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United Jewish Appeal, United Palestine Appeal, Negotiating
Committee, 1940-1941.

PRELIMINARY ANALYSIS OF APPLICATION SUBMITTED
BY JDC TO DISTRIBUTION COMMITTEE, U.J.A. UNDER
DATE OF AUGUST 20, 1940

Without in any way wishing to minimize the actuality of the needs and the validity of the claims described by the JDC in its application of August 20, 1940, submitted to the Distribution Committee of the UJA, the following observations are nevertheless pertinent, insofar as they are based on the statistics offered by the JDC itself.

I.

The Distribution Committee is called upon to allot a maximum sum of \$1,000,000, and probably not more than \$750,000. Therefore, it will have to weigh alternatives and relative merits.

It should be noted, therefore, that the JDC spent on administration (including operating and functional services) in New York, for the period from January 1, through July 31, 1940,.....\$165,772.53.
In its application to the Distribution Committee, the JDC asks for an additional sum of..... 125,000.00
for administrative purposes in New York City, making a total for the year of..... 290,772.53.

It should also be noted that these figures do not refer to the administration of the Overseas office, which amounted to \$116,652.65 from January 1 through July 31, 1940, and for which there is submitted an additional application of \$50,000 for the period from August 1 through December 31, 1940. In considering the cost of administration of the JDC in America, it should be borne in mind that the fund-raising machinery is conducted by the UJA, which has a separate expense account, and that the JDC has ample opportunity for publicizing its activities through the normal channels of the UJA.

II.

It is a characteristic practice of the JDC to use confusing terminology. Thus, there is no clear distinction between "appropriations", "commitments", "expenditures", "payments". The following are illustrations of this practice:

In its Appendix I, the JDC offers a "STATEMENT OF 'APPROPRIATIONS'", for the period January 1 to July 31, 1940, totalling.....\$ 4,700,500.00

In its Appendix II, the JDC refers to "payments" during the same period of..... 4,102,903.99,

but even an examination of "payments" reveals that the total of cash expenditures does not actually coincide with the total of "payments".

Thus, for example, on page 6 of its memorandum the JDC states that it is "holding in trust as a definite liability the balance of \$470,000", against the sum which it has "appropriated for immigration purposes from German-held territory.

In other words, the JDC treasury in New York has available in cash the sum of \$470,000. The JDC states that this \$470,000 is a trust fund against which it cannot draw, and remarks that this sum will have to be used for immigration purposes, while at the same time admitting that for the period ending December 31 shipping accommodations from Japan to the Americas are so restricted that no additional passengers can be accommodated.

Figures of the JDC with respect to its expenditures in German-held territory are subject to misinterpretation also, because of the use of the word "equivalent". The JDC translates the amount it "appropriates" in terms of dollars into marks or zlotys. Therefore, it is difficult to determine whether the actual expenditure for immigration from German-held territory is in terms of actual dollars, or in terms of their "equivalent."

On page 6 the JDC memorandum again refers to "expenditures" of.... 4,102,903.99, even though in the preceding paragraph it has referred to a balance outstanding, as of July 31, of..... 470,000.00

On page 6 the JDC also describes a "cash deficit" of.....\$ 2,002,903.99, as though this were a permanent liability of the JDC which had not yet been disposed of. As a matter of fact, the JDC states in Appendix II it was able to meet its requirements through a series of loans, financed in the following way:

1. Loan from Agro Joint.....	600,000.00
2. Loan from Administration Reserve Fund Committee...	100,000.00
3. Loan from Lissner and Rosenkrantz, bankers in Holland.....	75,000.00
4. Loans from affiliated committees, for Passover Relief - Poland.....	125,000.00
5. Trust funds - the counter value of which has been expended in Greater Germany, Poland, etc. The dollars are held temporarily here on call as a trust fund for transportation of emigrants from Greater Germany.....	465,835.58
6. Working funds available from prior years' campaigns	637,068.41.

The ability of the JDC to meet its commitments from the foregoing resources raises the following questions:

- (a) To what extent may or should the JDC call upon the Agro Joint, not for "loans", but for a contribution to its work, in view of the identity of the two organizations and the public character of the funds made available to Agro Joint?
- (b) When funds are so urgently required, is it desirable for any organization to keep reserve funds at its disposal? How much is available to the JDC in its "Administration Reserve Fund"?
- (c) There is no clear indication as to the nature and purpose of the loan from "Lissner and Rosenkrantz". If this refers to the authorization or suggestion given by the JDC to the Holland Relief Committee to make loans to carry on its work, it should also be kept in mind at this time that no such exchange of funds is possible as between Holland and the United States, neither in the form of the remittance of dollars, nor through a clearance arrangement, such as the JDC does have with other German territory.
- (d) The same question raised in (b) applies here. What are the "Affiliated Committees" upon whom the JDC might call for loan funds from time to time? Are these actually subsidiaries of the JDC, into which funds of the JDC have been siphoned?

- (e) By its use on this occasion of "the balance" which it has in its treasury on account of the commitments in Germany, the JDC indicates that it sees nothing unwarranted in its use of these funds as current matters require, and that until commitments have to be met it has free use of this "balance".
- (f) Is it not proper that the Distribution Committee, in determining the needs of the constituent agencies of the United Jewish Appeal and the needs generally, should keep in mind the sums which each of the agencies continues to receive from previous campaigns? The JDC refers to the use of..... \$ 637,068.41 as a "loan" from "working funds from prior years' campaigns". What is the total of such funds that are available? Upon what additional sums does the JDC count as still receivable from prior campaigns? Is it not true that the JDC still has owing to it from the UJA of 1939 a minimum of..... 584,333.33.

III.

The inconsistency in the statistics presented by the JDC in its own memorandum is further reflected in the following:

- (a) In Appendix II, it speaks of "commitments" in Germany of..... 1,049,000.00 for the period from January 1 to July 31, 1940, and of "payments" of... 950,850.00, --but in its Appendix I, it describes an "appropriation" of..... 933,000.00 for the work in Greater Germany.

In Appendix II, the JDC also speaks of an "unpaid balance" of 98,150.00.

How are these discrepancies reconciled?

- (b) A careful analysis of all the figures presented by the JDC in its memorandum would disclose the following: An "appropriation" for work in Greater Germany of..... 933,000.00. To determine what the JDC actually spent on that "appropriation", one must subtract from that figure the sum of..... 470,000.00, which is held as a "balance", making a figure for actual expenditures for the period from January 1, 1940 through July 31, 1940, of..... 463,000.00.

- (c) Appendix I speaks of an "appropriation" of..... 950,000.00 for "work in Poland and in behalf of Polish refugees", while Appendix II speaks of "commitments" to "Poland Emergency Fund" of..... 1,000,000.00, and "payments" toward that of..... 808,835.98.

Appendix II also refers to a "program of relief and reconstruction for native populations in Eastern and Central Europe", with a "commitment" of.....\$ 506,000.00 and a "payment" of..... 340,868.29.

Appendix I speaks of an "appropriation" to "other countries" (including China), of..... 1,776,000.00, --while Appendix II speaks of a "program of refugee aid in countries of Europe and the Far East", with a "commitment" of..... 1,382,000.00, and "payments" of..... 1,129,114.33.

IV.

If the Distribution Committee, examining the figures submitted by the JDC itself were to determine the actual expenditures of the JDC from January 1 through July 31, 1940, and on the basis of the application of the JDC fix the sum which the JDC should receive, in addition to its minimum from the 1940 UJA, this is the picture which would confront it:

Analysis of the Actual Expenditures of the JDC,
January 1 - July 31, 1940.

Unallocated expenditures.....	\$ 189,490.14
Appropriated for Germany.....	950,850.00
For refugee aid in Europe and Far East.....	1,129,114.33
For relief and reconstruction in Eastern and Central Europe.....	340,868.29
(Because of the confusion in the JDC presentation of this item, it is not clear how much of this sum overlaps the appropriation for Germany)	
For Poland Emergency Fund.....	808,835.98
(It should be noted that the JDC in this instance has departed from its procedure in referring to January - July 31, 1940, and has instead lumped all payments made for this fund since <u>September, 1939</u>)	
Various programs.....	401,320.07
(Central and South America, etc.)	
Operating and functional service expenses.....	<u>282,425.18</u>
--making an actual cash "payments" of.....	4,102,903.99,
less the balance in the United States for "commitments" in Germany...	470,000.00.
We therefore see, as the actual "cash payments", the sum of.....	3,632,903.99.

Subsequently (on page 21) the JDC submits to the Distribution Committee an application for its requirements from August 1 through December 31, 1940, totalling.....\$ 2,830,000.00, making a total sum required by the JDC for the calendar year 1940, of..... 6,462,903.99.

It will be noted that the agreement of the UJA for 1940 gives to the JDC an initial payment of..... 5,250,000.00, which would indicate that the JDC requires actually for the balance of the year 1940 the sum of..... 1,212,903.99.

Toward this amount, the JDC indicated that it has in its treasury from previous campaigns at least..... 627,068.41, leaving a total required of..... 575,835.58.

However, the JDC in its Appendix II also indicates that it has in its "Administration Reserve Fund" at least the sum of.... 100,000.00.

We therefore arrive at the figure which the JDC might need in supplementary cash until the end of 1940, which is..... 475,835.58.

In addition we must keep note of the fact that there is still due to the JDC from the 1939 United Jewish Appeal alone, not to speak of collectible income from campaigns of previous years, the sum of..... 584,333.33.

These two foregoing figures are in contrast to the sum of. 2,830,000.00, which on the face of it the JDC might require of the Distribution Committee beyond the sum already allotted to it in the UJA agreement of 1940.

It will be noted that in Appendix II the JDC speaks of "accrued" "unpaid balances" totalling \$597,596.01. At no point in the JDC application does it appear that these "unpaid balances" represent deficits or obligations. On the contrary, the final statement on page 21 of the JDC application says: "Total requirements, August through December \$2,830,000."

V.

It should be noted that in computing the future needs of the JDC for 1940, as reflected in its "needs" of \$2,830,000 from August 1 through December 31, 1940, the requests for each country have been accepted at face value. The following observations as to the validity of all requests are pertinent.

(a) Included is a request for use in Belgium of.....\$ 50,000.00.
It cannot be ignored that at the present time and for the foreseeable future no dollars can be remitted to Belgium, and as yet the JDC has not arrived at any clearance arrangement respecting Belgium which would necessitate its use of funds in any form. Corroboration for this conclusion is found in a letter signed by Mr. Morris C. Treper, European Chairman of the JDC, which has been widely circulated to leaders throughout the United States, under date of August 30.

(b) The JDC has asked for use in Holland of..... 40,000.00
The same situation applicable in Belgium obtains in Holland.

(c) The JDC reports a requirement for use in Lithuania of.. 125,000.00.
For this country, too, the facts are that no dollar remittance is permitted by the United States, and no clearance arrangements have been effected by the JDC. Note must also be taken of the fact that since July 31 Lithuania has been absorbed into the Union of Soviet Socialist Republics, and that it has been the practice of Soviet Russia to prohibit the operation within its territorial limits of any foreign relief organization.

(d) The request for funds for use in France..... 500,000.00,
is contingent upon permission yet to be obtained from the United States Treasury Department for the remittance of dollars. No such promise has yet been forthcoming. This refers solely to unoccupied France. As yet no clearance arrangement has been effected by the JDC with respect either to unoccupied or occupied France.

(e) The Distribution Committee has a right to know what sums above the \$637,068.41, referred to in the foregoing, the JDC expects in cash during the balance of 1940 from 1939 and prior campaigns to meet its commitments. The availability of funds aside from those of the 1940 campaign is a factor that must certainly be considered by the Distribution Committee.

(f) Aside from the general query as to the availability of funds from previous campaigns, what is the exact status of the JDC expenditures in 1939, against the sum of approximately \$8,250,000., voted to it by the Allocations Committee of the 1939 UJA? There is no evidence that the amount of "cash" in terms as the layman understands them, expended by the JDC, exceeds the allotment for 1939. The contrary would seem to be true.

(g) What are the funds available to the JDC from affiliated organizations, and from accumulated funds in its own possession, as, for example:

- (1) Administration Reserve Fund
- (2) Affiliated Committees
- (3) "Trust Funds"
- (4) Agro Joint, etc.

(h) Another factor that should be taken into consideration is the amount of expenditures for the JDC operating purposes, not overseas, but here, in the United States.

(i) It is of interest that according to the memorandum of the JDC and its various appendices, it does not have in the United States any outstanding bank loans.

In view of the special interest which exists in colonization programs for refugee Jews, it is noteworthy that on page 18 of its application to the Distribution Committee, in describing problems in South America, the JDC states that, "Experience demonstrates that Europeans fall victims to tropical diseases beginning with the second year of their sojourn in Central and South American countries. Refugees are particularly vulnerable, in view of the straitened circumstances under which they are forced to live."

A survey of the requirements and expenditures of the JDC, based solely on the material contained in the application to the Distribution Committee of the United Jewish Appeal, demonstrates therefore that:

- (1) The JDC has ample funds upon which it has not yet drawn, both in its treasury and in that of its affiliated and subsidiary organizations.
- (2) The problem of actual transmission of funds has not yet been solved by the JDC with respect to many of the countries for operations in which it has submitted requests.
- (3) Its statement of financial operations does not offer a clear-cut picture of its assets and liabilities with respect to 1940 or previous years.

* *
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et
September 11, 1940.

UNITED PALESTINE APPEAL
41 E. 42nd Street
New York, N. Y.

MEMORANDUM

TO: Dr. Abba Hillel Silver

November 19, 1940

FROM: Mr. Henry Montor

Attached hereto is a copy of suggestions I have made to Dr. Israel Goldstein and Mr. Charles Rees with respect to the agreement constituting the United Palestine Appeal for 1941.



HM:BG
Enc.

UNITED PALESTINE APPEAL
41 East 43rd Street
New York City

cc: Dr. Silver

MEMORANDUM

TO: Dr. Israel Goldstein
Mr. Charles Hess

November 19, 1940

FROM: HENRY KOSTER

In accordance with the suggestion that you were kind enough to make that I examine the 1940 agreement constituting the United Palestine Appeal, I herewith submit, for your consideration, several proposed revisions and amplifications of language in the agreement for 1941 that is now being prepared.

In most cases the language merely strengthens decisions that have been registered during the past few years.

In one particular case, that is with respect to the expenditures of the Jewish National Fund, I realize that this involves a very serious issue. Yet it cannot be ignored that the public at large and such bodies as the Allotment Committee of the United Jewish Appeal, as well as the Council of Jewish Federations and Welfare Funds regard the expenditures of the Jewish National Fund not as isolated expenses of an autonomous body, but as part and parcel of the expenses incurred by the United Palestine Appeal in the raising of its funds for the Keren Kayemet and the Keren Kayemet.

Whatever may be the precedents and traditions enshrouding this particular procedure, I think that we ought to lift our heads out of the sand and deal with the situation quite frankly. The victim of our failure to deal with this issue will be the United Palestine Appeal as a whole.

I know that you will give the most earnest consideration to this recommendation.

HN:BO
Enclosures

SUGGESTIONS FOR REVISIONS AND AMPLIFICATIONS IN THE
AGREEMENT OF THE UNITED PALESTINE APPEAL FOR 1941

- p. 3--section 9: "It is further agreed.....shall promptly deliver to the other and to the United Palestine Appeal a copy thereof."
- p. 3--section 10: (Addition at end of 1st paragraph): The United Palestine Appeal shall have the right to review and to consider with the respective organizations the expenses which they incur which are subject to deduction from the U.P.A. pool, to the end that a maximum of net funds may be available to the United Palestine Appeal and to its constituent organizations.
- p. 3--section 10: (Addition after listing traditional collections) It is agreed, however, that the securing of Golden Book inscriptions, involving individual gifts of \$100, and similar large-scale collections shall not be undertaken in the form of a publicized campaign which might jeopardize the interests of the United Palestine Appeal, unless specific consent in advance shall have been obtained from the management of the United Palestine Appeal.
- p. 4--section 11: (addition at end) It is agreed that the management of the United Palestine Appeal, as represented in any such joint campaign with other organization or organizations shall have the right to take whatever action may be necessary to prevent such conflict of interest.
- p. 4--section 12: "A committee to consider, etc.....and a third member representing the management of the United Palestine Appeal" shall be constituted, etc....."
- p. 5--section 14: (Addition after 3rd sentence in article) "Without diminishing the extent of the obligations to be assumed by these Zionist organizations and to be described fully in agreements negotiated outside of this instrument, it is agreed, in general, (1) that the Zionist Organization of America, the Poale Zion-Zeire Zion, the Migrahi Organization of America and Hashomer Hatsair are to make their publications available to the purposes of the United Palestine Appeal; (2) that their literature and other written material is to describe the United Palestine Appeal as the major responsibility of American Jewry for Palestine fund-raising; (3) that their speakers, films, programs, conferences and meetings are to cooperate in directing attention to the United Palestine Appeal; (4) that their officers and members nationally and locally are to cooperate with national and local campaigns in such a manner as to ensure the most effective results for the United Palestine Appeal and/or for any campaign with which it may be associated. It shall be the duty and the right of the management of the United Palestine Appeal--a right accepted by these organizations in the acceptance of service payments from the United Palestine Appeal--to make suggestions to these organizations from time to time as to how this program of cooperation may be effectuated."

- p. 5--section 15: (addition after 2nd sentence) "The United Palestine Appeal shall have the right to withhold funds on account of such allotment, in the event that a satisfactory audited report is not made available to the United Palestine Appeal and to the Jewish Agency Executive in Palestine of expenditures by and for the Mizrahi Palestine Fund in Palestine. It is agreed that the Mizrahi Organization of America shall every six months make available to the United Palestine Appeal a certified public accountant's report of its income and expenditures in the six preceding months. The Mizrahi Organization of America also undertakes to prevent the Mizrahi Women's Organization of America or any campaign sponsored by it from making application to Welfare Funds for allotments of funds or otherwise to interfere with the United Palestine Appeal and the proper fulfillment of the obligation undertaken toward the U.P.A. by the Mizrahi.
- p. 7--section 21: Eliminate references to "Board of Directors."
- p. 8--section 23: (Addition) ".....shall be signed by two officers.....or by any two officers whom the Administrative Committee may designate as having the authority to sign such checks, drafts, and similar instruments."
- p.10--section 30: ".....the allocations herein set forth to Mizrahi Palestine Fund, the Zionist Organization of America, Poale Zion-Zeire Zion, the Mizrahi Organization of America and the Emergency Committee....."

December 22, 1939

THE AGREEMENT BETWEEN THE KEREN HAYESOD AND THE
KEREN KAYEMETH TO CONSTITUTE THE 1940 UNITED PALESTINE APPEAL

AGREEMENT entered into this 2nd day of January, 1940, by and between the PALESTINE FOUNDATION FUND (KEREN HAYESOD) INC., a New York membership corporation, the party of the first part; (hereinafter referred to as the "Keren Hayesod") and the JEWISH NATIONAL FUND (KEREN KAYEMETH LE ISRAEL) INC., a New York membership corporation, party of the second part; (hereinafter referred to as the "Keren Kayemeth") WITNESSETH:

WHEREAS, efficiency and economy in the raising of funds for their respective purposes have been aided by the creation of a centralized administration in the UNITED PALESTINE APPEAL during the years 1936, 1937, 1938 and 1939,

NOW, THEREFORE, it is mutually agreed as follows:

1. The parties hereto agree to conduct a joint campaign to secure in the United States funds for their respective purposes and they do hereby constitute and appoint "The UNITED PALESTINE APPEAL, INC.", hereinafter sometimes referred to as "UNITED PALESTINE APPEAL", a membership corporation organized under the Laws of the State of New York, as their agents and in their behalf to conduct and manage the aforesaid campaign during and for the calendar year 1940.
2. The aim of the campaign shall be to raise for the parties hereto a maximum sum in cash and pledges during the period commencing January 1, 1940, and ending December 31, 1940.
3. It is agreed that the stationery and the national and local publicity relating to the joint campaign shall describe UNITED PALESTINE APPEAL as being for and on behalf of the Keren Hayesod and the Keren Kayemeth. The names of such other bodies or corporations as may join the campaign or cooperate therewith by consent of the parties hereto shall also be appropriately referred to on the stationery and in the publicity of the campaign.

4 4. It is agreed that all monies, pledges and subscriptions received or secured by UNITED PALESTINE APPEAL, or by either of the parties to this agreement, during or for the period of January 1, 1940 to December 31, 1940, shall, except as herein otherwise provided, be remitted to the National Treasurer of the UNITED PALESTINE APPEAL, INC. and the same shall constitute a common pool of the parties hereto to be disbursed as hereinafter set forth.

5. It is agreed that all sums received or realized as a result of the said joint campaign conducted by the UNITED PALESTINE APPEAL itself or by the JEWISH NATIONAL FUND on behalf of the UNITED PALESTINE APPEAL shall become part of the aforesaid common pool and shall be disbursed as follows:

All duly authorized campaign expenses and other duly authorized expenses of UNITED PALESTINE APPEAL shall be a first lien and charge against all monies received. The net proceeds of the campaign after deduction of all duly authorized expenditures shall be allocated on a basis of parity between the Keren Hayesod and the Keren Kayemeth.

6. It is the right and intention of the parties hereto to devote the sums to be received by them from UNITED PALESTINE APPEAL both to the normal purposes and activities of their respective organizations, and to such special requirements as in their own respective judgments may be deemed necessary or advisable in the discharge of their duties and functions.

7. Neither of the parties hereto shall engage in any separate fund-raising activity except as herein specifically permitted and agreed upon. All funds and pledges, received or secured by either of the parties hereunto on account of or as a result of any fund-raising effort conducted after January 1, 1940, and prior to December 31, 1940, shall be deemed, pledged, received or secured for and on account of the 1940 campaign herein provided for, except as hereinafter provided, and shall be paid into the National Treasury of UNITED PALESTINE APPEAL, it being understood UNITED PALESTINE APPEAL shall continue to collect unpaid subscriptions or pledges to the campaigns

heretofore conducted by it and shall dispose of all sums collected pursuant to the applicable agreements between the parties hereto.

8. It is agreed that all bequests, legacies and "living legacies" which either of the parties hereto may receive or become entitled to, shall be retained in the entirety by the party of this agreement which is the beneficiary thereof.

9. It is agreed that the accounts of UNITED PALESTINE APPEAL shall be audited monthly by Certified Public Accountants to be chosen by the Administrative Committee of the UNITED PALESTINE APPEAL, and that a copy of such audits shall promptly be delivered to UNITED PALESTINE APPEAL and to each of the parties hereto. It is further agreed that each of the parties hereto shall have its respective books of accounts audited monthly during 1940 by Certified Public Accountants, and shall promptly deliver to the other a copy thereof.

10. It is agreed and understood that neither the Keren Hayesod nor the Keren Kayemeth, parties to this agreement, merge as Organizations with UNITED PALESTINE APPEAL. They shall maintain their separate identities and independence as Organizations and may carry on their normal and established duties and functions, except as limited by this agreement.

It is agreed and understood that the following activities of the Keren Kayemeth shall continue to be conducted through the established Keren Kayemeth apparatus:

- a. Box Collections
- b. Sale of JNF stamps
- c. Flag and Flower Day Collections
- d. Chanukah and Purim Collections
- e. Tree Planting
- f. Lag B'Omer Celebrations
- g. Collections from children in Hebrew Schools
- h. Golden Book Inscriptions
- i. Incidental Collections at festivals, simchas, Bar mitzvahs, Weddings and similar occasional collections
- j. Sefer Haya'el
- k. Dunes Land Donations (only with the approval of UNITED PALESTINE APPEAL)

11. The parties hereto expressly agree that if UNITED PALESTINE APPEAL shall enter into an agreement with JOINT DISTRIBUTION COMMITTEE and/or other organization or organizations for a joint 1940 campaign then the terms of such agreement shall be binding upon the parties hereto and the parties hereto shall take no action which is contrary to or may constitute a breach of the said agreement. The parties hereto agree further to promote and aid the campaign which may be conducted by or participated in by UNITED PALESTINE APPEAL during the year 1940, and to take no action which will harm or impede the collection of funds by such campaign.

