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United Jewish Appeal, United Palestine Appeal, Intergovernmental Committee, President's Advisory Committee, 1939-1940.

MEMORANDUM

Date October 9th, 1939

To

Dr. Abba Hillel Silver

From

Dr. Henry Montor

Subject

Attached herewith is a draft of a memorandum that has been prepared by this office for presentation through the proper channels to the Intergovernmental Committee for Refugees which will meet at the White House on October 16th.

This material is submitted to you for correction or other amendment. When approved, this memorandum would be submitted by Dr. Wise to the President's Advisory Committee for Refugees, for submission through the State Department to the Intergovernmental Committee.

Dr. Wise informs me that the material in final form would have to be available for a meeting of the President's Committee on Friday.

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STATEMENT ISSUED BY SIR HERBERT EMERSON FOR THE INTERGOVERNMENTAL COMMITTEE ON REFUGEES AT A PRESS CONFERENCE, AT DEPARTMENT OF STATE, October 27th, 1939.

In a public statement made a few days ago I said that since 1933 not less than 240,000 refugees from Greater Germany had found homes in countries of permanent settlement, while another 160,000 in round figures had been given temporary asylum in various countries. I have been asked by several who are interested in the question about the various countries in which these unfortunate people have been able to start life afresh. Exact figures are difficult to get, partly because some countries do not separate the immigration statistics for refugees from the general figures for immigration, while some countries do not publish any figures at all, and partly because the process of immigration is continuous. But although precise figures are not available for each and every country, the position of the main receiving countries is known approximately. A remarkable feature of the movement has been the manner in which nearly every country in the world has been willing to help, some on a large scale, some on a comparatively small one. Very few places have given no help at all.

the country most favoured by refugees. It makes an appeal to the Jewish race such as no other land can make; settlement projects have been in progress for many years and many of them have attained a large measure of success; much enterprise and very large amounts of capital have been devoted to its development; and as families became established they were able to assist relatives who came to join them. For these and other reasons settlement in Palestine has presented less difficulty on the economic side than in any other country. Immigration has been on a large scale. It has been estimated that not less than 215,000 persons of the Jewish faith have found a home there since 1933, but of course other countries besides Greater Germany have provided immigrants. Poland, Roumania and Hungary have sent large numbers. Greater Germany accounts for about one-third of the total only, but even so a contribution of

The above are the chief contributors outside Europe but although the contribution of other countries has been relatively small it amounts to a considerable number in the aggregate.

The chief role of European countries, but a very important one, has been to provide a temporary asylum pending re-emigration and at the outbreak of war there were roughly 140,000 persons in

European countries outside Germany waiting to get visas to other places. In addition there were between 50,000 and 60,000 persons who might be regarded as permanently settled. In England for instance out of a total of 50,000 there were probably 20,000 who had permanent guarantees from friends or relatives or who had obtained means of livelihood. The latter included a large number of domestic servants. The same is true but on a smaller scale for other countries.

The above figures speak for themselves. They are the best possible tribute to the splendid work of private organizations and voluntary workers and to the liberal spirit and long cooperation of many governments. They are also great encouragement for the future despite the difficulties which the war must inevitably create.



MEMORANDUM (STRICTLY CONFIDENTIAL)

Dr. Solomon Goldman accompanied by Henry Montor, reached Washington early Thursday morning, October 12th, 1939.

He conferred with Mr. Justice Felix Frankfurter, Mr. Justice Brandeis, Lord Lothian, Brig. Gen'l Reid of the British Embassy, Mr. Robert Pell of the State Department, and Mr. Ben Cohen. There was also a late appointment with Mr. A. A. Berle, Jr. which had to be cancelled due to the fact that Dr. Goldman had to leave for Chicago on a late afternoon plane.

The conversation of Dr. Goldman with Professor Frankfurter lasted more than an hour and covered the following items:

1- He was glad to hear than an effort was made to arrange a meeting between Chatham and the Skipper in connection with the forthcoming Intergovernmental Committee Conference. He indicated that he would most likely have the President's ear on the same question sometime before next Tuesday.

2- He was ready to meet with either Earl Winterton or Sir Herbert
Emerson, although he suggested that Chatham's passionate concentration on
Palestine as the only solution, should strike more fire than he might from either
Winterton or Emerson or both.

3- Although he again expressed a willingness to see Sir Herbert whom he we had occasion to meet in 1933, he was happy to learn that/were presenting a memorandum on Palestine to the Intergovernmental Committee. He assumed that the memorandum would be brief and factual, neither argumentative nor ideological.

4- He saw no need for Zionists to make a public statement either on Alaska or any other territorial scheme. We might have a form letter to send in case inquiries are made. That letter should indicate quite definitely that as a Zionist Organization our main interest is the upbuilding of Palestine in bringing refugees there. This was our primary task as Jews, as Americans and as human beings. We are not only not unfavorably disposed toward any colonization scheme but most amxious to find a place of rest and security wherever room could be found for the refugees.

