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United Jewish Appeal, United Palestine Appeal, 1944-1945.

National Conference for Palestine

SPONSORED BY THE UNITED PALESTINE APPEAL

41 EAST 42nd STREET

NEW YORK 17, N. Y.

NOVEMBER 18-19, 1944
Hotel Stevens, Chicago, Ill.

September 20, 1944

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Executive Director

HENRY MONTOR

Dear Dr. Silver:

The National Conference of the United Palestine Appeal which is to be held November 18-19 at the Stevens Hotel in Chicago, acquires extraordinary significance in the light of the fact that complete liberation of Europe is imminent and that far-reaching decisions affecting the destiny of the Jewish people, as of all mankind, are now being made. The place of Palestine bulks largest in all programs for the solution of the problem of the homelessness of the countless Jews. There will be reflected at Chicago the determination of all responsible sections of American Jewry to go forward with the upbuilding of the Jewish Homeland in terms equivalent to the necessity and the opportunity.

It is our hope that the fighting in Europe may have ceased by then. In any event, there will be cause for gratification in the triumphant progress of the United Nations armies. The "post-war planning" that has been talked of for years is now upon us. We want the Chicago conference to be a forum, not only for a review of the past, but for the airing of our problems and our prospects.

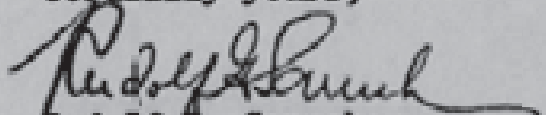
As a member of the National Council of the United Palestine Appeal your presence is especially important. The framework within which we shall be able to plan American Jewry's support of the constructive enterprises in Palestine will be determined by the leaders of each Jewish community, uniting their forces in a mighty national endeavor. You have played an important part in the years of preparation and progress. We need your participation even more now as we go forward to final achievement.

It is important that you make hotel reservations at once, by mailing the enclosed reservation card. May I also urge you to make travel reservations to and from Chicago as promptly as possible. The Conference will adjourn at 6 P.M. Sunday night.

I shall be glad to have from you any suggestions as to the type of problem you would like to see particularly emphasized during our discussions.

With very best wishes for a New Year of peace, I am

Cordially yours,


Rudolf G. Sonneborn
Chairman, National Council

RGS:MRB

UNITED PALESTINE APPEAL

PALESTINE FOUNDATION FUND (*Keren Hayesod*)

JEWISH NATIONAL FUND (*Keren Kayemet*)

MIZRACHI PALESTINE FUND

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Executive Director

HENRY MONTOR

October 19, 1944

Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Dr. Silver:

May I invite you to address the National Conference of the United Palestine Appeal, which will take place at the Hotel Stevens, Chicago on November 18-19.

The principal difficulty we face in a conference of this kind is finding adequate time for those who should speak and who have something to say—all within the compass of a relatively few hours. It is nevertheless essential from the point of view of what they can say and of the strong, united front for Palestine we present that advantage be taken of whatever time is available.

As a matter of form, I should like to suggest this particular background for your address. At the luncheon on Sunday noon, James G. McDonald, Chairman of the President's Advisory Committee on Political Refugees, will present a statement on the refugee problem with the kind of documentation that marked his letter of resignation as League of Nations High Commissioner. I understand he is devoting an entire month to the preparation of the statement. He is reviewing what has or has not been done by the governments of the world to meet the refugee problem.

It would seem to me appropriate that you might speak at the following session on the obligation of the governments to make it possible for Palestine to resolve the Jewish problem.

I am forced to point out that the time schedule compels the limitation of your message to fifteen minutes. A written paper makes possible an adherence to this schedule. Because of the number of those we feel should participate in the Conference strict adherence to such a schedule is imperative -- in fairness to all.

Cordially yours,


James G. Heller
National Chairman

JGH:KBO

October 23, 1944

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

My dear Dr. Heller:

Permit me to acknowledge your kind letter of October 19 and your invitation to speak at the Sunday afternoon session of the National Conference of the United Palestine Appeal in Chicago. I regret that I will not be able to attend. I am to be in New York on the Sunday preceding and I cannot be away from my post on two successive Sundays. I am sorry that this is so, but then my absence will make it possible for some of the other speakers to have a little more time on your very crowded program.

Very sincerely yours,

AHS:BX

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The Quota for 1944

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UNITED JEWISH APPEAL
FOR REFUGEES, OVERSEAS NEEDS AND PALESTINE

on behalf of

JOINT DISTRIBUTION COMMITTEE
UNITED PALESTINE APPEAL
NATIONAL REFUGEE SERVICE

National Chairmen:

Rabbi James G. Heller
William Rosenwald
Rabbi Jonah B. Wise

242 MADISON AVENUE
NEW YORK 17, N. Y.

VANDERBILT 6-2080

November 13, 1944

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Ferdinand Sonneborn
Hon. Nathan Straus
Miss Henrietta Szold
Mrs. Felix M. Warburg
Rabbi Stephen S. Wise

Rabbi Abba Hillel Silver
The Temple
East 105th St. and Ansel Rd.
Cleveland, Ohio

Dear Friend:

Attached hereto are the minutes of a meeting
of the Executive Committee of the United Jewish Appeal
held in New York City on Friday, October 6, 1944.

Cordially yours,

Isidor Coons *Henry Montor*
Isidor Coons Henry Montor

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Mrs. Roger W. Straus

and officers

CM:RZF
Enc.

MINUTES OF SECOND MEETING OF 1944 ALLOTMENT
COMMITTEE OF UNITED JEWISH APPEAL HELD
NOVEMBER 10-11, 1944

The second meeting of the 1944 Allotment Committee of the United Jewish Appeal was held at Hotel Biltmore, New York City, on Friday, November 10th, 1944, at 10:00 A.M. o'clock. There were present the following:

Mr. David M. Watchmaker)	Representing the communities at
Mr. Herbert R. Bloch)	large selected by UPA and JDC
Mr. Stanley C. Myers)	as per agreement
Mr. I. Edwin Goldwasser)	Representing the JDC
Mr. Isaac H. Levy)	
Dr. James G. Heller)	Representing the UPA
Mr. Rudolf G. Sonneborn)	
Mr. William Rosenwald		Representing the NRS
Mr. Moses A. Leavitt		Staff Representative of JDC
Mr. Henry Montor		Staff Representative of UPA
Mr. Joseph Beck		Staff Representative of NRS

The meeting was called to order by Mr. Watchmaker, as Chairman, who presided. Mr. Myers acted as Secretary of the meeting.

It was announced that copies of the minutes of the previous meeting held on October 6th, 1944, had been distributed to all members of the Committee. Upon motion made and carried such minutes were approved as submitted.

In response to an inquiry by the Chairman the agency representatives stated that no one other than those present would speak on behalf of the agencies in connection with their requests for allotments.

Messrs. Rosenwald and Beck then presented the request of NRS for an allotment of \$102,000 out of available funds from the 1944 United Jewish Appeal. This request represents the anticipated 1944 operating deficit of NRS and is in addition to the \$1,000,000 distributed to that agency out of

the first \$15,000,000 raised under the 1944 UJA agreement. (Written report of NRS to the 1944 Allotment Committee and financial and factual information are filed among the records of the Committee.) In the course of discussion by the Committee regarding this request it was noted that the request of \$102,000 representing the 1944 anticipated operating deficit of the agency is based upon actual expenditures and income from January 1 to August 31, 1944, and estimated expenditures and income from September 1 to November 31, 1944; that the agency had approximately \$17,000 cash in bank, and a working capital of \$400,000. After further discussions the following resolution was offered by Mr. Levy, seconded by Dr. Heller and unanimously adopted:

"RESOLVED that this Committee, out of the first funds available over and above the first \$15,000,000 raised through the 1944 UJA, allot to NRS an amount not exceeding \$80,000 necessary to meet the 1944 operating deficit of that agency, with the understanding that cash in bank on December 31, 1944, (over the working capital of \$400,000) be considered in computing such operating deficit."

Mr. Levy then presented the request of JDC for an allotment of \$9,971,295.23 out of the 1944 UJA fund in addition to the funds already received or to be received by that agency out of the first \$15,000,000 distributed under the 1944 agreement to meet the anticipated deficit of that agency for the year 1944. He emphasized that the request of JDC was less than the actual needs, but that the request was made with the recognition and understanding that JDC was a member of a partnership asking American Jewry for funds and that the request of JDC must relate to the whole world picture.

Mr. Leavitt on behalf of JDC amplified the information and data contained in the written report and statistical data and information filed with the Committee by JDC (the written reports and other financial data referred to are filed among the permanent records of this Committee).

He explained, among other matters, how allotments to meet overseas needs are made by the Executive Committee of JDC and accrued as liabilities when approved; that allotments never approach the amounts requested because of lack of funds and illustrated this with reference to situations in specific countries.

Dr. Heller then presented the request of UPA for an allotment of \$12,200,260.08 out of the 1944 UJA, in addition to the funds received or to be received by that agency out of the first \$15,000,000 to meet its anticipated deficit for the calendar year 1944. He also amplified the report and financial and factual information filed by UPA with the Committee. (The report, financial and factual information of UPA referred to is filed among the permanent records of the Committee). He pointed out that the UPA operates on a cash basis and that the requested allocation represents the actual anticipated cash deficit of UPA on December 31, 1944.

In discussing the request of UPA and its financial data the following factors were noted among others. The statement of UPA for 1944 covering actual expenditures and income for the period of January 1 to August 31, 1944, and estimated income and expenditures for the period September 1, 1944, to December 31, 1944, does not include funds received during 1944 from prior years' campaigns in the approximate sum of \$4,000,000; the financial figures of UPA are on a cash basis and reflect cash income from 1944 campaigns only, and expenditures during the 1944 calendar year; the income item of \$4,000,000 from prior years' campaigns is reflected, however, in the analysis of deficits also contained in the factual information filed by UPA.

In discussing the JDC request and its financial data it was noted that JDC experience during previous years indicates that a percentage

of allotments accrued as liabilities may be cancelled in the future upon subsequent review in the light of changing conditions; that all allotments accrued prior to January 1, 1944, had been reviewed by JDC and JDC deficit as of December 31, 1943, reflected cancellations of allotments whenever cancellations were deemed possible by the JDC; that the agency maintains a cash working fund of \$600,000; that JDC had received legacies and trust funds of \$288,000 not applied to any anticipated budget; that such legacies and trust funds are subject to restrictions and cannot be used for general purposes; that the liability item of \$7,127,489.11 for accounts payable for relief disbursed through clearance arrangements and funds borrowed locally might be reduced to the extent of the loans that may not be repaid because of impossibility of repayment due to death of lenders, etc.

The discussion of the agency requests and of the financial information and data submitted continued until 6:00 P.M. o'clock when the meeting was recessed until the following day.

* * * * *

The meeting reconvened at 9:30 A.M. on Saturday, November 11th, 1944. All of the members of the Committee present the preceding day, with the exception of Messrs. Rosenwald and Beck, were present at this meeting. Mr. Watchmaker again presided, and Mr. Myers recorded.

The meeting was called to order and with the permission of the members Mr. Montor made a statement regarding UPA needs and the request made by it of the Allotment Committee.

It then being 11:00 A.M., at the suggestion of Mr. Levy the meeting recessed for three minutes in memory of those who have given their lives in the service of our country.

The Chairman made the observation that this Committee was not constituted to determine the validity of programs or questions of agency policies; that in his opinion questioning of the financial information and other data presented by an agency did not impute the validity of agency programs but were directed to the validity of financial conclusions based on financial facts. The Chairman's views were concurred in by Messrs. Levy and Heller.

The following resolution was offered by Mr. Sonneborn and seconded by Dr. Heller.

"RESOLVED, that all available funds from the 1944 UJA over and above the first \$15,000,000 distributed by agreement, plus the additional sum to be allotted to the NRS, be divided between JDC and UPA on the following basis:

To the JDC in the same ratio that \$10,000,000 bears to \$22,200,000.

To UPA in the same ratio that \$12,200,000 bears to \$22,200,000."

The following amendment to the above resolution was offered by Mr. Goldwasser and seconded by Mr. Levy.

"RESOLVED, that the first \$12,000,000 over and above the original \$15,000,000, plus the additional sum to be allotted to the NRS, be divided as follows:

65% thereof to JDC
35% thereof to UPA

and the excess over said \$12,000,000 to be divided as follows:

60% thereof to JDC
40% thereof to UPA."

In the discussion on the resolution and the amendment, members of the Committee considered the advisability of distributing only a portion of the available funds at this time and postponing until after December 31, 1944, final action on the division of the balance.

Upon vote taken the above original resolution and amendment thereto were both defeated.

Mr. Levy then moved that action be taken at this time only on the first \$8,000,000 raised above the original \$15,000,000 plus the additional sums allotted to the NRS, and that action on the balance of funds be deferred until January 1, 1945. This motion was seconded by Mr. Goldwasser, and upon vote taken was lost.

Mr. Levy then moved that action be taken at this time only on the first \$10,000,000 raised above the original \$15,000,000 plus the additional sums allotted to the NRS, and that action be deferred on the balance until after January 1, 1945. This motion was seconded by Mr. Goldwasser and upon vote taken was carried.

Mr. Myers then moved that the division of \$10,000,000 referred to in the previous motion be on the basis of 50% to JDC and 50% to UPA. This motion was seconded by Dr. Heller.

Mr. Levy offered an amendment to the foregoing motion that the division of the aforementioned \$10,000,000 be on the following basis:

To UPA in the ratio of \$8,200,000 to \$17,200,000;
To JDC in the ratio of \$9,000,000 to \$17,200,000.

The amendment was seconded by Mr. Bloch and carried and declared by the Chairmen to be the decision of the Committee.

Upon motion by Mr. Goldwasser the Committee decided that the UJA be directed to divide all available funds in accordance with the previous decision of the Committee.

Mr. Montor then advised the committee that he believed a statement from its members issued to the Jewish Communities of America as to the needs of JDC and UPA might result in additional grants by local Federations out of campaign surpluses resulting from successful campaigns. Upon motion made and carried, Messrs. Montor and Coons, Campaign Directors of UJA, were authorized to prepare a letter addressed to communities requesting such additional grants and submit same to the members of the Committee for their approval.

The meeting adjourned at 2:10 P.M.

(sgd) STANLEY C. MYERS

Secretary

Approved:

DAVID M. WATCHMAKER

Chairman



A meeting of large city executives held in New York City on February 25, approved a proposal that the budget chairmen or other designated representatives of large city welfare funds constitute an intercity allotment committee for determining allocations for their respective communities after hearings with agencies and studying of reports and programs. Consideration and action on this proposal is in process.

Cooperation in National Campaign and Publicity

Preliminary conversations were held by the office of the Council with representatives of the campaign organization of the JDC and the UPA looking toward the development of the maximum cooperation in campaigning and publicity possible under the present arrangement of separate appeals. Report on the items discussed and the agreements reached will be sent soon to our member agencies.

At the same time, consideration is being given to the development of centrally organized services for welfare funds on a basis of intercity cooperation to assist local fund raising campaigns, as a substitute for and in addition to services formerly rendered by the UJA. Its purpose will be to help local welfare funds with their campaigning, publicity and allotment problems, to try to mitigate as far as possible the necessity for duplication of fund raising and campaign expenditures by the separate agencies.

