upon between the agencies should have a determining influence on the Allocations Committee.

MR. TAFT then said that apparently that was not true because during the years the Allocations Committee, according to Mr. Hollander, did ignore the initial ratios. Certainly that seemed to be true in 1944. MR. MONTOR declared that with the exception of 1944 the ratios had been more or less uniform.

MR. TAFT again asked whether it was true that the UPA had been willing to accept 42-58. What had changed the picture?

MR. MONTOR said that during negotiations people made various offers in an attempt to arrive at a solution of their differences. The UPA had made its very last offer. It had been driven to the wall. It was certainly unfair now that the negotiations had been ended to say that the reopening should be based on the position to which the UPA had been pressed and that the wall against which it was standing should be pushed further back so that it could be pressed further back in its position. MR. TAFT said that he could understand that.

MR. HYMAN said that the fear of our UPA friends is that an Allocations Committee will be governed by the initial ratios, but the JDC has already agreed that the language of the agreement shall very clearly indicate the absolute power of the Allocations Committee.

DR. SHOHAN asked who then will settle the initial percentages?

MR. TAFT said either you people will decide it or we will settle it for you.

MR. LEVY said that the JDC is paying out money at the rate of \$2,000,000 a month and therefore they would have to have a definite assurance of what money they could rely upon. MR. TAFT said: "I thought your presentation on that point was weak."

MR. LEVY said: "We operate from day to day. Budgets don't mean anything. If we get a call to save Jews in a concentration camp, we send \$400,000 at once without thought of budgets."

MR. TAFT said that the chance you take is a very small one. You say that you are willing to arbitrate. The area of difference between you is about 8%. Inasmuch as the UPA has agreed that you are to get 50% of the money, you are assured of \$20,000,000 anyway, so what can you lose if you leave the decision in the hands of the Allotment Committee? As far as the first part of the year is concerned, you don't have anything to worry about, because you are guaranteed enough money with which to operate.

MR. LEVY again said it is a question of what the JDC is assured of for its year's operation.

DR. SHOHAN, in response to a question from Mr. Taft, said that the UPA position is that we place our entire case and all our requirements in the hands of neutral arbitrators.

Mr. LEAVITT referred to the proposal for arbitration submitted by the UPA and said one of the issues we cannot arbitrate is whether the JDC is to become a political organization. We told the UPA that they could publicize our story through their own organization. But the proposal that has now been submitted by the UPA is very broad. The word "performance" is used. That means publicity would also be controlled by the decision of neutral arbitration. The JDC cannot get itself into a political organization by being tied up with an agency which is identified with its political propaganda. Certain things we cannot arbitrate. We can arbitrate money, but we cannot arbitrate whether we shall become a partner in a political organization.

MR. TAFT asked whether there were any other provisions in the United Jewish Appeal contract to which the UPA objected.

DR. SHOHAN said that the word "political" is being used here as a smear word. It had no relevancy to the discussion. Didn't a neutral arbitration committee recognize the points of view raised by each of us on any subject of discussion?

MR. TAFT said that it would be difficult to get arbitration on each item.

DR. SHOHAN said I don't think that any of these matters is a matter which cannot be resolved by arbitration. As far as we are concerned, money is the major thing. Everything else is minor.

MR. TAFT said this other question disturbs us very greatly: the injection of the political issue. We don't like to get into a borderline question like this. Our feeling is that fund-raising for relief purposes should not be mixed up with any political propaganda.

DR. SHOHAN said if the UPA had agreed to 60-40 no questions would have been raised by the JDC on the question of politics. If the UPA had obtained its demand for 50-50, this discussion would have been irrelevant. Insofar as arbitration was concerned, we could deal with the subject of money and the other matters could be left to year-round contact.

MR. HYMAN said in the last twenty-five years the Jews had always showed in times of emergency an infinitely larger measure of concern for immediate relief and rescue than for Palestine. No debate on that would alter the record. This year our friends of Palestine want to change it. They say it is because Palestine, politically, requires it. Is it not a fact that there is more need for food and assistance in Europe than there is in Palestine for this calendar year. Let there be a candid examination of the needs. Perhaps there might be a different point of view if hundreds of thousands of Jews could be brought into Palestine. But we know that a hundred thousand Jews will not go into Palestine in 1945.