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5- He was opposed to any conversations with the U. S. S. R. or with any of its representatives on evacuation of stranded Palestinians, Zionist leaders and refugees generally from Russian occupied Poland. Moreover the difficulty of approaching anyone in the matter is too great. Thus for example, the Russian Ambassador to the United States has not been heard of for months. His wife is here but no one knows where her husband is. Maisky in London is approachable but uninformed.

6- He was of the opinion, if we could send an intelligent, cautious, "speechless" American Zionist to Poland, it might be helpful.

7- He viewed with special favor our interest in South America. He told me that the President was particularly interested; Archibald Macleish is particularly interested in the field of cultural relations. He suggested that our approach should be our interest in the cultural life of Jews in South America, as well as the cultural level of the South American countries as a whole.

I remained with FF longer than I had expected which made the meeting with LDB very brief. LDB appeared in good health and as usual alert and generally in fine form. He informed us that he had indicated to BVC that he would be glad to meet with the Skipper at his convenience in regard to the Intergovernmental Conference. He expressed readiness to meet either Sir Herbert Emerson or Earl Winterton or both if arrangements could be made.

Mr. Montor outlined the memorandum that we are to present to the Intergovernmental Committee and LDB seemed impressed with it. He suggested that there was no need to specify the number of refugees whom Palestine might absorb annually. Nor did he believe that this was the time to suggest government financial support. In this connection, he conveyed to us the information that the British had cancelled the loan which they had voluntarily offered last August for the development of the Huleh basin. He too was of the opinion that conversation with Russia was inadvisable at this time. He dwelt at length on the colonization projects now being considered. He felt that there was no need to be concerned overmuch for "they cancelled themselves out." He referred thus to

British Guiana. He had received private reports on Santo Domingo which had been referred to as the last place to go, Alaska and Cuba. He showed me a copy of the Cuba memorandum, which was from the highest authorities. It stated that they were considering a total of about 1500 refugees. Considering the pace with which visas are being issued, it does not seem unlikely that even the great grandsons of the refugees will be settlers in Cuba. With regard to Alaska, IDB deplored the raising of the issue and said that it might prove as much of a boomerang as the discussion on the Children's Bill. It will be understood that admitting refugees to Alaska means admitting them to the United States. We hurried our engagement and postponed further conversation to next Tuesday because of our appointment with Lord Lothian.

Lord Lothian we found as congenial as on our last meeting with him.

We did not raise the question of Russia with him after we had had the opinion of LDB and FF. His first inquiry was about Dr. Weismann's coming. He told us that he had had the information from London that he was due in the United States. I indicated that he was expected in late October or early November. We asked him whether he could help arrange a meeting between LDB and FF with Earl Winterton and Sir Herbert Emerson. He stated that he was to dine in the evening with FF and would take the matter up with him. He expressed his readiness to be helpful but he could not accept invitations on behalf of either Sir Herbert or Lord Winterton who were making their own plans. The conference, he stated, would last only two days, starting with luncheon Tuesday and Wednesday. He personally has nothing to do with it except that the British representatives will be the guests of the Embassy.

I asked whether he had any more information about the "oath of allegiance" and at the close of the interview he introduced us to Brig. Gen'l Reid with whom we spent some 15 minutes. Gen'l Reid, the Embassy Military attache, informed us that the British were rich in man-Power and that for the present they are relying on England. They are even discouraging British citizens in neutral countries from returning to England for the purpose of enlisting. It was evident that the problem of equipping the army is just now the major problem. This was a

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mechanized war and the preparations take considerable time, he said. It would not be wise, he felt, to encourage, even if it were permissible, non-British citizens to go to Canada for the purpose of enlisting. There were far more volunteers in Canada than they could possibly take care of for a long time to come. He was of the opinion that those who would go to Canada to enlist now might possibly never get into the war even if it were a long war and that they might spend years merely in training. They were extending aviation training in Canada and later on there might be an opportunity for the training of aviators and mechanics. But even that could not be considered at the present. His unofficial advice was to "hold off for the time being." He was evidently very much touched by the readiness of Jews to help the British and was deeply appreciative. He reminded us that he was under Col. Patterson with the "Male Corps" in Palestine and saw the Jewish boys in action.

Mr. Montor and I then saw Mr. Robert Pell who, we understand is the person in charge of the Intergovernmental Committee conference. We found Mr. Pell most sympathetic. He did not wait for questions from us but was ready with his own most helpful suggestions. He welcomed the news that we had a memorandum, and suggested that we send 10 copies for the use of the conference, adding that it might be wise and courteous to send a special copy to Earl Winterton, c/o British Embassy. He said the conference would last two days; that it would be informal and private; that a wide range of speeches might be considered and that a communique would be issued to the press at the conclusion of the conference.