Factual Aids in Local Budgeting

The Council has in preparation a report on the development of the UJA over a period of years, the history of UJA allotments, and a review of the negotiations for a 1945 UJA.

Local Action

In view of all of these developments the following facts are primary:

1. The extent of needs overseas has not been changed by the termination of the UJA.
2. Welfare fund cities will continue to have a single unified campaign. Each contributor will be approached only once to make one gift for all of the agencies formerly included in the national UJA, and many others.
3. The major difference will be the requirement that each community divide funds among the JDC, UPA, and NRS instead of making a lump sum grant to be divided nationally. In approaching this task communities will want to keep in mind the following:

It is assumed that local budget committees will not act until they have all available facts before them upon which to base a decision. In this connection, it might be noted that the 1944 Allotment Committee of the UJA has not yet met to allocate the final funds for last year estimated at about \$5,000,000.

If agency representatives participate in hearings before the Budget Committee it is accepted procedure that all of the agencies rather than only one should be heard.

A budget committee which is representative of the various elements of the community and thus has the confidence of all sections will be an important factor in easing local tensions.

Some communities are planning to set aside a lump sum for the agencies formerly comprising the UJA and to make the specific allocations to these three after the campaign, when the entire situation may have been clarified more fully.

4. Some communities immediately are contacting their key workers and leaders to give them a balanced picture of the situation, to make sure they understand that there will be no separate campaigns locally, and to concentrate on the primary task of raising maximum funds rather than on discussion of responsibility for termination of the UJA. This prompt action is being taken to avoid confusion and misunderstanding which they have reported as resulting from various and conflicting communications issued by the several agencies.

The Council of Jewish Federations and Welfare Funds will be in regular communication with member agencies to report on current developments and to provide information and assistance. A liaison committee has been authorized to assist communities with any special situations which may arise and communities are asked to report such matters to the Council.



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Send the following telegram, subject to the terms on back hereof, which are hereby agreed to

To Dr. James G. Heller, Chairman

11-17-44 1944

To

UPA CONFERENCE

Care of or Apt. No.

STEVENS HOTEL

Street and No.

Place CHICAGO, ILL.

WANT A REPLY?

"Answer by 'WESTERN UNION' or similar phrases may be included without charge."

PLEASE CONVEY TO THE DELEGATES AND FRIENDS ATTENDING UPA CONFERENCE IN CHICAGO

MY DEEP REGRET AT MY INABILITY TO ATTEND SESSIONS AND MY EARNEST GOOD WISHES FOR THE

SUCCESS OF THEIR DELIBERATIONS AND FOR THE PROGRESS OF OUR WORK IN THIS FATEFUL

HOOR IN OUR HISTORY. ONE CANNOT THINK OF OUR SUBSTANTIAL ACHIEVEMENTS IN OUR

UPBUILDING WORK IN PALESTINE AS WELL AS MUCH OF WHAT HAS BEEN ACHIEVED IN BEHALF OF

OUR MOVEMENT IN THIS COUNTRY WITHOUT REFERENCE TO THE UPA. ALL WHO HAVE SHARED

IN ITS WORK AND IN ITS LEADERSHIP HAVE JUST CAUSE TO BE PROUD.

ABBA HILLEL SILVER

Sender's Name

Address

night letter

Tel. No.

FROM HENRY MONTOR

PRIVATE AND CONFIDENTIAL

MINUTE OF MEETING FOR DISCUSSION OF 1945 UNITED JEWISH APPEAL

At the United Jewish Appeal, 342 Madison Avenue

New York City

November 28th, 1944

3:45 p.m.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Meeting concluded at 6:15 p.m.

C
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KEREN HAYESOD LTD.

P.O.B. 583
Jerusalem

BY AIR MAIL

Ref. 11/O/34
AU/MR

December 17th, 1944

Henry Montor, Esq.,
Executive Director,
United Palestine Appeal,
41 East 42nd Street,
New York City.

Dear Mr. Montor,

re: American Fund for Palestinian Institutions, Inc.

With further reference to my letter of 31.10.1944 I am attaching, herewith, the material I have collected regarding the various institutions comprised in the network of the American Funds for Palestinian Institutions Inc. I should like to point out in general that the material is not as complete as I should have wanted it to be, but it proved rather difficult within so short a time to obtain the relevant data from all the institutions, directly or indirectly.

For the sake of convenience, I have divided the institutions into four groups:

a) Institutions receiving more or less regular allocations from the Jewish Agency.

b) Institutions which will receive allocations from the Jewish Agency in the course of the present financial year, 1944-45.

c) Institutions which receive subsidies from the Jewish Agency indirectly.

d) Institutions not receiving any subsidies from the Jewish Agency, neither directly nor indirectly.

Group a) comprises the following:

Mikveh Israel Agricultural School
Palestine Symphony Orchestra
Haifa Nautical School
B'rit Ivrit Olamit
Hebrew Language Academy
Habimah Theatre
Palestine Conservatoire of Music
Bezalel Art & Craft School
Physical Training in Schools

Mr. H. Montor, New York
(Continued)

Group b) comprises:

Hechalutz, America
Tel Aviv Museum

Group c) comprises:

Hebrew Teachers College, Beth Hakerem
Trade School for Yemenite Girls, Rehoboth
United Theological Colleges (Rabbi Amiel)

Group d) comprises:

Julian W. Mack School & Workshops
Palestine Hebrew Writers Association
Bialik Museum
Day Nursery for Yemenite Children Shaarejaim
Day Nursery for Oriental Children
Economic Committee for Palestine
Hospital for the Insane & Incurable (Ezrath Nashim)
Kolol Shomre Nachomoth

The local Committee of the A.F.P.I. includes: Julius Simon, Chairman; E. Berlin; Dr. Katznelson; Miss Szold; Ch. Passman; Max Grunberg, Tel-Aviv; Rabbi Davidovitz, Tel-Aviv; Mrs. Ina Britachgi-Schimmer, on behalf of this Committee, collects all the material on the various institutions covered by this Fund.

In the table attached you will find figures relating to the participation of the Jewish Agency and the A.F.P.I. in the institutions under group a).

I will not now go into the justification of the institutions under group a) appealing also to A.F.P.I. for help, in addition to the subsidies, each receives through the Jewish Agency from Keren Hayesod moneys. I quite understand that an arrangement should be worked out and a formula laid down on the basis of which allocations for these institutions would be fixed in a more general way. Before allocations from the Jewish Agency are decided upon, each individual case will have to be re-examined in order to ascertain whether there are grounds for appealing to non-Palestinian sources, and whether subsidies on the part of the Jewish Agency should not cease too, if such appeal is found to be unjustified from our point of view.

With regard to "Physical Training in Elementary Schools", included in a), I am informed that during the year 1944 Elementary Schools received LP.253.- from A.F.P.I. in all. You were absolutely correct in pointing out that the number of children - 45600 - aided by A.F.P.I. should not be given in the propaganda material of this Fund, since this is the total number of children in Elementary Schools under the Department of Education of the Jewish National Council. Moreover, in the 1944 Memorandum it is stated that 60,000 in all, primarily refugees, are being maintained by this Fund. It is obvious, then, that the statements made therein do not tally at all with actual fact. You may already have observed from my cable to you of 15.11. that one half of the expenses for physical training of children is indirectly borne by the Jewish Agency, and in accordance with an agreement made no special appeal should be made to non-Palestinian sources in aid of educational institutions. In this connection, I have had word with Dr. A. Katznelson who agrees that moneys for this purpose should not be obtained from A.F.P.I., and the amount lacking which is relatively small

Mr. H. Montor, New York
(Continued)

should be made up by the Jewish Agency; he promised too, soon to write to Mr. El. Kaplan on this matter. In my cable of 15.11.1944 I informed you that the Institute for Physical Training in Haifa apparently ceased to exist in 1940, and any amounts received from America were used for settling debts of this Institute; and, naturally, an institution which is no longer in existence can hardly be described as one supported by the A.F.P.I.

Regarding institutions under group b) I have just learned that the "Hechalutz" is likely to be granted an allocation of \$16,000 for the present financial year; in their cable of 19.11.1944, addressed to Dr. Rosenblatt, the Jewish Agency express that they are in favour of the allocation of this sum which is to be used for the intensification of training in the U.S. and not for the maintenance of Hechalutz farms or for current expenses. The American Fund, therefore, in this case need not be asked to discontinue its allocations. By the way, the accounts of the Keren Hayesod in America show that in the course of previous years since 1939 the Hechalutz received a total sum of \$21,350, but at a meeting of the Board of the Keren Hayesod, held on 19.11.44, it was decided to write off this debt.

I have the following observations to make regarding institutions in group c):

The Hebrew Teachers College in Beth Hakerem: During the year 5703, the Educational Department of the Jewish National Council contributed LP.2927 towards the maintenance of this institution. As you know, the Keren Hayesod gives a grant in aid towards Schools of the Jewish National Council, and at the time it was agreed that the National Council should not be authorized to conduct any campaign in aid of Vaad Loumi Schools, either in Palestine or abroad, without previous consent of the Jewish Agency. It should be ascertained from the Jewish National Council whether they consider it justified and agree that such appeal for aid to the Teachers College be addressed to the A.F.P.I.

Trade School for Yemenite Girls in Rehovoth: In 5702 this School obtained LP.402 from the Educational Department of the Jewish National Council.

United Theological Colleges & Trade Schools: During the year 5703 the Jewish Agency contributed LP.3500,- and in 5704 LP.2600,- to these Colleges, headed by Rabbi Amiel, Tel-Aviv.

No further details need be added to those obvious from the attached survey in regard to institutions under group d). From information conveyed to me it transpires that the Tel-Aviv Museum received from A.F.P.I. LP.50.- during 1943. I see no reason why this institute, which belongs to the Municipality of Tel-Aviv, should not be responsible for its upkeep just as it is for a number of similar institutions supported by the Municipality.

I should like to add a few words regarding the "Kolel Shomre Hachomoth" (Kolel Ungarn). According to the memorandum set out by the A.F.P.I. the expenses of this Fund during 1944 amount to \$150,000 of which America is asked to contribute \$60,000. In 5702, the expenses of this institution amounted to LP.10,419, and it need not be assumed that expenses increased $3\frac{1}{2}$ times. It is true that the income of the "Kolel" decreased considerably since the outbreak of the war, that is, since it no longer draws on Central and Eastern European Jewry.

At the end of my cable dated 15.11.1944 I pointed out that A.F.P.I. has

Mr. H. Montor, New York
(Continued)

begun attempting to concentrate in their hands the collection of moneys for as great a number as possible of traditional institutions. They meet, however, with the resistance of various circles in the country. I would mention that I have kept in close contact with Mr. Yaffet of the Jewish National Council and he gave me some interesting particulars of negotiations between the Committee for traditional and social Institutions of the Jewish National Council on the one hand and the American Federated Council which should become the centre for all work in aid of traditional Institutions, on the other hand. In the meantime the A.F.P.I. entered into negotiations and proposed that all such work be centered with them. After discussions with Mr. Julius Simon, who is the representative of the A.F.P.I. in Palestine, a compromise was reached: Both the Federated Council and the A.F.P.I. should cooperate in centralizing in America all work in aid of Palestine traditional Institutions. Mr. Yaffet also told me that the Jewish National Council send a cable to Mr. Harry Lurie in New York informing him of the proposed fusion of A.F.P.I. with the Federated Council; Mr. Lurie was asked to communicate contents of this cable to you, and Mr. Yaffet promised at the same time to send you detailed information on this matter, by air mail. I trust that this material has already reached you or will reach you shortly. From what Mr. Yaffet told me, I gathered that the Jewish National Council is not in favour of A.F.P.I. being responsible for traditional institutions, too, and the prevailing opinion is that the A.F.P.I. should confine their activities to new, that is modern, institutions only, as they have done hitherto. It must be taken into consideration that there is no common language between Mr. Eduard Norman and his Committee in the U.S. and Palestine, and the heads of the religious institutions in this country; nor is there any desire on the part of these institutions to entrust them with their case and the care for their maintenance. They fear that their income will decrease and that they will have to give up their independence if they come within the scope of activity of the A.F.P.I.

The affiliation of the United Theological Colleges into the A.F.P.I. was consented to by Rabbi Amiel; as the institutions are relatively "young" and have as yet no envoys or collectors in America, and he, therefore, thought that no harm could be done by this affiliation into the A.F.P.I. Likewise, the "Kol:1 Shomre Hachomoth" has nothing to lose through cooperation with the A.F.P.I., since its income has been derived from European countries and until now no drives on their behalf have been conducted in America.

Before writing you this letter, I perused the correspondence exchanged between you and Mr. Leo Herrman on the subject of the A.F.P.I. I can understand your doubts regarding the activity of the A.F.P.I. itself and still more regarding their tendency to extend their activity. However, the Z.O.A. has in principle consented to participate in the Board of this Fund and agreed that half of its membership be elected from within the Z.O.A.; it is essential, therefore, that their representatives follow up the activity of this Fund and keep in constant touch with you and through you with the Jewish Agency and ourselves, so that, as Judge Rothenberg said at a meeting of the United Campaign for Palestine, held on 22.9.1944, they should be in a position "to decide which of the Palestine Institutions should receive financial support from the Fund." But, as Mr. Wertheim suggested at the same meeting, it is also imperative that these amounts be transferred through the Vaad Louni (Jewish National Council).

I should be pleased if you could furnish me with particulars of the actual payments made by A.F.P.I. to Palestinian Institutions, according to years. I have lists of the allocations but not of actual payments.

Mr. H. Montor, New York
(Continued)

I should be obliged if you could also forward a list of members of the A.F.P.I. Board and mark the names of Z.O.A. members.

A copy of this letter is being sent to Mr. El. Kaplan. Should you require any further particulars in this connection I shall be glad to let you have them.

Yours faithfully,

A. Ulitzur

Encls.



AMERICAN FUND FOR PALESTINIAN INSTITUTIONS, Inc.

GROUP A.

Institutions Receiving Jewish Agency Grants.

1. MIKVEH ISRAEL

In the years up to the present war the annual budget of Mikveh Israel was almost entirely covered by the income of the Institute from school fees and from its farm. The Alliance Israelite Universelle in Paris contributed only very small amounts towards the maintenance of the school, and with the outbreak of the war, even these ceased. As property of a hostile power (France under Petain) the school was placed under Government control during the war.

Expenditures of the School - October 1942 - September 1943.