MR. TAFT asked whether the agencies could agree on an Allocations Committee to divide the balance after an initial ratio had been agreed upon. MR. HOLLANDER interjected that, of course, they could. MR. LEVY said that the agencies had agreed in the past, but it has not been satisfactory. They have not taken into account the needs by the bookkeeping figures as submitted to the Allocations Committee. That Allocations Committee has usually consisted of Zionists or those under Zionist influence. We have taken the position that we will not question the Zionist program and we have been at a disadvantage. The bookkeeping figures, as submitted, mean that in Palestine they adopt a budget for the Jewish year and that is presented to the Allocations Committee at the end of our calendar year as though it were a budget actually in operation and the decisions of the Allotment Committee are based on that type of figuring.

MR. TAFT said: "I doubt whether you could get an Allotment Committee."

MR. HOLLANDER said that if you give the Allotment Committee real power to distribute the funds and do not hamstring them, they will certainly be able to act. MR. TAFT said that on that basis the Allocations Committee could actually be given the power to decide the total of what each agency should receive.

MR. LEVY said there was one more thing that needed to be considered on the subject of whether an Allotment Committee could be selected. He felt it was unfair to the JDC that there should be injected before the Allotment Committee an entirely extraneous issue. This 50-50 demand of the UPA incorporates a certain political view. They say they need this money because it is a reflection of the political status of Palestine. This we cannot agree to.

MR. TAFT, addressing himself to MR. LEVY, declared that what you say now is irrelevant to the issue. You keep on repeating the same thing. If the Allotment Committee has full power to act it makes no difference what argument anyone makes, its decisions will be based on the merits.

As far as the Board is concerned, MR. TAFT said, it can do one of several things. One, it could fix the initial amount of distribution between the two agencies at say \$17,500,000 or \$25,000,000. That would assume that the two agencies can agree to an Allocations Committee. Two, we could ask you to nominate people on both sides and they chose an impartial Chairman to make a decision with regard to the whole matter.

MR. HOLLANDER said that in his opinion it would be eminently desirable to have a quarterly review of the expenditures of the agencies as was the case in the National War Fund. MR. TAFT agreed that a quarterly review would be a desirable procedure. MR. LEAVITT said that MR. HOLLANDER apparently does not understand what has happened in the last six years. The best way to kill off the staff of both agencies was to insist that there be a quarterly review with all the backbreaking work that was involved. MR. TAFT observed that it was true that the staff of the National War Fund was working a little harder.

MR. LURIE said that the problem is that the United Jewish Appeal is constituted for only one year. By the time the Allotment Committee gets to work it is the end of the year and thus the Allotment Committee acts not on budgets but on accumulated deficits. MR. WARREN said he understood that this Allotment Committee system has been going on for six years. Mr. Montor tells us that the United Palestine Appeal accepted these initial ratios year after year with great dissatisfaction under pressure but nevertheless it did accept these initial ratios. What conditions have arisen that make it impossible for the UPA to accept in 1945 the ratio which it accepted in 1944. The UPA was apparently even willing to accept 42% previously. Why was it now insisting on 50-50? What conditions now exist requiring the revision of the ratios?

MR. MONTOR said that the Jews of Europe insist that the experience which they have undergone during the past decade or more makes it indispensable for them to leave Europe as quickly as possible and to be settled in Palestine. They want to know that their chaos and insecurity are finally going to be replaced by freedom and security. They feel that they have no further future in Europe. To meet that situation the UPA is impelled to act with unprecedented speed in moving Jews out of Europe now and in laying the foundations so that tens of thousands and hundreds of thousands of other Jews in Europe can be transferred to Palestine as quickly as possible. That is why the UPA feels that emphasis on an entirely new scale must be placed on the work of going forward with the building of the Jewish Homeland in Palestine.

MR. TAFT asked how it was possible for an agency in these days of manpower shortage to spend so much money in the current year. The UPA had

received \$11,000,000 from the United States in 1944. In 1945, \$40,000,000 was to be raised and the UPA was asking for \$20,000,000 since it was demanding 50%. How could the Agency increase its expenditures from \$11,000,000 to \$20,000,000? DR. SHOHAN said that the expenditures in Palestine would be greater than \$20,000,000. We believe that we will more closely approach our budgets in 1945 if we obtain \$20,000,000 rather than \$16,000,000. It means that our deficit will be less. We certainly do not want to increase our deficits in this year.