12. It is, however, agreed that the net proceeds derived from the aforementioned activities of the Keren Kayemeth and such activities of the Keren Hayesod as may be properly conducted by it, after the administrative expenses incurred in connection therewith shall have been deducted, shall belong to and be a part of the common pool of UNITED PALESTINE APPEAL. It is further agreed that the activities mentioned in Article 10, and this Article 12, shall be so conducted so as not to interfere with or be hurtful to the UNITED PALESTINE APPEAL and its activities. A committee to consider and adjust claims of violation of the provisions of this Article 12, consisting of one designee of the Keren Kayemeth, one designee of the Keren Hayesod, and a third member to be chosen by the two so designated shall be constituted if request therefore is at any time or from time to time made by either of the parties hereto.

13. Should any loans be made by UNITED PALESTINE APPEAL, the parties hereto shall participate equally in the funds derived from such loans. Loans separately secured by either of the parties hereto for their respective purposes shall be the obligation of and accrue to the benefit of such respective party.

14. It is agreed that the successful prosecution of the UNITED PALESTINE APPEAL will be enhanced by the cooperation and support of the Zionist Organization of America, the Poale Zion-Zeire Zion, the Mizrahi

Organization of America and Hashomer Hatzair. These bodies conducting year-round educational and propoganda activities are providing an essential background for the successful conduct of campaigns of or on behalf of the United Palestine Appeal. The parties hereto agree to invite the said organizations to ^{their} give/cooperation to the UNITED PALESTINE APPEAL for 1940 and that for such services a fixed sum in consideration of the service rendered shall be made available to each of these recognized parties in the Zionist movement, the terms and conditions of such participation to be fixed by negotiations with the said organizations. Both terms and conditions are to be subject to the approval of both of the parties hereto. It is agreed, however, that there shall in no event be any priority payment to the said participating organizations.

15. It is agreed that the United Palestine Appeal for 1940 shall allot to the Mizrahi Palestine Fund the total sum of \$135,000, it being understood that the total sum made available to the Mizrahi Palestine Fund shall be spent entirely within Palestine and that an accounting for such expenditure, duly audited and certified, shall be made to the UNITED PALESTINE APPEAL, and a copy furnished to the Agency Executive in Palestine. It is also agreed by the Mizrahi Palestine Fund in accepting this allotment that it is to turn over to the United Palestine Appeal all funds received from whatever source in 1940 and that neither the Mizrahi Organization of America nor the Mizrahi Palestine Fund nor any of its officers and members shall conduct or aid any Palestine fund-raising effort except through the United Palestine Appeal. Mizrahi acknowledges that it has received the sum of \$15,000 on account of its 1940 allotment, so that the unpaid amount thereof is \$110,000. It is agreed farther that if at any time subsequent to April 1, 1940 Mizrahi shall request the parties hereto to consent to a further allocation for 1940 (which shall, however, in no event exceed \$15,000) the parties hereto will give consideration to such application at that time.

16. Notwithstanding anything to the contrary herein set forth, all monies raised by Keren Kayemeth through the activities described in Article 10 above may be retained in the Treasury of the Keren Kayemeth, provided, however, that the sums so retained as indicated upon the monthly audits hereinabove referred to, shall be charged against the funds which may be then due or may thereafter become due to the Keren Kayemeth under this agreement. It is understood and agreed also that the procedure above set forth shall be followed with respect to any and all funds raised by Keren Hayesod, pursuant to the provisions of Article 12 above. The amounts raised in any one month by the Keren Kayemeth after a deduction of authorized expenditures, shall be transferred to the treasury of the United Palestine Appeal no later than the fifteenth day of the month following. Such sums become part of the pool of the UNITED PALESTINE APPEAL for distribution as herein indicated.

17. The parties hereto hereby agree to assign, transfer and pay over to UNITED PALESTINE APPEAL all contributions or pledges to which this agreement is applicable received by them respectively, and to do all further acts required to make the title of the said UNITED PALESTINE APPEAL to such contributions and pledges complete and absolute.

18. It is agreed that the UNITED PALESTINE APPEAL shall allocate to the Emergency Committee for Palestine in the United States the sum of \$50,000 for the period expiring June 30, 1940. It is agreed further that if at the expiration of said period the Emergency Committee shall request the parties hereto to consent to a further allocation, which shall, however, in no event exceed \$50,000, the parties will give consideration to such request at said time.

19. By reason of the existence of emergency conditions in Palestine, due to the war, which will necessitate special expenditures, it is mutually agreed that out of each and every payment of the proceeds of the campaign made by the UNITED PALESTINE APPEAL to the parties hereto respectively, each

party will upon receipt of such payment remit one-third thereof to their respective headquarters at Jerusalem, to be expended by them for emergency purposes and as set forth in the cable dated November 17, 1939, signed by Ussishkin, Hantke and Kaplan.

20. It is distinctly understood and agreed that UNITED PALESTINE APPEAL is hereby constituted as the agent of the parties hereto solely for the purpose of the campaign beginning January 1, 1940 and ending December 31, 1940, and that the parties hereto do not assume any existing liabilities of UNITED PALESTINE APPEAL or responsibility of any character by reason of any matter of transaction of UNITED PALESTINE APPEAL occurring prior to January 1, 1940, except such liabilities as arise out of or in connection with the 1936, 1937, 1938 and 1939 campaigns, as provided for in the respective agreements between the parties hereto and held for them by UNITED PALESTINE APPEAL. It is further agreed that neither of the parties hereto shall receive or be entitled to receive any monies, credits or assets coming to the Treasury of UNITED PALESTINE APPEAL or to which the UNITED PALESTINE APPEAL may become entitled to by reason of any matter or transaction occurring prior to January 1, 1936.

21. The parties hereto agree that the 1940 campaign of the UNITED PALESTINE APPEAL SHALL be conducted by the officers and the Administrative Committee, with the advice and assistance of the Board of Directors, such officers to be designated by the Keren Hayesod and the Keren Kayemeth. The names of the officers of the UNITED PALESTINE APPEAL, (which officers shall also constitute the Executive Committee of the Administrative Committee,) of the Administrative Committee, and of the Board of Directors are set forth on a schedule hereto attached. The parties hereto approve and agree to the designation of the officers, Administrative Committee and Board of Directors as set forth in said schedule.

It is agreed that the Board of Directors shall meet semi-annually, and

at the call of the Administrative Committee, shall advise and assist the officers and Administrative Committee in the prosecution of the 1940 campaign and shall have such further powers and duties as shall be designated by the Administrative Committee.

22. The said officers and Administrative Committee shall have full authority, control and management of the conduct and affairs of the Campaign, herein provided for, including the employment and dismissal of staff and personnel. The Administrative Committee may delegate and assign to such of its members or sub-committees as they may name such duties and such authority as they may deem wise and necessary in the conduct of the Campaign.

23. It is agreed that all checks, drafts, or other instruments for the withdrawal of funds and all negotiable paper of UNITED PALESTINE APPEAL shall be signed by two officers, viz., by the National Treasurer and one of the two Associate Treasurers of UNITED PALESTINE APPEAL, or by one of the Associate Treasurers, and one of the National Chairmen.

24. The parties hereto agree to discourage the earmarking of contributions. In the event that, despite the reasonable efforts of each of the parties hereto to avoid earmarking, certain funds shall have been earmarked, such contributions shall be promptly reported to the national office of the UNITED PALESTINE APPEAL, and the contributions applied as directed by the donors. Such application of earmarked contributions to one or the other of the parties shall be taken into account in the distribution of the net proceeds of the campaign by deducting said earmarked sums from the share of the proceeds to which the party receiving the same may be entitled out of the proceeds of the UNITED PALESTINE APPEAL. It is understood, however, that earmarked contributions as referred to in this paragraph refer to amounts intended directly for the purpose of the Keren Hayesod or the Keren Kayemeth.

25. On or before October 1, 1940, the parties hereto shall on the call

of either party as hereinafter set forth meet to determine whether or not the combined campaign herein agreed upon shall be renewed and continued for a further term of twelve months commencing January 1, 1941, and terminating December 31, 1941. At least five days' notice of the time and place of such meeting as to be held on or before October 1, 1940, may be given by either party to the other at any time between August 15th and September 15th. Such meeting shall be held in the office of UNITED PALESTINE APPEAL, 111 FIFTH AVENUE, NEW YORK CITY. If no such meeting is called or takes place on or before October 1st, 1940, or if no agreement is reached by November 1, for an extension of this contract beyond December 31, 1940, then this agreement shall terminate and come to an end on December 31, 1940. In the event that the parties shall fail to renew this agreement, UNITED PALESTINE APPEAL shall continue to act as their agent and in their behalf solely to collect unpaid subscriptions or pledges to the campaign conducted in and for the year 1936, 1937, 1938, 1939 and 1940. In the event of the termination of this agreement the Keren Kayemeth shall be given the right to receive copies of all records at the disposal of the UNITED PALESTINE APPEAL in the conduct of its campaign and that the Keren Hayesod shall have the same right to the records at the disposal of the Keren Kayemeth in the conduct of its campaign.

26. The parties hereto agree that in the event any question or dispute shall arise with respect to the interpretation of the provisions of this agreement, or with respect to any matter connected with the campaign not covered by this agreement such question shall be submitted for determination to the management of the UNITED PALESTINE APPEAL. If exception is taken to the ruling issued the problem should be submitted to the Administrative Committee of UNITED PALESTINE APPEAL.

27. Each of the parties hereto agrees to execute any further documents and to do any and all acts reasonably necessary for the carrying out of the provisions of this agreement.

28. It is agreed that no allocations or appropriations shall be made by the Administrative Committee of the UNITED PALESTINE APPEAL for any purpose not provided for in the agreement except with the consent of the Keren Hayesod and the Keren Kayemeth as separate entities.

29. The Executive Directors of the Keren Hayesod and National Fund respectively, shall be invited to attend meetings of the UNITED PALESTINE APPEAL and have access to UNITED PALESTINE APPEAL records and be liaison representatives between the UNITED PALESTINE APPEAL and their respective organizations.

30. It is understood that in the event the UNITED PALESTINE APPEAL shall be required to conduct its own campaign for the year 1940, the allocations herein set forth to Mizrahi, the Emergency Committee and Hashomer Hatzair shall be subject to revision by the parties hereto.

In WITNESS WHEREOF, the parties hereto have herunto set their hands and seals the day and year first above written.

PALESTINE FOUNDATION FUND (KEREN HAYESOD) INC.

By _____
Chairman, Board of Directors

JEWISH NATIONAL FUND (KEREN KAYEMETH LE ISRAEL) INC.

By _____
President

UNITED PALESTINE APPEAL

41 EAST 42nd STREET
NEW YORK, N. Y.

December 12, 1940.

Mr. Elisha M. Friedman

Mr. Montor

Your memorandum dated December 11, 1940, asking for certain information on "Budgets, Allotments -- Cash Position and Debts" has been discussed with Mr. Edmund Levin of Klein, Hinds & Fiske, auditors of the United Palestine Appeal.

To be able to answer the questions completely, I am asked to obtain from you the following clarifications of certain questions:

- (1) On the third line of your memorandum, dated December 12: "computed by years, it shows trend for each organization", Mr. Levin inquires what years you have in mind; whether only 1940, or all years since 1938.
- (2) Insofar as the "cash basis" is concerned, Mr. Levin inquires whether, in referring to "other cash received", you mean cash received by the United Palestine Appeal from the 1940 campaign and prior campaigns through 1938.
- (3) The same question applies to "cash expended". Does this refer to cash expended as the result of income from campaigns prior to 1940 as well as from the 1940 campaign?
- (4) In the phrases, "original cash position" and "latest cash position", are we to include only the 1940 campaign, or the combined total of all campaigns including 1940?
- (5) With respect to "estimated cash to expend" "estimated cash to receive" "estimated change in cash" "closing cash position", do these questions refer only to 1940 income, or to all campaigns including 1940?
- (6) Moreover, Mr. Levin inquires whether the items to which you refer involve the United Palestine Appeal, or the Keren Hayesod and Keren Kayemeth in the United States, or the Keren Hayesod and Keren Kayemeth in Palestine.
- (7) With respect to the item, "list needs ignored", how would you identify "needs ignored"?
- (8) Mr. Levin has undertaken to call up to arrange for clarification of these various questions.

EM:NT

DRAFT OF A STATEMENT ANNOUNCING 1941 UNITED PALESTINE APPEAL DRIVE
(including Charles Rosenblum, S.S. Wise corrections)

In response to the emergencies of the war period, which place a new measure of responsibility ^{upon} American Jewry for the preservation and enlargement of the Jewish homeland in Palestine, the United Palestine Appeal calls upon American Jewry to secure \$12,000,000 in 1941 with which to sustain Palestine Jewry in its critical hours of heroic defense by the side of Great Britain and to enable additional thousands of harassed Jews to find ~~freedom~~ ^{refuge} ~~in Palestine~~ ^{there}.

The resolution of America to share in resisting the encroachments and devastation of dictatorship must find its parallel in the willingness of Jews to give generously of their substance so that the Palestine Jewish community may continue to guard one of the most vital battle-fronts for civilization. The ability of Palestine to defend itself and to give manpower for its security ~~will~~ ^{will} help determine the outcome of ~~the~~ ^{this} struggle.

In the first year of the war 24,000 Jewish men, women and children came to Palestine's shores from Nazi-held Europe. In 1941 thousands of others must be assisted to enter the Jewish homeland. ^{(and) the tragic stories I}

Through the United Palestine Appeal American Jewry has the challenge and the opportunity to help preserve a Jewish community of over 550,000 people, the largest free Jewish community in the world next to the United States. More than two decades of sacrificial labor and realistic vision are now reflected in a great industrial, agricultural, economic, cultural and spiritual enterprise of which the Jewish people and the world as a whole may well be proud. (In this period of deep concern with the Jewish refugees from degradation, despoliation and destruction, it is significant that Palestine received some 280,000 Jewish immigrants in the eight years since Hitler assumed power, a number in excess of that which the rest of the world combined absorbed.

The economic restratification of the Jews has achieved its most effective form in Palestine where today 137,000 Jews make their living from the soil, a proportion greater than in any other Jewish community in the world. In industry, Palestine has witnessed the most remarkable development in the Near East, with tens of thousands of Jews gaining a livelihood in factories which produce thousands of types of goods vital to a nation's economy. The most modern school system with some 60,000 students, and a series of higher institutions of learning, including the Hebrew University, are also part of the magnificent framework of a homogeneous, ^{and} creative, ~~historic~~ community established in Palestine through the labor of the pioneers and the support of the Jews of America.

Through the United Palestine Appeal, assistance has been given for the establishment of more than 270 towns and villages. ^{Within the last three years, however, agricultural settlements have been favored.} A network of enterprises to assure the security of the colonies, which are today a bulwark of defense in the war period; wide public works to absorb the unemployed and thereby strengthen the economic life of the country; stimulation of industry for normal and war-time needs--all these are part of the achievements made possible with the aid of the United Palestine Appeal. add II

To maintain the morale and security of Palestine Jewry, seriously affected by the dislocations of the country's economy due to war, assistance must be provided to tens of thousands through emergency relief. The effects of war on various industries have produced widespread unemployment and distress; in addition thousands of refugees, with and without immigration certificates, stream into the country and become the responsibility of the agencies financed by the United Palestine Appeal.

A factor of great importance in determining the measure of American Jewry's support of the Palestine upbuilding program in 1941 is the collapse of the European communities which themselves previously contributed to the reconstruction enterprise.

Today the Jews of Palestine, playing an increasing role in the British forces, are giving to Jews everywhere a symbol of ^{steadfast faith} ~~patient belief~~ in the ultimate victory of justice and of the capacity of men of good will to destroy oppression if they will but stand and resist.

American Jewry cannot -- the United Palestine Appeal is confident it will not -- let down these Jews in Palestine. They are playing a momentous role in the saving of Europe and the restoration to the Jews there of their status as citizens and human beings.

For these reasons, the officers of the United Palestine Appeal turn to the Jews of the United States and ask of them to begin their fund-raising efforts at the earliest possible moment in 1941, ^{and to make} ~~and by making~~ maximum resources available to Palestine through the United Palestine Appeal, take their place by the side of an aroused world which has determined that through the mobilization of its moral and material resources it shall free mankind from the terrors of hate and cruelty and reestablish peace and liberty for all men, with Palestine as one of the citadels of world civilization and freedom.

12/20/40
ff

CONFIDENTIAL

MEMORANDUM ON THE UNITED PALESTINE APPEAL CAMPAIGN

Submitted by E. N.

1. The decision to conduct a separate U. P. A. campaign creates certain problems as well as opportunities. Because it entails a rather sharp break with an existing situation to which Zionists have grown accustomed, the outcome will depend to an exceptional degree upon psychological factors operative at the start. The fate of the new campaign will be largely determined by the auspices and circumstances of its inauguration. At such a time a step -- or misstep -- may make all the difference between an enthusiastic forward thrust, ensuring success and an apathetic or half-hearted feeling resulting in a weak execution or comparative failure. Fortunately, there is a leadership possessed of imagination which can be relied upon to seize every possibility and make the most of it.

2. If I venture to make any suggestion it is with diffidence, for I have now no official connection with the U. P. A. or its constituent funds. However, as the proponent and organizer of the U. P. A. at its inception, I am taking the liberty of putting forward certain observations in the hope that they may be considered in the spirit in which they are offered.

3. When the Keren Hayesod was first launched in America it will be recalled that a dramatic element was supplied, first, by the ideological struggle culminating in the Cleveland Convention of 1921 and secondly, by the appearance of Dr. Weizmann, the first President of the World Zionist Organization to visit our shores.

4. By 1925 the novelty of the K. H. had worn off. Nor did delegations from abroad produce the same enthusiasm as formerly. Our

workers were somewhat jaded, income tended to decline, and a new dramatic element was required. It was supplied in 1925 (a) by the controversy with the J. D. C. over the Crimean colonization project; (b) by uniting the K. H., the J. N. F., as well as Hadassah, Hebrew University, and Mizrahi Fund in one combined effort under the name of United Palestine Appeal; and (c) by the introduction of Dr. Wise as National Chairman, after his absence from active leadership for several years. The result was an extraordinary upsurge of enthusiasm and energy which produced in the years 1925-1927 record results (apart from results achieved in Joint Campaigns with the J.D.C.

5. In this present instance and under existing circumstances it would obviously be highly undesirable and impolitic to indulge in a sharp controversy with the J. D. C. if it can possibly be avoided because of the vital need for preserving an approximation of unity in American Jewry in these critical times. The dramatic element should be one directly connected with our own work and fitting into the American as well as the world scene. This at once suggests the War and the idea of aiding the cause of the Democracies as well as of Palestine and the Jewish people.

6. If a Jewish Army were now in existence or its creation an immediate certainty, it goes without saying that that would call for a radical adjustment of our fund raising efforts. But while the creation of such an Army has not been announced as yet, the press is reporting that Palestinian Jews serving with the British forces are doing their bit not only in Palestine but also in Egypt and Greece. The establishment of a Palestine Volunteer Force is likewise reported, and the Yishuv is now raising money for supplying certain needs of the enlisted men. This offers a certain opportunity. The new U. P. A. should, I believe, include in its appeal the provision of aid and comfort to the Jewish boys helping Britain in the defense of Palestine and the Near East.

7. Concretely, I would suggest the setting up of a Fund, under the auspices of the Emergency Committee which, for want of a better name I will refer to only temporarily and for purpose of identification, the "Special Fund". Its function should be to provide means to be used within the law for special emergency needs arising out of the war situation and connected with the war effort of the Yishuv. (The appropriation for emergency political work in this country on behalf of Palestine may also properly be made part of this Special Fund). The total to be budgeted for the Special Fund may be placed between \$500,000 and \$1,000,000. It does not mean that we should risk a serious curtailment of the respective participation of the K. H. and J. N. F., the principal beneficiaries of the U. P. A. Theirs must, of course, continue to be the lion's share. Except for a certain minimum or "token appropriation" for the Special Fund, the participation of such Special Fund in the proceeds of the U. P. A. campaign may be made contingent upon the raising of a certain amount above the minimal requirements of the two major funds.

8. In this way the U.P.A. can benefit by the introduction of a novel element carrying a special appeal at this time without serious jeopardy to the major Funds. The minimum or "token" appropriation for the "Special Fund" will, I am convinced, in no wise affect the major Funds; because the featuring of this element connected with war can undoubtedly be made to enhance the attractiveness of the U.P.A. and add to its income.

9. It may be worth noting that the Canadian Hadassah is featuring "war work" in its current program which provides an appropriation for a hospital ward for Canadian boys serving in England and a further appropriation of \$60,000 for building a base hospital for the military in Palestine. They expect (and quite reasonably) that the strength of this appeal will

inure to the benefit of their general collection effort.

10. It may also be observed that featuring some such effort connected with the war will tend to bring the U.P.A. into line with American patriotic sentiment, since aiding the Allies is now generally accepted as being in the interest of American defense. Moreover, it is a feature which is not likely to be found in the campaign for Relief and Refugee Service.

11. If, for some reason, this proposal is not acceptable some other novel feature of equal or greater attractiveness should be introduced. The situation calls for boldness and imagination.



DRAFT OF A STATEMENT ANNOUNCING 1941 UNITED PALESTINE APPEAL DRIVE

In response to the emergencies of the war period, which place a new measure of responsibility upon American Jewry for the preservation and enlargement of the Jewish homeland in Palestine, the United Palestine Appeal calls upon American Jewry to secure \$12,000,000 in 1941 with which to sustain Palestine Jewry in its critical hours of heroic defense by the side of Great Britain and to enable additional thousands of harassed Jews to find refuge there.

The resolution of America to share in resisting the encroachments and devastation of dictatorship ^{will} ~~must~~ find its parallel in the willingness of Jews to give generously of their substance so that the Palestine Jewish community may continue to guard one of the most vital battle-fronts for civilization. The ability of Palestine to defend itself and to give manpower for its security may help determine the outcome of this struggle.

In the first year of the war 24,000 Jewish men, women and children came to Palestine's shores from Nazi-held Europe. In 1941 thousands of others must be assisted to enter the Jewish homeland. The tragic stories of the recent landing at Haifa of the 1700 survivors from the S.S. Patria, sunk by an explosion, and of the drowning in the Sea of Marmora of 223 refugees on their way to Palestine, are an indication of the pitiful rush of desperate Jewish refugees to the freedom and sanctuary of Palestine. 280,000 of such refugees have come to Palestine in the last eight years from Germany, Czechoslovakia, Poland and elsewhere. Palestine has absorbed ^{twice} ~~nearly three times~~ ^{as many} ~~the number of~~ refugees ^{as} ~~that~~ the United States, ~~has~~, almost as many as the rest of the world combined.

Through the United Palestine Appeal American Jewry has ~~the challenge and~~ the opportunity to help preserve a Jewish community of over 550,000 people, the largest free Jewish community in the world next to the United States. More than two decades of sacrificial labor, ^{vision and courage} ~~and realistic vision~~ are now reflected in a great industrial, agricultural, economic, cultural and spiritual ^{achievement} ~~enterprise~~ of which the Jewish people and the world as a whole may well be proud.

The economic ^{rationalization} ~~restratification~~ of ^{Jewish life} ~~the Jews~~ has achieved its most effective form in Palestine where today 137,000 Jews make their living from the soil, a proportion greater than in any other Jewish community in the world. In industry, Palestine has witnessed the most remarkable development in the Near East, with tens of thousands of Jews gaining a livelihood in ^{shops and} factories which produce thousands of types of goods vital to a nation's economy. The most modern school system with some 60,000 students, and a series of higher institutions of learning, including the Hebrew University, are also part of the magnificent framework of a homogeneous and creative community established in Palestine through the labor of the pioneers and the support of the Jews of America.

Through the United Palestine Appeal, assistance has been given for the establishment of more than 270 towns and villages. Within the last three years, 60 new agricultural settlements have been founded. A network of enterprises to assure the security of the colonies, which are today a bulwark of defense in the war period; wide public works to absorb the unemployed and thereby strengthen the economic life of the country; stimulation of industry for normal and wartime needs -- all these are part of the achievements made possible with the aid of the United Palestine Appeal.

Unceasingly, day by day, and in spite of the serious economic dislocation and distress caused by the war, the work of upbuilding is going on. Land is being cleared, drained and prepared for settlement. Modest workmen's homes are being built. The medical and health services are being expanded. Industry is being stimulated. The coming into Palestine in recent years of many thousands of experts, technicians, engineers and men ^{renewed} in the scientific, industrial and commercial life of Europe is acting as a ^{powerful stimulant to the} ~~ferment in the daily~~ life of the country.