<u>TUITION</u>	<u>E2</u>
Teachers' salaries, teaching equipment, etc.	7,140.
<u>BOARD</u>	
Food, kitchen service, etc.	13,951.
<u>CLOTHING</u>	
Apparel and shoes, sewing and laundry	2,527.
<u>HEALTH SERVICE</u>	
Maintenance of a hospital and general sanitary supervision	983.
<u>GENERAL EXPENSES</u>	3,721.
<u>SPECIAL EXPENSES, AMORTIZATION AND MISCELLANEOUS</u>	<u>1,394.</u>
<u>TOTAL</u>	<u>30,416.</u>

Income throughout the year:

From pupils' school and boarding fees		12,051.
Scholarship Grants:		
From PICA	2,100.	
From Government of Palestine	1,500.	
From Society of Friends of Mikveh Israel	<u>1,200.</u>	4,800.
Sundry Allocations:		
From various donors in Egypt	2,305.	
From ICA	1,333.	
From AFPI	988.	
From the Jewish Agency	500.	
From various donors in Palestine	273.	
From the Government of Palestine	<u>108.</u>	5,507.
Various Sources of Income		202.
Income from the Farm		<u>6,515.</u>
		<u>29,075.</u>
Deficit in 5703		<u>1,341.</u>

At the end of the year 5703 the financial position of Mikveh Israel was as follows:

	<u>EP</u>	<u>EP</u>
Capital (of Alliance Israelite Universelle)	48,815.	
Sinking Fund, Indemnity Fund, etc.	<u>19,224.</u>	
	68,039.	
Loans and Credits	<u>20,089.</u>	88,128.
Cash in hand and at the Bank	931.	
Immovable property	58,802.	
Inventory	13,112.	
Stock and produce	6,236.	
Securities	<u>89.</u>	78,239.
Debits and Expenditure in advance	<u>5,991.</u>	85,161.
Balance of Liabilities over Assets:		
Deficit in 1941/2	1,626.	
Deficit in 1942/3	<u>1,341.</u>	<u>2,967.</u>

It should be pointed out that dividing the finances of the Institute into three, as was done in the Memorandum, is inappropriate since it neither conforms with the ultimate balance nor with the sectional accounts. In actual fact, the farm attached to the school yields an income and in 1943 showed a profit of EP 6,515,438 chiefly derived from the dairy, orchards and vegetables, the vineyards and from the lease of land.

Apart from the EP 500. paid in 5703, the Jewish Agency paid in that year, through the Department for Youth Immigration, the following amounts for boarding fees for youth transferred to Mikveh Israel through the Jewish Agency.

For tuition, upkeep and expenses for 113 boys	4,797.	
For boarding fees of 49 Teheran children in training camp	1,395.	
For boarding fees of 52 Teheran children in groups	<u>1,499.</u>	7,691.
The Central Bureau for the Settlement of German Jews, attached to the Jewish Agency, also paid as training fees		1,206.
The Department for Youth Immigration granted a loan for the laying in of food stores		<u>150.</u>
	T o t a l	<u>9,047.</u>

In 5704 an additional amount of EP 412 was paid by the Department for Youth Immigration to meet the deficit caused by the maintenance of youths.

It will thus, be seen that a great many of the boys in the school are from among those maintained by the Department for Youth Immigration of the Jewish Agency for Palestine.

In 5704 EP 700. were allotted to the School by the Jewish Agency and over EP 25,000. through the Youth Immigration Department. At the end of 5704, 180 Youth

Immigration children were enrolled at the school.

In the course of the year the total number of students at the school at times reached 350, including youth and child immigrants from Teheran although the average number of students was 250.

During the past year 132 students completed their studies. Fees paid by pupils (other than Youth Immigrants) usually cover only 50% of the expense they cause to the Institute since the majority comes from circles of modest means.

The course of studies covers three years. Apart from technical tuition in all branches of agriculture common in this country, tuition is also given in general subjects. Half of each school day is spent on theoretical study, and the other half on practical agriculture on the School Farm.

2. PALESTINE SYMPHONY ORCHESTRA

The Palestine Symphony Orchestra, headed by Professor Huberman, was founded in 1936. The Palestine Orchestra Trust, the Hon. Treasurer of which was the late Brigadier F.H. Kish, was established to foster the activities of the orchestra and to help maintain it.

Balances of contributions from abroad and from Palestine formed the basis of the Trust funds, which reached EP 9,531 by the end of 5697. Since that time, the annual deficits were covered from the funds of the Trust amounting to EP 9,256 at the end of 5698, EP 6,211 at the end of 5699, EP 6,509 at the end of 5700 and EP 3,940 at the end of 5703.

The Income and Expenditure of the Orchestra in the year 5703 were as follows:

Expenditures:

Expenditure of the Orchestra	EP 31,032	
Office expenses: and general expenses directors' fees, employes' salaries, rent, postage, telephone, etc.	3,205	
Various - amortization, etc.	<u>349</u>	34,586

Income:

Income of the Orchestra	27,064	
Various	<u>25</u>	<u>27,089</u>

Excess of Expenditure over Income		<u><u>EP 7,497</u></u>
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The financial status of the Palestine Orchestra Trust Fund at the end of 5703 was:

LIABILITIES:

Capital (including EP 2,000 Relief Funds)	EP 5,941
Pensions Fund	1,357
Income in advance - subscription fees on account of coming season	2,229
Creditors and credit balances	<u>993</u>
	<u><u>10,520</u></u>

ASSETS:

Cash on Hand and in Banks	EP	7,021	
Bank Deposit account Pension Fund		1,277	
Debtors		1,702	
Movable Property		362	
Expenditure in advance		158	
		<u>EP 10,520</u>	

The Jewish Agency's grant to this institution amounted to EP 400 in the year 5704, as against EP 300 in former years. The orchestra has greatly increased its activities in the course of the last two years. Special concerts for the military were arranged and the Orchestra undertook many journeys into neighboring countries.

3. HAIFA NAUTICAL SCHOOL

The Jewish Agency and the Palestine Maritime League, Haifa, founded the Haifa Nautical School in 1937.

The budget of the school is based on grants from the Jewish Agency and the Palestine Maritime League, on tuition fees and contributions.

The Expenditure in 5703 was as follows:

Tuition, management and instruction	EP	2,833	
Professional training - Department of Navigation, maintenance of boats and naval exercises		1,086	
General Expenses: - postage, office expenses, travelling expenses		167	
Expenses in connection with final examinations		69	
Boats, library and text books		<u>256</u>	<u>4,421</u>
		4,421	

Income during the year:

From students - tuition fees	1,720	
AFPI -914, Jewish Agency 1000	1,914	
Palestine Maritime League	538	
Various	<u>39</u>	<u>4,211</u>
Excess of Expenditure over Income during 5703		<u>EP 210</u>

According to the school's report, during the first nine months of 5704 (October 1943 to end of June 1944) expenditure amounted to EP4,302 and income to EP3,478.

The school has four departments: Navigation, Nautical engineering; Radic; and construction of boats. The Palestine Government and the authorities in England have confirmed the school's curriculum. The school aims at giving its students professional nautical training and a general Hebrew education.

The Board of Trustees of the school has seven members; the Palestine Maritime League has three representatives on the Board, while the Jewish Agency and the Technicum have two representatives each.

The 5703 grant of the Jewish Agency amounted to EP 1,250. EP 1,000 of it were paid during 5703, and EP 250 in the beginning of 5704.

4. B'RIT IVRIT OLAMIT

The Head Office of the B'RIT IVRIT OLAMIT was transferred to Palestine in 1933. The organization is to serve as a focal point for the friends of the Hebrew language in the diaspora, it keeps in touch with the existing Hebrew associations and aims at creating new organizations for the dissemination of the Hebrew language. The B'rit is in constant contact with the following countries:

Aden, Algir, Argentine, Australia, Belgian Congo, Canada, Cuba, Cyprus, Egypt, England, Eritrea, India, Kenya, Lebanon, Lybia, Morocco, Mauritius, Persia, Portugal, South Africa, Switzerland, Syria, Tunis, Turkey, United States of America, Uruguay, Yemen.

In the U.S.A. and in South America, the activities of the Hebrew associations are strengthened and new impetus is being felt in the sphere of Hebrew education. Contacts have been created in the countries of the Middle East through the management of the Alliance Isrelite Universelle, and the B'rit Olamit is sending kindergarten and school teachers to these countries.

The B'rit is also sending text books from Palestine. These books came formerly from Poland. The greater part of the text books is sent free of charge.

The Executive of the Zionist Organization gave a grant of EP 400 towards the activities of the B'rit, while the Jewish Agency gave a grant of EP 100.

The Expenditure in the year 5703 was as follows:

EP

Organization and travelling expenses	EP 269	
Publishing of "Am V'Sefer"	128	
Hebrew books for the Golah	495	
Secreteriate	516	
Rent and various expenses	<u>158</u>	1,566
<u>Income:</u>		
Zionist Executive	400	
Keren Hatarbut (U.S.A.)	765	
Contributions from abroad and in Palestine	150	
Sale of books	284	
Various	<u>3</u>	<u>1,602</u>
Excess of Income over Expenditure		<u>EP 36</u>

The financial status of the B'rit Olamit at the end of 5703 was:

<u>Assets</u>	<u>EP</u>	<u>EP</u>
Cash in Hand and in Banks	503	
Books in stock	28	
Debtors (for books)	68	
Movable property	<u>21</u>	620
<u>Liabilities</u>		
Debts to publishers of books		<u>60</u>
Excess of Assets over Liabilities		<u>EP 560</u>

The directors of the B'rit claim that they keep a small capital reserve as they fear that the income from the Keren Hatarbut in America is not permanent and may be discontinued.

5. HEBREW LANGUAGE ACADEMY (Vaad Halashon)

Hebrew has become the language of teaching in the Jewish schools of Palestine, it devolves on the Vaad Halashon to fix Hebrew technical terms for all subjects. The Vaad Halashon aims at adapting the language to every day use and at freeing it from archaisms.

In the year 1932 Hebrew was recognized by the Palestine Government as one of the official languages of the country. This privilege involved the obligation to make the language fit for daily use and to provide exact terms for all the spheres of life.

A number of scientific committees work under the auspices of Vaad Halashon. Their work is of vital importance for the development of the Hebrew language and literature.

Vaad Halashon publishes the quarterly "Leshonenu", for improving the language. We shall forward separately the accounts of Income and Expenditure of Vaad Halashon for the years 5703 and 5704.

The Jewish Agency's grant (through Mosad Bialik) amounted to EP 1000 for the year 5704, EP 823 of which were paid in 5704, while the rest was paid at the beginning of 5705.

6. HABIMAH THEATRE

The Jewish Agency's grant to Habimah for 5704 amounted to EP 800. It is understood that Habimah's financial situation was not bad in the previous year, but at present it lacks means for the establishment of a dramatic school, which is to carry on the work of the institution.

We have not yet obtained a financial report, which will be forwarded on its receipt.

7. PALESTINE CONSERVATOIRE OF MUSIC

The Palestine Conservatoire was founded in 1933, it is managed by an Administrative Committee of 7 members and a Committee for Musical Education of 3 members. In the classes for non-professional musicians (the classes for music-lovers) there are 251 pupils. In addition there is an academy with 16 students receiving advanced musical training, and a seminary for teachers of singing and music in primary schools. The academy and the seminary have three-years' courses.

The Conservatoire pays the teachers 85 percent of the tuition fees received from the students of the academy and those of classes for non-professional musicians.

Under the auspices of the Conservatoire, there are students' and children's orchestras, study groups for chamber music, choirs for professional singers and choirs for music lovers.

The pupils in the classes for music-lovers are given a musical education, they are taught fundamentals of music, harmony, listening and musical theory.

The Expenditure in the year 5703 was:

(The report and balance sheet refer to the period 9/1/42 to 8/30/43)

Teachers' salaries	EP 2,844
Employees' salaries and auditors' fees	609
Rent and office expenses	491
Concerts and orchestras	109
Assistance to pupils	166
	<u>EP 4,219</u>

EP

Income: which exceeded Expenditure in 5703 was as follows:

Tuition fees		2,899
Jewish Agency grants (incl. EP200 from funds of Council for Settlement of German Jews)	EP 320	
From America	839	
From other countries	50	
From Palestine contributions	<u>162</u>	1,371
Admission fees, dues, etc.		<u>124</u>
		<u>EP 4,394</u>

Liabilities

Debts to Jewish Agency (for loans obtained from funds of Council for the Settlement of German Jews)		1,446
Various Creditors		848
Credit balances and income in advance		301
Funds for repairs and for doubtful debts		<u>51</u>
		<u>EP 2,646</u>

Assets

Cash in Hand and in Banks	EP 152	
Debtors and Advances to teachers	269	
Musical instruments and furniture	<u>422</u>	843
Excess of liabilities over assets		<u>EP 1,803</u>

It ought to be mentioned that the musical instruments and the library of musical scores owned by the Conservatoire are worth about EP 3,500.

8. BEZALEL ART & CRAFTS SCHOOL

The year 5703 was the eighth since the establishment of the school. In this year, there were 27 students at the school, besides those participating in supplementary courses. In the year 5704 the number of students rose to 42, and together with those visiting courses for drawing and finishing classes for teachers, their number reached 90.

The fundamental subjects taught are those of drawing and sketching. Sculpture and moulding, calligraphy and lettering, free and applied graphical arts, metal working, hand weaving and photography are also taught.

The Expenditure of the school for the year 5703 was as follows:

Salaries to teachers and employees	EP 1,665
Materials and wages	490
General expenses and various	<u>178</u> EP 2,333

Income during the above period was as follows:

Grants and contributions:			
From Jewish Agency	EP	500	
From Jewish Agency, Dept. for the Settlement of German Jews		100	
From Home Crafts Society		154	
From AFPI		370	
From WIZO		200	
Contributions and scholarships		<u>402</u>	EP 1,726
Tuition fees and admission fees			345
Sale of objects produced and various			<u>451</u> <u>2,522</u>
Excess of income over expenditure			<u>EP 189</u>

The financial status of the school at the end of 5703

<u>Assets</u>		<u>EP</u>	
Cash in Hand and in Banks		349	
Stock - objects produced (nominal value)		2	
Inventory		1	
Debtors		<u>42</u>	EP 394
<u>Liabilities</u>			
Creditors and deposits		160	
Income in advance		<u>21</u>	<u>181</u>
Excess of Assets over Liabilities			<u>EP 213</u>

The following is a summary of the income and expenditure of the school in the first half of 5704.

Salaries	EP	1,243	
General expenses		225	
Materials		<u>226</u>	EP 1,694
Income from contributions, tuition fees, etc.		<u>1,528</u>	
Deficit for the first half of 5704	EP	<u>166</u>	

9. PHYSICAL TRAINING IN ELEMENTARY SCHOOLS

Physical Training in Elementary Schools is under the control of the Vaad Leumi's Physical Training Department, which provides teachers and the necessary means for these activities in elementary schools. The budget of the Department amounted to EP 3,000 in the year 5704, EP 2,400 of which were provided by the Vaad Leumi and EP 600 received from AFPI.

Physical Training in Secondary Schools

Half of the Budget for these activities is covered by the schools themselves, mostly private schools under the control of the educational department of the Vaad Leumi - the second half of the budget was provided by the Jewish Agency.

Group B

Institutions to be supported by the Jewish Agency as from 5705

10. HECHALUTZ ORGANIZATIONS IN U.S.A.

Hechalutz Organizations in the United States of America will receive in 5705 from the American Keren Hayesod, New York the amount of \$16,000.

In the last 3 years the AFPI has allocated for two Training Farms in New Jersey and for vocational training the following amounts:

in 1942	\$25,000
in 1943	18,300
in 1944	26,640

From the accounts of the K.H. in New York we note that the Hechalutz Organizations received advances in previous years (since 1939) totalling \$21,350, but this amount has been subsequently written off.