MR. TAFT said that he felt that the needs of the people in Europe were greater than in Palestine. That was a personal expression on his part.

DR. SHOHAN said that he would like to correct the idea that arbitration would have to start from any point. After all, it was possible for the arbitrators with full power to make any decision they wished so there need be no fear on the part of the JDC as to what it might expect or to the advantage which might accrue to the UPA. MR. TAFT said that he did not agree with DR. SHOHAN, that it was customary for arbitration always to start from the two points of the demand of each of competing groups.

DR. SHOHAN said that the whole discussion of the relative merits of the agencies could not be disposed of here today. We can put the arguments before the neutrals or we can continue these partisan or as each of us might think, objective statements. In his view the only sensible arrangement was to submit the matter to arbitrators who could listen to all the facts and come to a decision based on all the facts.

MR. HOLLANDER said that he had a specific recommendation to make. That the Board should designate an arbitrator to divide the first money. MR. HOLLANDER said that the Board should also put the responsibility on the two groups to force them to select an Allocation Committee. MR. LEVY said that there were a number of other facts in the situation which he wanted to discuss. MR. TAFT replied that the issues had been clearly explored and that no purpose was served by further discussion. MR. LEVY said that I think you ought to listen to this. We have always agreed, the UPA and the JDC, that the initial distribution of UJA money has an effect on the campaign. The amount of the initial division is an index to the communities of what the agencies require to begin with. It was very helpful in 1944 when, instead of dividing \$9,000,000 to start with, the sum was raised to \$14,000,000.

As to the selection of an Allotment Committee, much more thought would have to be given to that because necessarily we would have the Zionist point of view always totally represented. Such things as Mr. Montor said would be injected into the discussion before an Allotment Committee. MR. TAFT said that he thought Mr. Montor's statement on the attitude of the Jews of Europe toward Palestine was a proper point of view to present to an Allotment Committee.

MR. LURIE said that there are a number of local factors which must be taken into account. That is the sympathy which these two organizations command among respective groups in the communities.

MR. TAFT said that he would like to know the financial position of the Jewish Agency and of the other agencies. When MR. MONTOR offered to discuss the matter, MR. TAFT said that MR. BRUNOT could get the figures from MESSRS. HYMAN and MONTOR.

MR. LEVY said that he wanted to call attention to the fact that the JDC was without any money while the UPA had land and investments, that the JDC has no resources whatever. MR. TAFT said that if these projects of the UPA had been approved and had been carried on then certainly no objection could be had to what use had been made of the money as long as the money was spent. It was proper, therefore, for the UPA to spend the money in accordance with its program.

MR. WARREN said that he wanted to make a concluding statement. When this War Relief Control Board was constituted by President Roosevelt it was with the desire that there should be a coordination of fund-raising activities and not a diffusion of effort. There has got to be, he pounded, a united appeal. If you cannot agree between yourselves, we shall have to do what we did with the Italians, that is, set up our own form of appeal. We cannot tolerate three campaigns. He would also like to know what would be the effect on the non-Jewish contributors of your inability to get together. I do not care how you do it but I am immensely concerned with President Roosevelt's desire that there must be a union of appeals to carry out the purposes of the war.

MR. TAFT said that we cannot permit the waste of \$1,000,000. MR. LURIE said that the Board would also have to take into consideration the fact that the agencies of the UJA were not the only ones in the American scene. There were a number of other Jewish agencies raising funds totalling \$10,000,000. Perhaps they also ought to be taken into consideration. MR. TAFT remarked that a large part of these agencies were completely outside the jurisdiction of the War Relief Control Board. There was nothing that the Board could do about them. He doubted whether those agencies which were within the jurisdiction of the Board raised more than half a million dollars total.

MR. HYMAN terminating the meeting, said that he wanted to express what he was sure was the attitude of the JDC, the UPA and the NRS, of appreciation of the courtesy and patience of the members of the Board. DR. SHOHLN seconded. The meeting adjourned at 5 p.m.

