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United Palestine Appeal, 1941 January-March.

[early 1941]

Draft Report of the President of the National Refugee Service, Inc.

For the Year 1940

"These refugees, representing the new immigration to the United States, came from all social and economic levels; they had been subjected to terrific spiritual and economic punishment - many, even, to physical and psychological torture. Ours became the responsibility, therefore, to provide that guidance and assistance which would make new immigrants into new Americans." --- ("Refugees ... 1939", Annual Report of the National Refugee Service, Inc.)

Since the middle of 1938, the United States has been absorbing a sizable stream of refugees. Throughout this period, the problems of general unemployment in the country have continued to be of major concern. From the meeting of these two forces, one might have expected some repercussions - especially during the temporary wave of anti-alien sentiment which cropped up in the middle of 1940; for it was at this time that German invasions, in one country after another, precipitated an atmosphere of suspicion towards newcomers here. The American community, and the refugee committees throughout the land, should be proud of the fact that the stream of refugees stirred scarcely a ripple in public reaction. This is largely attributable to the fine efforts of the individuals and groups working, and cooperating, with the National Refugee Service.

A number of other factors have contributed towards a healthy atmosphere. The enrichment of American cultural life, by persons of outstanding talent, is being increasingly appreciated. Since 1933, the public has welcomed distinguished European scientists, scholars and artists. In the economic field, favorable comment greeted the introduction of new refugee enterprises. A recent article in "Business Week", described several of these enterprises, stressed the new employment opportunities thus generated, and mentioned some of the commodities which were, previously, imported, and which are now being produced here. Moreover, studies reveal that, as a result of current immigration, an expanded purchasing power is created; and that this increased purchasing power calls for additional workers - probably exceeding, in number, the positions which may be held by refugees. Also, refugee committees have, on the whole, succeeded in placing newcomers in such a way as to avoid causing dislocations. In most cases, the refugees themselves, their affiants, relatives, and friends have taken the initiative in effecting their integration with new surroundings. Primary credit must be given to their efforts; yet, even in such cases, immigration and adjustment is often facilitated through the services extended by the National Refugee Service or its affiliated committees.

These needs, in addition to the needs of those who required full assistance, grew in the first few months of 1940 and reached a peak during the spring. In May, there were 27,800 personal requests and 22,100 pieces of incoming mail - placing an almost overwhelming burden on the staff. (Of course, these figures greatly exceed the number of individual cases requiring service.) While the rate of immigration decreased since July, the demands made upon your organization have been but slightly reduced. Recent trends, however, indicate mounting needs again during the early months of 1941.

In the work of the past year, it became apparent, too, that the new arrivals were of a more tragic character - older, shaken by harrowing experiences in war-torn countries, weary from months of uncertain waiting in lands of temporary asylum. They required more intensive assistance in adjustment. The impact of this change was accentuated by the fact that previous placement activities tended to leave New York City with a residual relief load, and that there was an increase in the average age, size of family, and "length of time" on relief. These trends, first manifested in the spring, have continued since. Cooperating committees have indicated an understanding of the problem by accepting, for resettlement, a few Sabbath observers, and a few family units in which the breadwinner is middle-aged, or in which there are four (or more) family members. More must be done, and more is being done, to increase resettlements of this type.

A careful study of the National Refugee Service's finances indicated that there would have to be a reduction in individual relief budgets. Since August, these individual relief budgets have been approximately at, or below, the "public relief standards" prevailing in New York City. Your organization realizes that such standards may sometimes be inimical to the welfare of those it is seeking to help. However, the only alternative to a reduction in individual relief budgets was the exclusion of certain types of needy cases. This alternative was rejected, in order to maintain the record that no refugee has been deported for being a public charge.