11. TEL AVIV MUSEUM (Dizengoff House)

The Museum Tel Aviv was founded by the late Meir Dizengoff and Chaim Nahum Bialik in the year 1931. The aim was to foster a spirit of appreciation and love for art in the general public. The Museum collects and exhibits objects of art of all periods and from all countries, and particularly of Jewish artists from all over the world.

The Museum has the following Sections:

The Palestine section collects and exhibits the best creations of Palestine artists; Section for the exhibits of famous Jewish artists abroad; Section for valuable objects of art of various periods, and a Section for the Graphic Arts.

There is a Library in the Museum consisting of 4000 books on works of Art. The Committee of the Museum arranges exhibits all over the country and during the last few years, exhibits have also been held in various military camps.

Expenditure during the year 1943:

Salaries	EP 1,546	
Repairs, office expenses, etc.	389	
Exhibitions, printing, films, etc.	287	EP 2,222

Income during the year 1943:

Donations and grants:		
Society of Friends of the Tel Aviv Museum	369	
Municipality of Tel Aviv	530	
Various donations	128	EP 1,027
Internal fees and Sale of Catalogs, Concerts, lectures, etc.		1,166
Interest from the living legacy and Fund of the late Mr. Dizengoff and from various sources	321	2,514
Balance of Income over Expenditure		EP 292

The financial situation of the Tel Aviv Museum, at the end of the year 1943 was as follows:

Liabilities

Subscribed capital EP 1,000, paid capital	250
Dizengoff Fund	10,000
Fund for the purchase of paintings	411
Living Legacy of the late Mr. Dizengoff - balance	<u>763</u>
	EP11,424

Assets

Cash at Banks	EP 722	
Museum Building	10,000	
Furniture	410	
Debtors	<u>4</u>	<u>11,136</u>
Excess of liabilities over Assets		EP <u>288</u>

12. HEBREW TEACHERS' COLLEGE, JERUSALEM

Group C

Institutions which are supported indirectly by the Jewish Agency

The institution is included in the educational network of the Knesseth Israel. It had 68 students in the year 5703. There were 23 teachers at the college, some of them giving only a number of lectures a week. The Director is Mr. S. Dinaburg.

This institution receives a grant from the Vaad Leumi Education Department; which is supported by the Jewish Agency out of Keren Hayesod monies.

The Expenditure in 5703 was as follows:

Teachers' salaries	EP 2,688	
Secretariate and Treasury	402	
Services and maintenance of garden	365	
Maintenance of building and insurance	623	
Equipment - library, requisites and materials	343	
Furniture	36	
Loans to students (from special Loan Fund of the school)	234	
Irrigation and work on farm	188	
Various expenses	<u>234</u>	EP 5,113

INCOME:

Tuition fees	441	
Educational Department of Vaad Leumi	2,927	
AFPI	1,100	
Various contributions	78	
Secondary school's participation in maintenance of building	200	
Repayments on account of loans to students	366	
Various income	<u>230</u>	<u>5,342</u>

Excess of Income over Expenditure EP 229

The excess of income was partly used for covering the deficit of former years amounting to EP 391.

13. YEMENITE SCHOOLS

The Trade School for Yemenite Girls in Marmorek Quarter near Rehoboth, the Day Nursery for Yemenite Children in Shaarayim near Rehoboth and the Day Nursery for Yemenite Children in Marmorek Quarter near Rehoboth, are maintained by the School Fund for Oriental Children.

The Educational Department of the Vaad Leumi (which receives grants from the Jewish Agency) is participating in the budget of the Trade School and allocated in 5703 EP 875 for this purpose.

300 children visit the above institutions.

According to the report of the Fund per end of 1948 - the expenditure of the Trade School in Marmorek Quarter and that of the Kindergarten in Shaarayim was as follows:

Kindergarten in Shaarayim	EP905	
Trade School	3,110	
Maintenance of farm, repairs, etc.	<u>677</u>	4,692

INCOME:

Contributions (including 223 from America)	874
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Grants from Institutions:

Hadasah - Lunch Fund	270
Education Dept. of Vaad Leumi	403
Government	<u>168</u>

Payments of parents	499
From Social Service Office, Rehoboth	93

Income of farm	228
Income of trade classes	197
Income from Investments	590
Various	<u>97</u>

840

1,704 3,418

Excess of expenditure over income EP 1,274

The financial situation of the Fund.

Assets

Liquid assets - cash, banks, etc.	1,542
Investments - securities & mortgages	6,756
Immovable property	3,000
Cloth, linen and furniture	<u>181</u>
	<u>EP 11,479</u>

Liabilities

Building Fund	3,326
Reserve of covering deficits	<u>7,598</u>
	10,924
Paid up share capital	13
Creditors, etc.	<u>542</u>
	<u>EP 11,479</u>

14. UNITED THEOLOGICAL COLLEGES AND TRADE SCHOOLS

The Yeshivoth and Talmud Torah classes of the United Theological Colleges (talmudic educational system) are organized under the management of Rabbi Amiel. All the yeshivoth and Talmud Torah classes (three talmud torah classes excepted) are included among the institutions of "Mifal Hatorah" headed by Rabbi Meir Berlin, and they receive grants (through Mifal Hatorah) from the Jewish Agency. The following details were compiled from answers given to a questionnaire.

Hayishuv Hachadesch Yeshiva, Tel Aviv.

The Yeshiva, which was founded in Tel Aviv in the year 1938, is headed by Rabbi Amiel. There are 81 students with 8 teachers and instructors. The students are young people. Besides the study of the Talmud and the Tenach, Hebrew, English, mathematics and history are being taught, the language of teaching being Hebrew. The Yeshiva aims at training young rabbis educated in a national spirit. Attached to the Yeshiva there are preparatory and talmud torah classes, and also a kitchen and a board school having 10 rooms.

The budget of expenditure amounted to EP 7,940 in 5703, the income was EP 7,895, 16 per cent of which from America, 66 per cent from Palestine, and the balance, from other countries.

The students are thus given board and also lodging, the works of students who distinguish themselves are printed, and part of the students receive monthly salaries.

Yeshiva of Tel Aviv

Rabbi Aharonson founded the yeshiva in 1925, it is now headed by Rabbi Katz. 61 young people study at this institution, and there are 8 teachers and instructors. Besides the study of the Talmud, Hebrew, English and arithmetics are taught, the language of teaching being Hebrew. The Yeshiva aims at giving the opportunity of studying the Talmud to graduates of elementary schools and of talmud torah classes. Attached to the yeshiva are talmud torah classes and there is also a school kitchen.

In the year of 5703 the budget amounted to EP 1,616.

In the same year the income was EP 2, 120, of which 99 per cent from Palestine, and one per cent only from America.

Yeshiva of Rishon Le'Zion

The Yeshiva was founded in Rishon Le'Zion in 1941. There are 18 young students, who received non permanent assistance from the institution.

Yeshiva Poret Joseph, Rehovoth

It was founded in 1940 in Rehovoth. There are 40 students aged 12-17, two classes with three teachers, a manager and the Rosh Yeshiva. The pupils learn 8 hours a day.

Trade School Torah U'Melacha, Nahlat Yizchak

The Yeshiva is situated in Nahlat Yizchak, near Tel-Aviv. It was founded

in 1940. 26 young students are taught by 4 teachers and instructors. Besides Torah studies, the students are taught Hebrew, arithmetics and English. Vocational training in weaving and carpentry is given. The language of teaching is Hebrew. Attached to the Yeshiva there is a boarding school of 6 rooms. The budget of expenditure amounted in 5703 to EP 2,880, while the income in the year was EP 2,637, of which ten per cent from America and the balance from Palestine.

Yeshiva and Talmud Torah Hechareidim, Tel Aviv

The Yeshiva was founded in 1935. There are 26 young students and two teachers and instructors. Besides studying Talmud and Tenach, the students are taught arithmetics, Hebrew and English. Attached to the yeshiva are a Talmud Torah and a school kitchen for the students. Expenditure during the year 5703 amounted to EP 548, covered from contributions obtained in Palestine. The Talmud Torah classes are frequented by 150 pupils. There are five teachers.

Yemenite Yeshiva, Kfar Abraham

The Yeshiva was founded in 1939. There are 48 young students. Attached to the yeshiva are a boarding school for part of the students, and a school kitchen.

Ohel Jacob, Beth Ulfana and Hatikvah

The above are Talmud Torah classes, in which children learn before starting the studying of the Talmud. The two former Talmud Torah classes are assisted by the Talmudic educational system of Rabbi Amiel, while the last, "Hatikva" was founded by the system and is being fully maintained by it.

The Jewish Agency's grants towards the yeshivah were given by the Department for Religious Affairs, through "Mifal Hatorah". The talmudic educational system headed by Rabbi Amiel obtained from these grants EP 2,500 in the year 5703 and EP 2,600 in the year 5704.

Group D. Institutions which are not supported directly and indirectly by the Jewish Agency

15. JULIAN W. MACK SCHOOL & WORKSHOPS

Until the year 5702, part of the pupils at this institution were children under the care of the Youth Aliyah Department, and this Department gave a grant towards the maintenance of the school. Beginning from 5703, this grant was discontinued, as no more Youth Aliyah children frequented the school, where at present only poor and destitute children receive their education.

The school gives vocational education in carpentry, weaving, etc. and general education on the level of elementary schools.

In the year 5703 there were 155 pupils at the school. The monthly budget of the institution amounted to EP 350, i.e. to about EP 4,000 for the year.

The 1943 grant of AFPI amounted to \$6,000.

The management of the school is in the hands of an Executive Council of friends of the institution.

16. PALESTINE HEBREW WRITERS ASSOCIATION

Report accounts will be forwarded separately.

17. BIALIK MUSEUM AND LIBRARY (BETH BIALIK)

We have not yet received report and accounts of the Bialik Museum. According to the information we have received from the representative of the AFPI in Palestine this institution has received only EP 50. in 1944 which was transferred from the U.S.A.

18. AMERICAN ECONOMIC COMMITTEE FOR PALESTINE

The American Economic Committee is engaged in research on Palestinian Economics and furnishing information to prospective capitalist immigrants. Dr. Kurt Grunwald (of the London Palestine Corporation) in Jerusalem is the local Representative of this committee.

We think sufficient information on the activities of this committee are available in New York. According to the May Digest (of the Committee of Jewish Federations and Welfare Funds) the budget of the Committee in 1943 was dollars 3,000 and in 1944 6000 dollars.

19. HOSPITAL FOR THE INSANE & INCURABLE (Ezereth Nashim)

A society of public spirited ladies founded the hospital in 1895 in order to provide shelter for incurably ill persons.

The chief aim of the society - the treatment of insanes - could be approached only in 1921, the hospital having then been enlarged, equipped and the necessary improvements made.

The management of the hospital is in the hands of a Committee of 11 ladies and a Council of 18 ladies, both elected by the General Meeting of the Society. The Society has at present about 1000 members in Palestine, each contributing on an average 600 mils yearly to the society. The staff consists of 20 physicians and nurses, 15 people in the services and on household duties, and 4 in charge of the management. The aggregate salary of all the employees amounts to EP450 a month, plus board.

The plot of the hospital, 10,000 pic, was purchased with the help of a donation obtained from Baroness Rothschild. Three buildings with 45 rooms were constructed out of donations. 23 rooms serve for the patients, the rest being used as dwelling rooms for the nurses, mess of the staff, and rooms for various services.

During the first 26 years of its existence the hospital nursed 625 incurables and during the 48 years of its existence 1765 patients have entered the hospital, of whom 613 recovered, 498 died, the health of 58 has improved or they were transferred to other institutions, 73 patients remained in the hospital, of whom 25 males and 48 women.

The hospital uses modern therapeutic methods. An EP 800 grant for two years received from the Emergency Council of Hadassah enabled the hospital to introduce the occupational therapy. The physician of the institute gives medical assistance free of charge to out-patients coming to the clinics maintained by the hospital.

The yearly budget of the institution is over EP 8000, 70 per cent of which are covered by local income (about 45 per cent out of patients' payments). The greatest part of the income from abroad is derived from branches and friends of Ezereth Nashim in U.S.A.

Expenditure in 1942:

Salaries to physicians and employees	EP	3,489	
Food		2,477	
Clothing and shoes		98	
Medicines		41	
Various expenses - fuel, light, repairs, etc.		<u>1,550</u>	EP 7,655

Income in the year 1942 was as follows:

Payments received from patients	EP	3,825	
Contributions from members		720	
Contributions from various		81	
Legacies		734	
Various appeals		243	
Emergency Council of Hadassah		340	
From America - from members and friends		1,800	
From other countries		<u>341</u>	EP 8,084

Excess of Income over Expenditure			EP <u>429</u>
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The aggregate income of the institution in the years 1938-1942 amounted to EP 33,828, as against expenditure of EP 30,658.

The maintenance of a patient in the institute cost more than EP 10 per month in the year 1942. The scale of payments received from relatives on account of patients treated at the hospital was as follows in 1942:

20 patients - free of charge; 15 patients - EP 1. - 3 per month; 34 patients - EP 3 - 6 per month, 9 patients - EP 6 - 9 per month; and only 3 patients who paid the full amount. On an average, EP 5 was paid per month for each patient.

20. KOLEL SHOMRE HACHOMOT

Rabbis from Hungary founded the Kolel in the year 1858 in order to assist Hungarian Jews living in Eretz Israel. Until the outbreak of the war, the Kolel was headed by an Executive Committee of three. At present it is managed by two members working in an honorary capacity, who have been nominated by the Executive Committee in 1932. The president of the Kolel is Rabbi Akiba Soffer from Bratislava, at present in Palestine.

Some 3100 souls belong to the Kolel and benefit from it in one way or another. Of these some 2600 souls belong to 600 families, while the rest are widows, orphans and single old people. Lately a number of refugees who came to Palestine joined the Kolel. About 500 heads of families are yeshiva students, whose life is devoted to studying the Torah.

Assistance is given to the members of the Kolel in the following ways:

- 1) Permanent financial assistance - Halukkah. Almost all the members of the Kolel receive financial assistance every month (excluding those gainfully occupied). The amount given depends on the receipts.

* At the end of the last war, geographical changes took place in the map of Europe. It was then seen that the majority of the members of the Kolel came from Czechoslovakia, Rumania and Austria.

2) Housing - the Kolel has much immovable property, purchased from donations obtained in Palestine and abroad. The most important part of it is the Hungarian Quarter (Nahlat Zvi), where 325 dwellings of 2-3 rooms each were built in 1892. 30 living rooms belong to the Kolel in the Old City. The dwellings standing at the Kolel's disposal are sufficient for housing the greater part of the members. The dwellings are drawn by lot every three years; no rent is taken. The Kolel gives allocations towards the rent paid to the members who received no dwelling.

3) Health services - a permanent physician gives medical help free of charge in his clinic. The Kolel is giving grants towards hospitalization and in maternity cases. The Kolel has an agreement with a pharmacy which supplies medicines free of charge to the members.