CONFIDENTIAL

MINUTES OF A MEETING OF THE CAMPAIGN OFFICE COMMITTEE OF THE
UNITED PALESTINE APPEAL
MONDAY, JUNE 25, 1945, 4:00 P.M., AT THE OFFICE OF THE U. P. A.
41 EAST 42ND STREET, NEW YORK CITY

PRESENT: Herman L. Weisman, presiding, Samuel Blitz, Mendel Fisher,
Joel Gross, Henry Montor, Bernard A. Rosenblatt, Morris Rothenberg,
Jacob B. Shohan, Rudolf G. Sonneborn, Meyer W. Weisgal

Sidney Green, Eliezer Kaplan, Harry Seeve, George Stefansky

UNITED JEWISH APPEAL AGREEMENT

Mr. Montor reported on the events that had transpired since the last meeting of the Campaign Office Committee. He referred to the principal provisions of the Preliminary Memorandum of Agreement forming the UJA. There were two items outstanding: one having to do with the reimbursement by the UJA of expenses incurred by the JDC, UPA and NRS in their separate campaigns; and the other referring to a definition of the ceiling of the Jewish National Fund. With respect to the definition of the ceiling, this is to be submitted to arbitration. The question involved was whether the campaign costs of the JNF are to be included within or excluded from the ceiling. The question had also arisen in 1944, but had not been disposed of. Whatever decision would be made for 1944 would also apply to 1945.

Mr. Montor reported that the UPA had submitted a detailed list of expenditures incurred by the UPA in the course of its independent campaign. This amounted to about \$235,000 for the period from February 15th through May 31st. The JDC list involved approximately \$225,000.

There was some discussion of names which could be submitted for an arbitrator to decide on the question of the ceiling of the JNF.

MEETINGS AT DETROIT

Mr. Montor reported on two meetings that had been held over the weekend at Detroit. One had been called by the Inter-City Committee and the other was a meeting of the Board of Directors of the Council of Jewish Federations and Welfare Funds. The Inter-City Committee had been formed at the time of the dissolution of the UJA in order to conduct a fact-finding study for the purpose of recommending ratios of distribution of funds to the participating cities.

Mr. Montor reported that the fact-finding committee of the "Provisional Committee of Inter-Welfare Fund Cooperation" had conducted hearings at Detroit with representatives of the agencies in the United

Jewish Appeal. Dr. Martin Rosenbluth and Mr. Sidney Green had represented the UPA at these hearings. The report had come to Mr. Montor that Dr. Rosenbluth had handled himself extremely well and had rendered a splendid service to the UPA by the thoroughness with which he had answered all questions and presented a general account of the Palestine situation.

One of the actions of the Inter-City Committee was to adopt a resolution asking for the revision of the United Jewish Appeal to include other agencies and to give major representation to the Welfare Funds (Appendix A).

Mr. Montor also reported that at a meeting of the Board of Directors of the Council a vote was taken on the views of the Board on National Budgeting. By a vote of 11 to 4 the Board voted to express approval of National Budgeting and to submit the question in a national referendum to the member agencies of the Council of Jewish Federations and Welfare Funds, the referendum to be completed by November, 1945.

Discussion was given to the action which the UPA might wish to take with respect to both issues.

Mr. Fisher suggested that a national committee ought to be formed to combat National Budgeting; that the JDC ought to be asked to join with the UPA in such action and that, in any event, the opposition to National Budgeting should be conducted through a national committee with the UPA giving its help.

Mr. Gross urged that there be the utmost cooperation with the JDC in meeting the problem. He did not feel that the UPA should take any definitive action without first exploring the whole field with the JDC. He recalled a discussion which he had had with some of the officers of the JDC who had indicated that they would be prepared to join with the UPA in resisting National Budgeting.

The Chairman stated that it was the consensus of the Campaign Office Committee that it was advisable that a national committee, composed of as many groups as possible, should be formed to fight National Budgeting and that the cooperation of the JDC should first be sought.

UJA ADMINISTRATIVE COMMITTEE

The Chairman pointed out that the agreement constituting the UJA for 1945 provided for the selection of an Administrative Committee of ten members, five of them chosen by the UPA and five by the JDC. There were also to be five alternates for each group. The aim of this provision was to withdraw from the National Refugee Service a controlling interest which it had exercised in the administration of the UJA. In his view, the UPA representatives on this Administrative Committee should be men who could be helpful in the campaigns of the UJA, who were familiar with campaign problems and who would be prepared to devote time to their duties. He felt that it was essential that men appointed to the Committee should be those who would

regularly attend meetings. He had brought the problem to the attention of the Campaign Office Committee for the purpose of consultation.

Dr. Shohan asked whether the powers of the Administrative Committee of the UJA would be approximately those exercised by the Campaign Office Committee of the UPA.