He regarded it as a service to the conference to have Earl Winterton or Sir Herbert or both meet with LDB or FF or with both. He was aware of the fact that Palestine had no chance at the previous meetings but that need not be considered a precedent for the present meeting. He would be happy to have the services of Mr. Montor in Washington during the two days of the conference and expressed the opinion that his presence and the material that he has available might constitute an excellent supplement to the memorandum and a genuine service to the conference. Mr. Pell was of course cautious enough to imply that he will

not be master of the agenda and that the conference might not be in a position to examine all or any of the material that Mr. Montor would be prepared to present in our behalf. But it would be reassuring, he said, to know that Mr. Montor would be available if required. Mr. Pell assented most heartily to the assertion that Palestine was the only country to which the refugees could be directed on a large scale. When I reported that I was recently in Palestine, he responded enthusiastically. I said that from what I had seen in the country, I thought it would be much better for the refugees to be placed, if necessary, in concentration camps in Palestine than to have them in concentration camps in Nazi Germany or under the present conditions in Poland. Mr. Pell added, "or than in any other land of refuge."



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MEMORANDUM to be submitted

Through the Presidents' Advisory Committee for Political Refugees

for

the Intergovernmental Committee for Refugees

on behalf of

United Palestine Appeal 111 Fifth Avenue New York City On July 6, 1938, the representatives of twenty-nine nations, upon the call of President Roosevelt, met at Evian-les-Bains, France, to discuss the problem raised by hundreds of thousands of refugees driven from their homes by political and racial persecution. The Intergovernmental Committee formed as an outgrowth of that conference has been faced during the past year with obstacles of steadily increasing magnitude. Even before the outbreak of war, a solution to the vexing question of finding permanent homes for large numbers of the exiles from Greater Germany was rendered most difficult by various factors.

The outbreak of war in Europe has intensified at every turn the problem with which the nations were faced at Evian in 1938. Several plans for group resettlement which were advanced in 1938 and investigated and reported on in 1939 will possibly be abandoned. In each case so vast an outlay of funds is required for preliminary exploitation of resources that colonization in areas now largely uninhabited must be for the present deemed impracticable.

Yet the abandonment of these projects comes most unfortunately at a time when the refugee problem is most aggravated. During the last year of general peace in Europe, approximately 140,000 people emigrated from Greater Germany. With the onset of war there arose a new human problem of the most far-reaching significance. Caught in the path of conflict were tens of thousands of noncombatants who saw in flight their only hope. They streamed by day and by night over the frontiers of Poland into neutral territories and added an infinity of suffering to the saga of the homoless wanderers of our time. As a residue of troubled peacetime, there still exist in various European lands scores of thousands of other refugees who have not yet been absorbed into the economy of the countries which have provided haven. Lacking permanent homes and prospects of the future in their present environment,

they -- quite as certainly as the masses lately escaped from Poland -- represent the unresolved problem now before the Intergovernmental Committee.

The American Jewish community, which has been deeply concerned with the fate of the refugees from oppression during the past seven years, is today more than ever disturbed over the plight of the homeless and anxious to lend its aid in the solution of this vast human tragedy. The United Palestine Appeal, as the channel through which American Jewry participates in the upbuilding of Palestine, is submitting this memorandum to the Department of State, to be referred in turn to the Intergovernmental Committee, as its contribution to the deliberations of the Committee and as its expression of the readiness of the Jewish community of the United States to aid concretely through expenditures of large sums in order that the present crisis may in some measure be alleviated. This memorandum, which seeks to present facts relating to Palestine as a permanent home for the refugees, is therefore respectfully offered as the considered expression of that section of the American people which finds in the fund-raising instrument of the United Palestine Appeal its outlet for support of the Palestine upbuilding program.

The question of the availability of Palestine as a haven for refugees is interwoven with the role it has played in accepting and absorbing the victims of oppression since the present wave of emigration began in 1933. Jewish immigration into Palestine totaled 30,327 in 1933; 42,359 in 1934; and 61,854 in 1935. In 1936, when political restrictions were introduced, registered Jewish immigration declined to 29,727; in 1937 registered immigration fell to 10,536; but in 1938 it rose again to 12,868. To these figures must be added a considerable number of unregistered migrants. Thus far in 1939 at least 25,988 European refugees have entered the country.

Thus Palestine has been most consistently in the forefront among

nations ready and able to accept new immigrants. With the United States, it represents the major outlet for the refugees who have fled from European lands.

The economic classifications of the elements which have found their way to Palestine during the past seven years stamps on overwhelming majority as refugees and not immigrants in the usual sense. The men, women and children who have landed on its shores are people driven to flight by discrimination, grinding poverty, and outright persecution in their native countries. Of the total of more than 215,600 who have arrived since 1933, more than 65,000, according to figures of the Jewish Agency, are emigres from Germany. The others have come from lands in Central and Eastern Europe where their economic position was rendered quite as precarious as it might have been in Germany itself.