4) Education - the sons of the members of the Kolel, some 250 boys aged 3-16, receive their education at a Talmud Torah having 12 classes. Graduates continue their studies in Yeshivoth. Yeshiva students, Talmidei Chachamim, receive special grants. Assistance was also given for vocational training. A house was built for the Talmud Torah in the above quarter, and in the Old City the Kolel has a Yeshiva and a Talmud Torah. The Kolel has three synagogues in the Hungarian Quarter and two in the Old City. All the immovable property - dwellings, synagogues, the yeshiva, the Talmud Torah are registered with the government in the name of the management of the Kolel, as Trust property.

The Expenditure of the Kolel in 5702 was as follows:

Halukka Payments	EP 4,344	
Maintenance of Yeshivoth Chatam Sofer & Ketav Sofer and Talmud Torah	3,098	
Health services	1,067	
Various grants	810	
Propaganda	248	
Salaries to office employees	530	
Office expenses	160	
Participation in general expenses of Quarter	151	EP 10,418

Income in 5702

Contributions from U.S.A. and Canada	5,739	
" European Countries	77	
" Eretz Israel	37	
" Central and South America	49	
Earmarked contributions for building	1,349	
Various receipts	348	
Earmarked contributions for Yeshivoth and Talmud Torah	335	EP 7,934
Excess of Expenditure over Income		EP 2,484

The reports for the last few years show rising income from U.S.A. and Canada, as against a very strong decrease in income from European countries (from EP 5324 in 5699 to EP 77 in 5702). Income in 5699 was EP 10,851, in 5700 EP 6,561 in 5701 EP 13,549, Expenditure in 5699 was EP 9,462, in 5700 EP 6,937 in 5701 EP 4,730. Income has thus exceeded expenditure by EP 3346 during the last four years. (The books of the institution are audited by a Chartered Accountant.)

It might be mentioned that the institution has no school for girls, and that the daughters of members go to Agudath Israel or other schools.

According to information received from the Vaad Leumi - the clinics and other institutions of the social service department assist members of the Kolel in the same way as other members of the public, who request their help.

A few details about the Yeshiva attached to the Kolel:

The Yeshiva Chatan Sofer - Ketav Sofer was founded in 5644. The Yeshiva has 150 students, and the Talmud Torah attached to it 230 pupils. The Kolel makes grants out of its regular income for maintaining the Yeshiva. The books of the Kolel show the following expenses in connection with the Yeshiva: Salaries to rabbis and melamidim, assistance to yeshiva students who have families, small amounts spent for assistance to single yeshiva students, books and various expenses.

According to the reports of the Joint Distribution Committee, this Yeshiva received \$1,300 in 1943.



Table

Name of Institution	Year of Report	Total expenses	Participation of J.A. and K.H.		Allocations of AFPI	In %	Remarks
		EP.	EP	\$	EP		
Mikveh Israel	5703	30,417	500	1.6	1,070	3.5	Allocation of J.A. in 5704 is 700.
Palestine Orchestra	"	34,586	400	1.1	1,000	3.8	AFPI payments directly from America, not from the Pal. Committee.
Nautical School Haifa	"	4,222	1,250	28.3	1,055	24.0	In the beginning of 5704 the JA paid EP250 for 5703
B'rit Ivrit Olamit	"	1,566	500	31.8	765	48.0	Incl. EP400 paid by JA from moneys of the Zionist Organization
Palestine Conservatoire of Music	"	4,220	320	7.5	839	14.8	In 5704 JA paid EP400 in addition to EP 200 paid from moneys of the Council for Jewish refugees.
Bezalel, Jerusalem	"	2,333	600	25.7	371	15.9	In 5704 JA paid EP500 plus 300 from moneys of the Council for Jewish refugees
Habimah	"	?	700		1,500		No report was received from Habimah
Hebrew Language Academy	"	?	1,000				Allocation of JA thru Bialik Institute

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LOUIS SEGAL
ELIHU D. STONE
JOE WEINGARTEN
HERMAN L. WEISMAN

Executive Director

HENRY MONTOR

December 27, 1944

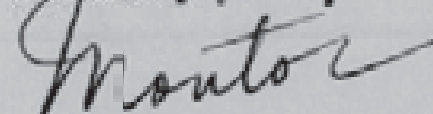
Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Dr. Silver:

Herewith is an original of a cable received from London. I know how eager they would be to have you again. I would appreciate word from you at your earliest convenience so that we here and London could facilitate arrangements, if the answer is favorable.

With kindest personal regards, I am

Cordially yours,



Henry Montor
Executive Director

HME:BR
Enc.

RESOLUTION ON BUDGETING PRACTICES
ADOPTED BY THE ADMINISTRATIVE COMMITTEE
OF THE UNITED PALESTINE APPEAL
JANUARY 4, 1945

The Administrative Committee of the United Palestine Appeal records its approval of the extension of services of information and analysis on a statistical basis now provided by the Council of Jewish Federations and Welfare Funds to its member agencies. The United Palestine Appeal pledges its cooperation in further measures that will make available to the Jewish communities of America accurate, complete statements of the financial programs and requirements of agencies applying to the American Jewish community for funds.

The United Palestine Appeal records its opposition to the introduction of "national budgeting" which would attempt to entrust to a limited number of individuals, operating as a central committee, the authority to fix or to recommend the quotas of agencies appealing to the American Jewish community for funds and fix or recommend the percentage of such funds which should be provided by each community.

The United Palestine Appeal directs its officers to take such steps as they may deem necessary to inform their constituents of the position of the United Palestine Appeal in this matter.

UNITED PALESTINE APPEAL

PALESTINE FOUNDATION FUND (*Keren Hayesod*)

JEWISH NATIONAL FUND (*Keren Kayemet*)

MIZRACHI PALESTINE FUND

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

NATIONAL OFFICERS

January 9, 1946

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SOLOMON GOLDMAN
HENRY MONSKY
NATHAN STRAUS
HENRIETTA SZOLD

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JAMES G. HELLER

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JOE WEINGARTEN
HERMAN L. WEISMAN

Executive Director

HENRY MONTOR

Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Dr. Silver:

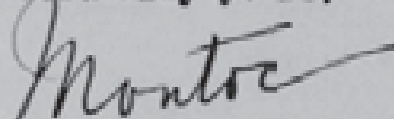
In a conversation today with Mr. Solomon Kuznets, Director of Research of the Council of Jewish Federations and Welfare Funds, he advised me that a poll will be conducted among the members of the Budget Research Committee of the Council as to their position on national budgeting.

Mr. Blaustein, as Chairman, will write to each of the members asking whether they feel that national budgeting should be instituted and whether they are prepared to submit a request for its introduction to the General Assembly of the Council in Cincinnati on February 11. Either the Budget Research Committee will definitely recommend national budgeting or they will merely suggest that a report be made on what has happened with no recommendation that action be taken. However, this will not prevent Mr. Blaustein from asking for the introduction of national budgeting on his own.

I am advising you of this since as a member of the Budget Research Committee of the Council you will be receiving an inquiry. I shall be very grateful if you could send me a copy of the reply which you will make.

With kindest personal regards, I am

Cardially yours,



Henry Montor
Executive Director

HM:EG

UNITED PALESTINE APPEAL

PALESTINE FOUNDATION FUND (*Keren Hayesod*)

JEWISH NATIONAL FUND (*Keren Kayemeth*)

MIZRACHI PALESTINE FUND

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

NATIONAL OFFICERS

January 16, 1945

Honorary Chairmen

ALBERT EINSTEIN
SOLOMON GOLDMAN
HENRY MONSIEY
NATHAN STRAUS
HENRIETTA SZOLD

Rabbi Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Rabbi Silver:

National Chairman

JAMES G. HELLER

National Co-Chairmen

STEPHEN S. WISE
*Chairman,
Administrative Committee*
LOUIS LIPSKY
*Chairman,
Executive Committee*
MRS. MOSES P. EPSTEIN
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LOUIS E. LEVINTHAL
BERNARD A. ROSENBLATT
MORRIS ROTHENBERG
ABBA HILLEL SILVER
ROBERT SZOLD
DAVID WERTHEIM

The Budget Research Committee of the Council of Jewish Federations and Welfare Funds is now circularizing the welfare funds of the United States in an effort to obtain approval for a program that is described as "national budgeting." Whatever conclusion is reached by each community should be based on a full knowledge of the facts.

In any discussion of "national budgeting" it is desirable to have a definition of terms. My own view is that the proposals which underline so-called "national budgeting" are actually aimed at "national control." I do not believe that this is what the Jewish communities of America desire.

I feel that American Jewish communities wish a maximum of information, a minimum of duplication and the most constructive efforts to advance valid Jewish enterprises. But I am equally convinced that American Jews, by and large, do not wish to see established a central committee whose power it would be to pass on all causes, as to purpose and program, and make recommendations to American Jewry and to each individual community as to what the financial framework of each should be.

Treasurer

CHARLES J. ROSENBLOOM

Associate Treasurers

ABRAHAM GOODMAN
ABRAHAM L. LIEBOVITZ
JACOB SINCOFF

Chairman, National Council

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HERMAN L. WEISMAN

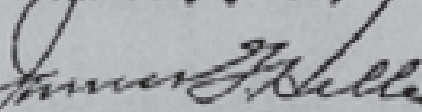
Taking into account my own experience in a welfare fund community and the contact that I have had with community leaders throughout the nation, I have formulated a program of budgeting practices which I believe represents what the communities really want. I have presented this program to the Council of Federations for its consideration. I would be very much interested in having your reaction to the program which I have outlined and any comments which you feel will be helpful to our mutual discussion. Undoubtedly the welfare funds of America will wish to give the most careful consideration to all aspects of the principles and implications of "national budgeting." I shall be glad to summarize and make available to you the comments that I receive.

Attached herewith is a copy of a resolution on "national budgeting" adopted by the Administrative Committee of the United Palestine Appeal.

Executive Director

HENRY MONTOR

Cordially yours,



James G. Heller
National Chairman

JGH:MFE
Enc. 2

DRAFT OF A PLAN TO EXPAND BUDGETING RESEARCH

From: Dr. James G. Heller

At a meeting on October 5, 1944, officers of the United Palestine Appeal met with representatives of the Council of Jewish Federations and Welfare Funds to discuss an extension of the program of budget research already initiated by the Council. As a result of these discussions, I have submitted the following draft to the officers of the United Palestine Appeal. This plan has also been submitted to the Council of Jewish Federations for its own consideration.

1. BASIC POLICY

"National budgeting" is a subject that has longed stirred controversy in the Jewish community. It is bound up with issues that can seriously affect communal harmony. It is, therefore, desirable to emphasize the constructive and not the controversial elements of any budgeting research program. These prohibitions should be maintained:

- (1) Beyond giving every item of detailed information, the Council should not, at any time, indicate its opinion of the validity of any agency program except where the violation of sound ethical or communal standards is so flagrant as to warrant from the Council the same type of condemnation as would be voiced by a community's Better Business Bureau in rebuking an unethical venture.
- (2) The Council should not attempt to fix either the national goal or the quotas for local communities for any agency.

2. EXTENSION OF BUDGET RESEARCH

It is recognized that officers of local communities entrusted with the task of determining the allocation of funds as between beneficiary agencies desire a maximum of accurate information to reach a fair decision. It is my opinion that the Council of Federations and Welfare Funds might appropriately extend

the information it is now providing to its constituent agencies. The following suggestions are intended to explore the possibilities of such extension:

A. AGENCY INFORMATION

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

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

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

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

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

B. INTER-AGENCY RELATIONS

An expanding problem for Jewish communities is the rise of new agencies for functioning and fund-raising. In addition, existing agencies enter fields covered partly or in full by other agencies; or long-established agencies seem

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

- (1) For new agencies entering a field of service, the Council shall obtain:
 - (a) The completest possible information on reasons for establishment, planned expenditures, expected income, officers and area of activity;
 - (b) And, at the same time, make inquiries of the agency or agencies, believed to be in that field already, of expenditures it is making or services it is rendering in that field. All exchange of information shall be regarded as available for the constituent members of the Council;
 - (c) As long as the President's War Relief Control Board shall be in existence information should also be obtained as to any action which the Board may have taken with respect to the agency.
- (2) On the basis of information submitted to it by various agencies, the Council shall be authorized to cross-index material to show areas in which agencies may seem to be operating simultaneously. Before such material is published, however, it shall be submitted to the respective agencies for their comment. Such comment shall be included in the report issued by the Council.
- (3) Where the seeming duplication in an area seems to the Council budget research department serious, it shall be authorized to request the several agencies to coordinate their activities for the purpose of eliminating duplication if it actually exists.

RESOLUTION ON BUDGETING PRACTICES
ADOPTED BY THE ADMINISTRATIVE COMMITTEE
OF THE UNITED PALESTINE APPEAL
JANUARY 4, 1945

The Administrative Committee of the United Palestine Appeal records its approval of the extension of services of information and analysis on a statistical basis now provided by the Council of Jewish Federations and Welfare Funds to its member agencies. The United Palestine Appeal pledges its cooperation in further measures that will make available to the Jewish communities of America accurate, complete statements of the financial programs and requirements of agencies applying to the American Jewish community for funds.

The United Palestine Appeal records its opposition to the introduction of "national budgeting" which would attempt to entrust to a limited number of individuals, operating as a central committee, the authority to fix or to recommend the quotas of agencies appealing to the American Jewish community for funds and fix or recommend the percentage of such funds which should be provided by each community.

The United Palestine Appeal directs its officers to take such steps as they may deem necessary to inform their constituents of the position of the United Palestine Appeal in this matter.

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COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS, INC.

165 West 46th Street

New York, New York

January 16, 1945

Mr. Henry Menter
United Palestine Appeal
41 East 42nd Street
New York, N.Y.

Dear Henry:

Enclosed is copy of letter received from the JDC in reply to Sidney Hollander's letter of January 12. After you have read it I would appreciate your calling me and let's arrange an appointment tomorrow to discuss this matter further on an informal basis.

Cordially,

H.L. Lurie
Executive Director

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January 16th, 1945

Mr. Sidney Hollander, President
Council of Federations and Welfare Funds
165 West 46th Street
New York, N.Y.

Dear Mr. Hollander:

We have carefully considered your letter of January 12th and we thank you for it. We believe there is still time to continue the process of negotiations between U.P.A. and J.D.C. In our opinion, these negotiations were never definitely abandoned. Our position was fully stated in our letter of January 8th to Dr. Heller of which a copy was sent to you. In view, however, of the difficulty encountered heretofore and of which you have been made aware, we can well understand that the Council wants to concern itself with the situation as it now exists. We have no doubt that you can find one or more objective and impartial individuals ready to sit in as friendly mediators with a view to assisting the parties to mutual understanding. Such mediators can help to clarify misunderstandings, and can better interpret the views of either party to the other. It is our view, however, that mediation must not become arbitration in any aspect, but should at all stages remain friendly intervention. If final agreement does not result, mediation should not eventuate into any judgment or decision. It is our position that the mediator or mediators should be selected by the Council acting without any reference to the choice or suggestion of either party.

We stand ready at any time to meet with you and such other men that you may wish to bring with you so that we can present to you in detail the vital factors which have motivated us in our discussions with the U.P.A. and to give you the impelling reasons which underlie our decision as set forth above.