Mr. Montor explained that the Administrative Committee was intended to strengthen the campaign machinery of the UJA. There would come to its attention the daily problems that confront campaign management. He cited as an illustration the Chicago situation. In 1944 the Chicago Welfare Fund had contributed \$1,300,000 to the UJA. The amount was inadequate. A discussion would have to be held with the Welfare Fund as to the nature and extent of its participation in the War Fund. For such a purpose it would be desirable to have a very strong delegation representing the UJA. Thus members of the Administrative Committee would have to be available for such duties and would also have to be of the type who could render maximum service in all campaign matters.

Judge Rothenberg asked by what right the chairman was attempting to name the UPA representatives on the Administrative Committee of the UJA. Had he any authority for such an act? Had even the Campaign Office Committee requested him to take such a step?

The chairman pointed out that he was not appointing the representatives. He had brought the question to the attention of the Campaign Office Committee for the purpose of discussing the matter. If it was felt that this was not the proper place in which to discuss the matter, he would certainly be glad to defer it.

Judge Rosenblatt expressed the view that only the Board of Directors of the UPA had the power to name such representatives. Important issues were involved and the Board of Directors, which has the final authority, should be called in to consider the matter.

Mr. Fisher believed that it was important that the Zionist strength be adequately represented in such a representative committee. Questions affecting the UPA in various forms would arise and people who had background in the Zionist movement and who could stand up for the Zionist position should be put on the Committee.

In response to the question as to who had been named by the JDC on the UJA Administrative Committee, Mr. Montor reported that these are Jerome Kohn of Hartford, and Edwin Rosenberg, Carlos Israel, Isaac H. Levy and Joseph C. Hyman of New York.

Judge Rothenberg expressed the view that the naming of the Committee was outside the competence of the Campaign Office Committee and that it belonged exclusively with the Board of Directors. He felt that too many matters had been taken up by the Campaign Office Committee outside of its proper province. In fact, some criticism had been expressed to the Chairman by Dr. Goldstein on this subject. This was denied by the Chairman.

Mr. Gross said that if the power to name the UPA representatives on the UJA Administrative Committee rested with the Board of Directors of the UPA, then the matter ought not to be discussed in the Campaign Office Committee. From that point of view, Judge Rothenberg's observations were well taken.

Judge Rosenblatt asked about the composition of the Board of Directors of the UJA, Inc.

Mr. Montor explained that there are fourteen members of the Board, seven representing the UPA and seven representing the JDC.

Judge Rosenblatt felt that perhaps the members of the Board of Directors of the UJA ought to function.

It was explained by the Chairman that the agreement for the UJA for 1945 had provided that there should be a maximum of five on each side.

Mr. Montor said that he would like to submit for the consideration of the Campaign Office Committee the names of men whom he regarded as qualified to represent the UPA on the UJA Administrative Committee. They were people of campaign experience who would add strength to the UJA and who would, at the same time, effectively represent Zionist prestige within the UJA. He read a list, including Herman L. Weisman, Rudolf G. Sonneborn, Joel Gross, Dewey Stone and William H. Sylk as members, and Jacob Sincoff, Harold J. Goldenberg, Dr. Jacob B. Shohan, Isidor Fine and Joseph Mazer, as alternates. It is intended that members and alternates shall be invited to all meetings of the Administrative Committee of the UJA.

Judge Rothenberg declared that consideration of these names was improper since the subject did not belong with the Campaign Office Committee. He did not offer any objection to individual names, but he felt that the power should rest with the Board of Directors to name them. There had been no consultation with respect to the submission of the names. He felt that there had been too much autocratic action already in the Zionist movement.

Judge Rosenblatt declared that he could not accept the situation in which the Executive Director would attempt to name the UPA members of the UJA Administrative Committee. There were, after all, two organizations which formed the UPA: The Keren Hayesod and the Keren Kayemeth. These Boards had not been consulted. Even the heads of these organizations were not included in the list. However much regard he might have for the Executive Director he did not feel that the organization was prepared to turn over control of all its affairs to him.

Mr. Weisman said that the list of names had been thoroughly discussed by him in advance with Mr. Montor.

Judge Rothenberg asked Mr. Montor what the situation would be in the JDC if Mr. Coons were to come along and submit to it a list of JDC representatives on the UJA Administrative Committee. He believed it unthinkable.