Today the Jewish Agency for Palestine, the supreme governing body of Palestine Jewry, stands ready to accept tens of thousands of new Jewish settlers, and would welcome the realization of conditions which would make possible their entry. The United Palestine Appeal, in presenting this memorandum, represents the sentiments of its constituency is assuring the Department of State that the opening of the doors of Palestine to the homeless Jews of Europe would be met among American Jewry with the subscription of whatever funds, public or private, necessary to their speedy integration into the life of that land.

The considerations which must guide the Intergovernmental Committee in its present meeting are concerned most specifically with the availability of economic opportunity and the possibility of permanent resettlement for those who have not yet found homes. Therefore any consideration of the potentialities Palestine holds forth must be based upon its ability not only

to shelter but also to support the newcomers to its soil. In the light of those requirements, this memorandum deals with the factors governing the capacity of Palestine to absorb the refugees who are the concern of the Intergovernmental Committee.

These factors may be divided into the following categories:

I. Agriculture: its present extent and its possibilities for expansion.

II. Industry: its potentialities for development.

III. Public works, transportation and other economic fields which may offer employment to men and capital.

AGRICULTURE

A. Present Production

The produce of Palestine agriculture today varies from the cereals

The produce of Palestine agriculture today varies from the cereals and legumes commonly grown in temperate climates to the fruits native to sub-tropical lands. In the fertile groves of the Emek, in the Beisan Plain, along the central shore of the Mediterranean, and in the uplands toward the River Jordan, there grow wheat, barley, durra, sesame, maize, oats, kersenneh, lentils, beans, and peas. Among other crops are tobacco, fodder for dairy cattle, and vegetables. Fruits cultivated include the citrus, melons, olives, grapes, almonds, figs, apples, pomegranates, apricots, pears, peaches, plums, bananas, dates, quinces, and strawberries.

To meet the demands of the European market, the citrus production has been enormously expanded, until today Palestine ranks as the second largest citrus exporting country in the world. During the growing season just past, the country exported a total of 15,310,346 cases of citrus valued at LP4,370,000, as against exports of 2,470,000 cases with a value of LP745,000 in the 1930-31 season. Total shipments were 910,548 cases in 1913-14. The area under citrus cultivation has been expanded from 30,000 dunams in 1913 to 298,000 dunams today. The export total during the season

1938-1939, which represented a 34 per cent increase over the shipments of 1937-38, brought growers, according to the figures of export cooperatives, a net profit of 2/6 per case. The largest single importing country was England, which took 60.4 percent of the total shipped, while Holland, Belgium, and Sweden ranked next in volume. It is of interest to note that, except for Great Britain, the largest takers of the Palestinian citrus crop are not at war.

The expansion of agriculture has not been confined to citrus alone. It is estimated that the area of fruit plantations in the country, including olives but omitting citrus, is 921,564 dunams, of which 785,671 are fruit bearing. In 1938 production on this land totaled 133,768 tons valued at LP977,535.

Significantly, the growth of Jewish agricultural production has kept pace with the growth of the Jewish population of Palestine. Jewish landholdings, which were 780,000 dunams in 1922, have risen to 1,455,917 dunams. In 1922 18 per cent of the Jewish population, or 15,000 persons, were classified as rural. Today the percentage has risen to 27 per cent and the total Jewish rural population to 118,000.

Because of the high price of land, the primary objective of

Jewish agriculture has been improvement in yield per unit. The yield of

wheat, for example, has been raised by irrigation and intensive cultivation

from 70 kilos a dunam to 130 and 140 kilos. Barley production has been

expanded from 50 to 60 kilos per dunam to 180. Jewish vegetable production

averages 2,000 kilos per dunam, against a previous average of 500 to 800.

By the importation of improved breeds of cattle from Holland,

Jewish dairy experts have been enabled to increase the average annual yield

per cow from 700 litres to nearly 4,000 litres. During the quarter

January-April of 1939, Jewish milk production rose to 11.96 million litres,

a 5 per cent gain over the first quarter of 1938. The rate of increase sustained during the past thirteen years is shown by comparison with the figure for the entire year of 1926, when the output came to 7,000,000 litres for the twelvements. In 1922 Jewish farms produced only 130,000 litres of milk.

Production of eggs in the first quarter of 1939 rose to 21,08 million pieces, compared with 17.30 million in the first quarter of 1938 and 14.82 million in the corresponding period of 1937. During the entire year 1938 egg production totaled 48,337,000 against 39,457,000 in 1937, and only 150,000 pieces in 1922. As a result of the introduction of the leghorn from the United States, the average annual yield per hen has been increased from 70 to 144.

B. Possibilities of Agricultural Expansion.

Official Government estimates indicate that, of the total Palestine area of 10,400 square miles, or 26,319,000 dunams, 8,760,000 dunams represent cultivable land. Figures of the Jewish Agency place the cultivable area at a total somewhat higher, or 12,697,000 dunams.

Under the Government definition, cultivable land is "land which is actually under cultivation or which can be brought under cultivation by the application of the labor and resources of the average Palestinian cultivator."