The Jews of Palestine are sharing their own meager material resources gladly thousands of refugees who with the stream into the country with or without immigration certificates and who possess practically nothing. They welcome them as brothers and open their homes to

them. But they need help, help to take care of ^{and} ~~these immigrants~~, help to ~~build~~ ^{to build} continue the historic homeland of Israel.

A factor of great importance in determining the measure of American Jewry's support of the Palestine ^{rescue and} upbuilding program in 1941 is the collapse of the European communities which themselves previously contributed ^{substantially} to the reconstruction enterprise.

For these reasons, the officers of the United Palestine Appeal turn to the Jews of the United States and ask of them to begin their fund-raising efforts at the earliest possible moment in 1941, and to make maximum resources available to Palestine.

Today the Jews of Palestine, playing an increasing role in the ^{Allied} ~~British~~ forces, are giving to Jews everywhere a symbol of ^{sacred loyalty and} steadfast faith in the ultimate ^{triumph} ~~victory~~ of justice, ^{— justice for Israel and for humankind,} and of the capacity of men of good will to destroy oppression if they will but stand and resist.

American Jewry cannot -- the United Palestine Appeal is confident it will not -- let down these Jews in Palestine, ~~They are playing a momentous role in the saving of Europe and the restoration to the Jews there of their status as citizens and human beings.~~ who are our front-line soldiers in the War ^{for} the liberation of mankind.

DRAFT OF A STATEMENT ANNOUNCING 1941 UNITED PALESTINE APPEAL DRIVE

In response to the emergencies of the war period, which place a new measure of responsibility upon American Jewry for the preservation and enlargement of the Jewish homeland in Palestine, the United Palestine Appeal calls upon American Jewry to secure \$12,000,000 in 1941 with which to sustain Palestine Jewry in its critical hours of heroic defense by the side of Great Britain and to enable additional thousands of harassed Jews to find refuge there.

The resolution of America to share in resisting the encroachments and devastation of dictatorship will find its parallel in the willingness of Jews to give generously of their substance so that the Palestine Jewish community may continue to guard one of the most vital battle-fronts for civilization. The ability of Palestine to defend itself and to give manpower for its security may help determine the outcome of this struggle.

In the first year of the war 24,000 Jewish men, women and children came to Palestine's shores from Nazi-held Europe. In 1941 thousands of others must be assisted to enter the Jewish homeland. The tragic stories of the recent landing at Haifa of the 1700 survivors from the S.S. Patria, sunk by an explosion, and of the drowning in the Sea of Marmora of 223 refugees on their way to Palestine, are an indication of the pitiful rush of desperate Jewish refugees to the freedom and sanctuary of Palestine. 280,000 of such refugees have come to Palestine in the last eight years from Germany, Czechoslovakia, Poland and elsewhere. Palestine has absorbed twice as many refugees as the United States, almost as many as the rest of the world combined.

Through the United Palestine Appeal American Jewry has the opportunity to help preserve a Jewish community of over 550,000 people, the largest free Jewish community in the world next to the United States. More than two decades of sacrificial labor, vision and courage are now reflected in a great industrial, agricultural, economic, cultural and spiritual achievement of which the Jewish people and the world as a whole may well be proud.

The economic rationalization of Jewish life has achieved its most effective form in Palestine where today 137,000 Jews make their living from the soil, a proportion greater than in any other Jewish community in the world. In industry, Palestine has witnessed the most remarkable development in the Near East, with tens of thousands of Jews gaining a livelihood in shops and factories which produce thousands of types of goods vital to a nation's economy. The most modern school system with some 60,000 students, and a series of higher institutions of learning, including the Hebrew University, are also part of the magnificent framework of a homogeneous and creative community established in Palestine through the labor of the pioneers and the support of the Jews of America.

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The Jews of Palestine are sharing their own meager material resources gladly with the thousands of refugees who stream into the country with or without immigration certificates and who possess practically nothing. They welcome them as brothers and open their homes to them. But they need help, help to take care

of them, and of the many more who are coming and help to continue to build the historic homeland of Israel.

A factor of great importance in determining the measure of American Jewry's support of the Palestine rescue and upbuilding program in 1941 is the collapse of the European communities which themselves previously contributed substantially to the reconstruction enterprise.

For these reasons, the officers of the United Palestine Appeal turn to the Jews of the United States and ask of them to begin their fund-raising efforts at the earliest possible moment in 1941, and to make maximum resources available to Palestine.

Today the Jews of Palestine, playing an increasing role in the Allied forces, are giving to Jews everywhere a symbol of sacrificial loyalty and of steadfast faith in the ultimate triumph of justice - justice for Israel and for humanity.

American Jewry cannot -- the United Palestine Appeal is confident it will not -- let down these Jews in Palestine who are our front-line soldiers in the War for the Liberation of Mankind.

TELEPHONE CONVERSATION BETWEEN DR. STEPHEN S. WISE AND
DR. SOLOMON LOWENSTEIN

DECEMBER 19, 1940

4:45 P. M.

At the Keren Hayesod office, 41 East 42nd Street, New York, N. Y.

DR. WISE: When we parted the other day didn't you understand that we were to hear from the JDC with regard to the possibility of the second proposal - the alternative proposal made by Dr. Silver?

DR. LOWENSTEIN: Yes

DR. WISE: Well, I don't think that Dr. Silver has heard

DR. LOWENSTEIN: I think a telegram was sent to him today

DR. WISE: Could you tell me what it contained?

DR. LOWENSTEIN: Not in the exact words. It was to the general effect that, while we were not disposed at the moment - we were not going to haggle over the difference in the proposed ratios - we felt that we ought to stand on our position with respect to the repetition of the ratios of last year. And, too, we could not accept the proposal with regard to the position of the NRS.

DR. WISE: Let me repeat that: You stand on the ratios of last year and you could not accept the proposal we made with regard to the NRS

DR. LOWENSTEIN: Yes

DR. WISE: That gives me what I wanted. You say a telegram was sent to Dr. Silver. I have not heard from him about it but I suppose I will.

DR. LOWENSTEIN: I heard from Leavitt several times

DR. WISE: All we can say now is L'Hitraot

(Call interrupted)

DR. LOWENSTEIN: What I said about "haggling" was my own word. That was not in the telegram.

DR. WISE: No, I suppose not. The JDC did not yield on two grounds, namely on the ground of ratios on the 1940 schedule and on the ground of the NRS. Well, let us hope for the best for all of us.

DRAFT OF A STATEMENT ANNOUNCING 1941 UNITED PALESTINE APPEAL DRIVE

* * * * *

In response to the emergencies of the war period, which place a new measure of responsibility on American Jewry for the preservation and enlargement of the Jewish homeland in Palestine, the United Palestine Appeal calls upon America to raise \$12,000,000 in 1941 to sustain Palestine Jewry in its critical hours of heroic defense by the side of Great Britain and to enable additional thousands of ^{refugee} ~~harmless~~ Jews to find ^{a home} ~~freedom~~ in Palestine.

The resolution of America to share in resisting the encroachments and devastation of dictatorship must find its parallel in the willingness of Jews to give generously of their substance so that the Palestine Jewish community may continue to guard one of the most vital battle-fronts for civilization in the Middle East. The ability of Palestine to defend itself and to give manpower for its security will help determine the outcome of the crucial struggle between barbarism and humanity that the world is now witnessing.

In the first year of the war 24,000 Jewish men, women and children came to Palestine's shores from Nazi-held Europe. ^{add} In 1941 thousands of others must be assisted to enter the Jewish homeland, to save them from the horrors of Europe and to strengthen the defense powers of Palestine.

In 1940 eight new colonies were erected to bring to 257 the settlements which have meant new security and hope for great masses of oppressed Jews. In 1941 the aim is to establish a minimum of fifteen more to give a foothold on the soil to refugees and immigrant.

To maintain the morale of Palestine Jewry, seriously affected by the dislocations of the country's economy due to war, assistance must be provided to tens of thousands through relief and through public works that will absorb the unemployed and strengthen the defenses of the country.

Small peoples engaged in this war have given new hope for the liberation of mankind by the courageous qualities of faith and bravery that they have displayed. Men of conscience have surmounted their dismay and despair through such examples of what self-reverence can achieve.

Today the Jews of Palestine are giving to Jews everywhere a symbol of patient belief in the ultimate victory of justice and of the capacity of men of good will to destroy oppression if they will but fight.

American Jewry cannot-- the United Palestine Appeal is confident it will not-- let down these Jews in Palestine and the refugees who continue to flow into the country. Between them they are playing a momentous role in the salvation of Europe and the restoration to the Jews there of their status as citizens and human beings.

For these reasons, the officers of the United Palestine Appeal turn to the Jews of the United States and ask of them to undertake their fund-raising efforts at the earliest possible moment in 1941 and by making maximum resources available to Palestine through the United Palestine Appeal take their place by the side of an aroused world which has determined that through the mobilization of its moral and material resources it shall free mankind from the terrors of hate and cruelty and reestablish peace and liberty for all men.

December 18, 1940

UNITED PALESTINE APPEAL
41 EAST 42 STREET
NEW YORK CITY

M E M O R A N D U M

December 24, 1940

TO: DR. ABBA HILLEL SILVER

FROM: HENRY MONTOR

Attached hereto is a copy of the statement that has been issued by Rabbi Abba Hillel Silver and Rabbi Jonah B. Wise as National Chairmen of the United Jewish Appeal from the office of the United Jewish Appeal, announcing the dissolution of the 1940 United Jewish Appeal.

HM:BC
Enc.

From:
United Jewish Appeal
342 Madison Avenue
New York, N. Y.

FOR RELEASE:
Wednesday, December 25

JOINT STATEMENT BY NATIONAL CHAIRMEN

The following statement was issued today by Rabbi Abba Hillel Silver and Rabbi Jonah B. Wise, National Chairmen of the United Jewish Appeal for Refugees and Overseas Needs:

"We herewith announce that as of December 31, 1940, the United Jewish Appeal will cease to function as the agency for the collection and distribution of new funds for the 1941 programs of the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service. The United Jewish Appeal will continue to collect and distribute all funds outstanding in the 1939 and 1940 campaigns on the basis of the agreements of 1939 and 1940 and the decisions of the Allocations Committee of 1939 and the Allotment Committee of 1940.

"The campaigns of 1939 and 1940 yielded substantial sums for the three causes. It is the firm belief of the undersigned that the de facto dissolution of the common fund-raising national organization will not impair the cordial relations and generous cooperation now existing among the three beneficiary agencies of the 1939 and 1940 United Jewish Appeal. They are further convinced that the three agencies will cooperate with all communities and with one another in our primary task of finding adequate funds to meet the needs of reconstruction, relief and refugee service required today. We are grateful to the leaders of the communities all over the United States of America who have given their unstinting confidence and generous support. Every consideration will be given by the previous beneficiary agencies to the promotion of our common enterprise and to the most adequate assistance to the causes of the Joint Distribution Committee, the United Palestine Appeal, and the National Refugee Service.

Abba Hillel Silver
Jonah B. Wise"

DRAFT OF A STATEMENT ANNOUNCING 1941 UNITED PALESTINE APPEAL DRIVE

In response to the emergencies of the war period, which place a new measure of responsibility upon American Jewry for the preservation and enlargement of the Jewish homeland in Palestine, the United Palestine Appeal calls upon American Jewry to secure \$12,000,000 in 1941 with which to sustain Palestine Jewry in its critical hours of heroic defense by the side of Great Britain and to enable additional thousands of harassed Jews to find refuge there.

The resolution of America to share in resisting the encroachments and devastation of dictatorship must find its parallel in the willingness of Jews to give generously of their substance so that the Palestine Jewish community may continue to guard one of the most vital battle-fronts for civilization. The ability of Palestine to defend itself and to give manpower for its security may help determine the outcome of this struggle.

In the first year of the war 24,000 Jewish men, women and children came to Palestine's shores from Nazi-held Europe. In 1941 thousands of others must be assisted to enter the Jewish homeland. The tragic stories of the recent landing at Haifa of the 1700 survivors from the S.S. Patria, sunk by an explosion, and of the drowning in the Sea of Marmora of 223 refugees on their way to Palestine, are an indication of the pitiful rush of desperate Jewish refugees to the freedom and sanctuary of Palestine. 28,000 of such refugees have come to Palestine in the last eight years from Germany, Czechoslovakia, Poland and elsewhere. Palestine has absorbed nearly three times the number of refugees that the United States has, almost as many as the rest of the world combined.

Through the United Palestine Appeal American Jewry has the challenge and the opportunity to help preserve a Jewish community of over 550,000 people, the largest free Jewish community in the world next to the United States. More than two decades of sacrificial labor and realistic vision are now reflected in a great industrial, agricultural, economic, cultural and spiritual enterprise of which the Jewish people and the world as a whole may well be proud.

The economic restratification of the Jews has achieved its most effective form in Palestine where today 137,000 Jews make their living from the soil, a proportion greater than in any other Jewish community in the world. In industry, Palestine has witnessed the most remarkable development in the Near East, with tens of thousands of Jews gaining a livelihood in factories which produce thousands of types of goods vital to a nation's economy. The most modern school system with some 60,000 students, and a series of higher institutions of learning, including the Hebrew University, are also part of the magnificent framework of a homogeneous and creative community established in Palestine through the labor of the pioneers and the support of the Jews of America.

Through the United Palestine Appeal, assistance has been given for the establishment of more than 270 towns and villages within the last three years, 60 new agricultural settlements have been founded. A network of enterprises to assure the security of the colonies, which are today a bulwark of defense in the war period; wide public works to absorb the unemployed and thereby strengthen the economic life of the country; stimulation of industry for normal and wartime needs -- all these are part of the achievements made possible with the aid of the United Palestine Appeal.

Unceasingly, day by day, and in spite of the serious economic dislocation and distress caused by the war, the work of upbuilding is going on. Land is being cleared, drained and prepared for settlement. Modest workmen's homes are being built. The medical and health services are being expanded. Industry is being stimulated. The coming into Palestine in recent years of many thousands of experts, technicians, engineers and men in the scientific, industrial and commercial life of Europe is acting as a ferment in the daily life of the country.

The Jews of Palestine are sharing their own meager material resources gladly thousands of refugees who with the stream into the country with or without immigration certificates and who possess practically nothing. They welcome them as brothers and open their homes to

them. But they need help, help to take care of these immigrants, help to build the historic homeland of Israel.

A factor of great importance in determining the measure of American Jewry's support of the Palestine upbuilding program in 1941 is the collapse of the European communities which themselves previously contributed to the reconstruction enterprise.

For these reasons, the officers of the United Palestine Appeal turn to the Jews of the United States and ask of them to begin their fund-raising efforts at the earliest possible moment in 1941, and to make maximum resources available to Palestine.

Today the Jews of Palestine, playing an increasing role in the British forces, are giving to Jews everywhere a symbol of steadfast faith in the ultimate victory of justice and of the capacity of men of good will to destroy oppression if they will but stand and resist.

American Jewry cannot -- the United Palestine Appeal is confident it will not -- let down these Jews in Palestine. They are playing a momentous role in the saving of Europe and the restoration to the Jews there of their status as citizens and human beings.

In response to the emergencies of the war which confront Palestine and which place an additional measure of responsibility on American Jewry for the preservation and enlargement of the Jewish homeland in Palestine, the United Palestine Appeal has announced an emergency campaign for Twelve Million Dollars for 1941. The Jewish Agency for Palestine has called upon American Jewry to rally to the support of Palestine Jewry which finds itself in the midst of war and which is marshalling its forces for an heroic defense of its life as well as of ~~the~~ democracy and freedom by the ^{side} ~~the~~ of Great Britain.

Although Palestine is in the war zone it still offers sanctuary to thousands of refugees fleeing from persecution in all parts of Europe. In the first year of the war, twenty-four thousand men, women and children entered the country. The tragic stories of the recent landing at Haifa of the 1700 survivors from the S.S. Patria, sunk by an explosion, and of the drowning in the Sea of Marmora 223 refugees on their way to Palestine, are an indication of the pitiful rush of desperate Jewish refugees to the freedom ^{and sanctuary of Palestine} ~~of the new hope of Palestine~~. 200,000 of such refugees have come to Palestine in the last ^{eight} ~~seven~~ years from Germany, Czechoslovakia, Poland and elsewhere. Palestine has absorbed ^{“nearly three times”} ~~twice~~ the number of refugees that the United States has, almost ~~but~~ as many as the rest of the world combined. These refugees are not only given elementary relief, food, clothing, shelter and medicine, but as rapidly as possible they are helped to establish themselves on land, in industry and in labor. Since 1936, sixty new ^{agricultural} ~~cultural~~ settlements have been established, eight within this last year.

The war has naturally shaken and ^{disrupted} ~~unsettled~~ the domestic economy of Palestine. There exists considerable unemployment which the Jewish Agency is endeavoring to meet through relief and through public works which will absorb these unemployed as well as strengthen the defenses of the country.

The care of the tens of thousands of refugees has been and is a very heavy additional financial burden on the Jewish Agency which, in normal times, was confronted with serious financial problems involved in the upbuilding of the

Jewish homeland.

The work of upbuilding is going on and must go on to meet the requirements of the new immigration which has been pouring into the country as well as to realize the great historic hope of Israel - to re-establish in its historic national home a national life for the Jewish people. Unceasingly, day by day, the work of upbuilding is going on. Land is being purchased, cleared, drained and prepared for settlement. Modest workmen's homes are being built. ~~Schools are being erected.~~ The medical and health services are being expanded. Industry is being stimulated. The coming into Palestine in recent years of ~~so~~ many thousands of experts, technicians, engineers and men, who occupied the highest positions in the scientific, industrial and commercial life of Europe is acting as a ~~daily~~ ferment in the life of the country. The Jews of Palestine ~~have shared~~ their own meager material resources gladly with the thousands of refugees who come with nothing. They welcome them as brothers and ~~open~~ their homes to them. They are in the war zone and yet they face the future with high resourceful and unshaken confidence. The spirit which the English have manifested toward the brave people of Greece is the spirit of the ~~people~~ of Palestine. What they require is the same measure of ~~unflinching~~ aid which America is prepared to give to Great Britain. They need far larger sums than they have received heretofore from America, for all other sources of support from other countries ~~has~~ has now been shut off by the war.

The Yishuv does not ask for charity or philanthropy.

~~The war has seriously dislocated~~

and displaced
and in this sense economic displacement
II

share with the country with a will... But they need help... these
But they need help, help to take care of these
immigrants help... these
These

Choir Notes

Service - Grimm

Judas Maccabaeus

I Father of Heaven Alto

Arm, arm ye brave Bass

Hail Judah  & Chorus

II Violin - Eugene Berger

Grave

Bach

Danse Hebraique Bonime

Mauvet

Popora

III Sing unto God Chorus

O lovely Peace Duet

Hallelujah Chorus

David W. Washburn

MEMORANDUM

December 28, 1940

To : Voting Members of the Allotment Committee - For Action

Messrs: Harris Perlstein
James H. Becker
Fred M. Butzel
Louis Lipsky
Solomon Lowenstein
Abba Hillel Silver
David M. Watchmaker

Non-Voting Members of the Allotment Committee - For Information

Messrs: Henry Vineman
Stephen S. Wise

From: Elisha H. Friedman

Subject: Your Approval of Summary Statement on Allotment Committee Action

Upon instruction of Mr. Harris Perlstein, Chairman of the Allotment Committee, the Secretary transmits for your approval the following summary statement, as recorded in the verbatim transcript of the stenotypists.

This is to be presented to the Executive Committee meeting of the United Jewish Appeal for 1940 for appropriate action to put the Allotment Committee recommendation into effect. The meeting is set for Monday, December 30th, at 4:00 P.M.

Will you therefore kindly advise the Secretary as early as possible, preferably by mail or telegraph, otherwise by telephone, in order that your approval may be recorded.

E.H.F.
Encl.

E.H.F.

E.H.F.

December 28, 1940

SUMMARY STATEMENT ON ALLOTMENT COMMITTEE ACTION
For the Meeting of the Executive Committee of the United Jewish Appeal
Monday, December 30, 1940

As Approved by Allotment Committee Members Named Herewith

Upon instruction of Mr. Harris Perlestein, Chairman of the Allotment Committee, the Secretary transmits to the Executive Committee of the United Jewish Appeal the following summary statement. This is from a verbatim transcript of the stenotypist:

Mr. Perlestein summarized as follows: "It has been moved by Mr. Watchmaker and seconded by Mr. Butzel that such monies as are available for division from the 1940 campaign, as between the JDC and the UJA be divided on the basis of \$800,000 to JDC and \$400,000 to UJA, or in like ratio as funds are made available in an amount more or less than \$1,200,000." The motion was carried.

Mr. Watchmaker then stated: "I think that the JDC and UJA ought to be ready to help them (NKS) so far as acceleration is concerned." He continued, "Subject to that understanding, I move that there should be no allotment to the NKS."

Dr. Silver seconded the motion and stated that "as far as the acceleration of money to the NKS is concerned, that the UJA would be very sympathetic to any consideration that would help the NKS meet its obligations as it always has been."

Mr. Watchmaker stated that the Allotment Committee apparently had the assurances of both Dr. Silver and Dr. Lowenstein that if the NKS is in need of financing in March, it will be helped.

Dr. Lowenstein stated that "even if there is a separate campaign we will undertake to make arrangements with the UJA whereby we would make this loan of \$250,000 to the NKS as of the time it is needed; namely, either March or April, to tide them over."

Dr. Silver stated, "I don't think there will be any difficulty".

Mr. Perlestein then summarized, "As I understand it, you have moved, Mr. Watchmaker, that on the condition that the UJA elects to pay to the NKS the balance of the original allotment at the rate of 50% of the total disbursements of the UJA to its beneficiary organizations until that is completed, and that with the specification that that payment during the month of December shall be not less than \$600,000 - we are not laying this down." (As a decision, since it is beyond the powers of the Allotment Committee) "We are saying that if that is done, we will vote no allotment. We will leave it to the UJA to do." (executed)

Dr. Lowenstein stated: "To use Mr. Becker's technical term, we will subordinate our loan to the advances made by the bank. The bank will then recognize that they have a first claim, and that if we only collect \$250,000, they will get it all."

Dr. Silver replied, "All I can give you is a gentlemen's agreement."

Mr. Watchmaker added, "The bank will have a right to collect the money first, before you people have a right to collect it, which (arrangement) you would want to exist anyway."

EMF:W

MORRIS SIMON
LAWRENCE KOENIGSBERGER
EUGENE YOUNG

TELEPHONE DISTRICT 5180

LAW OFFICES OF
SIMON, KOENIGSBERGER & YOUNG
SUITE 340 WOODWARD BUILDING
WASHINGTON, D. C.

L. R. STRASSBURGER
W. E. CUMBERLAND
JULIAN H. REIS
LEOPOLD V. FREUDBERG
MAURY YOUNG
LEROY S. BENDHEIM
LEWIS JACOB
COLEMAN L. DIAMOND

December 30th, 1940.

Messrs. Paul Baerwald and Edward M. M. Warburg
c/o Joint Distribution Committee
100 East 42nd Street
New York City

Gentlemen:

This will acknowledge receipt of your telegram of December 28th, 1940 as follows:

"We of the Joint Distribution Committee are anxious to present picture our needs and general campaign problems but not until expiration 1940 United Jewish Appeal. Thereafter we can together consider all facts in ample time to meet our responsibilities in these critical days both as Americans and as Jews. We urge that no one commit himself or his community to programs or budgets until the American Jewish Responsibility can be studied and appraised as a whole."

WHAT IS THE AMERICAN JEWISH RESPONSIBILITY?

In my opinion it can be summed up in the words "Secure a United Jewish Front." For several years in the recent past this has been evidenced in a UNITED JEWISH APPEAL.

While the United Jewish Appeal has not resulted in perfect unity, yet it has produced apparent harmony so far as the outside world is concerned, and has initiated a better understanding among our various groups, which in time would have the effect of actually solidifying Jewry in working toward a common goal.

The progress made by the United Jewish Appeal through hard work and sizable expense over several years apparently is about to be destroyed. Why?

Apparently because our national Jewish leaders are unable amicably to work out an equitable basis of partnership among themselves, and without consulting the communities which furnish the funds to be administered.

"Is such action a proper approach to meeting the American Jewish Responsibility?"

It would appear that before reaching a decision of such magnitude, the views of the leaders of the various communities which raise the money should have been secured. If the various communities are denied the right to have a voice in a drastic change from a successful plan, can they be expected to continue their support?