Mr. Montor said that he was at a loss to understand why the whole issue was being raised. The fact of the matter was that it was he, and only he, who had brought about a revision of the UJA agreement, insofar as the NRS was concerned. He had found over a period of time that Mr. William Rosenwald, as a National Chairman of the UJA, exercised a controlling interest in the management of the UJA. It was not a situation that affected Mr. Montor personally, but it influenced at times the interests of the UPA. It was from that point of view that he believed that the situation should be remedied so that a larger body in which the UPA and JDC were equally represented could deal with matters affecting the management of the UJA campaigns. Since, therefore, he had raised the whole question, it was not out of place for him to make recommendations as to the type of people who might give themselves most usefully to the UPA within the UJA campaign. Certainly every man he had suggested was one who had a part to play in the campaign and had served both the UPA and the UJA well. The point was being made that he was an autocrat. He wondered whether there was an accurate understanding of what the Executive Director of an organization is supposed to do. Because of his position, he had, throughout the years, established closer contact with more people throughout the country interested in the UPA than any other person. That was inevitable. That was part of his responsibility and his duty. In the course of these years, he had acquired an understanding of the abilities of the various men who were prepared to serve the UPA and of the readiness with which they would give time and energy to the prosecution of their duties. As far as he was concerned, it would be a complete evasion of his responsibility if he were not to make recommendations to the Campaign Office Committee for members on the UJA Administrative Committee.

All that he was doing was submitting names for consideration. He felt that that was not only proper, but essential. If these names were not considered adequate, by all means there should be a discussion of other names and other members of the Committee should submit recommendations of their own. There was no reason why in a small body of this kind it was not possible, in a friendly interchange, to arrive at an acceptable group of names.

Mr. Fisher declared that there seemed to be a revision of procedure. As he recalled it, in all the years past, whenever names for the UJA were to be considered, they were always submitted to the UPA for discussion and action.

Dr. Shohan said that he did not understand the nature of the disagreement, since no one was "naming" anybody. All that had been done was to submit names for consideration in a committee concerned with the campaign affairs of the UPA which could thoroughly discuss the availability of various persons.

Mr. Montor said that the exact opposite of what Mr. Fisher had said had been the case in the past. The UJA had been in existence for seven years. Not once in all those years had the names of the UPA personnel on the UJA been a matter for discussion in official bodies of the UPA. The naming of these people had always been the province of the National Chairman

of the UPA. This time it happened that with Dr. Heller, National Chairman of the UPA, absent and with Mr. Weisman as Acting Chairman, the latter had apparently felt unwilling to assume responsibility and had therefore presented the subject for discussion in the Campaign Office Committee. He did not understand why so much tension was being created about an issue that was extremely simple. If he had not raised the question in the UJA, there would have been no names to consider. He had raised the question because as the representative of the UPA in the UJA he was charged with responsibility for management. What he wanted was additional strength to back up the UPA in the UJA.

He referred to the point raised by Judge Rosenblatt. The latter had, in effect, raised the question of the competence of the Executive Director. He was prepared to discuss the issue on that basis. Either the UPA had confidence in the man it designated to represent it in the management of the UJA or it did not. If it did, it ought not to resent suggestions and recommendations with regard to the management of the affairs of either the UPA or the UJA. If the UPA had no confidence in its Executive Director, then he wanted to remind the UPA that at no time had he placed any obstacles in the way of the UPA's releasing him as Executive Director. He was prepared to step out at any time the UPA felt that it had no confidence in him. Either he was fit to do the daily business of the UPA or he wasn't.

Dr. Shohan moved that the Campaign Office Committee approve the list of nominees for the UJA Administrative Committee that Mr. Montor had submitted.

Judge Rosenblatt and Judge Rothenberg objected that the Campaign Office Committee did not have the power to name these men.

Dr. Shohan then moved and it was seconded that the Campaign Office Committee recommend to the Board of Directors of the UPA the list submitted by Mr. Montor of nominees for members and alternates representing the UPA on the UJA Administrative Committee.

Judge Rothenberg declared that it was unwise to submit the list to the Board of Directors with recommendations. The Board might find it necessary to revise some of the names. He had no opinion to offer on any of the names, but he did not feel that any person should feel himself slighted if his name should be removed. It was much better to discuss such matters privately.