The standardfor this definition is, therefore, the Arab peasant

employing a wooden plow.

It is illuminating to consider the maximum number of agricultural families which Palestine can sustain. If the Government estimate is taken as a basis for calculation, one revision must immediately be made. In the Beersheba Sub-District there are now under actual cultivation an additional 500,000 dunams in excess of the cultivable area estimated by the Government. Therefore there now lies within the Government definition a total of 9,260,000 dunams.

"cultivable" and "irrigable" land. Palestinian experience has shown that the yield of one dunam of irrigated land is equivalent to that of five unirrigated dunams. Experience has also indicated that a family of five persons can subsist comfortably upon the income derived from 130 dunams of dry land, or 25 dunams of irrigated land. If this standard is taken, and it is assumed that 3,500,000 dunams of the 9,260,000 total are irrigated, the total area will accommodate some 184,000 families, or 920,000 persons. This figure compares with the present agricultural population of 632,600.

the land may be added those who will be engaged in subsidiary village occupations. Upon the assumption, on the basis of an average which is economically universal, that each peasant enables two persons to follow urban pursuits, Palestine holds fortha potential settlement of well over 2,800,000 people, and this only on land already situated for cultivation.

What of the areas not considered cultivable by the Government? A consideration of the Huleh and Beisan basins reveals that they are not all beyond reclaim. The Huleh basin, 170,000 dunams in extent, was a stagnant marsh several years ago. From Josephus' description in the Bible it is recalled that Huleh was once "a beautiful and pleasant land blessed greatly by nature. All kinds of plants grow there — nut trees usually in temperate countries are found side by side with the date palms which flourish in hot climates, while figs and olives, which require a hot climate, are not lacking." When in 1934, Jewish capital purchased the basin as a concession from the Government, it purchased a desolate, disease-ridden swamp. Today the area is being drained and reclaimed. With its abundant flow of water properly controlled, it will soon again be a "beautiful and pleasant land."

The Beisan basin, somewhat less extensive than the Huleh plain, covers 119,000 dunams, excluding the town and suburbs of Beisan. Although its

water supply is plentiful, it has until now supported an Arab population of only 4,900. With its water resources intelligently utilized, the Beisan area will also support a greatly increased populace.

These two basins - Huleh and Beisan - by no means exhaust the possibilities for reclamation, but they demonstrate the flexibility of the conception of cultivable area. A combined territory of 289,000 dunams, adequately irrigated, is equivalent to 12,000 farming units. Again on the basis of five persons to a family, in addition to neighboring villages and urban economic dependents, computation shows that an additional 200,000 people can be added to the population of Palestine through the conversion of these two waste lands alone.

The areas already under cultivation, moreover, can provide opportunities for additional settlement. Through the utilization of existing water supplies, irrigation can be extended to areas now being cultivated extensively on dry land. Of the 4,293 individual farms in Palestine - excluding citrus groves - 1,560 lie in categories progressively higher than the average of 30 dunams. If such individual areas were reduced to the standard of 30 dunams, an additional 4,200 farm units would be made available. Thus the total number of farms in Palestine might be almost doubled.

The extent of possible exploitation of all water resources has not yet been fully gauged, inasmuch as the Government has not as yet conducted a far-reaching hydrographic survey of the country. Investigation by experts of the Jewish Agency has shown that water supplies now known are sufficient to provide a flow of 421,448 cublic metres per hour. According to their estimate, 2,142,695 dunams, or 61 per cent of the total of 3,914,650 dunams of level land could be adequately irrigated by existing reserves. It must be emphasized, however, that the fullest realization of the potential irrigability of Palestine must await a complete hydrographic report.

Such expansion of cultivable area, with its resulting increase in rural settlement, would have important effects upon the economic life of the country. At present the mean density of population per square kilometre of cultivable area in Palestine is 96, as compared with 196 in France and 458 in Egypt. It becomes obvious that the danger of overpopulation is therefore inconsequential. An important effect of more widespread agricultural settlement would be a better balance in the ratio of agricultural workers to those engaged in other occupations. At present the Jewish percentage in Palestine is 16, as compared with a general average of 22 per cent in the United States, 34.8 per cent in Denmark, 38.3 per cent in France, and 31.1 per cent in Canada. If even a median figure of a ratio of one agricultural worker to three earners in other occupations, or 25 per cent, is considered acceptable, agricultural Palestine still remains far short of its goal.

It is of interest also to consider the possibilities of development of neighboring Transjordan, which George Adams Smith once described as a land where "water is plentiful, luxurious vegetation is almost universal and all agriculture prospers." At present the entire territory, which has many historic and economic links with that section of Palestine west of the Jordan, supports only 320,000 people in an area of 34,000 square miles. The Government, in a remarkably low estimate, places the cultivable area of Transjordan at 4,600,000 dunams, but here again such an estimate is based on the social and economic resources of the country's present population. Even if this were the ultimate total of agricultural land available, it should on the standard used for the maximum requirements of Cis-Jordanian Palestine - viz., a 30 dunam unit per family - support comfortably a rural population of more than 750,000. If the possible village and urban settlers are added, the territory can be expected to support a total population of well over 2,500,000.