Messrs. Paul Baerwald and
Edward M. M. Warburg

— 2 —

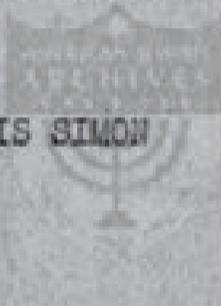
December 30th, 1940.

There must be many persons in America who could apportion the funds to be raised fairly and impartially among the respective activities, and if those at present attempting this cannot reach a satisfactory agreement, it is they should should recognize their American Jewish Responsibility and step aside in favor of persons who may be able to aid in establishing peace and harmony among our people.

I mean to cast no aspersions as to individuals. The problem is far too important to attempt to fix blame. It is not a situation in which individual desires, ideas or ideals should govern, and all of our present leaders should recognize this.

It is my earnest hope that the differences between our national leaders may still be arranged, and that in 1941 we will face our problems through a UNITED JEWISH APPEAL.

Sincerely yours,

 
MORRIS SIMON

MS/mw

BUDGETING

For Member Agencies

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

January 6, 1941

The constituent agencies of the 1940 United Jewish Appeal have announced plans to conduct separate campaigns in 1941. The JDC and UPA (the constituent bodies of the UJA) and the NRS (a beneficiary agency) will in 1941 make separate applications for allotments from the Jewish welfare funds. These three agencies, therefore, rejoin the list of Jewish agencies engaged in overseas, Palestine and refugee service that have been appealing independently for funds, such as Ort, Hias, Hadassah, Jewish Labor Committee for Palestine, American Friends of the Hebrew University and numerous smaller agencies.

In line with its function of information service to member agencies, the Council is presenting a brief factual statement on the history and experience of joint appeals in previous years. We plan, from time to time, to secure additional data on new factors that are developing that may be useful to our member agencies in their tasks of fund raising and budgeting in 1941.

Joint Appeals - (1934 - 1940)

Beginning in 1934*, the JDC, UPA, NRS and the Ort have, from time to time, achieved some degree of cooperation and joint planning in national fund raising. The details of joint appeals beginning with the year 1934 are as follows:

For the years 1934 and 1935, the JDC and the American Palestine Campaign, Inc., (predecessor of the UPA) conducted joint campaigns based upon a procedure for allotment of funds determined in advance by the two organizations.

The joint campaign was not renewed and the JDC and the American Palestine Campaign, Inc. conducted separate campaigns in 1936. The JDC, in 1936, made a contribution to the American Ort Union in lieu of the Ort's independent national campaign. In 1937, the JDC again made a substantial contribution to the Ort on condition that the Ort would not conduct separate campaigns. The arrangement, however, in 1937, provided that the Ort could make direct application to the welfare funds and to other central fund raising bodies for inclusion and allocation.

* The Palestine Foundation Fund, now a constituent of the United Palestine Appeal, had conducted a combined drive with the Joint Distribution Committee in 1930 under the name of the Allied Jewish Appeal.

In 1937, through the efforts of the Council, the JDC and the UPA (the successor of the American Palestine Campaign, Inc.) agreed to cooperate with respect to their applications to welfare funds that were members of the Council. A ratio for allocations in the proportion of 60 percent to the JDC and 40 percent to the UPA was accepted as a guide to the welfare fund cities that were members of the Council. The UPA, in 1937, comprised the Jewish Agency (Keren Hayesod), the Jewish National Fund and the Mirachi Fund. In 1937, the welfare funds made separate allocations, but received recommendations from the JDC and UPA and from the Council that the above proportions agreed upon by the two agencies should be accepted as the basis for their contributions.

In 1938, the Ort campaign was conducted entirely apart from the JDC.

The agreement between the JDC and UPA in 1938 was practically the same as the 1937 agreement. Each agency conducted its own campaign and agreed that the sums collected by them from local welfare funds would be distributed in the proportion of 60 percent to the JDC and 40 percent to the UPA. In addition, the two agencies agreed to give practical effect to this policy by equalizing the results obtained from welfare funds if local allocations, on a proportion other than the one agreed upon, were made. The 1938 agreement specifically excluded the traditional collections of the Jewish National Fund from consideration in the proportions or in the adjustments of welfare fund allocations to the two agencies. In 1937 and in 1938, it was assumed that the Jewish National Fund would not appeal directly to Jewish welfare funds, since it was a constituent of the UPA but that its traditional fund raising methods might be continued as in previous years and including 1934 and 1935*, when the American Palestine Campaign, Inc. had conducted joint campaigns.

In 1939, the JDC and UPA, in response to the urging of many member agencies of the Council, entered into an agreement to conduct a unified campaign under the name of United Jewish Appeal for Refugee and Overseas Needs, with a goal of \$20,000,000. The amounts of initial allocations to the two agencies and to the National Coordinating Committee (which became the National Refugee Service) were as follows: JDC \$5,000,000; UPA \$2,500,000; NCC (NRS) \$2,000,000. Amounts available for distribution above the initial allocations were subject to the disposition of an Allocations Committee composed of two nominees from the UPA and two from the JDC with a fifth member selected by the other four. Additional funds to the NRS up to \$500,000 were to be made available on basis of operating needs, but allocations to the NRS above a total of \$2,500,000 would require unanimous consent of the entire Committee. Final disposition of funds above the fixed amounts was decided as follows: The NRS received a total allocation of \$2,600,000. Additional funds to the JDC and UPA were distributed on the basis of 66-2/3 percent to JDC, 33-1/3 percent to UPA for all funds beyond the original fixed amount and allocations to the NRS and a special grant of \$250,000 for Catholic and Protestant refugee services. up to a total of \$15,500,000 of funds to be distributed by the Allocations Committee. If funds beyond that amount were available they were to be distributed on a ratio of 70 percent JDC and 30 percent UPA**.

* In 1934 and 1935 the JNF was not associated in campaigns with the Palestine Foundation Fund and conducted general fund raising efforts.

** Because of shrinkage in pledges to 1939 UJA campaigns - funds above \$15,500,000 will not be available for the application of this ratio.

The UJA was continued in 1940, with a campaign goal of \$23,000,000, with the JDC and UPA again as constituent members and the NRS as a beneficiary. Fixed amounts were agreed upon as initial allocations, as follows: JDC \$5,250,000; UPA \$2,500,000; NRS \$2,500,000 plus an additional \$1,000,000 to be derived directly from the New York City Campaign of the UJA. An Allotment Committee was established to consist of two representatives from the JDC, two from the UPA and three additional representatives of welfare fund cities to be selected by the two constituent agencies from a list submitted by the Council of Jewish Federations and Welfare Funds. The UJA in 1940 also voted expenditures up to \$25,000 for the purpose of an Inquiry on the programs and financial experience of the constituent and beneficiary agencies, to be conducted by the Allotment Committee. The reported action of the Allotment Committee in December 1940 was to distribute \$800,000 to the JDC, \$400,000 to the UPA and to apply the same ratio for additional funds available thereafter from the 1940 UJA campaigns.

The Ort had conducted entirely separate campaigns in 1938, 1939 and 1940. However, in 1940, it entered into an agreement with the New York Campaign of the UJA and was included in the New York Campaign for a minimum fixed amount.

Other agencies engaged in overseas and refugee work have been conducting separate appeals during this period. From time to time, some of them received contributions to their program from either the JDC or UPA and in some instances, from both organizations.

Results of Previous Campaigns

Table I and Table II give the results of fund campaigns of a number of the major overseas and refugee agencies. It should be noted that these tables are incomplete both as to agencies with organized projects in these fields and as to other methods of overseas aid from private sources, etc. Data is unavailable for the complete picture of American aid but it is reported that the Inquiry of the 1940 UJA Allotment Committee is making an effort to secure more comprehensive information. (Figures secured from previously published Council reports.) For more detailed information on the financial experience of the overseas and refugee agencies included in these tables, refer to annual Council reports on individual agencies.

Sidney Hollander, Council President, has made several major suggestions to member agencies in his letter dated December 31, 1940. An additional suggestion for budgeting of these separate appeals that can be offered at this time is that the applications for funds in 1941, as they are received, be classified into three groups on the basis of the major functions of agencies, as follows:

- (a) general overseas and refugee services, outside of the U. S.
- (b) agencies whose major field of operation is in Palestine
- (c) refugee agencies primarily functioning in the U. S.

As soon as 1941 data on appeals are made available to the Council, reports will be sent on the actual 1940 experience and the 1941 campaign and program plans of the various agencies in those fields that are appealing for inclusion in local Jewish welfare funds.

TABLE I - CAMPAIGN INCOME - OVERSEAS AND REFUGEE AGENCIES
(1934-1940)

	1934	1935	1936	1937	1938	1939	1940
United Jewish Appeal (net available for distribution)						\$14,422,250 ^a	\$12,470,670 ^b
JDC	\$1,264,000	\$1,154,000	\$2,642,877	\$3,349,160	\$4,742,000	7,720,667 ^a	6,050,000 ^b
UPA ^c	916,000	774,000	1,509,436	1,683,266	2,133,789	3,860,333 ^a	2,900,000 ^b
NRS (formerly NCC)					818,221	2,591,250 ^a	3,500,000 ^b
JNF ^d	298,000	480,000	116,044	233,105	324,996	370,149	385,000 ^e
Ort	NA	75,404	149,600	241,283	202,730	287,884	283,512 ^g
Hadassah ^f	NA	NA	568,994	599,151	848,932	1,339,677	1,272,929 ^g
American Friends of Hebrew University ^g	NA	75,883	99,669	110,936	135,137	196,481	155,107 ^g
National Labor Committee, Palestine	NA	NA	196,756	222,936	276,843	387,172	432,151 ^g
HIAS	NA	NA	237,341	266,782	335,067	436,928	489,612 ^g
Total			\$5,570,717	\$6,706,619	\$9,817,715	\$17,190,541	\$15,568,311

a - Cash paid on allocations by UJA from funds of 1939 campaign as of 10/31/40. Additional allocations will be made from funds still to be received for 1939 campaign.

b - Estimate of UJA allotment committee 12/2/40 (Pledges, not cash).

c - Exclusive of JNF traditional collections.

d - Traditional collections only - JNF receives direct allocations from UPA.

e - Actual and estimated (approximate).

f - Includes chapter contributions only.

g - Excludes contributions JDC and UPA made each year: 1935 - \$25,000, 1936 - \$25,000, 1937 - \$25,000, 1938 - \$42,500, 1939 - \$25,525, 1940 - \$27,500.

NA - Net available.

TABLE II - DISTRIBUTION BY AGENCIES OF FUNDS RAISED FOR
OVERSEAS AND REFUGEE AGENCIES - 1936-1940

	R a t i o x 1 0 0				
	1936	1937	1938	1939	1940
United Jewish Appeal (not available for distribution)				83.9 ^g	80.1 ^f
JDC	47.4	49.9	48.3	44.9 ^g	39.8 ^f
Ort	2.7	3.6	2.1	1.7	2.5
UPA ^a	27.1	25.1	21.7	22.5 ^g	18.6 ^f
JNF ^b	3.0	3.5	3.3	2.2	2.5
Hadassah ^c	10.2	8.9	8.7	7.8	8.2
American Friends of Hebrew University ^d	1.8	1.7	1.4	1.1	1.0
National Labor Committee	3.5	3.3	2.8	2.2	2.8
NRS			8.3	15.1 ^g	22.5 ^f
HIAS ^h	4.3	4.0	3.4	2.5	3.1
Total	100.0	100.0	100.0	100.0	100.0
Total Overseas - European and Elsewhere	50.1	53.5	50.4	46.6	41.3
Total Overseas - Palestinian	45.6	42.5	37.9	35.8	33.1
Total Refugee Services ^e	4.3	4.0	11.7	17.6	25.6
Total	100.0	100.0	100.0	100.0	100.0

- a - Exclusive of JNF traditional collections.
- b - Traditional collections only - JNF receives direct allocations from UPA.
- c - Includes chapter contributions only.
- d - Excludes contributions JDC and UPA made each year: 1936-\$25,000, 1937-\$25,000, 1938-\$42,500, 1939-\$25,525, 1940-\$27,500.
- e - Cash paid on allocations by UJA from

- funds of 1939 campaign as of 10/31/40. Additional allocations will be made from funds still to be received for 1939 campaign.
- f - Estimate of UJA allotment committee 12/2/40 (Pledges, not cash).
- g - Actual and estimated (approximate).
- h - HIAS funds largely expended in United States; emigration funds overseas were 26%, 32% and 31% of 1937, 1938 and 1939 totals.

To: Dr. Abba Hillel Silver

January 21, 1941

From: Mr. Henry Montor

Dr. Solomon Goldman phoned my home on January 20 to inform me of the results of Monday's meeting of the Board of the Chicago Welfare Fund. The session, which began at 12:30, consumed five hours.

It was moved by Mr. Harris Perlstein that of the first \$400,000 to be allocated for overseas purposes, distribution was to be made between the Joint Distribution Committee and the United Palestine Appeal, disregarding the National Refugee Service, on the basis of the 1940 allocation. Everyone present except Dr. Goldman voted for the resolution. One other person moved that the action be rescinded. Final decision was left in abeyance, however, until the next meeting scheduled for Tuesday evening, January 21.

Dr. Goldman, in presenting the atmosphere in which the meeting was held, emphasized that three representatives of the Joint Distribution Committee were present. Mr. Morris C. Troper insisted, "Our needs are limitless." "Requests come to us for \$12,648,000 for six months." "We must take care of one million souls." "The J.D.C. is the only organization operating to help the Jews in Europe." Mr. Harold Linder spoke on the finances of the J.D.C. Mr. Joseph C. Hyman stressed the following points:

1. The J.D.C. is a solitary, lonely organization working for the Jews of Europe.
2. Palestine has succeeded in creating large sources of revenue, such as the Hadassah, the Gewerkshafte, the Hebrew University, etc. He emphasized that when the J.D.C. made its agreement with the U.P.A., it did not realize how powerful these other organizations were in relation to Palestine fund-raising.
3. The J.D.C. is contributing to Palestine 10% of the money it gets from American Jewry.
4. He suggested that increased support of refugees in South America has become most vital.
5. He mentioned a "reasonable" division of 80% for the J.D.C. and 20% for the U.P.A.

Throughout the meeting, Mr. Sidney Hollander and Mr. Harry Lurie of the Council were present. Mr. Hollander said, in substance, "We ask that instead of doing it individually by communities, we decide for all communities." He suggested that ten major communities represented at Atlanta be invited to set up a committee. By June, he emphasized, such a committee can have made its decision upon which the entire country can thereupon operate.

Dr. Goldman, in rebuttal, had two major points:

1. If he had been called on to speak for the J.D.C., he would speak with equal feeling. But he could not accept Mr. Hyman's statement. The matter concerned not only a question of figures, but of ideology. He spoke of the part Palestine has played in meeting the refugee problem during the past eight years, and referred to the sterility of the colonization enterprise of Baron de Hirsch in Argentina as opposed to the results of Herzl's ideal put into practice in Palestine.

2. Mr. Troper has said that all Jews want to emigrate. What of Palestine?

As to Mr. Hollander, what he proposed is to postpone a "civil war" until ten days later. What of the millions of Jews in the United States who believe in Palestine? All Welfare Funds, he continued, like the one in Chicago, are headed by the men of greatest wealth who are not uniformly interested in Palestine. Dr. Goldman stressed the fact that all American Jews are not ideologically and emotionally united on the question of Palestine.

The greater part of the afternoon was spent battling. Mr. Hollander was vigorous and embittered. His mood may be guessed by the fact that at one point he pulled out his Zionist card and waved it. Dr. Goldman told Messrs. Perlstein and Becker that they were too sanguine, and that there might be an independent campaign for the U.P.A. in Chicago. Mr. Max Epstein insisted that nothing be done before February 10. Mr. Samuel Goldsmith proposed that the meeting endorse Mr. Hollander's proposal.

The session was adjourned until the Board convened again on Tuesday evening.

SUGGESTED APPROACH TO AGREEMENT FOR 1941 UJA CAMPAIGN
RESULTING FROM DISCUSSIONS IN ATLANTA

1. That the members of the 1940 UJA Allotment Committee representing Welfare Fund communities, themselves and through such instrumentalities as they may select, determine the allocations to NRS for 1941.

Should the community representatives on the 1940 UJA Allotment Committee be unsatisfactory for this purpose to JDC, the UPA or the NRS, these three agencies should promptly agree on some other instrumentality satisfactory to them.

These three agencies should agree in advance to accept the decision of this studying body.

2. UPA and JDC should immediately resume negotiations for settling such differences between them as are not involved in the NRS allotment.

Should they be unable to arrive at an agreement on such differences, before terminating negotiations the community representatives on the 1940 UJA Allotment Committee should be called for consultation.

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RESOLUTION

Having received a report from its representatives on the negotiating committee to consider plans for a joint campaign in 1941, to the effect that their proposals in the name of the United Palestine Appeal for a joint campaign in 1941 were rejected by the representatives of the Joint Distribution Committee,

The Administrative Committee of the United Palestine Appeal directs its representatives to make an earnest endeavor to have the Joint Distribution Committee reconsider its position in order that a continuation of the United Jewish Appeal for 1941 may be possible.

In the event, however, that the Joint Distribution Committee maintains the position it has taken of rejecting the United Palestine Appeal proposals and insisting that the ratios in the United Jewish Appeal of 1940 be continued, the officers of the United Palestine Appeal are authorized to proceed with such preparations as may be necessary for conducting an independent campaign by the United Palestine Appeal in 1941, and for an independent approach to the Welfare Chests of the American Jewish community.

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1/24/41

STATEMENT BY DR. SILVER

p. 4-11

A fuller report of the income of the U.P.A. in 1940 will be given to you by the Treasurer. It will be clear from his report that the U.P.A. received less in 1940 than in 1939. That is due, of course, to the fact that the U.J.A. raised less in 1940 than in 1939. In 1939 there was available for distribution out of the U.J.A. \$15,500,000, in 1940 only \$12,450,000. In 1940 the U.P.A. also received a smaller percentage of the total - 23 3/10% as against 25 4/5% in 1939. The J.D.C. also received a smaller percentage. The difference went to the N.R.S. - the only agency which received all that it asked for was enabled to meet its budget completely and even operated at a surplus of some \$370,000. I shall return to this subject later on.

Thus it may be said that while American Jewry did well in 1940 it did not do well enough. American Jewry has not yet placed itself on a war footing as have other peoples who wish to survive in this murderous age and to remain free. It has not yet prepared itself mentally and psychologically for large-scale sacrifices, for a totally different scale of living. It has not yet seen the wisdom of raising a war chest instead of merely stepping up its philanthropy a degree or two. We praise and admire the Greeks and the English for the manner in which they have poured out and are pouring out their total resources of material wealth and manpower into their struggles for national survival. These peoples are impoverishing themselves for generations to come in order to guarantee their freedom and that of the generations to come. But as far as we ourselves are concerned, we are being criticized not only for spending the relatively small sums of money for the millions of our war casualties and for our national survival, but even for asking for it. Thus the very Jews who applaud and urge upon the United States to send maximum aid to Great Britain are furious when we urge upon the Jews of America to send maximum aid to Palestine.

American Jews in the main have not yet grasped the cold, unpleasant fact that the Jews the world over are at war, that a war of extermination has been declared against them, that they have been at war now for eight years, that they have already been defeated and broken in more than ten countries of Europe, that organized Jewish community life for all intents and purposes has ceased to exist on the continent of Europe, that our casualties in slain, suicides, prisoners in concentration camps, helots in conquered lands, uprooted and impoverished, refugees and exiles, - is now more than five million, and that the Satanic force which has brought this unprecedented disaster upon Israel is still triumphantly marching on, and that his victorious march endangers every Jewish community in the world - even as it endangers every democratic country in the world.

But whereas the democracies are everywhere converting themselves into arsenals, drastically reorganizing their entire economic structure to meet the menace, and are taxing their people to the hilt, The Jews of America, the sole remaining free Jewish community in the world which is not warbound, are still hoping to meet their colossal wartime problems of our people, problems of relief, defense and national survival, with slightly larger doses of traditional philanthropy.

When the J.D.C. asks for a million dollars a month to care for ^{Jewish} the victims of war, invasion and persecution, it is met with the cry "you can't use that much money! There is no outlet for such expenditures". And from another direction it is met with the cry that the problem is so vast as to be beyond the reach of anything which we can ever hope to do about it.

When the U.P.A. announces a \$12,000,000 goal for 1941 many Jews, especially among our philanthropic potentates and some of their henchmen among professional Jewish social service workers, and even among some of the leaders of the J.D.C. who are subject to the same kind of criticism and skepticism, raised the cry, "what? \$12,000,000? Why, you received only \$3,000,000 in 1940. It is preposterous"

"to ask for such sums!" As if \$3,000,000 is all we asked for in 1940! As if \$3,000,000 is all we could have used last year or in any previous year!

Think what Palestine would be today if in the years immediately following the last war American Jewry and other Jewish communities had actually ~~seized~~ seized the great opportunity which had been offered to our people and had zealously devoted themselves to the work of upbuilding the Jewish National Home in Palestine, when conditions were much more favorable, when no political difficulties existed, when land purchase and immigration were unrestricted. Palestine would have been economically and politically prepared to absorb the total number of Jewish refugees who had to flee from Europe in the last seven years. As it is, it absorbed more than half of them! But Jews in America and elsewhere chose rather to listen to their omniscient and infallible philanthropic mentors who counselled all aid to the Jewries of Eastern and Central Europe and only a pittance to that visionary project in Palestine. They chose to listen and to be inveigled by the very "practical" proposals for the solution of the Jewish problem - Crimea, Biro-Bidjan and other territorialist schemes - many others, except Palestine! These omniscient and infallible philanthropic mentors are at work again. Now it is another territory - Santa Domingo. And already for every Jewish settler in Santa Domingo - three hundred souls, all told - at least a dozen columns of unbelievably exciting publicity has been made available to the secular press of the nations. And already the figure of 100,000 Jewish settlers in that Paradise is bandied about in campaign literature. These putative imaginary hundred thousand of Jews of Santa Domingo evoke far more enthusiasm and solicitude and cash from our Jewish philanthropists who still control organized American Jewish life in spite of two decades of resistance (?), than the 550,000 actually existing and living Jewish inhabitants of Palestine. What a fortunate land is Santa Domingo, and how happy must the hundred thousand imaginary Jewish settlers of that country be!

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And what an unfortunate country is Palestine! A Jewish refugee settling in Palestine is by that very fact less deserving of help and protection than a refugee settling in the United States. It is estimated that 150,000 Jewish immigrants have come to the United States since Hitler came to power. Only a small percentage of them, of course, are in need of relief or public service. Most of them come to relatives or are able to take care of themselves. They have come to the richest country in the world, one which is at peace. Within the last year the number of these immigrants arriving has decreased, and because of the improved economic conditions of the country they have become rapidly absorbed within our domestic economy. For this relatively small number of refugees, American Jewry in 1940 spent through the U.J.A. and through the large sums allocated in local communities, more than \$5,500,000. For 1941 the N.R.S. is asking for an additional three quarters of a million dollars - although it operated last year at a surplus of more than \$370,000. Local communities are likely to appropriate an additional million dollars for their local refugee needs so that a total of approximately \$7,250,000 will be spent in the United States.

In the last seven years Palestine has absorbed 280,000 refugees, nearly twice the number in America. A much larger percentage of these require relief. They have come to a small country and a poor country - one Jewish refugee to one Jewish settler. Palestine is in the war zone. Because of war conditions its national economy has been dislocated. There is a serious problem of unemployment.

To take care of these refugees as well as to finance practically the entire Zionist program in Palestine, land purchase, colonization, immigration, education, defense, etc., the U.P.A. received \$2,900,000. Even if you add to that the traditional collections of the Jewish National Fund, the Youth Aliyah Fund of the Hadasah, the income of the Gewerkschaften campaign and other smaller sources of revenue for Palestine, the total for the great historic work of building our national homeland and caring for more than a quarter of a million refugees is still

far below what American Jews are spending on Hachnosos Rochim. I submit that there is a gross disproportion here of which American Jewry should become sharply aware.