Judge Rosenblatt declared that the Campaign Office Committee had no power whatever to consider the matter of these nominations. He resented the fact that although the UPA consisted of two parties - the Keren Hayesod and the Keren Kayemeth - the rights of these bodies were not being respected and they were not being consulted.

Mr. Gross felt that the point made by Judge Rothenberg was appropriate. He felt that the structure of the UPA was most unsound, but in

view of the manner in which the structure was presently composed, the objections raised by Judge Rothenberg were valid.

Mr. Kaplan said that he was completely mystified by the nature of the discussion. A group of names had been submitted for consideration as UPA members on the UJA Administrative Committee. If the names were not appropriate, then others should be suggested. He did not understand why so much heat was being exchanged. Why didn't people discuss these matters frankly instead of resting on hidden motives? The business seemed to him simple and if some of the names suggested were not the best, by all means there should be a frank discussion by all present so that a list could be chosen that would be representative of the opinion of everyone available.

Judge Rothenberg moved and Judge Rosenblatt seconded that the motion made by Dr. Shohan be tabled.

Upon a vote, the motion to table was lost.

Dr. Shohan pressed for his motion, saying that the Campaign Office Committee consisted of people who had been working on the UPA campaign. Surely the Board of Directors which could exercise its own judgment would wish to have some kind of recommendation from the men who had close contact with the campaign affairs. It was usual in such organizations that the smaller bodies, having the opportunity of going through the matter more carefully, should be called upon to make recommendations for such action as the Board of Directors might wish to take.

The motion of Dr. Shohan was put to a vote, and was carried by 5 to 4, that the list of nominees of members and alternates to represent the UPA on the Administrative Committee of the UJA should be submitted, with recommendations, to the Board of Directors of the UPA at its next meeting.

RETIREMENT OF MORRIS POSWOLSKY

Mr. Montor reported that the Union Shop Committee had recommended severance compensation for Morris Poswolsky, a man in the late sixties, who had served as stockroom boy in the UPA, or its predecessor agencies, for some 23 years. Mr. Poswolsky was receiving \$28.75 per week. It was recommended by the Committee that Mr. Poswolsky should be given three years' salary as retirement compensation.

The Chairman asked whether there was any precedent for such action.

Mr. Montor stated that the UPA did not have a formal program for retirement. However, some years ago when Bernard Stone, an employee of the UPA, had died, the widow had received payment for a period of three years.

Dr. Shohan asked whether the Executive Director had any recommendations to make.

Mr. Montor stated that he felt that such retirement pay for Mr. Poswolsky was very justified. He had served the UPA or similar agencies for a very long time and the UPA should certainly make that as a minimum compensation.

Judge Rothenberg stated that he did not believe that the Campaign Office Committee had the power to act in this matter.

Dr. Shohan said that certainly the Campaign Office Committee had the right to make recommendations to the Board of Directors.

Dr. Shohan moved, and it was seconded, that the Campaign Office Committee recommend to the Board of Directors of the UPA at its next meeting that Morris Poswolsky, in recognition of the years of service spent with the UPA, or its predecessor agencies, should be retired from the service of the UPA with a retirement compensation equal to a salary for three years at the rate of \$28.75 per week.

The motion was carried. Judge Rothenberg asked that he be recorded as not voting.

WAR RELIEF CONTROL BOARD

Mr. Montor read a letter which had just been received from James Brunot, Executive Director of the President's War Relief Control Board (Appendix B), in which the War Relief Control Board stated that it was satisfied with the Preliminary Memorandum of Agreement reconstituting the UJA but (a) asking that the 1946 budgets be submitted no later than October 1, 1945 and (b) stating that the Board intended to review the budget "with the technical assistance and advice of other agencies and to make any pertinent comments on questions of general policy."

Discussion was given to Mr. Brunot's letter.

Mr. Montor stated that actually the Government itself was now instituting National Budgeting. This had the most serious implications for the UPA.

Mr. Gross suggested that the most thorough consideration should be given to the suggestion which he had made some months ago when the question of powers of the War Relief Control Board had first been raised. He felt that the whole constitutional issue should now be raised. He urged that lawyers of outstanding distinction should be engaged for the purpose of presenting the UPA case in this matter, since if the War Relief Control Board were to exercise fully the powers envisaged in Mr. Brunot's letter of June 23rd, the War Relief Control Board would, in effect, be scrapping all the agencies of the Zionist movement.