C. Present Population.

On June 30, 1939, according to the Economic Bulletin of the Jewish National Fund, the Jewish population of Palestine totaled 460,000, and the combined population of other elements, including Moslems, Christians and others, was 1,043,000. The rise in the Jewish ratio, according to these figures, indicates that Jews now constitute 30percent of the population of the country as against 17 per cent in 1931. It has been estimated that more than 80 per cent of the Jewish increase has been accounted for by immigration.

Meanwhile, the rate/gain among the Arab population, which has not been so high proportionately but much greater numerically in the last two decades, can be attributed not alone to immigration but to an increased birthrate. Improved social services, whose costs are in large part borne by the Jewish community, have cut the Arab death rate without affecting the high degree of Arab fertility.

D. Economic Position of the Arab.

A summary of the present economic position of the Arab in Palestine, after the influx of Jewish settlers, as contrasted with his status under Ottoman rule before the Great War, reveals economic benefits which point to a greatly improved standard of living.

The scourge of Palestine during the long years of its undisturbed infertility was the Egyptian eye disease trachoma, which according to the census of 1931 had completely blinded one person and destroyed one eye of two others in each hundred of the Palestinian population. The country was long ridden with endemic malaria, not only in the swampy regions of the plains, but even in the hills. Wells and cisterns were breeding places of the Anopheles mosquito, the carrier of the disease. The program of draining swamps through the reclamation of large tracts of land, combined with a large-scale campaign of popular education, has served to free the people from the menace of malaria and to reduce considerably the threat of trachoma.

Gains in public health have been mirrored almost immediately by corresponding increases in Arab population. While the number of Arabs in neighboring countries throughout North Africa and Asia Minor has remained static during the past twenty years, the number of Arabs living in Palestine has increased to the present total of 1,015,000 from approximately 664,000 in 1918. The increase in Arab population has been largest in the zones where Jewish development has been most marked. Between the census years of 1922 and 1931 the Moslem population increased most in the towns which have a large Jewish population. Thus, in Haifa the Moslem community increased by 117 per cent, in Jaffa by 71 per cent and in Jerusalem by 48 per cent. The further removed the town from Jewish influence, the smaller has been the increase in Arab population. At Jenin it increased by only 14 per cent and at Nablus by only 8 per cent. A similar gain is shown in agricultural settlements, particularly those dependent upon nearby Jewish colonies.

The mortality rate among Arabs fell from 31.4 per thousand in 1927 to 22.3 per thousand in 1935. During the same period the rate of Arab infant mortality dropped from 213.4 per thousand to 146. This compares with the present mortality ratio of 211 per thousand in neighboring Transjordan.

The improved standard of living has been particularly noticeable in Arab agriculture, which has benefited from Jewish colonization. Cereal cultivation, extensive and unprofitable, has been supplanted in many areas by intensive farming. Poultry and dairy farms have replaced wheat and barley fields and fruit trees of all kinds have been planted. In 1922 the Arabs had only 22,000 dunams (5,500 acres) planted to oranges, but in 1937 the area of Arab citrus plantations had increased to 135,000 dunams, representing an augmented value of \$50,000,000. Despite the diversification of agriculture, however, the wheat yield grew from 44,000 tons in 1933 to 103,000 tons in 1935, Between 1922 and 1937 the area planted by Arabs to vegetables grew seven-fold from 20,000 dunams to 140,000 dunams. Nor has this growth been

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restricted to agriculture alone. In 1922 a total of LP600,000 was invested in Arab industry. By 1937 this total had shown a 417 per cent increase to LP 2,500,000.

The effect of Jewish immigration, far from driving the Arab off the land, has been to encourage Arab cultivation of hitherto untended tracts. During the post-War period from 1921 to 1937 the area under cultivation in Palestine was increased from 5,014,000 dunams to 8,000,000 dunams. Of this total, the Arab percentage grew from 4,700,000 dunams to 7,400,000 or a gain of 57 per cent.

The income which Arabs have received from the sale of land has been of tremendous economic advantage. Peasants have sold their surplus land at a price of \$50 to \$75 per dunam. In Transjordan, land of the same quality brings only one-twentieth of this price. It follows, then, that an Arab farmer, working with five members of his family from dawn to dusk on a plot of 100 dunams and deriving from that combined effort only \$150. a year, stands to benefit greatly by selling part of his plot for \$3,500 and utilizing the proceeds of that sale to introduce more productive methods of cultivation on the remainder of his land.

Jewish immigration has raised the level of Arab agriculture also by development of extensive urban markets in Palestine, prepared to pay high prices for all types of agricultural produce. Annual sales of Arab farmers to Jews approximate \$7,500,000 each year.