It was the ^{unreasonable demands} insatiable appetite of the N.E.S. which in three years increased its income from the U.J.A. from \$600,000 to \$3,500,000, and which was demanding more and more that proved to be a major contributing factor in the dissolution of the U.J.A. - a purely local American Jewish philanthropic organization whose field of operations was largely though not exclusively in New York City, and for the benefit of the Jews of New York City, the largest and wealthiest Jewish community in the world - this organization which should never have been included in a united appeal for overseas Jewish needs, was year by year consuming more the desperately needed funds of these overseas organizations. Jewish refugees in Palestine must be allowed to go hungry and shelterless; Jewish colonies must not be built; land must not be purchased; the whole Zionist program must be stalled; the needs of European Jewry must to a large extent be overlooked because of these few thousand Jewish refugees in New York City. A lot of patriotic balderdash has been resorted to in order to justify these unreasonable demands of the N.E.S. This service, operating on a surplus in 1940, actually approached the Allotment Committee of the United Jewish Appeal this year, which had at its disposal some \$1,200,000 over and above the original allocations which had been made at the beginning of the year, for an additional grant of \$500,000!

Another factor which contributed to the dissolution of the U.J.A. was the failure of the J.D.C. to meet the legitimate request of the U.P.A. for an increased ratio in 1941. For two years the U.P.A. had yielded to the J.D.C. and had accepted lower ratios than those which obtained in 1938, which were 60-40. We yielded for the sake of unity and also because the J.D.C. insisted that the catastrophic events which transpired in Europe during those two years had greatly increased the demand for its services. This year the U.P.A. maintained that the needs for

Palestine had greatly increased because Palestine found itself in the active war zone. Its economic life will, ^{be} seriously affected. Its normal sources of income from other lands will be practically cut off. The Jewish Agency had called upon American Jewry to provide at least 80% of the funds which were necessary to maintain the Yishuv and to provide elementary relief for the thousands of refugees who had come into the country and for those who were still coming in. In all fairness it was argued, with due regard for these changed conditions, the J.D.C. and the N.R.S. should now concede that a readjustment of ratios was in order and that they should now make concessions as the U.P.A. had made concessions in the previous years. The J.D.C. refused. It not only insisted upon maintaining the same ratios of the previous year, but on a new extension of the operations of the Allotment Committee, which in 1940 was empowered to distribute funds over and above an initial \$11,250,000 apportioned by agreement at the very beginning of the campaign.

The J.D.C. now insisted that allocations be made only for the first six months of the year on the basis of the proportions of the previous years, and thereafter all funds should be distributed by the Allotment Committee. The U.P.A. would thus receive for the first six months of 1941 only \$1,250,000. We reasoned with the J.D.C. representatives that this was impractical. The Jewish Agency of Palestine was not operating on a six months basis. It had to know in advance what it could count on for the year. Furthermore, we could not make at least the minimum requirements of Palestine and of the Zionist program dependent upon the decision of a group of so-called neutrals, that is to say, non-Zionists. This would place the fate of our movement in the hands of a few American Jewish philanthropists. What relentless opposition to Zionism over many years could not achieve in this country, this device would quite easily and quickly achieve. The movement will be strangled by a few people who have been voted authority to determine its income.

The negotiations broke down. It was then that the Council of Jewish Federations and Welfare Funds stepped in. In the previous year the Council had come in early during the negotiations and had been helpful. For some unaccountable reason it waited this year until the breakdown of the negotiations and then it zealously stepped into the picture. It called a conference and your representatives attended that conference. A misleading newspaper release by the Council and the Jewish Telegraphic Agency gave the impression to the country that the U.P.A. refused to attend this conference. We did attend it. At this conference the J.D.C. representative indicated that they would be willing to ~~agxx~~ abandon their insistence on a six months allocation, but under no circumstance would they agree to a revision of the ratios as between themselves and the U.P.A. and the N.R.S. For the sake of unity and in a spirit of concession, your representatives made a final proposal - that out of the first \$9,000,000 to be raised in 1941, \$2,000,000 be given to the N.R.S. and the other \$7,000,000 to be divided 65-35 between the J.D.C. and the U.P.A. Monies raised over and above these \$9,000,000 should be distributed by an Allotment Committee. The J.D.C. representatives flatly rejected this proposal. We presented these proposals to an Administrative Committee meeting of the U.P.A. the same evening and though reluctantly, they agreed to abide by them, and though feeling that too much of a concession had been made, they nevertheless reluctantly agreed to abide by them in the hope of preserving the U.J.A. The J.D.C. notified us that our proposals were not acceptable. A few days later a second meeting was called by the Council which we declined to attend because it was made clear to us that neither the Council nor the J.D.C. had any new proposals to make.

By agreement, a joint statement over the signatures of the National Chairmen of the U.J.A., representing the J.D.C. and the U.P.A., was issued to the American Jewish people, announcing in a very friendly manner the dissolution of the U.J.A., and hoping that this dissolution would in no way contribute to any lessening of

efforts in behalf of the causes which the U.J.A. had served.

We had hoped not to over-dramatize the fact of the dissolution. This was not the first time that the J.D.C. and the U.P.A. had decided to conduct independent campaigns after they had previously been united in a joint effort. In 1934 and 1935 the J.D.C. and the U.P.A. were in a united campaign. In 1936 and 1937 they conducted separate campaigns. In 1938 there were separate campaigns both in New York City and nationally, but agreement had been reached on a 60-40 ratio affecting Welfare Fund communities. In 1939 and 1940 there were again united campaigns. And now in 1941 the two agencies found themselves at an impasse and decided to submit their needs independently to the Jewish communities of America and abide by the popular referendum of American Jewry. At no time was it assumed that American Jewish communities were incapable of deciding for themselves what agencies they wish to support and to what extent, or that these communities during the last two years had abdicated their right to make such independent decision to us or to the Council of Jewish Federations and Welfare Funds. The Council of Federations had been created to provide our Jewish communities with factual data in order to enable them to pass sound and intelligent judgment on the agencies which were applying to them for funds.

But the President of the Council thought differently. Under the impact of the dissolution which he regarded as a terrible disaster, he rushed a communication to the Jewish communities of America without even first consulting his own board, admonishing them not to make any allocations to the agencies formerly in the U.J.A., until the Council will have met and will have advised them how much to allocate to these agencies. This impetuous action of the President of the Council and ~~his~~ ^{his} unwarranted arrogation of authority called forth a resolution of protest from your Administrative Committee, which was sent broadcast to the country.

The proposals of the President of the Council will come up for discussion at the forthcoming general assembly of the Council in Atlanta next week. Involved in it is the question of whether the Council shall undertake a plan for national budgeting for all Jewish agencies and causes in the United States. The Council has had a committee studying this subject. As early as October 18, 1940, long before the dissolution of the U.J.A., when the negotiations for the coming year had not even begun, I addressed a communication to the Chairman of the committee of the Council to study national budgeting proposals, in which I stated:

"I am completely in favor of as thorough-going and as accurate a survey as possible of the financial set-up, budgets, administration and expenditures of any and every organization soliciting funds in the United States from Jewish communities. This applies to overseas agencies as well as to national agencies. I strongly approved of the Inquiry which is now being made under the auspices of the Allotment Committee of the United Jewish Appeal, and which I believe will do a necessary and valuable piece of work. In so far as the Council of Jewish Federations and Welfare Funds intends to follow up this work through this Committee, or any other committee, it should be encouraged in every way.

"When it comes, however, to the subject of national budgeting which, of course involves ultimately the task of "evaluating" the importance of the work done by the respective agencies, I am afraid that such a national budgeting committee will find itself in serious difficulties. The matter of ideological preferences will inevitably come up. Thus, for example, to one who is opposed to Zionism, ~~now~~ every dollar spent in Palestine, except as it might be spent in elementary relief, is wasted, regardless of how efficiently that dollar may otherwise be expended. On the other hand, those who believe in the upbuilding of the Jewish National Homeland feel that the cause is so worthy and historically so necessary that the millions already spent in Palestine are entirely inadequate. How are you going to reconcile these viewpoints, and how can any committee 'evaluate' the work in Palestine?

"American Jewry and World Jewry have been sharply divided on the issue of Zionism and a Jewish Homeland ever since the first Zionist Congress in 1897, and while bitter opposition to Zionism has appreciably waned in recent years, there is still a decided difference of opinion, based on political considerations and on various philosophies of Jewish life and destiny. Certainly the Council of Jewish Federation and Welfare Funds would not wish to undertake to deliver an 'ex-cathedra' judgment to American Jewry on Zionism or the need of a National Homeland.

"But, if you do not take a definite position one way or another, how can you 'evaluate' the work in Palestine? From a Zionist point of view, it is of primary importance to build colonies and settlements in Palestine, to purchase land, to invest public funds in the encouragement of industry, to stimulate Hebrew culture and maintain a Hebrew University, to provide for the defense of the Palestine community, and to carry on necessary political action. From the point of view of mere philanthropy, much of that is unnecessary, and no more should be done for Palestine than a system of per capita refugee relief will permit. And even on the basis of refugee relief, there are those Jews in America who think it more important and more desirable to spend money on the relief and resettlement of refugees in all parts of the world except in Palestine."

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"I do not know/you plan to get around this basic difficulty. It is very doubtful whether a world movement, like Zionism, will consent to have the validity of its claims passed on by a national budgeting committee for whose composition it would be only in part responsible, and which committee under the present system of organization in American Jewish life, can not be truly representative of American Jewry. Until such time as Jewish communities are democratically organized in Jewish community councils, and in turn into a national organization representative of these community councils which would then be competent to speak for American Jewry in a truly democratic and representative manner, it would be best to leave each community to pass judgment on the validity of the appeals made to it reinforced by such factual information and data as the Council of Federations and Welfare Funds might supply it. Every other arrangement has heretofore meant the concentration of increased authority in the hands of a small group of people who through interlocking directorships, control most of our important national institutions, and who in the past have not given any exceptional evidence of sympathy for the up-building of Palestine.

"Centralization without thorough-going democratic control is highly undesirable. And until that control is satisfactorily fashioned by a national organization of democratically constructed Jewish community councils, no such serious centralization as is contemplated in a national budgeting committee should be, in my humble judgment, undertaken even if its character shall at first be purely advisory. The inevitable trend of such advisory agencies is in the direction of being used as mandate and authority."

The proposals to establish a national budgeting body for the Jews of America will be the principal subject on the agenda of the Atlanta general assembly. The President of the Council and those who are of like mind are determined to drive through this proposal at the forthcoming assembly under the impact of the emotions which have been aroused by the dissolution of the U.J.A., and gravely stimulated by the President of the Council himself. Under date of January 22nd I wrote to the Chairman of the committee to study national budgeting proposals the following:

"You will probably recall that under date of October 18, I wrote a rather lengthy letter to Mr. Lurie giving my slant on the subject of National Budgeting. Whether my views prevail or not, it seems clear to me that the final decision of whether national budgeting should be set up ought not to be made before the Jewish Welfare Fund communities of America have had a chance to discuss the proposals and to clarify their own thought on the subject, as well as to express themselves in some formal way. National Jewish organizations also whose interests are vitally concerned in any such proposal ought to have an opportunity carefully to study the subject and to crystallize their thought in the matter. To rush through, under the impact of a heated controversy involving two or three organizations, a plan of such large implications, is in my judgment unwise and may cause harm to the very plan which its friends wish to see adopted. The Jewish press of America also ought to have an opportunity to discuss this subject. National budgeting should not

"precipitously be promulgated just because the United Jewish Appeal has been dissolved and there is pressure from some directions urging the Council to assume immediately the role of an Allocations Committee, Policy-making, or Advisory Budgeting Committee (at bottom they are all the same) instead of retaining its traditional role of a fact-finding and servicing agency.

"American Jews ought to have time to think through this radical departure, to discuss whether it is desirable, and if desirable, whether the Council is the proper body to undertake it and to create the machinery for it, and what the proper machinery should be.

"The Committee to Study National Budgeting Proposals should be instructed to continue its work and to present to the Jewish Welfare Fund communities and to the national organizations which make applications to them for funds during the coming year, its proposals in a fairly comprehensive way and to elicit from them a reaction after the communities and the national organizations have had a chance to discuss such proposals. The matter may then come up before the next meeting of the General Assembly or before a special meeting called for that purpose. Whatever decisions would then be made would reflect the calm and deliberate judgment of these Welfare Funds and organizations, and not an improvisation enacted under the pressure of a controversy to meet a temporary emergency.

"Let me assure you that I write you this not because I believe that the postponement of action at the present time will serve the interest of the United Palestine Appeal, whose national chairman I am. The United Palestine Appeal will know how to take care of its interests one way or another. I am writing this as a member of your Committee and as a Board member of the Council who is interested in the welfare of the Council, and who would regret any hasty step which might jeopardize the effectiveness of the Council in the future.

"I regret the hasty and unauthorized action of the President of the Council in issuing his statement to the communities to delay action on their allocations until after the Atlanta meeting. The Board should have been consulted about it before such a statement was issued by Mr. Hollander. I understand, too, that Mr. Hollander this week went to Chicago to persuade the Welfare Fund of that city which was considering making allocations to accept his proposals - proposals which have not yet been approved either by the Board of the Council, or by the General Assembly. Such impetuosity and such conscious or unconscious partisanship will do great hurt to the Council, and certainly do not contribute to a calm and reasoned discussion of the subject of national budgeting which is the prime interest of the Committee."

And that is how the situation stands at present. The U.P.A. is now engaged in its 1941 campaign. It has made application to American Jewish communities for sums to enable it to meet the request of the Jewish Agency of Palestine for \$12,000,000 to finance the normal Zionist program in Palestine, the emergency relief and refugee care program, as well as the wartime emergencies of the country. I call upon you delegates and I call upon all friends of Palestine in the United

step

States to insist in their respective communities upon a just share of the total funds raised for the U.P.A. We are in opposition to no other organization but we demand that the legitimate interest of the Jewish Homeland should not be sacrificed to the needs of any other organization. No Zionist has ever refused to contribute to the J.D.C. or the N.R.S. Unfortunately, quite a number of the leaders of these two organizations have refused to contribute to the U.P.A. or even to a United Jewish Appeal, and have seen their local campaigns wrecked rather than have Palestine share in any of their gifts. I submit that it is high time that such people be driven from positions of leadership in American Jewish life. They are unconscionable traitors to the Jewish cause.

What is all our effort for? All-out-aid for Palestine from American Jewry? What are we aiming at? We have no new aims. We accept no substitute aims. Ours is the historic and millennial ~~surrendered~~ and uncompromised aim of restoring Palestine to Israel and of rebuilding Israel's national life in Eretz Yisroel. Our aim is a Palestine Jewish commonwealth. We prefer it within the system of free British commonwealths. Such a Jewish Palestine was the clear intent of both the letter and the spirit of the Balfour Declaration. Two decades of legal dialectics and White Papers have not succeeded in whittling down the clear, full-orbed intent of that historic document or in giving any moral sanction to any deviation from it.

We have been loyal to England. We ask England to be loyal to us. In her great hour of trial the Jews of the world stand loyally by the side of England. Palestine Jewry has rallied as a man to England's defense. They have enlisted in her armies. They are at present with her fighting forces. They are prepared to put a Jewish army in the field to fight alongside of Great Britain's armies and the armies of other free peoples, who are allied in the common cause against a common foe. But England should remember that for Israel too this is a great

and tragic hour of trial. Ours is, in fact, a darker hour. The war declared against us seven years ago is a war of extermination. Already the number of our casualties has mounted into the millions. We too have a moral right to ask of England to stand loyally by our side, to rally to our defense, to help us solve the problem of our national survival in our national homeland.

England is asking the United States to convert itself into an arsenal and to render maximum aid, although it is clear that such all-out-aid to Great Britain must conceivably involve us in a war. The American people, though fully recognizing this danger, are yet willing to risk the chance because of justice, of England's cause which is also the cause of free democratic America.

And yet English political leaders are telling us at this very moment that England cannot fulfill the terms of the mandate. Nay more, that England must insist upon carrying out the restrictive provisions of her last White Paper, repudiated by the Mandate Commission of the League of Nations to curtail immigration and to curb land purchase in Palestine, and even to deport the poor helpless refugees who after long wanderings and danger have finally found asylum there, although illegally; Because, forsooth, England dare not displease the Arabs of Palestine or arouse resentment in the neighboring Moslem countries. Has England a cause more just and moral than Israel? Is England to risk nothing for others in carrying out voluntarily assumed obligations, but must others risk who have assumed no obligations risk all for England? Is the disastrous appeasement policy of the former British leaders which plunged England into its most dangerous war still to plague Israel in Palestine?

Should not the fires of this world war finally burn away all the shreds and tatters of evasions, insincerities, circumventions? Now that Chamberlain is no more and his world has crumbled in blood, should not Churchill speak ⁱⁿ the spirit of true England, which for centuries has been our friend and whose friendship we have never betrayed?

February 8, 1940

A G R E E M E N T

Between
JOINT DISTRIBUTION COMMITTEE AND UNITED PALESTINE APPEAL
Constituting the 1940
UNITED JEWISH APPEAL (Inc.) FOR REFUGEES AND OVERSEAS NEEDS

1. The United Jewish Appeal for Refugees and Overseas Needs is a continuation of the 1939 campaign structure through the United Jewish Appeal, Inc. by means of which the American Jewish Joint Distribution Committee, Inc. (J.D.C.) and the United Palestine Appeal, Inc. (U.P.A.) will, during the calendar year 1940, conduct, in the United States, a joint campaign for funds for their combined needs and those of the National Refugee Service, Inc. (N.R.S.) upon the following terms.
2. The quota of the 1940 United Jewish Appeal shall be fixed by the National Chairman of the United Jewish Appeal.
3. All net funds received by the United Jewish Appeal and any of the organizations abovementioned, as a result of its 1940 campaign, are to be distributed as follows, after expenses of the National United Jewish Appeal have been deducted:
 - A. The first such funds up to \$10,250,000 are to be divided in the following proportions:

(a) The N.R.S. is to receive	\$2,500,000	
(b) The J.D.C. " " "	5,250,000	
(c) The U.P.A. " " "	<u>2,500,000</u>	<u>\$10,250,000</u>
 - B. In addition to the foregoing, the New York City and Metropolitan Area Campaign of the United Jewish Appeal shall allocate the sum of \$1,000,000 directly to the N.R.S.
 - C. All net sums collected, received or raised through the United Jewish Appeal, and by or through any of the aforementioned organizations, over and above the funds disposed of by the preceding subdivisions of this paragraph shall be divided between the U.P.A. and the J.D.C. at the sole and exclusive discretion of a Distribution Committee; except

that the National Refugee Service shall have the right to make an application to the Distribution Committee for the allocation of an additional amount not exceeding \$500,000 out of said excess sums. It is distinctly understood and agreed that the allocation of funds provided for in subdivisions "A" and "B" of this paragraph, shall not in any manner be regarded as a precedent or guide by the Distribution Committee in dividing any funds subject to its disposal; it being the intent and purpose hereof that the Distribution Committee shall make such division upon the basis of its own independent study of needs and without regard to the preceding subdivisions hereof.

4. The aforesaid Distribution Committee shall be composed of an equal number of nominees of the J.D.C. and of the U.P.A. The Distribution Committee will also include a number of representatives of Welfare Fund communities, the number of and the persons to be approved by the J.D.C. and the U.P.A. before said representatives shall become members of the Distribution Committee. In the event of a vacancy in the Distribution Committee for any reason whatsoever, the said vacancy shall be filled by a party designated in exactly the same manner as was the person whose place has become vacant. The J.D.C. and the U.P.A. may respectively name alternates for their nominees to the Distribution Committee. The Distribution Committee shall act by a majority vote of the total number.
5. Upon organization of the Distribution Committee, there shall be allocated to it from the United Jewish Appeal, Inc. an amount not in excess of \$25,000 to be used during 1940, in connection with budget studies, personnel and other overhead expenses, to the end that the said Distribution Committee shall have for consideration at its various meetings all material which may be pertinent to a thorough analysis of all matters before it. The Distribution Committee shall be named not later than March 15th.

6. The traditional collections of the Jewish National Fund are not to be included in or to be considered a part of the United Jewish Appeal. However, a report of its net receipts shall be made available to the Distribution Committee if requested.
7. Any funds paid or payable directly to the J.D.C., the U.P.A. or the N.R.S. as the respective beneficiaries of any Will, Estate, Testamentary Bequest or Provision and under any power of Appointment, shall be retained by the recipient thereof and not included in, or considered part of, the United Jewish Appeal.
8. The N.R.S. shall have the right to receive and retain grants and contributions from Foundations whose charters or established policy specifically exclude gifts that are not to be used within the United States. Such grants or contributions shall not be included in, or considered part of, the United Jewish Appeal. However, it is understood that this paragraph shall not be deemed to give the N.R.S. the right to obtain grants or contributions from any Foundation or Agency which contributed funds to the N.R.S. or to the United Jewish Appeal on behalf of the N.R.S. during the year 1939. In all cases, the National Refugee Service shall report to the United Jewish Appeal all funds received from whatever source with a description of the sources.
9. The United Jewish Appeal shall constitute the unified fund-raising instrument for the J.D.C., the U.P.A. and the N.R.S. and none of the three last-mentioned organizations shall undertake separate campaigns in the United States during the year 1940, with the exceptions noted herein. If a supplementary appeal or campaign is to be initiated in the United States by any of the said three beneficiaries of the United Jewish Appeal, such a campaign or appeal must have the approval of the United Jewish Appeal and the proceeds must be reported and transmitted to it.
10. Except as otherwise specifically provided herein, the U.P.A., the J.D.C. and the N.R.S. agree that all funds and assets of any nature whatsoever pledged to

and/or collected or received by any of them directly during the year 1940, which would in the ordinary course be credited to the 1940 United States campaign of the recipient, and/or any and all funds and assets pledged to and/or received and collected by any of them directly as a result of any 1940 United States campaign activities, shall be assigned, transferred and/or paid over to the United Jewish Appeal, Inc. and shall be considered part of the receipts of the joint campaign and subject in their entirety to the provisions hereof.

11. No agencies other than the U.P.A., the J.D.C. and the N.R.S. are to be beneficiaries of distributions made by the Distribution Committee; and no such other agencies shall be included in the United Jewish Appeal without the prior consent of the J.D.C. and the U.P.A.
12. The United Jewish Appeal, Inc. undertakes to take immediate steps for such amendments of its By-Laws and Resolutions as may be necessary for the purposes of this agreement; it being understood that no changes in the manner in which the Membership, the Board of Directors, and the Executive Committee of the United Jewish Appeal, Inc. is selected, shall be made.
13. This agreement between the J.D.C. and the U.P.A. and the joint campaign which is the subject thereof, shall be deemed to have commenced on January 1st, 1940 and shall expire on December 31st, 1940; it being understood, however, that all activities thereafter directed at concluding the 1940 campaign and the collection of all pledges and subscriptions made therein shall come within the purview hereof. Any proposal for an agreement for fund-raising in a 1941 campaign shall be considered not later than October 31st, 1940.
14. All details for implementing and carrying on the foregoing agreement are in the charge of Rabbi Jonah B. Wise and Rabbi Abba Hillel Silver, National

Chairmen of the United Jewish Appeal, or their respective nominees.
Meetings in regard to such details will be held at regular intervals.

(Signed) JONAH B. WISE
For J.D.C.

(Signed) ABBA HILLEL SILVER
For U.P.A.



March 18, 1941

AGREEMENT

Between

JOINT DISTRIBUTION COMMITTEE AND UNITED PALESTINE APPEAL

Constituting the 1941

UNITED JEWISH APPEAL ~~FOR~~ FOR REFUGEES, OVERSEAS NEEDS AND PALESTINE
ON BEHALF OF JOINT DISTRIBUTION COMMITTEE, UNITED PALESTINE APPEAL AND
NATIONAL REFUGEE SERVICE

on Behalf of J.D.C., U.P.A. and N.R.S.