He declared that the UJA as such ought to take action with respect to the situation. He believed that whatever was decided by the JDC and the

UPA as to the reaction to the War Relief Control Board letter, the effort should be made to involve community leaders in the decision.

Mr. Fisher suggested that a committee of lawyers be appointed for the purpose of looking into the question and making recommendations.

Judge Rothenberg did not feel that it was necessary to have only lawyers on the committee, but that others, too, might be consulted.

It was moved, seconded and voted that the Chairman appoint a sub-committee for the purpose of considering the problem and of making recommendations to the next meeting of the Board of Directors.

UPA EXHIBIT

It was reported by Mr. Montor that arrangements had been completed for an exhibition on Palestine at the Museum of Natural History. The Keren Hayesod had shipped all the material that had been used at the "Work and Fight" Exhibit conducted in Jerusalem and Tel-Aviv. The exhibition would be conducted in New York between August 24th and September 28th.

JEWISH WELFARE BOARD

Mr. Weisman reported on a conversation which he had with Mr. Frank L. Weil, President of the Jewish Welfare Board. Mr. Weil had stated that the JDC and NRS had already voted to permit the New York UJA to increase its allotment to the JWB by \$120,000.

Mr. Montor reported that the Campaign Office Committee had already recommended favorable action to the Board of Directors of the UPA but that the Board of Directors had not, at its previous meetings, reached that item on its agenda.

POWERS OF OFFICE COMMITTEE

In view of the extensive discussion at the meeting as to the powers of the Campaign Office Committee, Mr. Gross suggested that for the next meeting of the Board of Directors of the UPA the Acting Chairman should submit a resolution which would clearly define the powers of the Campaign Office Committee.

MEETING ADJOURNED.

RECOMMENDATION OF
THE FACT-FINDING COMMITTEE

to the

PROVISIONAL COMMITTEE ON INTER-WELFARE FUND COOPERATION

It is our recommendation that the United Jewish Appeal be made up of the Joint Distribution Committee, United Palestine Appeal, National Refugee Service, and possibly minor representation from other organizations active in overseas work, plus majority representation from the Welfare Funds. Such representatives from the Welfare Funds should be representative of their communities and primarily of their communities, and not local representatives of national agencies. Such an organization would be in a position to consider budgets submitted by the Joint Distribution Committee, United Palestine Appeal, National Refugee Service and others - if others are admitted - in organized fashion to deal with the local communities and to distribute funds in accordance with needs.

Should this form of United Jewish Appeal be established, it would be the logical organization to consider sending a mission to Europe and Palestine to gather facts in the fields of operations, and more particularly to use such a mission graphically to present the problems overseas to American Jewry, to give to the American Jewish communities the courage and the statesmanship to assume the position which the American Jewish community must now assume as the leading Jewish community of the world.

Should, however, this form of United Jewish Appeal not be established, then such Welfare Funds as are represented and desire to collaborate in and through the Inter-City Committee should meet and consider what further steps should be taken.

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(APPENDIX B)

THE PRESIDENT'S WAR RELIEF CONTROL BOARD
Washington Building
Washington 5, D.C.

June 23, 1945

Dear Mr. Montor:

At its meeting on June 22 the President's War Relief Control Board considered the Preliminary Memorandum of Agreement between the JDC, NRS and UPA as submitted with Mr. Hyman's letter of June 11 and the additional statements contained in Mr. Hyman's letter of June 19 with which we understand you are familiar.

The Board instructed me to inform the JDC, NRS and UPA that in its opinion the Preliminary Memorandum of Agreement substantially meets the main point of Mr. Taft's letter of May 25.

In view of the important questions of public interest involved in the activities financed through the United Jewish Appeal, the Board requests that the budgets of the JDC, NRS and UPA for the year beginning January 1, 1946 be submitted to the Board for review not later than October 1, 1945. It is the Board's intention to review the general programs covered by these budgets with the technical assistance and advice of other agencies and to make any pertinent comments on questions of general policy as it now does in the case of National War Fund budgets.

With respect to possible emergency campaigns by the JDC, NRS or UPA the Board will be happy to consider any facts which any one of the agencies may wish to present should the Board's approval of such additional solicitation be desired.

Sincerely yours,

(Signed) James Brunot
Executive Director

Mr. Henry Montor, Executive Director
United Palestine Appeal
41 East 42nd Street
New York 17, N. Y.