Unfortunately, financial problems continue to be of major concern to the National Refugee Service. Although your organization started the past year with negligible liabilities, it had negligible cash on hand, and only \$100,000 receivable from the 1939 United Jewish Appeal. During the first four months of 1940, and until campaign receipts covered operating disbursements, your officers

tried to make ends meet by concentrating on borrowing the necessary sums. At the peak of borrowing, \$1,300,000 was due creditors. The shortage of cash again became acute in December, 1940. Despite "accelerated payments" accorded your organization by the 1940 United Jewish Appeal and its Allotment Committee, there was a bank debt of \$300,000 payable as of December 31, 1940 (but with "1940 campaign receivables" somewhat in excess of this sum). For the first four months of 1941, even with the above-mentioned bank borrowing (and with a continuation of the special "accelerated payment" arrangement), it is estimated that there will be a gap of upwards of \$500,000 between "cash in sight" and "estimated expenditures". It is imperative that the National Refugee Service receive support in 1941 on a scale adequate not only to carry on, and to extend, present essential activities, but to meet budgetary requirements during the early months of the following year.

It is interesting to note that all of the internal administrative changes contemplated in Mr. Harry Greenstein's report, "Reorganization Study of the National Coordinating Committee and its Affiliated Agencies", were completed before June, when the National Refugee Service celebrated its first "birthday". During the early part of the past year, "relief" and "reception and intake" were centralized, as was, also, the handling of mail. There were, of course, many additional administrative improvements. For example, in the fall of 1940, the Field Service and the Resettlement Department were consolidated. Legislative (and governmental administrative) changes also affected the activities of certain departments. Toward the end of the year, the organization was functioning satisfactorily on a more concentrated basis.

In acknowledging assistance, first mention must go to Professor Joseph P. Chamberlain, the Chairman of the Board. His wisdom, his courage, and his

indefatigable devotion to the task in hand, since its inception, have inspired those who are privileged to know him, and to work with him. To all who lead in, contributed to, and worked for, the 1940 United Jewish Appeal goes credit for the National Refugee Service's basic financial support. The New York and Hofheimer Foundations, and the Baron de Hirsch Fund, also provided impetus by means of grants and loans. Lay leaders, volunteers, and professional workers, both in the National Refugee Service and in cooperating committees throughout the country, have helped to make possible the achievements mentioned in this report.

Yet, what has been accomplished until now represents but a minimum goal. Former relief standards should be reinstated. Resettlement and employment activities require increased efforts. Vocational retraining and "capital loan" projects must be greatly expanded, as must the activities for special categories of refugees: musicians, rabbis, scientists, physicians, scholars, and others. Social and cultural services, as well as those in more elementary fields, such as housing, merit new emphasis, as does, also, increasing the advisory visits to cooperating committees.

Confronted by these rising requirements, the National Refugee Service faces the challenge of its first fund-raising campaign. Only by a generous response can your organization hope to carry on. With your help, and with the help of every American community, it will be possible to pursue, successfully, this vital and constructive work.

William Rosenwald

1940-1941
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MEMBERSHIP
NATIONAL CITIZENS' COMMITTEE
WHITE HOUSE CONFERENCE ON CHILDREN IN A DEMOCRACY

Organizing Group:

Homer Folke, Secretary, State Charities Aid Association, New York City (Chairman)

Dr. William G. Carr, Secretary, The Educational Policies Commission, National Education Association, Washington, D. C.

Mrs. Saidie Orr Dunbar, President, General Federation of Women's Clubs, Washington, D.C.

Henry F. Helsholtz, M.D., Professor of Pediatrics, Graduate School, University of Minnesota, Rochester, Minnesota.

William Hodson, Commissioner of Public Welfare of the City of New York, New York, N.Y.

Rev. Bryan J. McEntegart, Director, Division of Children, Catholic Charities of the Archdiocese of New York, New York City.

Other Persons Who Have Accepted Membership:

Mrs. H. W. Ahart, President, Associated Women of the American Farm Bureau Federation, Lincoln, California.

Chester I. Barnard, President, New Jersey Bell Telephone Company, Newark, N. J.

Frank G. Boudreau, M.D., Executive Director, Milbank Memorial Fund, New York, N. Y.

M. G. Bousfield, M. D., Director for Negro Health, Julius Rosenwald Fund, Chicago, Ill.

Charles Gardner Bullis, President, Council of Social Agencies, Los Angeles, California.

Donald Comer, Avondale Mills, Birmingham, Alabama.