1. The United Jewish Appeal ~~for~~ For Refugees, Overseas Needs and Palestine, is the campaign structure, through the United Jewish Appeal, Inc., by means of which the American Jewish Joint Distribution Committee, Inc. (J.D.C.) and the United Palestine Appeal, Inc. (U.P.A.) will, during the calendar year 1941, conduct, in the United States, a joint campaign for funds for their combined needs and those of the National Refugee Service, Inc. (N.R.S.) upon the following terms.
2. The quota of the 1941 United Jewish Appeal shall be fixed by the National Chairmen of the United Jewish Appeal.
3. All net funds received by the United Jewish Appeal and any of the organizations above mentioned, as a result of its and their 1941 campaigns, are to be distributed as follows, after expenses of the national United Jewish Appeal have been deducted:
 - A. The first such funds up to \$8,800,000 are to be divided in the following proportions:

(a) The J.D.C. is to receive	\$4,275,000
(b) The U.P.A. " " "	2,525,000
(c) The N.R.S. " " "	2,000,000

The amount for the National Refugee Service is to include its participation without special or additional allotment from the New York City and metropolitan area campaign of the United Jewish Appeal.
 - B. All net sums collected, received or raised through the United Jewish Appeal and by or through any of the aforementioned organizations over and above the funds disposed of by the preceding subdivisions of this paragraph shall be divided between the U.P.A., the J.D.C. and the N.R.S. at the sole and exclusive direction of an Allotment Committee. It is distinctly understood and agreed that the allocation of funds provided for in subdivision "A" of this paragraph shall not in any manner be regarded as a precedent or guide by the Allotment Committee in dividing any funds subject to its disposal.

C. Expenditures incurred by the Joint Distribution Committee and the United Palestine Appeal in connection with the launching of their campaigns for 1941, prior to the reconstitution of the United Jewish Appeal shall be charges upon the campaign expenses of the United Jewish Appeal, Inc. and these agencies shall be reimbursed by the 1941 United Jewish Appeal for such expenditures.

4. The aforesaid Allotment Committee shall be composed of an equal number of nominees of the J.D.C. and of the U.P.A. The Allotment Committee will also include a number of representatives of Welfare Fund communities, the number of and the persons to be approved by the J.D.C. and the U.P.A. before said representatives shall become members of the Allotment Committee. In the event of a vacancy in the Allotment Committee for any reason whatsoever, the said vacancy shall be filled by a party designated in exactly the same manner as was the person whose place has become vacant. The J.D.C. and the U.P.A. shall respectively name alternates for their nominees to the Allotment

Committee. The Allotment Committee shall act by a majority vote of the total number. The Allotment Committee shall be named not later than April 15th. It shall make its first decisions by August 1st.

5. The Chairman of the United Jewish Appeal representing the Joint Distribution Committee and the United Palestine Appeal shall determine the manner in which the Allotment Committee shall function, the organization of its work, the selection of any personnel that it may require for its purposes and the publication of its findings or those under its auspices. The Allotment Committee shall ~~have authority to distribute~~ ^{have authority to distribute} only ~~with the~~ ~~amounts~~ ~~available for distribution to the agencies~~ beyond the first \$8,800,000. After the Allotment Committee shall have made its decisions with respect to amounts and ratios of allotment beyond the first \$8,800,000 the agencies to whom allotments shall have been made shall receive their proportionate share of the income as it accrues to the United Jewish Appeal and there shall be no preference of payment to any organization.

6. The traditional collections of the Jewish National Fund are not to be included in or to be considered a part of the United Jewish Appeal. However, a report of its net receipts shall be made available to the Allotment Committee if requested. Any income received by the Jewish National Fund through allotments from Welfare Funds is to be considered income for the United Jewish Appeal.

7. Any funds paid or payable directly to the J.D.C., the U.P.A. or the N.R.S. as the respective beneficiaries of any Will, Estate, Testamentary Bequest or Provision or Trust Funds and under any power of Appointment, shall be retained by the recipient thereof and not be included in or be considered part of the United Jewish Appeal.
8. The N.R.S. shall have the right to receive and retain grants and contributions from Foundations whose charters or established policy specifically exclude gifts that are not to be used within the United States. Such grants or contributions shall not be included in, or considered part of, the United Jewish Appeal. However, it is understood that this paragraph shall not be deemed to give the N.R.S. the right to obtain or request grants or contributions from any Foundation or Agency which contributed funds ~~to the N.R.S.~~ or to the United Jewish Appeal on behalf of the N.R.S. during the years 1939 and 1940. In all cases, the National Refugee Service shall report to the United Jewish Appeal all funds received from whatever source with a description of the source.
9. The United Jewish Appeal shall constitute the unified fund-raising instrument for the J.D.C., the U.P.A. and the N.R.S. and none of the three last-mentioned organizations shall undertake separate campaigns in the United States during the year 1941, with the exceptions noted herein. If a supplementary appeal or campaign is to be initiated in the United States by any of the said three beneficiaries of the United Jewish Appeal, such a campaign or appeal must have the approval of the United Jewish Appeal and the proceeds must be reported and transmitted to it.
10. Except as otherwise specifically provided herein, the U.P.A., the J.D.C. and N.R.S. agree that all funds and assets of any nature whatsoever pledged to and/or collected or received by any of them directly during the year 1941 which would in the ordinary course be credited to the 1941 United States campaign of the recipient, and/or any and all funds and assets pledged to and/or received and collected by any of them directly as a result of any 1941 United States campaign activities, shall be assigned, transferred and/or paid over to the United Jewish Appeal, Inc. and shall be considered part of the receipts of the joint campaign and subject in their entirety to the provisions hereof.

11. The two technical managing heads of the United Jewish Appeal, representing the Joint Distribution Committee and the United Palestine Appeal respectively, shall have equal powers in the determination of policies and that in the sphere representing the interests of the respective organizations the decision of the representative of that organization shall be final as to policy, thus facilitating the advancement of the interests of the United Jewish Appeal through autonomous action of the particular organization in the framework of the United Jewish Appeal.
12. No agencies other than the U.P.A., the J.D.C. and the N.R.S. are to be beneficiaries of distributions made by the Allotment Committee.
13. The United Jewish Appeal, Inc. undertakes to take immediate steps for such amendments of its By-Laws and Resolutions as may be necessary for the purposes of this agreement; it being understood that no changes in the manner in which the membership, the Board of Directors, and the Executive Committee of the United Jewish Appeal, Inc. is selected, shall be made.
14. This agreement between the J.D.C. and the U.P.A. and the Joint campaign which is the subject thereof, shall be deemed to have commenced on January 1st, 1941 and shall expire on December 31st, 1941; it being understood, however, that all activities thereafter directed at concluding the 1941 campaign and the collection of all pledges and subscriptions made therein shall come within the purview hereof. Any proposal for an agreement for fund-raising in a 1942 campaign shall be considered not later than October 31st, 1941.
15. The foregoing agreement and interpretation of its details are in the exclusive charge of Rabbi Abba Hillel Silver and Rabbi Jonah B. Wise, National Chairmen of the United Jewish Appeal, or their respective nominees.

Signed _____
J.D.C.

Signed _____
U.P.A.

*\$12,000,000 War Emergency Campaign***UNITED PALESTINE APPEAL**

PALESTINE FOUNDATION FUND (KEREM HAYESOD)
 JEWISH NATIONAL FUND (KEREN HAYEMETH)
 For the Defense and Upbuilding of the Jewish National Home in Palestine

41 EAST 42ND STREET

NEW YORK CITY

NATIONAL OFFICERS*Honorary Chairmen*

Albert Einstein
 Herbert H. Lehman
 Julian W. Mack
 Henry Monsky
 Nathan Straus
 Henrietta Srold

National Chairman

Abba Hillel Silver

National Co-Chairmen

Stephen S. Wise
*Chairman,
 Administrative Committee*

Louis Lipsky
*Chairman,
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Solomon Goldman
 Israel Goldstein
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 Morris Rothenberg

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 Elihu D. Stone
 Joe Weingarten
 David Wertheim

Executive Director

Henry Moscov

AIRMAIL

March 19, 1941

Dr. Abba Hillel Silver
 Sir Francis Drake Hotel
 San Francisco, Calif.

Dear Dr. Silver:

Attached herewith is a suggested agreement between the Joint Distribution Committee and the United Palestine Appeal, together with a copy of last year's agreement. As I wired you today, I am hoping that Judge Rothenberg and Mr. Warburg can get together on Friday to get this thing finished.

Mr. Hyman raised many questions, as follows:

- a) In Paragraph 1, he wanted the N.R.S. to be regarded as an associate of the two other organizations, thus changing the language of last year.
- b) He wanted the phrase that the N.R.S. is not to receive any additional money from New York City eliminated.
- c) In Paragraph 3C, he did not wish the expenditures incurred by the agencies prior to the reconstitution of the United Jewish Appeal to be paid by the United Jewish Appeal, except perhaps on a pro-rata basis. In other words, if the U.P.A. and the J.D.C. get a certain ratio out of the first allotments, that is the ratio in which their expenditures are to be met.
- d) Hyman objected completely to the language which I had suggested on the basis of our experience of 1940 with the Allotment Committee. I had eliminated the item of \$25,000 for an Inquiry Committee and had also given to the Chairmen of the United Jewish Appeal the power to fix many of the functions which in 1940 Elisha Friedman adopted to himself.
- e) In Paragraph 6 he wanted the inclusion of the sentence, "Any income received by the Jewish National Fund through allotments from Welfare Funds is to be considered income for the United Jewish Appeal". I agreed to the insertion of that clause, although it was not in last year, because that is the practice which we have been following.

HONORARY VICE-CHAIRMEN

- Louis Altshul, *Mt. Vernon*
 George Backer, *New York*
 Joseph Bank, *Phoenix*
 Solomon N. Bazell, *Louisville*
 Morton M. Berman, *Chicago*
 Oscar Berman, *Cincinnati*
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 Philip S. Bernstein, *Rochester*
 Robert M. Bernstein, *Philadelphia*
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 Samuel J. Bloomingdale, *New York*
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 Charles Brown, *Los Angeles*
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 Fred Butzel, *Detroit*
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 Henry Cohen, *Galveston*
 Isadore Cohen, *Bluefield*
 Sol Cohen, *New York City*
 Julius H. Cohn, *Newark*
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 David Diamond, *Buffalo*
 Clarence W. Elroyson, *Indianapolis*
 S. Mason Ehrman, *Portland*
 Benjamin Eisenstein, *Schenectady*
 Mark Eisner, *New York*
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 Leon I. Feuser, *Toledo*
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 Phillip Forman, *Trenton*
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 Harry Friedenwald, *Baltimore*
 Daniel Frisch, *Indianapolis*
 Herman Gessner, *Escanaba*
 Leonard Ginsberg, *New York City*
 Louis Ginsberg, *New York City*
 Abraham Goldberg, *New York City*
 I. M. Golden, *San Francisco*
 Mrs. Maurice L. Goldman, *San Francisco*
 Abraham Goldstein, *Hartford*
 Joseph Goodman, *Troy*
 Julius Gordon, *S. Louis*
 Hayim Greenberg, *New York City*
 Simon Greenberg, *Philadelphia*
 Joseph Grossberg, *Schenectady*
 Dave Grundfest, *Little Rock*
 Benjamin R. Harris, *Chicago*
 Isaac S. Heller, *New Orleans*
 L. Manuel Hendler, *Baltimore*
 Sidney I. Herold, *Shreveport*
 Isidore Hershfield, *Washington*
 Sidney Hillman, *New York City*
 Herman Hoffman, *New York City*
 Jacob Hoffman, *New York City*
 Harry A. Hollzer, *Los Angeles*
 Jacob J. Kaplan, *Boston*
 Mordecai M. Kaplan, *New York City*
 Oliver M. Kaufmann, *Pittsburgh*
 Louis E. Kirstein, *Boston*
 Gustave Klausner, *St. Louis*
 Sidney G. Kurworm, *Dayton*
 Milton Kutz, *Wilmington*
 Sidney Lansburgh, *Baltimore*
 Monte M. Lemann, *New Orleans*
 Benjamin Lencher, *Pittsburgh*
 Joseph Leonard, *Allentown*
 Maurice Levin, *New York City*
 Louis Levine, *New York City*
 B. L. Levinthal, *Philadelphia*
 Israel H. Levinthal, *Brooklyn*
 Felix A. Levy, *Chicago*
 Joshua L. Liebman, *Boston*
 Julius Livingston, *Tulsa*
 Alex Lowenthal, *Pittsburgh*
 Max Maccoby, *Mt. Vernon*
 Edgar F. Magnin, *Los Angeles*
 Julius Mark, *Nashville*
 Israel Mata, *Brooklyn*
 Mortimer May, *Nashville*
 Louis B. Mayer, *Culver City*
 Millard Mayer, *Kansas City*
 Irving Miller, *For Rockaway*
 Charles W. Morris, *Louisville*
 Max Moss, *Jacksonville*
 Stanley C. Myers, *Miami*
 Morris A. Neuman, *Pittsburgh*
 Max Ogins, *New York City*
 Kurt Peiser, *Philadelphia*
 Hardwig Peres, *Memphis*
 Abe Plough, *Memphis*
 Arthur Ravel, *Albuquerque*
 Albert H. Rosenberg, *Chicago*
 Edwin J. Schanbacher, *Columbus*
 Max J. Schneider, *New York City*
 William Schwarczchild, *Richmond*
 Simon Shetzer, *Detroit*
 Mrs. Archibald Silverman, *Providence*
 Eugene M. Solow, *Dallas*
 Ferdinand Sonnebsen, *New York*
 Michael A. Stevinsky, *Newark*
 Horace Stern, *Philadelphia*
 Leon C. Sumner, *Philadelphia*
 Morris D. Waldman, *New York*
 Eugene Warner, *Buffalo*
 Saul E. White, *San Francisco*
 Lionel Weil, *Goldboro*
 I. M. Weisman, *Atlanta*
 David T. Wilentz, *Perth Amboy*
 Henry Wiseman, *Detroit*
 Mrs. Stephen S. Wise, *New York City*
 Samuel Wold, *Cincinnati*
 Alexander S. Wolf, *St. Louis*

Dr. Abba Hillel Silver

March 19, 1941

- f) He wanted the language in Paragraph 8 to be changed. He thought it was not clear enough as regards the rights of the N.R.S.
- g) In Paragraph 9 he wanted a definition of the rights of the agencies in the United Jewish Appeal to negotiate public loans. This was with reference of course to the loans that were spoken of by Dr. Weizmann early last year and that of the Keren Hayesod.
- h) Hyman objected completely to the insertion of Paragraph 11.

Because of your distance from the scene, I suppose it would be very difficult for you to make any extended suggestions, especially since the nature of the objections is in the spirit of the discussion rather than in any particular phraseology that is included in this draft agreement. However, perhaps you could wire any observations that you have to make on the basis of what I have reported and of the agreement itself, which was circularized to the other Chairmen of the U.P.A. and read at a meeting of the Executive Committee of the U.P.A. on Tuesday, March 18th.

Attached also is a letter which was sent out by Judge Golden of San Francisco together with a copy of Mr. Monsky's address. This was circularized to several thousand officers of the B'nai B'rith throughout the country.

With kindest personal regards, I am

Cordially yours,



Henry Montor
Executive Director

HM:JB
Encls. 3

(COPY)

MEMORANDUM OF AGREEMENT OF J.D.C. AND U.P.A.
RECONSTITUTING U.J.A. FOR 1941

J. D. C. and U. P. A. agree to conduct a united campaign in 1941 on the following basis:

1. N. R. S., a beneficiary of the campaign, shall receive a minimum allotment of \$2,000,000.
2. J. D. C. shall receive a minimum allotment of \$4,275,000.
3. U. P. A. shall receive a minimum allotment of \$2,525,000.
4. The proceeds of the campaign in excess of the aggregate minimum allotments shall be allocated to N. R. S., J. D. C. and U. P. A. By an Allotment Committee constituted in the manner in which it was constituted in 1940.
5. A definitive agreement in the customary form shall be entered into by J. D. C. and U. P. A.

Dated: New York, March 5, 1941.

J. D. C.

(Signed)

By Edward M. Warburg

U. P. A.

(Signed)

By Abba Hillel Silver

UNITED PALESTINE APPEAL
41 EAST 42ND STREET
NEW YORK, NEW YORK

M E M O R A N D U M

To: Dr. Abba Hillel Silver

From: Mr. Abraham Revusky

Subject: Current Expenditures in Palestine Compared with Estimated Requirements and with Expenditures in 1939-1940

1. The figures on which this memorandum is based are contained in a cablegram from Mr. Eliczer Kaplan, Treasurer of the Jewish Agency for Palestine, as of June 30, 1941.

In order to draw a rounded picture, I have projected expenditures for the last three months of the fiscal year ending September 30, 1941. It should be noted, however, that these figures for the next three months are estimates based on the actual expenditures of the last nine months.

2. For the year 1940-1941, beginning in October, 1940 and ending in September, 1941, the requirements of the Keren Hayesod, the Jewish Agency and the Jewish National Fund were estimated at LP.3,410,000 which, computed in United States dollars at the rate of \$4.05 per Pound, was equivalent to \$13,810,500. Of this budget, the Jewish Agency expected to spend LP.1,910,000 and the Jewish National Fund LP.1,500,000. (The budget of the Keren Hayesod was included in that of the Jewish Agency.)

✓ The actual expenditures for the year 1939-40 amounted to LP.1,938,700, which, computed in United States dollars, would be equivalent to \$7,851,735. Of this total, LP.845,520 was spent by the Jewish Agency and the Keren Hayesod, and the balance of LP.1,093,180 by the Jewish National Fund.

The reports for the first nine months of the current fiscal year show (exclusive of the Central Bureau for the Settlement of German Jews) a total expenditure of LP.1,328,569, equivalent to \$5,380,704. Of this total LP.576,770 was spent by the Jewish Agency and Keren Hayesod, and

LP.751,799 by the Jewish National Fund. If the same rate of expenditure should be maintained for the whole fiscal year, the total expenditure would reach the sum of LP.1,771,426, equivalent to \$7,174,275. Of this total LP.769,029 will be spent by the Jewish Agency and Keren Hayesod, and the balance of LP.1,002,399 by the Jewish National Fund.

TABLE "A"

PALESTINE EXPENDITURES IN 1939-1940
AND 1940-1941, AS COMPARED WITH THE
BUDGET FOR 1940-1941 (IN PAL.POUNDS)

	Requirements for '40-'41	Expenditures in 1939-1940	Expenditures for Oct.'40-June '41	Estimated Ex- penditures for Oct.'40-Sept.'41
Jewish Agency (Incl. Keren Hayesod)	:LP.1,910,000:	LP. 845,520	: LP. 576,770	: LP. 769,027
Jewish National Fund	: 1,500,000:	1,093,180	: 751,799	: 1,002,398
Total	:LP.3,410,000:	LP.1,938,700	:LP.1,328,569	: LP.1,771,425

3. An analysis of the above figures shows that the current expenditures of the main Palestine Funds represented by the United Palestine Appeal are running 47% behind the estimated requirements. In comparison with the previous year these expenditures show a decline of 8.6%.

4. The figures alone do not convey the full extent of this decline. We must also take into consideration the smaller purchasing value of the Pound. In comparison with the corresponding months of last year, the prices in Palestine are about 15% higher. This forced the Jewish Agency to increase the individual allowances for relief and other necessities dictated by elementary human needs. The result is a much sharper decrease in its ability to fulfill its functions as an instrument of the upbuilding work in Palestine.

5. The significance of these general figures becomes clearer by a breakdown of the expenditures for 1939-1940, 1940-1941 and their comparison with the budgetary requirements for 1940-1941. The figures are embodied in the following table:

*Relief
& Upbuilding*

TABLE "B"

FUNCTIONAL DIVISION OF PALESTINE
EXPENDITURES COMPARED WITH THE
REQUIREMENTS FOR 1940-1941

	Requirements for 1940-1941	Expenditures for 1939-1940	Expenditures for Oct. 1940- June 1941	Estimated Expendi- tures for 1940-1941
1) Immigration and Training	LP. 100,000:	LP. 49,594:	LP. 25,938:	LP. 34,584
2) Purchase of Land	921,000:	466,278:	342,701:	456,935
3) Colonization & Amelioration	629,000:	365,374:	159,379:	212,506
4) Relief	90,000:	58,072:	35,906:	47,873
5) Relief to Citrus Growers	200,000:	7,637:	11,253:	15,004
6) Employment and Training	290,000:	92,490:	56,290:	75,053
7) Trade and Industry	235,000:	112,259:	60,036:	80,048
8) Education and Culture	100,000:	40,254:	26,388:	35,184
9) National Organization and Security	125,000:	129,446:	89,052:	118,736
10) Repayment of Loans	545,000:	504,823:	447,068:	596,091
11) Administration	105,000:	112,473:	74,558:	99,411
12) Reserve for Contingencies	70,000:	-- :	--	--
	<u>LP. 3,410,000:</u>	<u>LP. 1,938,700:</u>	<u>LP. 1,328,569</u>	<u>LP. 1,771,425</u>

6. A general comparison of the estimated expenditures for 1940-1941 with the budgetary requirements for the same year (minus the "Reserve Against Contingencies") shows a decline of 47%.

7. The great difference between Palestine's budgetary requirements and the actual expenditures may, at first glance, leave the impression that the requirements submitted at the end of last Summer for the year 1940-1941 were above the actual needs. People without knowledge of Palestinian conditions and of the character of the work being done there might jump to the conclusion that the Palestine institutions were "padding" their requirements at the beginning of the year for bargaining purposes. Nothing is further from the truth. The problem of Palestine is not that of assisting a static entity to satisfy its most urgent, elementary needs. The problem is that of helping a dynamic community serve as a haven for present refugees as well as for future waves of immigration. Because of the dynamic character of Palestine's activities, they can be greatly contracted in every single year with a resulting accumulation of needs in the years to come. If we don't feed a hungry man this year, we don't have to double his rations next year -- provided he survives our lack of attention. If we don't, however, establish the minimum number of agricultural settlements required by

the general tempo of Palestine's development, we will have, in the next year, a much longer list of candidates waiting for settlement on the land, and a much larger area of acquired land which must urgently be settled to avoid a serious decrease in Palestine's absorptive capacity.

The upbuilding of Palestine is a continuous process. Simultaneously with the influx of new refugees who temporarily remain on the fringe of Palestine's Jewish colonies, a certain number of former refugees, who have become more familiar with local requirements and conditions, are gradually shifted to agriculture and other productive occupations which form the actual basis of the country's development. This latter process requires considerable means, mainly supplied by public funds. The moment it is stopped because of financial difficulties, an accumulation of unsettled people takes place in the cities and thus affects the further ability of Palestine to absorb new refugees.

In other words, Palestine activities which must be deferred in a certain year because of financial stringency will inevitably result in much greater needs during the next year. The character of these activities, imperative for the upbuilding of a Jewish National Home, implies the existence of accumulated needs - something which could not be expected in case of more elementary philanthropic tasks. With every year, these accumulated needs become larger and more urgent; and if they should not be satisfied, the whole position of Palestine as a haven for Jewish refugees would be jeopardized.

That is why we must expect much larger requirements for the year 1941-1942, in spite of the fact that the Palestinian institutions were able to get along with much smaller expenditures during the current year. To be more precise, we may say that the forced shrinkage of Palestine expenditures in the current year must unavoidably result in greater requirements for the year 1941-1942.

8. To get a clearer idea of the minimum requirements for 1941-1942, we must compare the actual expenditures in every field of Palestine activities with the requirements for the current year, and determine the extent of accumulated needs

in each particular branch of activity.

9. The expenditures for "Immigration and Training" during the nine months from October, 1940 to June, 1941 amounted to LP 25,938, which implies a yearly expenditure of LP 34,584. Adding to that the \$34,500 (LP 8,625) transferred directly by the United Palestine Appeal, as its contribution to the transportation of a group of 996 people from Vilna to Palestine via Japan, we arrive at a total expenditure of LP 43,209, which is 57% below the requirements and 13% below the actual expenditures of 1939-1940.

The accumulated needs in this field are self-evident. Four thousand holders of valid Palestine immigration certificates - and, together with their dependents, this involves about 8,000 persons - were caught by the madstrom of the war in Poland. Most of them were able to escape the Nazis and reach White Russia and Lithuania, where they were frantically clamoring for transportation to Palestine. Their own money - if any - was gone or had become worthless. If the Jewish Agency were able to spend for immigration the whole sum of LP 100,000 (\$400,000) provided for this purpose in its budget for 1940-1941, these people (many of whom were specifically trained for work in Palestine) would be rescued. Now, many of them are engulfed in the second wave of Nazi aggression - this time directed against Russia. It stands to reason, however, that a great number of them, who were more alert to the dangers involved for them in Nazi occupation than was the average Soviet citizen, followed the Red Army in its retreat to the East. As a rule, their visas can be extended when their journey to Palestine becomes possible.