With assurances of esteem, I remain,

Sincerely yours,

(Signed) Paul Baerwald
Chairman

UNITED PALESTINE APPEAL
41 East 42nd Street
New York City

MEMORANDUM

TO: Dr. Abba Hillel Silver

January 17, 1945

FROM: HENRY MONTOR

Attached herewith is a copy of the reply made by the Joint Distribution Committee to the letter of Mr. Sidney Hollander, President of the Council of Jewish Federations and Welfare Funds suggesting mediation regarding the 1945 United Jewish Appeal. Also attached is the covering letter received from Mr. Harry L. Lurie, Executive Director of the Council of Jewish Federations and Welfare Funds.

HM:BO
Enc. 2

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

UNITED PALESTINE APPEAL
41 EAST 42ND STREET
NEW YORK 17, NEW YORK

MEMORANDUM

January 24th, 1945

TO: Dr. Abba Hillel Silver
FROM: Henry Monte

Attached herewith for your information is an analysis of some of the institutions in Palestine which are included in the framework of the American Fund for Palestinian Institutions, some of which are also supported by the Jewish Agency for Palestine.

HM:BO

MEMORANDUM

From Henry Montor

January 26, 1945

Enclosed herewith is an exchange of correspondence relating to the negotiations for a 1945 United Jewish Appeal. This matter will come up for final decision at the combined meeting of the Keren Hayesod, Keren Kayemeth and Executive Committee of the United Palestine Appeal on Monday, January 29th, at 4:00 P.M. in the East Room, Biltmore Hotel, Madison Avenue and 43rd Street, New York City.

HM:LG

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January 24, 1945

Mr. Paul Baerwald
Joint Distribution Committee, Inc.
270 Madison Avenue
New York 16, N.Y.

My dear Mr. Baerwald:

A copy of your letter of January 22nd was forwarded to me. I regret that you found the terms of my letter of January 12th harsh. I feel confident that with the fairness that has always characterized you, if you will look over Mr. Levy's letter, to which this was an answer, and especially the sentence which provoked the reply, you will agree that there was more than a little justification for my own letter.

I do not know who was responsible for the language of Mr. Levy's letter, but it struck me then and it still strikes me as being arrogant and insulting in the extreme. It was not possible to let it go unchallenged. The letter which I sent you was intended to call a halt to such an attitude and to set forth our justifiable resentment at the tone and content of this letter.

Needless to say, this carries with it sincere regard for you.

Cordially yours,

James G. Kellar
National Chairman

JGH:s

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January 24, 1945

Mr. H.L. Lurie
Council of Jewish Federations and Welfare Funds, Inc.
165 West 46th Street
New York 19, N. Y.

Dear Mr. Lurie:

In reply to your letter of January 17th, I will try, on behalf of the United Palestine Appeal, to set forth the following:

(1) Our proposals to the Joint Distribution Committee concerning the 1945 United Jewish Appeal agreement;

(2) The proposals made to us by the Joint Distribution Committee.

Our proposals were:

(a) That an initial amount of at least \$15,000,000 should be divided equally between the UPA and JDC, the balance to be distributed by an Allotment Committee;

(b) That there should be no ceiling in 1945 on the proceeds of the Jewish National Fund's traditional collections.

As to our proposal that the initial amount should be divided equally between UPA and JDC, the reason is that we would like to rectify the impression created in the mind of the average American Jew that the work supported by the UPA is of lesser importance than that carried out by the JDC. This impression resulted from the fact that, for a number of years, in spite of our reservations, we acquiesced to a ratio of division of the initial amounts provided for in the UJA agreements, which gave some 60% or more to the JDC and some 40% or less to the UPA.

We think that the time has come, particularly in view of the role Palestine played in the Jewish rescue work during the last few years, when the American Jewish public should be made to recognize the equality of importance of the tasks UPA and JDC stand for. This, of course, does not mean to indicate that in the light of actual facts the financial needs of both organizations would have to be equal at any given moment. We fully realize that in any fiscal year the financial needs of one organization might exceed those of the other. It is just for this reason that an Allotment Committee is provided for in the agreement. It is the task of that Committee, on the basis of actual expenditures made or to be made by both agencies to meet pressing requirements, to decide in what ratio additional sums, available over and above the initial amount, should be allocated to the agencies concerned. It is for this reason that we have always insisted (and we shall do so also in 1946) that the Allotment Committee be absolutely free in its decisions and not bound in any way to the ratios according to which initial amounts were distributed.

In order to enable the Allotment Committee to act intelligently, it is, of course, necessary that the amount at its disposal should not be negligible but large enough to permit the Committee to rectify, if necessary, the overall picture for the whole year, in accordance with the actual financial requirements of the two agencies. Since the UJA in 1945 proposes a goal of

\$50,000,000 and, according to cautious and conservative estimates, will certainly raise more than \$40,000,000 unless drastic economic changes occur in this country. There will be sufficient money at the disposal of the Allotment Committee to make such rectification even if instead of fifteen million dollars an initial amount of twenty million or twenty-five million dollars were divided equally between the two agencies.

We always had full confidence in the decisions of the Allotment Committees set up in common by UPA and JDC, and we shall continue to place similar confidence in the fairmindedness of the 1945 Allotment Committee, on whose final decision depends the distribution of the funds available in 1945.

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With regard to the traditional collections of the Jewish National Fund, it is true that in 1944 we agreed to a change of the agreement, which had been valid for a number of years and had excluded from the UJA income the proceeds of the JNF traditional collections. We had in 1944 consented to the imposition of a ceiling on the JNF and had also conceded to the payment of \$600,000 to the JDC as some sort of compensation for the JNF's separate income.

To be frank, we do not think that these concessions, made in the interest of a united campaign, were justified by the realities in the relationship between JNF and UJA activities, and we want to reinstate the status quo ante in the 1945 agreement. The reason is that, on the one hand, those stipulations we agreed to last year have created a large amount of ill-will among the tens of thousands of Zionists in this country who contribute to the UJA, while, on the other hand, there is no logical justification for limiting arbitrarily the extent to which the JNF should benefit from its traditional collections as long as the JNF adheres to the principles laid down in the agreement as to the types of activities which it may conduct.

The adherence of the JNF to these principles is, in our view, the one point that matters in connection with the fund-raising activities of the UJA. It is for this reason that we agreed last year to the establishment of a Mediation Committee to investigate any complaints which might reach the UJA office in this respect. Today we are prepared to enlarge the powers of the Mediation Committee, which in 1945 should consist of two representatives of the UPA, two of the JDC and a fifth person chosen by both the UPA and JDC by agreement. The new Mediation Committee should have full power to decide where violations of the UJA agreement had occurred; it should also have the right to assess damages.

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The Joint Distribution Committee's proposals are:

(a] The division of the first \$14,000,000 should be on the same proportionate basis as was provided in the 1944 Agreement; all funds in excess of this sum to be subject to allocation by an Allotment Committee:

(b] All campaigns by the JNF should be conducted on behalf of the UJA and all monies collected should become part of the UJA.

Since out of an initial amount of \$14,000,000 in 1944 the JDC received \$8,640,000, the UPA \$5,360,000, the JDC proposal means that the distrib-

January 24, 1945

ution of the initial amount should be in the ratio of 38.28 for UPA and 61.72 for JDC.

It was pointed out in the beginning of this letter why the UPA is not in a position to agree to this proposal, but must insist on a 50-50 distribution of the initial amount. I do not want at this stage to add to what was said before, except that even on the basis of actual facts and figures we see no reason to submit to such arbitrary distribution. It was only a few weeks ago that the Allotment Committee of the 1944 UJA, after a careful investigation of facts and figures submitted to it by the two agencies, decided to distribute an amount of \$10,000,000 in the ratio of 47.7 to 52.3 between the UPA and JDC. But, as I said previously, our contention is that it is of vital importance that the initial amount be distributed equally and not arbitrarily, and that any adjustments which might become necessary on the strength of a thorough investigation be made in the course of the year by the Allotment Committee.

With regard to the JDC's proposal that all monies collected by the JNF become part of the UJA and that all campaigns by the JNF be conducted on behalf of the UJA, for anyone who has experience in fund-raising this simply means putting an end to JNF activities in this country. I have explained in the foregoing that, with regard to the JNF, the UPA proposes just the reverse, namely, that the JNF should again be granted the right to carry on its traditional collections without any ceiling imposed upon it, provided the money is raised in adherence to the principles laid down in previous agreements.

It has been said by the JDC that they agreed to the traditional collections in 1939 and subsequent years because at that time the income of the JNF from this source was much lower than it is today, and, therefore, did not play the same role it does now. While it is true that the JNF income from traditional collections rose considerably from 1939 to 1944, the same is true for almost all other agencies in the field, including the United Jewish Appeal. I do not think that the JNF has benefited more than proportionately from the general increase.

While the Zionists in this country would never consent to what practically amounts to the destruction of JNF activities, I would like to draw your attention to the fact that the income of the JNF from its traditional collections has always been reported by the UPA in the material it submitted to the various Allotment Committees, with the result that in assessing the financial requirements of the JNF in Palestine, the Allotment Committee always took that part of the JNF income into account when reaching decisions.

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In conclusion, may I suggest that you make available the following documents to the persons whom you intend to invite to serve as mediators:

- (a) Copies of the UJA agreements for 1943 and 1944;
- (b) Copy of Dr. Heller's letter to Mr. Paul Baerwald of December 29th,
- (c) Copy of Mr. Isaac H. Levy's letter to Dr. Heller of January 8th;

Mr. H.L. Lurie

-4-

January 24, 1945

(d) Copy of Dr. Heller's letter to Mr. Paul Baerwald of
January 12th;

(e) Copy of this letter.

Cordially yours,

HM/RRW

Henry Montor
Executive Director



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

January 22, 1948

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

Dear Dr. Heller:

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

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

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

Sincerely yours,

(signed) Paul Baerwald
Chairman

PB:lc

C O P Y

COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS, INC.
165 West 46 Street
New York 19, N. Y.

January 17, 1945

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

Dear Mr. Montor:

Mr. Sidney Hollander has asked me to acknowledge Rabbi Heller's letter of January 15th. I have sent you a copy of Mr. Baerwald's letter of January 16th on the same subject. On the basis of this exchange of correspondence and our conversations we are ready to proceed in an endeavor to help the JDC and the UPA negotiate a UJA Agreement for 1945.

Mr. Hollander will ask a small committee to advise the Council on this subject and with the cooperation of the agencies to devise a method of procedure applicable to the purposes of mediation which you have asked us to undertake. We have not yet heard whether these individuals will serve but you may be interested to know that we plan to invite Leon Sunstein of Philadelphia, Judge Jacob J. Kaplan of Boston, and Isidore Sobeloff of Detroit. If these persons are not available we will seek others to help us with this situation. In any event, we are planning tentatively to begin the process of discussions with your agency on Thursday, January 25th, and I shall get in touch with you again as to the time and place for our preliminary conversations with representatives of your agency.

In the meantime we would very much appreciate if you would make available to us information on the following points:

1. A list of the specific items to be covered in the 1945 UJA Agreement which do not involve any difference of opinion between the several organizations and on which you have tentatively reached an agreement.
2. A list of the items (other than (3) and (4) below) which have been under discussion and which have not yet been settled.
3. A statement of the proposals made by the UPA to the JDC and the major supporting arguments which you advanced for the adoption of these proposals.
4. A statement of the proposals made by the JDC to the UPA which were not acceptable to your representatives on the Negotiating Committee and the major reasons why you find these proposals unacceptable.

Although the basis of our mediation will be an attempt to discuss the basis for agreement acceptable to both parties, we would appreciate if you would offer suggestions in advance of the meetings which our mediators might have under consideration.

Mr. Henry Montor

-2-

January 17, 1945

I would appreciate your sending us as much of the material outlined above as possible by next Monday. If you will send us five carbon copies of this material it will save time in getting the material to our Committee.

With kindest regards, I am

Cordially,

HLL:as
copy to Joseph Beck, MRS

H. L. Lurie
Executive Director



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January 16th, 1945

Mr. Sidney Hollander, President
Council of Federations and Welfare Funds
165 West 46th Street
New York, N.Y.

Dear Mr. Hollander:

We have carefully considered your letter of January 12th and we thank you for it. We believe there is still time to continue the process of negotiations between U.P.A. and J.D.C. In our opinion, these negotiations were never definitely abandoned. Our position was fully stated in our letter of January 8th to Dr. Heller of which a copy was sent to you. In view, however, of the difficulty encountered heretofore and of which you have been made aware, we can well understand that the Council wants to concern itself with the situation as it now exists. We have no doubt that you can find one or more objective and impartial individuals ready to sit in as friendly mediators with a view to assisting the parties to mutual understanding. Such mediators can help to clarify misunderstandings, and can better interpret the views of either party to the other. It is our view, however, that mediation must not become arbitration in any aspect, but should at all stages remain friendly intervention. If final agreement does not result, mediation should not eventuate into any judgment or decision. It is our position that the mediator or mediators should be selected by the Council acting without any reference to the choice or suggestion of either party.

We stand ready at any time to meet with you and such other men that you may wish to bring with you so that we can present to you in detail the vital factors which have motivated us in our discussions with the U.P.A. and to give you the impelling reasons which underlie our decision as set forth above.

With assurance of esteem, I remain,

Sincerely yours,

Paul Baerwald
Chairman

C O P Y

January 15, 1945

Mr. Sidney Hollander, President
Council of Jewish Federations and
Welfare Funds, Inc.
2419 Greenmount Avenue
Baltimore, Maryland

Dear Mr. Hollander:

Your letter of January 12th crossed with
my letter to you dated January 11th. I am glad to
see that our purposes coincide.

As I indicated to you in my letter of
January 11th, the United Palestine Appeal stands
ready to accept any committee of mediation
mutually agreeable to the J.D.C. and the U.P.A.

Cordially yours,

James G. Heller
National Chairman

JGH:BG

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COUNCIL OF JEWISH FEDERATIONS AND
WELFARE FUNDS, INC.
165 West 46th Street
New York 19, N.Y.

January 12, 1945

Rabbi James G. Heller, National Chairman
United Palestine Appeal
41 East 42nd Street
New York 17, N.Y.

My dear Dr. Heller:

I very much appreciate your courtesy in sending me a copy of your letter of December 29th addressed to Mr. Paul Baerwald, Chairman of the Jcint Distribution Committee. I have similarly received a copy of the Jcint's letter of January 8th signed by Isaac H. Levy, Chairman of the JIC Negotiating Committee. We are impressed by the earnest and sincere efforts that are being made by the two organizations to reach an agreement for 1945, and especially with the evident desire to continue the UJA arrangement.

As a Council representing our member federations and welfare funds on whom rests the burden for raising funds for the UJA, we similarly recognize the urgent necessity for continuation of the cooperative arrangements. We, as well as our member agencies hesitate to face the local uncertainties, conflicts and disorganization which are bound to follow any basic change in the arrangements that have worked out so satisfactorily for more than six years.