II. INDUSTRY

A. Present Production.

The first official Census of Palestine Industries, taken in 1928, states that industry in its larger sense was practically non-existent in Palestine before the Great War and that machinery was practically unknown. The growth of Jewish industry and handicrafts from 1921 to 1937 has been

remarkably rapid, as shown in the following table:

		1921-2	1930	1933	Percentæe increase 1937 since 1933	
Establishments	No.	ī,850	.2,475	3,388	5,606	65%
Personnel: Workers & Owners Value of annual output Capital Horsepower	No. LP. LP.	4,750 500,000 600,000 880	10,968 2,510,000 2,234,000 10,100	19,595 5,352,000 5,371,000 50,500		75%

Since 1921 the personnel in Jewish industry increased six times, the output seventeen times, the capital eighteen times and the machinery and equipment to an even greater degree.

The rapid diversification of the Palestinian economic structure may be shown by a summary of the major products of its factories and workshops.

Today Palestine produces in growing volume oils, silks, wines and spirits, flour, rice, all types of building material, including cement and bricks; paints, perfumes, a wide variety of electrical products, plate glass, fine steels, cotton yarn and piece goods, aluminum ware, as well as such specialties as manufactured chocolate, artificial teeth, and leather goods.

Despite disturbed conditions both within and outside the country, there has been a continuance of new investment in industrial enterprises during the past several years. In 1937, \$19,110,000 was invested in the enlargement of existing and initiation of new industrial plant. In 1938 a total of \$10,215,000 was similarly invested. Political factors having no relation to the economic outlook of the country have tended to constrict the flow of private capital, but expansion has proceeded nonetheless.

The Palestine Electric Corporation, which in 1926 sold 2,343,764 kilowatt hours of current, sold 72,253,610 kilowatt hours in the year 1938.

During that period the number of its customers increased from 6,550 to 80,384.

In the past three years, its sales of industrial power have shown important increases. Industrial consumption of current rose by 28 per cent in 1937 as against 1936; by another 12 per cent in 1938; and during the first six months of 1939 industrial sales once more rose by 16.2 per cent over the corresponding period of last year. The expansion of the market of the Palestine Electric Corporation has been accompanied by a steady cheapening of the price of current. The cost of each kilowatt hour, which was 28.5 mils in 1926, has now been cut to 8.5 mils.

The development of extractive industries in the Dead Sea area has been another important index. During 1938, 47,496 tons of potash were produced, against 29,082 extracted in 1937. Exports of Palestine Potash, Ltd., for the first five months of 1939 totaled 33,481 tons, against 21,228 for the similar period of 1938.

Typical of most new countries has been the excess of imports over exports. The unfavorable trade balance of Palestine can be traced not alone to the importation of consumption goods, but also to the purchase by local industry of capital goods and raw materials, which, employed in the industrial establishment of the country, promote a greater degree of self-sufficiency. The effect of this trend is shown in the steady decrease of per capita imports during the past few years. In 1933, the excess of imports over exports represented a sum of \$36 per capita. Yet, despite the growth of the population since that time, the excess was reduced in 1938 to \$21 per capita. Thus it may be inferred that a mounting proportion of the country's requirements is being met by local supply.

Such a relatively important article as domestic aluminum ware is a case in point. In 1933 the country imported 100 per cent of its requirements.

But in 1938, after local enterprise had been established, only 12 per cent of the aluminum ware required was imported. In 1933, all beer consumed in the country was imported. In 1938, local production accounted for 73 per cent of consumption.

An encouraging sign of sound development is the increase in both quantity and valuation of exports other than citrus fruit. During 1938, for example, exports of potash rose by \$550,000 over 1937; cotton piece goods by \$51,000; books by \$42,000; fruit juices by \$36,000; and chocolate by \$38,000.

B. Possibilities of Industrial Expansion

No summary of the industrial prospects for Palestine is complete without reference to the strategic geographical position of the country. At the crossroads of the two or perhaps the three main arteries of Europe, Asis and Africa, Palestine is admirably located to expand the volume of her exports. The exploitation of the potential market of the Near and Middle East would bear the most intimate relation to the enlargement of the industrial plant.

During the past twenty years approximately \$500,000,000 in public and private capital have been invested in the Jewish enterprises of Palestine. In other new countries during the period of development such capital was borrowed from outside. Debts thus created were serviced by the creation of new debts. The burden of interest remained heavy, and the capital burden grew even after the beginning of actual production. Palestine is fortunate and perhaps unique among new countries in that its capital for development is not borrowed. Broadly speaking, the industry of Palestine is self-owned. Thus there exists a healthy economic base for further industrial progress.

III. PUBLIC WORKS

Development of new opportunities in agriculture and industry will inevitably absorb a great number of additional immigrants, and begin a new cycle of general economic expansion. Coincidental with the gains shown in

private fields are public works projects now under consideration. A summary of the plans of the Tel Aviv Municipality may indicate to some extent the enormous tasks which the local governing bodies of Palestine may undertake during the next few years.