The number of refugees in Russia who are clamoring for transportation to Palestine is greatly increased as a result of the Polish-Soviet treaty, which restored their previous Polish citizenship to about 250,000 Polish Jews behind Russia's fighting lines and thus gave them the legal right to leave the Soviet boundaries. Many of them, returning from the forests of Archangel and the steppes of Kazakstan to which they were deported at the time of the previous

Nazi-Soviet friendship, have no roots in Russia and all their hopes are concentrated on a possible escape to Palestine. A great number of them are eminently fitted for life and work in the Jewish homeland, and Palestine's leadership would be guilty of neglect if it did not include in the budget for 1941-1942 a sizable sum for their transportation.

Nor can Palestine ignore the new vistas opened for an increased influx of refugees by the Allied march into Iran. Directly connected with Palestine through Baghdad-Aleppo-Damascus, the Trans-Iranian Railway offers the easiest way and comparatively the cheapest communication line with Russia. The liberal attitude now assumed by the Soviet authorities toward refugees from Poland, Bessarabia and the former Baltic States will enable many of them to seek a haven in Palestine. This is another impelling reason for an increased appropriation for immigration and training in Palestine's budget for 1941-1942.

10. The land-purchasing program for 1940-1941 involved the acquisition of 198,000 dunams on which previous contracts were made. This required a sum of LP 921,000. The actual expenditures for land-buying in the first nine months of the current fiscal year amounted to LP 342,701. If this rate of expenditure should be continued for the last three months of the year, the total expenditures for the year 1940-1941 may be assumed to be LP 456,935. Provided that the expenditure for land-buying remains strictly within the frame of previous commitments, this means that the Jewish National Fund still needs LP 464,065 to complete the operations begun before July, 1940 when the budget for 1940-1941 was drawn up.

It is, however, questionable whether the costs of the newly acquired land will remain strictly within the frame of previous estimates. The conditions under which land in Palestine is being acquired are very abnormal. The necessity of compensating tenants and contendants swells, at times, the expenditures for land-buying beyond the initial contract price. On the basis of previous experience, we may add to the above sum of LP 921,000, at least 10% - LP 92,000

for such additional expenses. Besides, we have no reason to assume that in the fifteen months from July, 1940 to September, 1941, the Jewish National Fund did not sign new contracts and assume new obligations. As explained in previous memoranda of the United Palestine Appeal, land-buying in Palestine is a continuous process which cannot be altogether stopped, even in times of financial adversity. There is no doubt that the Jewish National Fund was very careful in assuming new obligations during the year under report. But it is inconceivable that its leaders should not utilize opportunities to acquire strategically situated parcels of land when their possession makes possible direct communication among existing colonies or rounding up isolated possessions into an integrated land complex. Moreover, the pressure created by the restrictive land laws and the increasing need for settlement would not allow the leadership of the Jewish National Fund to abstain from new purchases for any considerable length of time. We may, therefore, assume, in addition to the back-log of previous commitments, that there is a sizable number of new contracts which will require additional expenditures in the year to come.

11. The expenditures for colonization during the current year fell to a very low level, not only compared with the budgetary requirements but even with the expenditures for the same purpose in 1939-1940. During the first nine months of the present fiscal year, only LP 159,379 was spent for this vital purpose. This would mean an estimated expenditure of LP 212,506 compared with the requirement of LP 629,000, and an actual expenditure of LP 365,374 for the year 1939-1940.

In other words, the expenditures for colonization are not only 66% below the requirements, but even 43% below the actual expenditures of the previous year.

Only four new settlements were established during the last twelve months, compared with ten settlements in the previous year and an average rate of colonization of a settlement a month since the Arab terror campaign in 1936. The reason why rural settlement, which is the most vital task in the upbuilding of Palestine, was one of the main sufferers as a result of the present financial

stringency lies in the basic character of this activity compared with many other branches of Palestinian work. You cannot cut subsidies for existing organizations drastically, because this would involve a wholesale discharge of people and their immediate distress. But a new settlement which is not yet established can wait even if that would involve great danger for the future. As Mr. Ussishkin, the venerable President of the Jewish National Fund, once said: "A teacher who does not get his salary clamors for it, while a colony which is not yet established is silent." Colonization is, however, one of those items where accumulated needs become more and more pressing with every month. According to a recent statement by Dr. Arthur Hantke, Director of the Heren Hayesod in Jerusalem, 86 groups, with 8,110 members, were on the lists of accepted candidates for colonization. This number certainly has increased since the time of that report. Furthermore, the continued buying of land by the Jewish National Fund created a situation in which rural settlement must be speeded up to avoid any hiatus between land purchase and rural settlement. We must also take into consideration the fact that Palestine, cut off by the war from its usual foreign supplies, must now rely exclusively on its own farming activities. This creates a very favorable market for agricultural products and a great demand for new colonization. There is, therefore, no doubt that the budget for 1941-1942 will show the need for additional funds to bring up the colonization activities to the level established before the present financial emergency. The LP 365,374 spent in 1939-1940 will have to be exceeded by the amount of the deficiency forced upon the colonizing institutions of Palestine in the current year.

12. The expenditures on relief for the first nine months of the current fiscal year - LP 35,096 - and the estimated expenditure of LP 47,875 for the whole year of 1940-1941 run 47% below the requirements and 18% under the respective expenditure of 1939-1940.

Here is a case where decreased expenditure was made possible not only by

strict economy bordering on hardship but also by a certain improvement in the general situation. Due to the British occupation of Iraq and Syria, the war was kept from the frontiers of Palestine. The pick-up in industrial activities helped to lessen the load of unemployment. Although most of the refugees who came to the country without legal visas were not prepared for the tasks awaiting them in Palestine, we are happy to note that their adjustment to local conditions is proceeding more smoothly than was expected.

In case of increased immigration through Iran, the expenditures on relief will probably increase above the present figures. On the other hand, increased industrial improvement promises to alleviate further the need in the larger cities of Palestine.

13. The greatest discrepancy between the requirements for 1940-1941 and the actual expenditures is in the area of relief to citrus growers. While the requirement for this purpose was set at LP200,000, the actual expenditure for the current year, figured on the basis of the expenses for the first nine months, will remain in the neighborhood of LP 15,000. The expenditures in the previous year of 1939-1940, when the needs of the citrus industry were not yet as pressing, were limited to the still smaller amount of LP 7,637.

The ability of the Jewish Agency to limit itself to a much smaller expenditure than anticipated is mainly due to the loan granted by the Government to needy citrus growers. When the requirements for the current year were drawn up, there was much opposition in Government circles to the joint demand of the Jewish and Arab citrus planters for relief. The amount which the Jewish citrus growers will receive from the Government as relief loans will considerably exceed the sum of LP 200,000 provided in the budget of the Jewish Agency, and this alone proves its full justification.

14. Requirements for employment and training, included in the budget of 1940-1941, consisted of the following items:

a) Stimulation of Employment	LP 150,000
b) Vocational Training	60,000
c) Fishing	15,000
d) Aviation Development	10,000
e) Maritime Training	5,000
Total	<u>LP 240,000</u>

The actual expenditures for all these items in the first nine months of the current year were limited to LP 56,290 with a probable yearly expenditure of LP 75,000. The corresponding expenditure for 1939-1940 amounted to LP 92,490. According to the above figures, the actual expenditures for employment and housing during the current year are running about 69% below the original requirements. This is mainly a result of the financial stringency which forced the Jewish Agency to eliminate most activities for which no previous commitments were made. It seems, however, that in this particular field, the drastic cut in expenditure was also made possible by a certain improvement in the economic situation which took place in the second half of the current year. Due to the increased demand for industrial labor, the Jewish Agency was able greatly to limit the outlay for stimulation of employment, which comprises the bulk of the expenditures in this field. Another sharp cut was made in vocational training, for which only LP 3,308 were spent during the first half of the current year. This means, in effect, that refugees had to postpone learning a definite trade and temporarily to accept some kind of unskilled labor. Considering the average age of the refugees and their physical condition, we must consider such an economy very injurious to these people as well as to the Jewish economy of Palestine. The Jewish Agency is confronted in this field with a great accumulation of needs which will have to be taken care of in the forthcoming fiscal year.

Due to financial conditions, the Jewish Agency was not able to consolidate the fishing villages established during the current and previous years. Eight new villages of this kind were founded since the war on the coast of the Mediterranean Sea. They are woefully lacking in equipment and housing. It is needless to say how important it is that this vital trade, from which Jews

*learning
lacks*

alienated themselves during the many generations in the Diaspora, should take its due place in the economic structure of the National Home. Again, here is a field where expenditures, delayed during the last year, must be made in the nearest future.

Old-timers of Palestine frequently cite, in this connection, the classic case of a settlement in Palestine which could not obtain money for the digging of a well. For five years, the new settlers had to haul water from the neighboring Arab village. For this purpose, they had to maintain a team of mules and to waste the full time of one of their most valuable members. After five years, the Jewish Agency was finally able to include the money necessary for digging the well in its limited budget. The cost of digging the well was not smaller because of the delay. The general result was an additional expenditure which even exceeded the sum originally needed for the well. The additional instances of sickness caused by contaminated water, the loss of workdays resulting therefrom and the increase in medical expenses were other results of this forced "economy."

In the work of colonization, many economies of this kind can be made in times of financial crisis. The final result, is, however, an accumulation of needs and a subsequent increase of expenditures.

15. Another sharp cut was made in the requirements for trade and industry for guarantees. LP 285,000 was provided for activities in this field in the budget of 1940-1941, but only LP 60,036 was actually expended, with a yearly estimated expenditure of about LP 80,000. The actual expenditure for 1939-1940 amounted to LP 112,259. One of the main requirements for which the money was asked, in the budget of 1940-1941, was the necessity of accumulating raw materials for the use of Palestine's industries. Due to war conditions and the Government control of shipping, the import of such raw materials is a difficult task now. The individual manufacturers are usually unable to accumulate a sufficient stock of raw materials because of their financial position. Besides, they are frequently unable to overcome red-tape which stands in their way. In this situation, the Jewish Agency must assume a duty which is usually the task of governmental agencies. While most of the money invested in the purchase and accumulation of raw materials is repaid in time, the fulfillment of this

task on a broader scale requires a considerable cash outlay. Since the credit of the Jewish Agency is being used to the full extent for overdrafts, guarantees and commitments, the Jewish Agency had to curtail seriously and, perhaps dangerously, this part of its work. While the industries of Palestine found, in most cases, some kind of solution to their raw material problems - in some cases they were helped by the military authorities who were interested in the continuation of their work - confidential reports from Palestine show signs of increasing scarcity of most important raw materials.

Another activity which was made to suffer because of the collapse of European Jewry and the inability of the United Palestine Appeal to obtain more money for the most urgent Palestinian needs was the development of the Tel Aviv Harbor. Instead of the LP 50,000 provided for this purpose in the budget, only LP 6,748 was actually spent in the first nine months of the current fiscal year. Evidently, most of the harbor improvements contemplated for the year 1940-1941 had to be postponed because of lack of means.

During the current year, the Jewish Agency, through its Crafts and Small Trade Department, continued to grant loans to small businessmen and artisans. Many of them were recent refugees who were thus enabled to establish themselves in trade and industry. The beneficial results of these activities are self-evident; the one thing to be regretted is that there was no possibility of conducting them on a much larger scale.

16. Instead of the LP 100,000 budgeted for education and culture, only LP 26,388 was expended during the first nine months of the fiscal year 1940-1941, involving an estimated expenditure of LP 35,184. According to the latest reports, the Jewish Agency was forced to increase its subsidy to the Jewish school system of Palestine. It is, therefore, probable that the actual expenditure during the current year will reach the total of LP 40,000, which is about the same sum expended for this purpose in 1939-1940.

The reason why the Palestine Jewish leadership included a much larger sum in its requirements for education and culture was the expectation that the

local Jewish communities, which were bearing about 85% of the expenditures for their schools, would not be able to carry this burden to the previous extent in the present war contingency. The leaders of the Jewish Agency were also confronted with the task of maintaining the schools of the Alliance Israelite Universelle which was actually liquidated with the collapse of France. The famous agricultural school in Mikveh Israel was one of them.

The inability to provide the budget required for Palestine's Jewish schools resulted in widespread distress. Teachers did not receive their salaries for months. In spite of great patience and extreme devotion to their task, their organizations were repeatedly forced to threaten a general school strike, with the sole demand of payment of their long overdue salaries. In this connection, it must be emphasized that the salaries were cut about three years ago because of financial difficulties, and since that time living costs in Palestine have risen to the extent of 20-25%. Due only to the heroic efforts of the local communities, parents and teachers, was Palestine's school system able to maintain itself on its usual cultural standard. Naturally, under such conditions, no new school buildings could be erected, although the number of pupils increased from about 78,000 to 83,000 during the last year. Even most elementary repairs had to be postponed until better times. Here, again, in this field, we are confronted with accumulated needs which cannot be postponed much longer.

17. No substantial economy, even at the price of future necessity, could be achieved in the field of national organization and security. Nearly all of the LP 125,000 included for this purpose in the requirements drawn up last Summer will be spent during the current year. The actual expenditures during the first nine months of this year amounted to LP 89,052, which would mean a yearly expenditure of LP 118,736. The actual expenditures in the year 1939-1940 were LP 129,446.

The main item of this expenditure consists of the maintenance of super-numerary police, which is indispensable for Jewish self-defense. Although

relations with the Arabs improved during the first two years of the present war, any weakening of this important organization would be an irresponsible step. The second largest item - the maintenance of the Political Department of the Jewish Agency in Jerusalem and its London office - is certainly an expenditure which could, by no means, be contracted during the present fateful times.

18. A similar situation exists concerning expenditures for administration. Here, we are confronted with an elementary task which must be carried out under all circumstances. The expenditures for this purpose during the first nine months of the current year were LP 74,558. Continued at the same rate during the remainder of the year, that would mean an expenditure of LP 99,411 compared with the requirement of LP 105,000. While not differing much from the anticipated requirements, this item represents a considerable saving in comparison with the actual expenditures for the previous year 1939-1940, when LP 112,473 were spent for this purpose.

These administrative expenditures include not only salaries, but a considerable outlay for propaganda, which is an obvious necessity, especially in the case of the Keren Hayesod and the Jewish National Fund. They form 6% of the total expenditures (LP 1,771,425) of the three institutions, Jewish Agency, Keren Hayesod and Jewish National Fund, included in this report.

19. The money spent during the current year for the payment of loans is running above the requirements for last year. For the first nine months of 1940-1941, LP 447,068 was spent for this purpose, which would mean a yearly outlay of LP 496,091. The reason for this is self-evident: When the budget-makers of the Palestine institutions drew up the requirements for the current year, they anticipated getting the money needed for their activities. Short-term loans were made in anticipation of expected income. But, as the actual income, especially from America, was much less than anticipated, they had to make additional loans. These loans had to be repaid, together with the ful-

fillment of previous obligations.

20. The actual income of the three organizations, derived from donations, rents, grants, debt collections, but including loans, amounted during the first nine months of the current year to the total sum of LP 852,333. This includes LP 45,253 received by the Jewish Agency, LP 343,373 by the Keren Hayesod and LP 464,707 by the Jewish National Fund. The latter sum includes an amount of LP 67,026 representing the participation of private interests in the purchase of Vardi Qubani land, and LP 36,654 representing deposits on land. These two items must be considered definite income because this money was intended to be used, in one form or another, for the purchase of land. The actual expenditures of all three institutions for the same period, amounted to LP 880,501. This means that current income barely covers current expenditures. There was, during the reported nine months, an excess of expenditures over income of LP 29,168.

This, however, does not tell the whole story. Confronted with the necessity of urgent expenditures for which no income was available, the Jewish Agency resorted to the device of commitments and guarantees. Local financial institutions were induced to make loans for purposes which would usually be covered by the budget of the Jewish Agency, with the strict understanding that the Jewish Agency would endorse these loans and would be fully responsible for them. During the period from October, 1940 to June, 1941, the Jewish Agency assumed commitments totaling LP 20,625 and gave guarantees for loans amounting to LP 80,197. This brings the total of outstanding commitments to LP 86,252 and the total of guarantees to LP 111,261. Taken together, this means that the Jewish Agency assumed nearly LP 200,000 of obligations outside of its current budget. Some of these obligations may not require actual payments because the settlements and enterprises benefiting from them will be able to discharge these obligations from their own sources. A careful examination of the list of these commitments and guarantees recently received from Palestine brings

deficit

WRHS

one to the unavoidable conclusion that most of these commitments and guarantees will actually have to be paid, at a later date, from the current income of the Palestine institutions. In other words, we are confronted with deferred payments which will necessarily add to the future requirements of Palestine.



9/11/41

Oct. 19

W.C. Mutt

MEMORANDUM

September 15, 1941

TO: Officers of the United Jewish Appeal
FROM: Messrs. Isidor Coons and Henry Montor, Executive Vice-Chairmen
SUBJECT: Pledge and Payment Report

To bring you up to date on the status of the 1941 campaign, we are attaching hereto a Pledge and Payment Report prepared as of August 31.

You will note that it shows gross pledges of \$10,953,116 and cash received on account, of \$5,312,985.18. A number of communities which conducted Spring campaigns had not made known to us officially their allotments to the U.J.A. at the time this Pledge and Payment Report was prepared. As of this date, additional allocations bring the total gross pledges up to \$11,136,225.87 and further cash received brings the total up to \$5,813,274.58.

Los Angeles and scattered communities of lesser productivity have still to report their allocations and when final word has been received of allotments to the U.J.A. from all communities which conducted Spring campaigns, the gross total for the first half of the year will be approximately \$11,675,000. Included in the estimated total Spring figure is a gross of \$4,635,000 from New York City (before deduction of local campaign expenses and allowance for shrinkage) and \$7,040,000 from the country at large. On the same basis, the figures in 1940 at this time showed a gross total of \$11,925,000, including a gross of \$4,775,000 from New York City and approximately \$7,150,000 from the rest of the country.

Approximately 2,500 communities have participated in the Spring phase of the 1941 campaign and an additional 1,300 may be expected to contribute by the end of the year. The total of 3,800 will represent at least 500 more towns covered in 1941 than in 1940. The three most important cities to conduct campaigns this Fall are Boston, Cincinnati and Philadelphia, all formally

inaugurating their appeals on October 19.

The national administration expenses to date, including the expenses incurred by the J.D.C., U.P.A. and N.R.S. in their independent campaign activities prior to the reconstitution of the U.J.A., amount to \$407,637.08 or 3-1/3% of the total gross raised to date. With a reduction in staff for the Fall phase of the campaign, the monthly expenses will be considerably lower than in the Spring in line with the lesser number of communities expected to contribute, so that the percentage cost for the entire year will not be much more than a fraction of a percent higher than at this date. In 1940 the percentage cost of national administration expenses was 3% and in 1939, 2-3/4%.

Disbursements have to date been made as follows:

J.D.C.....	\$2,522,250.00
U.P.A.....	1,489,750.00
N.R.S.....	1,160,000.00
Allotment Committee.	5,000.00

1940 UNITED JEWISH APPEAL

Total cash has been received in the amount of \$12,254,340.45, against gross pledges of \$14,048,624.03. New York City has remitted \$3,856,500 including the \$1,000,000 to N.R.S., and the country at large has paid \$8,397,840.45. After the allowance for local campaign expenses and estimated shrinkage in collections there remains a collectible balance of approximately \$550,000, which we are making every effort to bring in as promptly as possible.

Disbursements have been made as follows:

J.D.C.....	\$5,570,000.00
U.P.A.....	2,660,000.00
N.R.S. from National.....	2,500,000.00
N.R.S. from New York City....	1,000,000.00
Distribution Committee.....	25,000.00
National Administration Expenses.....	429,118.09

1939 UNITED JEWISH APPEAL

Total cash has been received in the sum of \$15,092,314.89, against gross pledges of \$16,208,906.69. New York City has remitted \$5,376,301.80 and the country at large \$9,716,013.09. After allowance for local campaign expenses and uncollectibles there remains a net outstanding balance of approximately \$150,000.

Disbursements have been made as follows:

J.D.C.....	\$7,865,666.67
U.P.A.....	3,932,833.33
N.C.C.....	2,600,000.00
Christians.....	250,000.00
National Administration Expenses	441,187.86



CM: RZW

RESOLUTION

Having received a report from its representatives on the negotiating committee to consider plans for a joint campaign in 1941, to the effect that their proposals in the name of the United Palestine Appeal for a joint campaign in 1941 were rejected by the representatives of the Joint Distribution Committee,

The Administrative Committee of the United Palestine Appeal directs its representatives to make an earnest endeavor to have the Joint Distribution Committee reconsider its position in order that a continuation of the United Jewish Appeal for 1941 may be possible.

In the event, however, that the Joint Distribution Committee maintains the position it has taken of rejecting the United Palestine Appeal proposals and insisting that the ratios in the United Jewish Appeal of 1940 be continued, the officers of the United Palestine Appeal are authorized to proceed with such preparations as may be necessary for conducting an independent campaign by the United Palestine Appeal in 1941, and for an independent approach to the Welfare Chests of the American Jewish community.

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00019

5.250
4.275
975

00704
0059L

009L1
0053520088

L84
12.450
8880
3.570

10
5
10

287
1/2 22
01/8 2

Gentleman's Agreement

- 1) 6 1/2% better > initial alloc. 1940
- 2) More allocated UPA out of \$8,800,000 > 1940 out of 11 1/4%. Our minimum guaranteed.
- 3) Under initial allocation JDC drops \$975,000. NRS 1 1/2%. UPA given \$2,560,000
- 5) If same amt is raised as 1940, they will be \$3,570,000 available for dist. 1,000,000 for NRS - If UPA gets same ratio it will receive an additional 950,900 or Total \$3,475,000 (\$575,000 > 1940). If only 1/3 = 863,330 or Total \$3,388,330 (488,000 > 1940).

- (A) Country resented -
- (B) Zionist did not fear -
- (C) Did not want to fight Chicago - less > Port U. N.Y.C. - Bk. of Calif. - no trade org - 6 meetings
- Texas: no telephone
- Samoa - ~~was~~
- Hadassah -
- Zionist -
- (D) Afraid to expose on West
- (E) For \$500,000 def. could not risk it -
- (F) Free to carry on
- (G) our Purposes -
- (H) - FIELD MEN -

FARE

Railroad.....

Pullman.....

Total.....

Train Leaves.....

Reservation is Berth..... Seat..... Car.....

Transportation Arranged by.....

G. G. CHASE

TICKET SELLER

1125/2500
227
2250
2500
2200
2500

800
2720.00
2525
195.00
6/2

88.33

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AND EXTEND CORDIAL THANKS
FOR YOUR PATRONAGE

DIRECT RAIL ROUTES TO
ALL UNITED STATES
AND CANADA



Cleveland Union Terminal

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823.33
298.33
298.00

2570.00
137
17990
7710
950.900
863.330



CLEVELAND UNION TERMINAL

On The Public Square

Centrally Located

2525.000
950.900
3475.900

8.880,000

2. 2,525,000 . 4,275,000

63,37

(975,000)

Allocation
Pres. Henderson - 63,37

— Nat. Budgeting —
— No formal announcement

Motion was made and carried that a committee be organized consisting of representatives of the various Zionist bodies, that committee to consider the status of staff executives with the understanding that that committee report to this body in the course of studies.

PRESIDENT'S ADVISORY COMMITTEE

The Chairman advised that the President's Advisory Committee for Political Refugees had requested an additional \$2,500 which the Chairman asked the United Palestine Appeal to undertake.

It was suggested that this was a matter that came within the framework of the Emergency Committee for Zionist Affairs, but Dr. Goldmann felt that, with its budget reduced from \$50,000 in 1940 to \$25,000 in 1941, it could not afford this outlay.

Following a discussion

Motion was made and carried that Mr. Ress and Dr. Goldstein undertake to recommend to Palestine that this expense up to \$5,000 yearly be borne by the United Palestine Appeal.

1941 CAMPAIGN

Dr. Silver presented to the Committee a resume of the negotiations with the Joint Distribution Committee with regard to a 1941 united campaign, which resulted in the final proposal of the United Palestine Appeal: out of an original allotment of \$9,000,000. National Refugee Service would receive \$2,000,000; the balance, \$7,000,000, would be divided on a 35-65 basis between the United Palestine Appeal and the Joint Distribution Committee; the balance to be left to an allotment committee. Dr. Silver advised that a reply would be received from the Joint Distribution Committee within forty-eight hours.