It seems to us that when two parties who want to reach an agreement are unable to agree on the specific provisions it is logical to refer the differences to objective and impartial mediation or arbitration. If there were more time available for the processes of negotiation between the two organizations I would be inclined to suggest that the conversations continue. However, 1945 is already here and every day's delay affects adversely the efficiency of the fund raising campaigns. We believe that some process of mediation is indicated and if both agencies will accept the principle of mediation one or more objective and impartial individuals can surely be found whom both organizations would trust to undertake the task of mediation. The history of your Allotment Committees over a period of years has indicated that such persons are available and that on the whole they perform their functions with intelligence and discretion.

If the two agencies are willing to accept the technique of mediation we shall be very glad to suggest a list of persons who in our opinion meet the qualifications required for the job.

Rabbi James O. Heller

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January 12, 1945

Because of the great importance of this matter and the urgent interests of our member agencies I hope you will accept our suggestion and proceed as promptly as possible. You know of course that you can count on us for any help which is in our power to give.

With kindest regards, I am

Sincerely yours,

SH:as

SIDNEY HOLLANDER
President



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UNITED PALESTINE APPEAL
41 East 42nd Street
New York 17, N.Y.

January 12, 1945

Mr. Paul Baerwald, Chairman
Joint Distribution Committee
270 Madison Avenue
New York, N.Y.

Dear Mr. Baerwald:

This is in acknowledgment of your letter of January 5th, advising me that you sent my letter of December 29th to the members of the JDC Negotiating Committee.

On January 9th I received a letter from Mr. Isaac H. Levy, Chairman of the JDC Negotiating Committee, in which our proposal that the UPA and the JDC accept the services of the three neutral members of the 1944 UJA Allotment Committee as friendly mediators is declined since, as Mr. Levy states, the JDC "cannot delegate to others the responsibility that we owe to the work entrusted to us." Mr. Levy then defines the conditions of the JDC for effecting a UJA agreement for 1945, conditions which, I am sorry to state, go even further than those presented to me by Mr. Levy at our meeting on December 18th.

The UPA has, therefore, decided to utilize the offer made on November 30 by Mr. Sidney Hollander, President of the Council of Jewish Federations and Welfare Funds, to the National Chairman of the UJA. He suggested that the Council was prepared to offer the services of a committee for the purpose of arriving at a solution of our differences. A copy of my letter to Mr. Hollander is attached herewith.

In the interest of the continuation of the United Jewish Appeal, I hope that the JDC will find it possible to give its consent to the proposal which I made to Mr. Hollander.

However, there are some remarks in Mr. Levy's letter (the contents of which may be known to you) which ought not to go without comment.

In an attempt to justify the demand of the JDC that all activities of the JNF, which has functioned in this country since 1903, should in the future be conducted on behalf of the UJA and that all monies collected by the JNF should become part of the UJA, Mr. Levy states that many complaints were received at the office

of the UJA from communities throughout the country on the separate fund-raising activities of the JNF.

You will no doubt recall that in the 1944 UJA agreement the JDC and the UPA mutually consented to set up a Mediation Committee in order to deal with any complaints which might be sent to the UJA on the fund-raising activities of the Keren Kayemeth. The record will show that while a number of such complaints were in fact received by the UJA, they were not "many" and what is even more important, they were settled amicably by the Mediation Committee.

Mr. Levy states that the year 1945 "presented such a crucial time in the life of the surviving Jews of Europe that we felt that any change in the agreement should be made in favor of these Jewish survivors ... We hoped that the representatives of the UPA would agree that keeping Jews alive during this critical time deserved the highest priority. Unfortunately, the UPA found itself unable to accede to this position."

This statement is outrageous and I am sure will be judged as such by every decent Jew of America, be he Zionist or even anti-Zionist. If the charge that the UPA is less concerned than anyone else in saving Jewish lives, came from an uninformed source, it would be bad enough, but coming as it does from a man who should know the facts and should be fully informed of the incomparable efforts of the UPA agencies in rescuing Jews from the Nazi hell in Europe, it is the most libelous charge that has ever been directed against any group of Jews.

It should be well-known to Mr. Levy and to the JDC that during the last few years the emissaries of the Jewish Agency, in its efforts to rescue Jews from Nazi-controlled territories, were to be found in key danger spots, exposed to the greatest personal risks; that 20 delegates of the Hechalutz were smuggled into enemy-held territory, sometimes by parachute, and were active in rescue and relief work; that a number of those emissaries and delegates, after having been tortured by the Gestapo, lost their own lives in the attempt to save the lives of other Jews. The records of the President's War Refugee Board will bear testimony to the unique effectiveness of the work carried out by these heroes.

The very existence of Palestine saved the lives of tens of thousands of Jews in a more effective manner than all the relief efforts that were made with our combined resources; not alone because Palestine was the only country into which substantial Jewish refugee immigration was possible, but because the Jewish Agency advised tens of thousands of Jews in Europe that immigration certificates for Palestine had been approved for them, thus saving these Jews from death at the hands of the Nazis.

Mr. Levy and the JDC should know that in 1944 the Jewish Agency was asked by the JDC to act as a transmitting agent for the distribution of large amounts of money for refugee assistance in various European countries prior to their liberation, i.e. at the time when the JDC had no other way to render effective assistance to the Jewish communities in these countries.

January 12, 1945

These being some of the facts, it is indeed the height of partisanship to charge the UPA with being less interested than anyone else in saving Jewish lives. Such a charge certainly should not come from the JDC which, in the course of the past few years, has cooperated in that very rescue work with the Jewish Agency for Palestine, which receives the financial support of American Jewry through the United Palestine Appeal.

Mr. Levy seems not to know that the whole concept for the rebuilding of the Jewish National Home in Palestine is based on the determination to save Jewish life. What was true a generation ago has been made more tragically true in the past decade. And no one should know this better than responsible emissaries of the Joint Distribution Committee in Europe, all of whom have attested to the fact that throughout the Hitler years it was the Zionist remnants living in the occupied and satellite countries who almost uniformly served as the dispensers and administrators of the relief funds of the Joint Distribution Committee.

For Mr. Levy to assume that the JDC is more concerned than the UPA with saving the lives of the Jews of Europe is a form of arrogance which I hardly believe the JDC is prepared to endorse. Nor do I believe it is a fair commentary upon the universal desire of the Jews of America, Zionist and non-Zionist alike, to assist their brethren wherever they are in need. The results of the campaigns on behalf of the United Jewish Appeal, led effectively and contributed to generously by Zionists and non-Zionists alike, are testimony of that.

The saving of Jewish life involves more than the giving of bread. It requires also the provision of hope in the future, a faith that ultimately misery and despair will be replaced by freedom and security. The maintenance of the bodies of our people in Europe is a necessity so obvious as not to require the offensive innuendoes of Mr. Levy. But statesmanship in the use of Jewish funds requires also that there be a plan for the future of these Jews. We are all determined to feed them and keep them momentarily alive. But we want to do more than that: to keep them permanently alive, in body and spirit, by enabling them, now and in the coming days, to reach the one country in the world which has the will and the capacity to receive them in masses. It is that larger phase of the task, the long-range, constructive, permanent program that Mr. Levy fails to understand. The Jews of America know that there is no conflict between the two purposes, but, on the contrary, they are inseparably supplementary. The actions of the JDC during the past few years, in payment for transportation for refugees going to Palestine, should have been known to Mr. Levy as part of the integral program for "keeping Jews alive."

Jews in the liberated areas of Europe are looking to Palestine as the only hope left them. When Mr. David Ben Gurion, the Chairman of the Jewish Agency Executive, visited Bulgaria in December, 1944, he found the Jews of that country in a state of appalling distress. They were economically ruined, destitute, poverty-stricken beyond any possible description. Bulgarian Jews, Mr. Ben Gurion reported, were facing

January 12, 1945

complete physical and spiritual disintegration unless they were quickly brought into Palestine. There was no hope for the vast majority of them that their stolen or confiscated property would be restored, despite the good intentions of the Bulgarian Government, since that property had either been destroyed or transferred to Bulgarians from whom it would be impossible to recover it.

What is true in Bulgaria is true for many other countries. Conditions have been created for these Jews, by Nazi laws and their corrosive effect on the populations of those countries and by the war, that make it impossible for incalculable numbers of them to remain in Europe, either in safety or in peace. We must begin at once to make it possible for the overwhelming majority to get to Palestine as quickly as circumstances will permit. This foresight on the part of the Zionists saved during the past decade the lives of some 350,000 Jews who are today in Palestine instead of their charred remains being intermingled with the corpses in the mass graves the Nazis dug throughout the Continent.

When Mr. Ira A. Hirschmann, having served as special representative abroad of President Roosevelt's War Refugee Board, returned to New York, he delivered an address on the role Palestine played and is playing in the Jewish rescue work, and he said:

"As I have stated again and again, all the refugees coming out of the Balkans through Turkey went to Palestine. Without Palestine I must say that I do not know where we would have sent them or whether we could have extricated the people at all....The world will not forget that at a time when literally millions of souls were sent out into the world to find a new refuge, doors were slammed in their faces by the great nations. There was either no room or no time or no way of receiving these homeless...True, Palestine had available less resources, less food, less building materials and less manpower to absorb a new population that had suffered from abuse and dislocation, but such problems apparently did not disturb Palestinians. They not only accepted these homeless and dislocated people, but asked and begged for more."

There are tens of thousands of Jewish orphans emerging from hiding in the liberated areas of Europe. Many more, we hope, will emerge when more territory will be wrested from the Nazis. The Jewish Agency has worked out large-scale plans for the transfer to Palestine of all Jewish orphans who will be found in European countries after the war. Thousands have entered Palestine even during the war. Mr. Hirschmann in his address mentioned some of them -- those who came from the concentration camps in Transnistria -- and said:

"One of the reasons I went to Palestine was to see some of my 'Transnistrian children' to find out how they had developed in the four to five months since I have waved a rather sad au revoir to them on the train that left Istanbul for the Syrian border. I am happy to report that the ones I saw in

January 12, 1945

the colonies in Palestine had been quickly rehabilitated; had almost lost their nervous tension and hysteria and were rapidly on their way to a normal life. To my mind these young people are going to be among the most valuable liberty-loving citizens of our future world. They have earned the right to freedom as no other human beings that I know have, and instead of coming out of the fire scarred and cynical, the fact that they are brought into a new world with its eyes to the future has given them a moral support which animates their lives at a time when they need it most."

I do not think that Mr. Hirschmann would subscribe to Mr. Levy's infamous charge against the UPA. Nor, I am convinced, will the three representatives of welfare fund communities who served on the 1944 United Jewish Appeal Allotment Committee: Messrs. David M. Watchmaker of Boston, Herbert R. Bloch of Cincinnati and Stanley C. Myers of Miami. These men had ample opportunity, as you know, to study in detail the work of the UPA and the JDC, and I think it is not fair to state (as Mr. Levy does) with regard to them: "No one who has not had to do with the day to day emergencies that have confronted the JDC can possibly be put in a position to evaluate our needs and our obligations." These men were chosen by mutual consent of the JDC and the UPA and, together with the representatives of the JDC and the UPA, were entrusted with the distribution of the funds which accrued to the 1944 United Jewish Appeal in excess of the funds initially divided between the various agencies. Since these funds, as you know, amount to some \$14,000,000, I am at a loss to understand why the JDC declined our proposal to entrust the same men with mediation with regard to the initial amount of the 1945 agreement, which, according to Mr. Levy's own proposal, should also be fixed at \$14,000,000. It is difficult to understand why the same men who were able to evaluate the needs and the obligations of the UPA and the JDC in November 1944 should be unable to do so with regard to a similar amount involved in 1945.

Cordially yours,

James G. Heller
National Chairman

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UNITED PALESTINE APPEAL
41 East 42nd Street
New York 17, N.Y.

January 11, 1945

Mr. Sidney Hollander, President
Council of Jewish Federations and
Welfare Funds, Inc.
2419 Greenmount Avenue
Baltimore, Maryland

Dear Mr. Hollander:

On November 30 you were good enough to address yourself to the National Chairman of the United Jewish Appeal with an offer of service by the Council, having heard that there were delays in the formation of the United Jewish Appeal for 1945. In my reply to you of December 7, I expressed appreciation of your thoughtful offer and indicated my conviction as to the desirability of the continuation of the United Jewish Appeal, in view of the sympathy toward it of the whole of American Jewry and the success which it had realized.

It is with very deep regret that I must inform you that it does not seem possible that further direct negotiations between the United Palestine Appeal and the Joint Distribution Committee will achieve results.

That you may know that we have exhausted every possibility of direct negotiation, I may advise you that the negotiating committee of the United Palestine Appeal and the Joint Distribution Committee met on November 8, 10 and 28. On December 18, I arranged a personal meeting with the Chairman of the JDC Negotiating Committee in the thought that a private discussion might be helpful. On each of these occasions, the United Palestine Appeal explored every opportunity, in its determined desire to effect the continuation of the United Jewish Appeal. I do not wish to burden you at this time with a recitation of the positions taken by the two organizations. But it was our conviction that the Joint Distribution Committee was unwilling to recede one inch from a failure to recognize the facts of the financial experience arising out of Palestine's extraordinary contribution toward the salvation of the Jewish people.

Having reached an impasse, and desiring earnestly the continued union of fund-raising effort that had been achieved, to the benefit of American Jewry and of the agencies involved, the United

January 11, 1945

Palestine Appeal decided to submit the differences involved to representatives of American Jewry who were not intimately and officially connected with either the United Palestine Appeal or the Joint Distribution Committee. On December 29 I addressed myself to Mr. Paul Baerwald, Chairman of the American Jewish Joint Distribution Committee. I proposed that the mediation of outside personnel be accepted. I suggested that inasmuch as the three community representatives on the 1944 Allotment Committee of the United Jewish Appeal had just spent a great deal of time and thought on the most detailed available information as to the requirements and problems of the agencies of the United Jewish Appeal we invite their services so that, after hearing the points of view of the UPA and JDC, they might bring to bear their own conclusions for our guidance. These three persons are Mr. David M. Watchmaker, Boston, Herbert R. Bloch, Cincinnati and Stanley C. Myers, Miami.

On January 9 we received a reply from Mr. Isaac M. Levy, Chairman of the JDC Negotiating Committee, rejecting the proposal for mediation and stating:

"In your letter to Mr. Baerwald, you propose that our differences be submitted to the community representatives of the Allotment Committee. There are various reasons why we are unable to accept this proposal. We cannot delegate to others the responsibility that we owe to the work entrusted to us. No one who has not had to do with the day to day emergencies that have confronted the JDC can possibly be put in a position to evaluate our needs and our obligations. In the negotiation of the Agreement we must assume full responsibility."

We still wish to explore every possibility of continuing the United Jewish Appeal with full equity to its constituent agencies.

The United Palestine Appeal is glad again to suggest the availability, insofar as it is concerned, of a mediation committee composed of Messrs. Watchmaker, Bloch and Myers. Our suggestion of these three is based on the desire to expedite a decision. They are more familiar than any other three persons in the country with the current financial status and requirements of the United Palestine Appeal and Joint Distribution Committee and have displayed, we believe, the utmost sympathy to both causes. Their views will, therefore, be informed by expert technical knowledge. And all that the United Palestine Appeal asks is that the needs of maintaining and expanding our life-saving program in Palestine should be judged on a fair and practical basis.