The Tel Aviv Municipality is beginning work on a new drainage system to cost LP 650,000. The project, which will require four years to complete, is self-liquidating. A new water supply system is proposed, at a cost of LP450,000. A beach promenade from Jaffa to the Tel Aviv port, with a wide tree-lined esplanade and lanes for pedestrians and motorists, will cost LP500,000 and will employ 4,000 men for three years. Improvement of the city's internal roadways, at an outlay of LP400,000, is contemplated. Plans for a hospital adequate to serve Tel Aviv and its surrounding colonies, with 600 beds, involve an expenditure of LP 250,000. The extension of the city's airport is now being carried forward, with 750 men at work. Other proposals call for a town hall, municipal housing developments, a bus terminus, and an animal quarantine station at the port area. Execution of these projects represents an outlay of LP 2,000,000 and will greatly increase general employment.

The growth in foreign trade has meant a corresponding expansion of facilities for handling cargo. Today Palestine has three major ports, at Haifa, Tel Aviv, and Jaffa, which during the year 1938 handled cargo valued at LP 20,597,938. The rise of the port at Tel Aviv has been a significant economic phenomenon of the past three years. Only a loading jetty in 1936, the Tel Aviv port has grown rapidly until today it employs nearly 1400 dock workers and provides the central means of support for fully 10,000 workmen. During the first half of 1939 the net registered tonnage of ships arriving at the port totaled 1,025,431 against a tonnage of 563,363 during the first half of 1938. Imports during the first six months of 1939 were 85,280 tons against 51,185 during the first half of last year, and exports rose to 41,441 tons

against 27,410. With the harbor at Haifa taxed by an annual tonnage greater than that anticipated at the time of its construction, prospects for increased diversion of traffic to Tel Aviv will involve additional port construction and employment of new dock labor.

The correlation between private industry and public enterprise is so close that any important growth in output of either industry or agriculture is paralleled almost immediately by corresponding increases in allocations for public projects. Accordingly, a rise in the rate of general production will encourage the expenditure of new sums for (1) internal transportation; the building of new roads, the purchase of automobiles, buses, trucks, and railway rolling stock; (2) sea transport; the expansion of the present Jewish fleet; (3) travel by air: purchase of additional planes, construction of new airports; and (4) increased appropriation by the Government for public and construction/social services.

General Summary

During the past two decades the rate of growth of the Jewish community of Palestine has been by far the most rapid in the modern history of colonization. A Jewish social structure which supported 83,794 people in 1922 has expanded nearly six-fold. There has arisen in Palestine a new Jewish agriculture, a flourishing commerce and an expanding Jewish industry. Spread throughout the country is a network of schools in which nearly 70,000 Jewish children are enrolled. The Hebrew University has been built in Jerusalem. The Hebrew language has been reborn, and Palestine has become the cradle of an extensive new Hebrew literature. The Palestine Symphony Orchestra, whose first conductor was Arturo Toscanini; the enterprising Hebrew theatre; and numerous daily, weekly and monthly publications in Hebrew all point to the healthiness of Jewish communal life.

Animating every phase of the upbuilding program since the implementation of the Balfour Declaration of November 2, 1917 has been the

conscious desire of the Jewish Agency to establish in Palestine a Jewish homeland. Nurtured in two thousand years of Jewish lore, kept alive by the presence of a Jewish population in Palestine throughout those two millenia, and revitalized in our time by the pledge of the British Government and the intensification of concrete Jewish effort, the conception of the Homeland is the fulcrum about which modern Jewish enterprise in Palestine revolves.

Behind the exploitation of the resources of the Dead Sea; the settlement of remote frontier zones far removed from other Jewish colonies; the building of the Tel Aviv port; the transformation of shifting sand dunes into the city of Tel Aviv; behind all this must be read the will of the new Jewish pioneers to reclaim the land of their ancestors. Only when appreciated as the projection of the Jewish homeland does the picture of the growth of Palestine assume meaning. Only thus do the diverse activities of Palestine Jewry take on focus and appear as parts of an integrated whole.

The propulsive power of Jewish idealism, as exemplified in the progress of Palestine since the end of the Great War, is recognized as a factor quite as real, if not so tangible, as the immigration of hundreds of thousands of new settlers and the importation of millions of dollars in new capital. This force, combined as it is today with the desperation stemming from Jewish misery in many sections of Europe, is a powerful stimulant to a resurgence of Jewish upbuilding and colonization. Added to the economic factors which point to expanding opportunity for new immigrants, it bears most pertinently upon a solution to the problem with which the Intergovernmental Committee is occupied.

Appendix

Sources of Information

Dunam - unit of Palestine land measurement, equivalent roughly to 1/4 acre.

LP - Palestine Pound, equivalent to Pound Sterling.

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