Following a full discussion, participated in by the Chairman, Dr. Weinberg, Dr. Goldmann, Dr. Silver, Dr. Karpf, Mr. Liebovitz, Mrs. Silverman, Mr. Montor, Mr. Lipsky, Mr. Ben Gurion, Dr. Goldstein, Mr. Archibald Silverman, Mr. Rosenbloom, Mr. Fisher, Judge Levinthal, Mr. Harris and Mr. Mazer

Motion was made by Mr. Rosenbloom, seconded by Judge Levinthal, and carried that the Administrative Committee of the United Palestine Appeal approve the proposal made to the Joint Distribution Committee representatives as follows: on the basis of the first distribution of \$9,000,000 - \$2,000,000 go to the National Refugee Service, to include New York City as well as the country as a whole; a proportion of 65-35 for the Joint Distribution Committee and the United Palestine Appeal respectively in the distribution of \$7,000,000; the balance of the funds obtained by the United Jewish Appeal to be distributed by an Allotment Committee.

Should the Joint Distribution Committee reject this proposal, the Administrative Committee of the United Palestine Appeal directs the National Chairman to proceed immediately with the organization and conduct of an independent United Palestine Appeal campaign.

(19 for -- 2 opposed)

Mr. Segal and Mr. Glantz wished to be recorded as not voting.

NEW YORK CITY CAMPAIGN

It was pointed out that the national administration of the United Palestine Appeal had no contact with, no control and no direction of the New York United Palestine Appeal, and it was felt that this situation should be remedied.

Following a discussion, participated in by Dr. Silver, Mr. Segal, Mr. Ress, Mr. Montor, Mr. Fisher

It was moved by Rabbi Miller, amended by Dr. Silver and voted that the National Chairman of the United Palestine Appeal be directed to appoint a committee which would create a functioning New York City United Palestine Appeal Committee for the 1941 campaign and other purposes serving United Palestine Appeal interests; also that this Committee maintain an organic contact with the national administration of the United Palestine Appeal to which it is to report its actions for approval.

Meeting adjourned at 12:00 Midnight

Respectfully submitted

Florence Eitelberg

United Jewish Appeal
342 Madison Avenue
New York City

The reconstitution of the United Jewish Appeal for 1941 was announced today in a joint statement issued by Dr. Abba Hillel Silver, National Chairman of the United Palestine Appeal, and Edward N. H. Warburg, National Chairman of the Joint Distribution Committee. It read as follows:

"We are happy to announce that the United Jewish Appeal, which functioned as their common fund-raising instrument in 1939 and 1940, has been re-established for 1941 by the Joint Distribution Committee and the United Palestine Appeal, also taking into account the interests of the National Refugee Service.

"In coming to this decision, despite several months of independent campaign activities by the separate organizations, we were moved by the overwhelming desire of American Jewry to establish a union of forces in this critical period for the Jewish people in order to provide more effectively for the needs of Jews in Europe, the upbuilding of the Jewish homeland in Palestine and the refugees in the United States.

"Since the dissolution of the United Jewish Appeal of 1940 was announced last December there has been an unmistakable expression of opinion from all segments of American Jewry regretting the dissolution even though the organizations involved believed that the causes which they served might benefit from an individual approach to the communities. Leaders throughout the country stated that their capacity for raising larger funds to meet the increasing responsibilities of the United Jewish Appeal agencies would be hindered through separate appeals. They declared that the emergency position in which millions of Jews find themselves during this war period required cooperative action among Jewish leaders in America.

"Recognizing that the support which their causes receive is dependent completely on the sympathy and good will of the Jewish communities of America, the Joint Distribution Committee and the United Palestine Appeal, after reviewing the various factors which constituted their original differences, have come to an agreement that will permit the continuation of the United Jewish Appeal as the central fund-raising instrument for the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service.

"The leadership of these organizations have responded to Jewish public opinion in America. They now turn to American Jewry confident that the United Jewish Appeal will receive that enlarged measure of support which they have every right to expect on the basis of the pledges that have been given toward the reestablishment of a unified campaign organization for three important causes.

"The needs of the Jewish people require from the free Jews of America unprecedented generosity. The establishment of a national quota is not an estimate of such needs but merely a framework of irreducible minimums which the agencies urgently require for their tasks. Such a framework endeavors to take into account the experience of the past but it must also consider the inescapable obligations of the present in order to direct attention to the increased requirements which must compel increased generosity from all Jews. Accordingly, the United Jewish Appeal, conscious of its obligations to the Jews of the world as well as to the Jews of America, earnestly hopes that new levels of giving will be established so that a goal of \$25,000,000 may be reached for the needs of the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service."

DRAFT OF LETTER ANNOUNCING RECONSTITUTION OF UNITED JEWISH APPEAL

Dear Friend:

We are happy to announce the reestablishment for the year 1941 of the United Jewish Appeal for Refugees and Overseas Needs, which in 1939 and 1940 functioned as the unified fund-raising instrument for the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service.

Despite the fact that individual campaigns had already been launched, the representatives of the Joint Distribution Committee and the United Palestine Appeal were moved to take the decision to reconstitute the United Jewish Appeal as a result of the overwhelming desire by American Jewry to establish a union of forces in this critical period for the Jewish people in order to provide more effectively for the needs of Jews in Europe, for the upbuilding of the Jewish homeland in Palestine and for the refugees in the United States.

Although the agencies involved believed that their causes would be served best through an individual approach to the Jewish community of America in 1941, the great majority of Jewish communal leaders deplored the dissolution of the United Jewish Appeal and urged its reconstitution in order that their capacity to raise larger funds might not be dissipated through separate appeals. They declared that the emergency position in which millions of Jews find themselves during this war period required cooperative action among Jewish leaders in America.

Recognizing that the support which their causes receive is dependent completely on the sympathy and good will of the Jewish communities of America, the Joint Distribution Committee and the United Palestine Appeal, after reviewing the various factors which constituted their original differences, have come to an agreement that will permit the continuation of the United Jewish Appeal as the central fund-raising instrument for the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service.

The leadership of these organizations have responded to Jewish public opinion in America. They now turn to American Jewry confident that the United Jewish Appeal will receive that enlarged measure of support which they have every right to expect on the basis of the pledges that have been given toward the reestablishment of a unified campaign organization for three important causes.

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The national headquarters of the United Jewish Appeal for 1941 will be re-established at 342 Madison Avenue, New York City. All applications to communities for allocations and campaign participation will originate from this office and all allotments and remittances to the agencies represented within the United Jewish Appeal are to be forwarded to 342 Madison Avenue in New York City.

In accordance with the procedure adopted in 1939 and 1940, the funds raised by the United Jewish Appeal will be divided on the basis of a study of the needs of the respective organizations which is to be made by an allotment committee. The sum of \$8,800,000 has, however, been set aside for distribution among the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service in order to make it possible for these agencies to continue their activities during the next few months. The following division is to be made of the initial sum of \$8,800,000 raised by the United Jewish Appeal in 1941:

To the Joint Distribution Committee	\$4,275,000
To the United Palestine Appeal	\$2,525,000
To the National Refugee Service	\$2,000,000

The balance of the funds raised in 1941 will be allocated by an allotment committee consisting of an equal number of representatives of the Joint Distribution Committee and the United Palestine Appeal in association with representatives of welfare fund communities. In this way the United Jewish Appeal of 1941 will continue the principle of distributing funds in accordance with existing needs established through detailed analysis of opportunities for the most effective remedial and reconstructive effort.

The catastrophe of war has devastated Jewish life in almost every section of Europe. The erection of ghetto walls in Nazi-dominated countries has reduced the Jewish people to intolerable bondage and suffering. The Jewish community in the United States represents the last outpost of hope for the millions of Jews who are in chains in European lands, and the hundreds of thousands of Jews who stand courageously in the front lines of British defense in the Jewish homeland in Palestine. As Americans and as Jews, we must bear the responsibility for the defense and survival of large sections of our people. The progress of the world conflict has forcefully demonstrated that our own destiny and future and our own freedom and happiness are not isolated from the fate of Jews overseas and the Jews in Palestine.

With the American people fully aroused to the urgency of all-out defense and freedom-loving men and women everywhere banding together for unprecedented sacrifices to preserve civilization, American Jewry must establish new standards of sacrifice and cooperation with the United Jewish Appeal that will measure up to the crisis and challenge of the present hour. Only through a new spirit of generosity can we hope to meet the emergency needs of the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service. The response of the Jewish communities in 1939 and in 1940 demonstrates that the national quota of \$25,000,000 represents an approach to the fund-raising capacity of American Jewry.

THE NEEDS OF THE JOINT DISTRIBUTION COMMITTEE

The wave of Nazi invasion which has inundated and submerged the last vestiges of democracy in almost the entire continent of Europe has greatly increased the urgent demands upon the Joint Distribution Committee for immediate relief, rehabilitation and emigration assistance. Hundreds of thousands of Jews in the newly created ghettos of Poland, must be fed, clothed and sheltered. Large numbers in dismembered Roumania who have been deprived of the means of earning a livelihood must receive immediate help. The desperate plight of Jewish refugees in unoccupied France must be alleviated. Possibilities must be found for rescuing the thousands who have been deported en masse from Austria.

Despite the difficulties of war the Joint Distribution Committee has found the opportunities to continue to help Jews from Nazi-controlled areas to emigrate overseas to the Americas and Palestine. In all its life-saving and life-rebuilding effort in territories under German control, the Joint Distribution Committee has done nothing to obstruct or violate the British blockade, nor has it in any way made American currency available for use in German territory. Through its financial clearance arrangements established with the approval of the United States Government, the Joint Distribution Committee has been enabled to help Jews in Germany and other parts of Europe without aiding the German economy. Today more than ever harassed and distressed European Jewry looks to the Joint Distribution Committee for the means to sustain life and hope.

THE NEEDS OF THE UNITED PALESTINE APPEAL

In the crucial war year of 1941 the United Palestine Appeal must provide funds not only for the normal rebuilding of the Jewish homeland in Palestine, but also for the integration and absorption of the more than 280,000 Jewish refugees from Germany and other European lands who have found a permanent home in Palestine since the beginning of the Nazi regime in 1933.

The Jewish community of 550,000 which has been built up in the past two decades in Palestine, is today actively participating in the defense of democracy at the side of Great Britain. More than 8,000 of its young men are engaged in active service with the British armies in the middle-east and on the Greek front. All the industrial and agricultural resources of Palestine developed through the aid of the United Jewish Appeal have now been placed at the disposal of the British authorities to strengthen the Mediterranean sector in the fight for the survival of civilization.

The war has brought a new crisis to Palestine economically. It is the task of the United Palestine Appeal to meet the problem of the economic dislocations resulting from the interruption of normal trade, to provide for

industrial expansion, to promote the war effort and to furnish relief to the unemployed. The purchase of land, the establishment of new settlements must be continued to provide the basis for the immigration and settlement of the thousands of Jews who continue to reach Palestine despite the hardships of war.

In the present world crisis, the United Palestine Appeal is called upon to give the fullest support to Palestine in its three-fold role of homeland, haven and bastion for democracy.

THE NEEDS OF THE NATIONAL REFUGEE SERVICE

The tasks and responsibilities of the National Refugee Service in providing for refugees in the United States have not been diminished as a result of the war. Refugees continue to reach the shores of the United States and present indications are that the immigration quota of more than 40,000 will be filled in the current year despite the transportation problems resulting from the interruption of normal shipping. The National Refugee Service must extend its resettlement activities and find employment for newly arrived emigres in non-competitive fields. Its re-training facilities must be expanded in order to provide for the most rapid and most effective integration of refugees. The problem of the refugee in our midst requires immediate attention in the present war crisis when any failure on the part of the Jewish community to solve this problem satisfactorily may have serious effects on the position of the entire Jewish population.

In 1940 more than 300,000 requests for service from refugees and Americans were directed to the National Refugee Service. A total of 5,109 refugees were resettled in various sections of the country, 17,900 were given sustenance, 4,900 refugees were placed in gainful occupations and 500 received industrial retraining. The program of the National Refugee Service must be carried forward to assure the fullest opportunities for making useful, productive citizens out of the refugees in our midst.

No emergency in the past two decades is comparable to the tragic position of the Jewish people today. The war has swelled the ranks of those who are in desperate need of help and sharply reduced the ranks of those who possess the resources to provide that help. The Jewish community in the United States must in this most critical period assume the responsibility and leadership which devolve upon it by virtue of the fact that it enjoys the means and the opportunities for immediate and effective rescue, resettlement and relief effort.

The agencies constituting the United Jewish Appeal have responded to the demands of the Jewish community for a unified campaign. The voice of American Jewry calling for a single channel of providing the material assistance to Jews in Europe, Palestine and the United States has been heard and answered. We believe that Jewish communities vigorously urged a reconstitution of the United Jewish Appeal in order to have the fullest opportunity for an unprecedented united effort to assure the survival of the Jewish people. It is our earnest hope that having achieved this unity in the year 1941 the Jewish communities of the United States will now go forward to demonstrate in concrete terms their gratification at the establishment of a single instrument for unparalleled action in an unprecedented hour.

With kind regards, we are

Abba Hillel Silver

Cordially yours,

Jonah B. Wise

National Chairmen

Tampa

Post Office
R. R. Station
OGUSSOC

PHONE
Rangeley 45-3

Mooselookmeguntic

House and Log Camps
Rangeley Lakes Region
Haines Landing, Maine
Mrs. Mabel Blair Burns,
Manager

Algt Murray Hill

2-3320



The VPA agrees that it cannot send
 the letter which Mr. Resner requests.
 Whether the proposed gift of \$40,000
 from Hoff Found. is to ~~be~~ be
 used as an offset against the
 amount which the Nat. Ref. Service
 may receive from OSA or not
 is a matter for the War Relocation Comm.
 to determine on the basis of the
 conduct entered into by VPA
 and JDC.

The conduct authorizes the NRS
 to receive gifts from Foundations
~~which whose charters limit their~~
 restrict their operation to the territory
 the U.S. while gifts ~~may not be~~ be
 used as offsets against allocations

made by the Dutch. Com. ~~will work~~
~~it~~. I / Hoff. Found. cases
under this heading, the case is
clear, and no further assurances
from the U/A. are required.

If it does not, and we have
not ~~see~~ been permitted to see a
copy of the charter, as have we
been informed as to whether the Hoff.
F. for in the past could grant
to operate in the U.S. whether
within the country - the U/A
cannot ~~of course~~ a country to
the clear terms of contract, by ~~not~~ writing
the letter requested.

An Approach to the 1941 Campaign

What Should be the Constructive Keynote for Welfare Fund Campaigns?

The Experience of 1939-1940

WHAT public relations policy is best suited to meet the temper of the Jewish communities in America in 1941? Have we a constructive program to suggest that will lift American Jews out of their bewilderment and dispel the lethargy born of confusion and lack of aim?

Our experience in 1940 indicated that the curve of popular response did not follow the graph of critical developments in Jewish life. The outbreak of war in September 1939 failed to arouse the Jewish community; the public mind had been saturated with pictures of horror and tragedy; and the intensification of suffering did not bring a commensurate positive response. The conclusion is forced upon us that in 1941 emphasis on the spread of suffering in itself will not supply a clear-cut or dynamic campaign motivation. Appeals to the emotions have been worn thin by the vastness of tragic events following each other in such rapid succession that all efforts to channel them into fund-raising instruments were bound to be futile.

Negative Reactions to Tragedy

IN 1940 stress on the desperate situation of the Jews served to produce not increased sympathy or concern but, on the contrary, a negative reaction. It was felt that the situation was hopeless, that it was too vast for any one individual or group of private agencies to cope with. The year 1939 was the last year of the "despair" appeal. Its effectiveness collapsed with the advent of the war. This was an unexpected psychological phenomenon.

The 1940 campaign was driven into a defensive position by the confusion and the misunderstanding which the war engendered. Though the needs grew beyond all proportion to pre-war budgets, any effort to build up the 1940 drive as an emergency war appeal was blocked by the bewilderment and skepticism of the public, which forced the campaign into the defensive line of explanation, apology and argument.

Campaigning Under the Banner of the Question Mark

THIS situation reduced the campaign program to an exchange of questions and answers. It might be compared to a see-saw—the contributor up in one case and the agency up in the next. The results are sufficient proof of the fact that the communities were never quite able to get off the see-saw, in spite of the fact that the presentation of the needs and the programs of the overseas agencies was more than adequate. In many cases leaders did not so much make speeches as supply definite answers. The facts were presented but nobody was stirred by them. The drive spread enlightenment. Enlightenment convinced the public that it was worthwhile to give. But it was not powerful enough to raise the level of giving.

Briefly, the year 1939 was the year when despair and tragedy created the widest reaction; 1940—the war year—brought a nullification of the effectiveness of tragedy as a stimulus for giving—and all public relations had to be carried on under the sign of the question mark.

What Is To Be the 1941 Approach?

UNDER what banner shall the 1941 campaign be conducted? Despair and tragedy are an inadequate approach. The presentation of the facts is not forceful enough to stir genuine enthusiasm and sacrifice. What is to be the keynote for 1941?

Can the answer, perhaps, be found in turning to domestic causes—the refugees in our midst, for example? That this is an important problem must be admitted, but it does not lend itself to communal excitement at this late stage. Their human needs are by no means as great as the needs of the Jews in European lands, nor is the threat of growing anti-Semitism as a result of neglecting them of sufficient urgency in a time of war crisis, when all such matters become an integral part of the general problem of national defense.

Can we find the answer in the defense of rights or civic protective programs? Here, again, the situation has been greatly altered by the outbreak of the war. The need for tracking down and exposing subversive elements seeking to spread Nazi propaganda, inclusive of anti-Semitism, is not only a Jewish problem but again a pressing national defense issue. It is a vital problem in which Jews must cooperate, but it is not broad enough to be the main issue of the 1941 campaign.

The Overseas Appeal Is Dominant

INEVITABLY the conclusion must be drawn that the overseas situation must again be the mainspring and vehicle of the 1941 fund-raising campaign, that once again the overseas appeal must be the platform on which all other funds can join to stimulate maximum results.

Our experiences in 1939 and in 1940 have shown that the methods of appeal used to emphasize the needs of the overseas agencies face serious obstacles. How are we to utilize the overseas situation if, on the one hand, emphasis on distress and tragedy will bring negative reactions; and emphasis on facts, on the other hand, will fail to create the moral atmosphere necessary adequately to mobilize public sentiment? Obviously we cannot stress war's devastation, starvation, Nazi persecution, death and terror. These have been shown to have a paralyzing effect on the giving public.

A Heroic Symbol Necessary

WE may find a clue to the solution of the problem in seeking to direct our campaign thinking to answering the question in 1941 of "Why is it being done?" This question may on the face of it seem again to place us in a defensive position; but actually it becomes the springboard for an aggressive, spirited and enthusiasm-evoking campaign. If we address ourselves to this proposition, the 1941 campaign takes its place under the banner of heroic defense and not under the banner of the yellow badge. We will be setting our faces in the right direction. The yellow badge, the concentration camp and the ghetto wall cannot in themselves serve as campaign factors unless there is placed alongside of these negative elements a strong, heart-stirring positive appeal. The symbol of the Jew as beggar and derelict must be replaced by a figure of courage and independence. Despair must be removed from our campaign stage. The appeal of sacrifice must be stimulated not by a picture of hopeless misery but by an example of inspiring heroism. Not doom but survival—not wandering but epic resettlement—must be the pillars of the 1941 campaign structure. We have had enough of pity and tragedy that passes comprehension. We have had our period of fact-finding. These facts can now be placed in their proper relationship on the canvas of world Jewish needs. These facts can be given forceful direction, spirit and fire.

That is why the role of the Jews in Palestine must occupy the pivotal place in the campaign approach for the coming year. The policy dictated by Hitler must give way to the policy dictated by Churchill. The Churchill policy is dramatically symbolized in the Jewish field by the courageous pioneers of Palestine, whose sacrifices are now allied actively with those of Great Britain in the battle for freedom and democracy. In Palestine, we have tragedy (*passive*), *plus* reconstruction and defense (*active*). It gives color and substance to sacrifice. The note of heroism becomes an integral part of our appeal. It is not only the salvaging of the derelict, it is also his rebirth as a defense factor in his struggle for survival. It is this note Palestine enables us to introduce into the campaign of 1941.

Palestine as a Refuge

SINCE the beginning of the Nazi regime Palestine has been the foremost haven for refugees from Germany, Austria, Poland, Rumania, Czechoslovakia and other lands. With the aid of the United Palestine Appeal, Palestine received 280,000 Jewish refugees in the past eight years. This figure represents twice the number who were admitted to the United States and as large a number as were given a haven by the countries of the rest of the world combined. Even in the midst of the present war and despite the transportation difficulties it has created, the stream of refugee immigration into Palestine has not been interrupted. The dramatic story of 1,000 refugees who have started out for Palestine from Lithuania over a route which will take them across Russia, Japan, the Pacific Ocean to India and the Persian Gulf indicates that while long and circuitous avenues of immigration must be followed, the way to Palestine remains open. With their arrival in Palestine these Jews will cease to be refugees who at best have managed to keep one or two steps ahead of the Hitler invasion. Paradoxically there are no refugees in Palestine. There are pioneers. There are farmers. There are small merchants and there are builders. In Palestine the refugee at last finds a permanent home and the beginning of a new life.

Palestine as a Bastion of Defense

THE industrial and agricultural development of Palestine through the activities of the United Palestine Appeal has in the past two decades brought forth a community which today occupies a strategic role in the defense of democracy in the Mediterranean. The Jews of Palestine are not only joining the British army to fight on the Greek and Albanian fronts against the aggression of totalitarian states. The entire Jewish community, with its industrial and agricultural resources, has been mobilized for the fullest aid to the British forces in the Middle East. The support of the United Palestine Appeal by American Jewry in the crucial year of 1941 represents a concrete and direct participation in the strengthening of the cause of democracy in a vital sector.

Palestine as the Answer to the Yellow Badge

WHILE ghetto walls are being erected in many parts of Nazi-dominated Europe and many thousands of Jews are being pressed into enslavement on labor gangs and forced to wear the yellow badge, Palestine is giving the most effective answer to the organized attempt to reduce the Jew to the status of a beggar and derelict. The remarkable transformation of refugees who were formerly professionals and businessmen into farmers and pioneers gives the lie to the slanders against the Jews. Of the total of 550,000 Jews in Palestine 137,000, or approximately 25%, derive their livelihood from work on the land. What has been built up in Palestine by the agencies combined in the United Palestine Appeal has given expression to the creative and constructive forces in Jewish life and placed before the entire world the figure of a heroic Jewish pioneer in sharp contrast to the pitiful figure of a helpless Jew, humiliated and degraded by Nazi oppression.

Militant Spirit of 1941 United Palestine Appeal

THE 1941 United Palestine Appeal offers to American Jewry an opportunity for (1) Maintaining the flow of refugee immigration into Palestine; (2) Supporting the colonization and agricultural development which are vital to the extension of its absorptive capacity; (3) Developing industrial enterprises to strengthen the economic position of the 550,000 Jews in Palestine; (4) Enlarging the program of active cooperation with the British forces fighting to preserve democracy; (5) Maintaining Palestine as the Jewish homeland and assuring its survival as the hope of hundreds of thousands of homeless Jews and the cornerstone of the restoration of Jewish rights and the constructive solution of the Jewish problem.

Only by the militant, heroic spirit exemplified by the Jews of Palestine can the Jews of the entire world demonstrate that they have not yielded to the pessimism engendered by the Nazi assault. The campaign for the support of Palestine in 1941 embodies the will of the Jewish people to freedom and to the preservation of its rights and honor.

Issued by
UNITED PALESTINE APPEAL
41 EAST 42ND STREET
NEW YORK CITY

COPY

RESOLUTION

Having received a report from its representatives on the negotiating committee to consider plans for a joint campaign in 1941, to the effect that their proposals in the name of the United Palestine Appeal for a joint campaign in 1941 were rejected by the representatives of the Joint Distribution Committee.

The Administrative Committee of the United Palestine Appeal directs its representatives to make an earnest endeavor to have the Joint Distribution Committee reconsider its position in order that a continuation of the United Jewish Appeal for 1941 may be possible.

In the event, however, that the Joint Distribution Committee maintains the position it has taken of rejecting the United Palestine Appeal proposals and insisting that the ratios in the United Jewish Appeal of 1940 be continued, the officers of the United Palestine Appeal are authorized to proceed with such preparations as may be necessary for conducting an independent campaign by the United Palestine Appeal in 1941, and for an independent approach to the Welfare Chests of the American Jewish community.