Should the Joint Distribution Committee reject these three neutrals, if their names are submitted by the Council of Federations as a panel of mediators, the United Palestine Appeal is prepared to accept any panel of mediators mutually agreeable to the Joint Distribution Committee and United Palestine Appeal.

In appreciation of your friendly offices in this situation and awaiting your further advice, I am

Cordially yours,
James G. Heller
National Chairman

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THE AMERICAN JEWISH
JOINT DISTRIBUTION COMMITTEE, INC.
270 MADISON AVENUE, NEW YORK 16, N.Y.

January 8, 1945

Dr. James G. Heller, National Chairman
United Palestine Appeal
41 East 42nd Street
New York 17, N. Y.

My dear Dr. Heller:

Mr. Paul Baerwald has referred to us as the Negotiating Committee of the Joint Distribution Committee for the 1945 United Jewish Appeal your letter of December 29, 1944. Inasmuch as you feel that no further meetings of the representatives of the UPA and JDC should take place until your letter to Mr. Baerwald has been answered, we desire to set forth the position of the JDC with respect to our negotiations.

You will recall that at the several meetings which we held, we presented to the representatives of the UPA, the vastly increased needs of the JDC due to the liberation of large areas of Europe. Hundreds of thousands of Jews came out of hiding; they came out of forced labor and death camps to find their homes occupied by others, their business looted, their jobs gone. Without the means to buy their daily bread, without tools to work, forced to live six and eight in a single room, they are becoming ravaged by disease. Despairing appeals for immediate and large scale aid came to the JDC in the last months of 1944 from the Jews of Poland, Roumania, France, Belgium, Greece and Bulgaria. Unprecedented sums are required to rescue the remnants of Jews still alive in the occupied countries. When we met, appeals for help from the JDC aggregated \$46,000,000, and every day brings a new cable pleading for aid to keep body and soul together.

Neither UNRRA nor governments have thus far responded to these desperate calls, and we pointed out to you that it would take many weary months before such public assistance would be made available. Furthermore, many tens of thousands of Jews will not be eligible for aid under the UNRRA agreement, and therefore must rely on the JDC. Thus, at the supreme moment of their liberation, the Jews who survived the murderous fury of the Germans, find themselves doomed to starvation, illness, and death, unless help comes quickly from the only source it can come, namely, the Jews of America.

We pointed out to you that in the last five years, the JDC had agreed to revise the terms of the United Jewish Appeal in each succeeding year because of our great desire to retain the unity inherent in the UJA. The year 1945, however, presented such a crucial time in the life of the surviving Jews of Europe, that we felt that any change in the agreement should be made in favor of these Jewish survivors. We are convinced that for unnumbered thousands of Jews, the question is starkly one of life or death. We hoped that the representatives of the UPA would agree that keeping Jews alive during this critical time deserved the highest priority. Unfortunately, the UPA found itself unable to accede to this position.

Because we desire to maintain the United Jewish Appeal, a desire which we believe is shared by the great majority of Jews in this country, we proposed to you that the first fixed amount be distributed on the same basis as was done in 1944. We advised you that this was not a bargaining offer. In the light of the present tragic situation, we felt that making this proposal represented a concession which we perhaps had no right to make as trustees for the lives of people. We stated that that was the minimum that we could conscientiously accept and that we could not bargain with Jewish lives. We stated that since a substantial sum would be available for distribution by an Allotment Committee, there would be ample opportunity to rectify any injustice, either to ourselves or to you, that might result from our proposal. You refused to accept this proposal, and you made a counter-proposal which involved a radical change in the initial distribution. This represents one of two issues on which we have not yet found agreement.

The second issue relates to the so-called "traditional" collections of the Jewish National Fund. The facts are as follows: All of the funds received by the United Palestine Appeal from the United Jewish Appeal plus all the funds collected in this country by the Jewish National Fund are divided equally between the Jewish National Fund and the Keren Hayesod. Thus, the Jewish National Fund has a partnership interest in the United Jewish Appeal. The agreement of the United Jewish Appeal specifically excludes separate fund raising by the constituent agencies, and the Joint Distribution Committee has loyally lived up to the letter and the spirit of the agreement. When the United Jewish Appeal was first organized in 1938, it was represented to us that the Jewish National Fund received small contributions spontaneously given by many Jews interested in the land purchasing program of the Fund. At that time, their "traditional" collections amounted to \$200,000 to \$300,000. Such collections, we were assured, would not interfere in the slightest with the campaigns of the United Jewish Appeal. In recent years, however, a full-fledged campaign has been undertaken by a separate fund raising staff of the JNF, and in 1944 approximately \$1,500,000 was raised through dinners, luncheon land contributions, Nachlaths, and other devices. Many complaints were received at the offices of the UJA from communities throughout the country on these separate fund raising activities of the JNF. As you know, we protested time and time again, that one partner in the UJA should not have the right to carry on separate fund raising outside of the UJA. We felt that the zeal and effort of all Jews should be placed solidly behind the UJA and that only in this way would the maximum amount be available for the constituent agencies of the UJA.

As a result, we were compelled to insist that the JNF, as a partner in the UJA, should account to the UJA for the funds raised and that these funds be included in the proceeds of the UJA in exactly the same way as the JDC accounts to the UJA for funds which come directly to it from individuals in the United States.

You stated that you could not accept this proposal, since it would mean the destruction of the Jewish National Fund. We do not believe that the Jewish National Fund will be destroyed by our proposal any more than the Keren Hayesod or JNF or the JDC has been destroyed by partnership in the United Jewish Appeal. Actually, the United Jewish Appeal has brought a keener appreciation of the work of all of the agencies on the part of American Jews than at any other time in our history. We are convinced that a truly united UJA will mean a greater measure of aid for the two great causes which we all seek to serve.

We must also call attention to the fact that a number of organizations raise substantial sums for work in Palestine which are not included within the United Jewish Appeal. In 1944, such sums reached over \$5,000,000, so that actually more money went to Palestine from the United States than was made available for the

Jews of the world. We believe that this is an important fact which must be taken into account, since we all must go to the same source, namely the Jews of America.

In your letter to Mr. Baerwald, you propose that our differences be submitted to the community representatives of the Allotment Committee. There are various reasons why we are unable to accept this proposal. We cannot delegate to others the responsibility that we owe to the work entrusted to us. No one who has not had to do with the day to day emergencies that have confronted the JDC can possibly be put in a position to evaluate our needs and our obligations. In the negotiation of the Agreement we must assume full responsibility. The function of the Allotment Committee is fully served when it disposes of the funds in excess of the funds initially divided between the different agencies.

To summarize our position:

1. The division of the first \$14,000,000 should be on the same proportionate basis as was provided in the 1944 Agreement; all funds in excess of this sum to be subject to allocation by an Allotment Committee;
2. All campaigns by the JNF should be conducted on behalf of the UJA and all monies collected should become part of the UJA.

Since dictating this letter, your letter of January 8th, addressed to Mr. Baerwald, has arrived. We take it that it is your intention to issue a statement to the country. In that event, we believe that such a statement should be jointly considered by us and you and a joint statement issued to the country setting forth our respective positions.

Sincerely yours,

(signed) Isaac H. Levy, Chairman
JDC Negotiating Committee

IHL:jb

COPY

UNITED PALESTINE APPEAL
41 EAST 42nd STREET
NEW YORK, N.Y.

December 29, 1944

Mr. Paul Baerwald, Chairman
Joint Distribution Committee
270 Madison Avenue
New York, N.Y.

Dear Mr. Baerwald:

It is a source of regret that I have not had an opportunity of meeting with you personally during the past two months in which representatives of the United Palestine Appeal have been meeting with representatives of the Joint Distribution Committee to reach an agreement for a United Jewish Appeal in 1945.

Undoubtedly, however, you have the record of the conferences which were held on November 8, 10 and 28. I had a private meeting with Mr. Isaac H. Levy on December 18 -- a meeting which I had sought because of my very great desire to maintain the United Jewish Appeal. Throughout all our negotiations I have been animated by the conviction that the Jewish community of America is eager for the maintenance of the United Jewish Appeal. I have felt that the combined requirements of our organizations and the needs of our people made essential our continued unity.

We have kept in mind the fact that Palestine has played an incomparable role during the past year in meeting the needs of our people. We know that in the year ahead Palestine will be even more a source of hope and salvation. To meet these requirements the United Palestine Appeal has made various proposals that would ensure the continuation of the United Jewish Appeal on an equitable basis adjusted to the urgent requirements. But each of these proposals has met with a firm refusal to consider the total situation. Each of the proposals which we have made has been rejected.

How strong has been my feeling on the desirability of continuing the United Jewish Appeal is reflected in a reply which I made to the letter addressed to the National Chairmen of the United Jewish Appeal by Mr. Sidney Hollander, President of the Council of Jewish Federations and Welfare Funds. Mr. Hollander had suggested in his letter of November 30th that the Council was prepared to offer the services of a committee to meet with us for the purpose of arriving at a solution of our differences. I then wrote to Mr. Hollander:

December 29, 1944

"While it is quite true that we have not yet been able to reach an agreement with the representatives of the Joint Distribution Committee, this does not mean that we shall not reach such an agreement. I am far from giving it up. On the contrary I am convinced that we shall be able to do so. Nothing would be less wise than to break up the U.J.A. after the most successful year in its entire history, a year successful not only in regard to the amount of money raised but also as to the spirit of friendly cooperation that has animated its members."

My views have not changed. It is because I believe so firmly in the wisdom of continuing the United Jewish Appeal that I make this last suggestion in the hope that we can maintain the structure.

It is my proposal to the Joint Distribution Committee that the United Palestine Appeal and the Joint Distribution Committee accept the services of the three outside persons who, because of their objectivity and their acquaintance with the facts of both organizations, are in the best position to serve as friendly mediators. I have in mind the three representatives of Welfare Fund communities who are serving on the Allotment Committee of the 1944 United Jewish Appeal: Messrs. David M. Watchmaker of Boston, Herbert R. Bloch of Cincinnati and Stanley C. Myers of Miami.

Because time is so pressing and it is essential that the 1945 United Jewish Appeal should have the benefit of the utmost preparation if the amounts we need are to be raised promptly and effectively, I would strongly urge a prompt decision by the Joint Distribution Committee on this proposal.

May I hear from you within the next day or two so that if you agree we may jointly communicate with the three persons named and arrange a meeting at mutual convenience, but promptly, in order that the facts may be presented to them and they may come to a conclusion?

Cordially yours,

JCH:BG

James G. Heller
National Chairman

C O P Y

UNITED PALESTINE APPEAL
41 EAST 42nd STREET
NEW YORK, N.Y.

January 8, 1945

Mr. Paul Baerwald, Chairman
Joint Distribution Committee
270 Madison Avenue
New York City

Dear Mr. Baerwald:

On December 29th I addressed you, as Chairman of the Joint Distribution Committee, with a proposal from the United Palestine Appeal for the purpose of facilitating a 1945 United Jewish Appeal agreement.

Again I urge, in view of the necessity of assuring the success of our campaign efforts, that the proposal I submitted receive a reply from the Joint Distribution Committee. I would appreciate such a reply within the next few days so that we may go forward with the further steps that will be necessary.

We are very eager that the country, which is now preparing its campaign plans, should be informed of the status of the United Jewish Appeal and of the proposals that have been made to continue it. As part of this effort to advise the country, we would undoubtedly wish to make known the proposal that we have submitted to you.

Cordially yours,

James G. Heller
National Chairman

JGH:BG

C O P Y

THE AMERICAN JEWISH
JOINT DISTRIBUTION COMMITTEE, INC.
270 MADISON AVENUE, NEW YORK 16, N.Y.

January 5th, 1945

Dr. James G. Heller, National Chairman,
United Palestine Appeal,
41 East 42nd Street,
New York 17, N.Y.

My dear Dr. Heller:

Upon the request of Mr. Isaac Levy, Chairman of the committee appointed to negotiate the 1945 U.J.A. Agreement on behalf of the J.D.C., this office communicated with Mr. Montor for the purpose of arranging a meeting to be held January 15th, between the groups representing the U.P.A., H.R.S. and J.D.C. In response to that communication, Mr. Montor reported over the telephone as follows:

"Dr. Heller, with whom I have been in telephonic communication since your message (re January 15th meeting) was given to me, said that he is awaiting a reply from Mr. Baerwald to his letter. Dr. Heller sees no point in any meeting of the Negotiation Committee on January 15th or on any other date and he looks forward to an early reply from Mr. Baerwald to his last letter."

Inasmuch as the J.D.C. is represented by a Negotiating Committee and that Committee is still functioning, I would consider it wrong for me to reply to your letter of December 29th, and thereby take the matter of negotiation out of the hands of our Committee to whom it has been entrusted. I have accordingly sent your letter to the members of our committee.

With best wishes,

Faithfully yours,

Paul Baerwald
Chairman

FB:nh

C O P Y

COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS, INC.

165 West 46 Street

New York 19, N. Y.

November 30, 1944

Rabbi James G. Heller
William Rosenwald
Rabbi Jonah B. Wisz
National Chairmen
United Jewish Appeal
342 Madison Avenue
New York 17, N. Y.

Gentlemen:

With the end of the year approaching, our member agencies are awaiting an announcement on the 1945 UJA. I understand that negotiations have been in progress for some time but that no agreement has been reached. Our member agencies which raise funds for the UJA and other causes have as you know, a vital interest in your 1945 plans. They will want their Council in every way within its capacity to assist in developing the basic requirements for the 1945 fund-raising program.

In one of our recent meetings, the West Central States Region adopted a resolution asking that the UJA be placed on a permanent basis without the uncertainty which derives from the need for making annual contracts and suggested that impartial budgeting machinery be created within the UJA in order to eliminate the need for annual bargaining by the component member agencies. I believe that our member agencies in other regions subscribe to these recommendations.

My immediate purpose in addressing you is to indicate the readiness of the Council to appoint a committee to consult with you and your constituent agencies or to serve in any other way which might help to achieve these goals, and more immediately to assist in the development of a plan of cooperation of the UJA agencies for 1945.

Sincerely yours,

Sidney Hollander
President

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December 7, 1944

Mr. Sidney Hollander, President
Council of Jewish Federations and
Welfare Funds, Inc.
165 West 46th Street
New York, New York

Dear Mr. Hollander:

Mr. Montor forwarded to me your letter of November 30th. While it is quite true that we have not yet been able to reach an agreement with the representatives of the Joint Distribution Committee, this does not mean that we shall not reach such an agreement. I am far from giving it up. On the contrary, I am convinced that we shall be able to do so. Nothing would be less wise than to break up the U.J.A. after the most successful year in its entire history, a year successful not only in regard to the amount of money raised but also as to the spirit of friendly co-operation that has animated its members.

I, for one, greatly appreciate your offer on behalf of the Council of Jewish Federations and Welfare Funds. Should we need their good offices in the future, I shall get in touch with you. For the present, however, I do not believe there is any necessity to call in a third party.

With friendliest greetings, I am

Sincerely yours,

(signed) Rabbi James G. Heller, Chairman