Dorothy Deming, General Director, National Organization for Public Health Nursing, Inc. New York, N. Y.

George Harrison, Vice-President, American Federation of Labor, Cincinnati, Ohio.

Sidney Hillman, President, Amalgamated Clothing Workers of America, New York, N. Y.

The Most Reverend C. H. LeBlond, Bishop of St. Joseph, St. Joseph, Missouri.

Mrs. J. K. Pettengill, Member, National Congress of Parents and Teachers, Detroit, Mich.

Rosa C. Puschner, Director, National Child Welfare Division, The American Legion, Indianapolis, Indiana.

Dr. Floyd W. Reeves, Director, American Youth Commission, Washington, D. C.

Rabbi Abba Hillel Silver, The Temple, Cleveland, Ohio.

Charles W. Taussig, President and Chairman of Board, American Molasses Co., New York, N.Y.

Dr. James E. West, Chief Scout Executive, Boy Scouts of America, New York, N. Y.

William Allen White, Emporia, Kansas (Newspaperman).

COPY

January 2, 1941

Mr. Samuel Goldsmith, Secretary
Jewish Welfare Fund
128 North Wells Street
Chicago, Ill.

My dear Mr. Goldsmith:

Permit me to acknowledge the receipt of your letter of December 31. On December 22, I sent a letter to Mr. James H. Becker, President of the Chicago Jewish Welfare Fund, in which I submitted an application for a grant to the United Palestine Appeal out of your 1941 campaign, and in which I requested the opportunity to meet with the Board of Directors of the Jewish Welfare Fund in the near future to explain the application more fully and to submit such additional information and material as may be required. This application and request were made to your Board in view of the new situation which has arisen as a result of the dissolution of the United Jewish Appeal. Mr. Becker did not take the trouble to reply to my letter. You, as secretary, sent me a rather brusque note declining the request of the United Palestine Appeal, and suggesting that an opportunity to meet with your Board might be granted after your campaign has been finished.

The United Palestine Appeal can not consent to have any Welfare Fund undertake to raise money for it without first consulting with it, and without some understanding as to what the United Palestine Appeal might expect from the campaign. With the dissolution of the United Jewish Appeal, there are no longer any national ratios which give the former beneficiaries of the United Jewish Appeal the protection of at least their minimum requirements. The United Palestine Appeal must make sure of these minimum requirements. The friends of Palestine in every community will wish to know before they make their contributions to their Welfare Funds what Palestine's share will be out of the total raised.

This is not an unusual position to take. This was the position taken by the United Jewish Appeal in all of its campaigns, and Jewish communities throughout the nation readily complied with a few exceptions, notably Chicago, which was always a law unto itself. In Chicago, the United Jewish Appeal was consulted neither before the campaign nor after. In fact, it is the only position which a Welfare Fund can take in order to insure whole-hearted cooperation on the part of all the members of the community.

Since you declined to meet with an official representative of the national headquarters of the United Palestine Appeal until after your campaign is over, we have decided to leave the entire matter in the hands of our friends in Chicago.

Very sincerely yours,

AHS:BK

(Signed) Abba Hillel Silver

the funds to be raised that will be allotted to the UPA. The inference that has been made to us is that this would have a decided bearing on the proportionate amounts that might be allotted in other cities, because of the presumptively influential position that Chicago has with respect to other communities.

I realize fully, of course, the tremendous responsibilities that you are carrying as Chairman of the present campaign of the UPA and personally, of course, I do not wish to aggravate those responsibilities. However, I do feel very sincerely and very definitely that maladroit tactics will inevitably result in such small participation on the part of Zionists and Zionist sympathizers in our present campaign as to make very difficult a reasonable attitude on the part of those who will vote the expenditures to be made by the Welfare Fund to various participating beneficiaries. Not only is this true with regard to the Welfare Fund, but, in this city particularly, it does seem to me, knowing the sources of the funds which we have raised, and personally having been responsible for the institution of the Welfare Fund, that the over-all amount to be raised on behalf of Palestine will be materially reduced.

What some people here are talking about as part of a pressure campaign, is an independent UPA campaign. It does seem to me that you, as National Chairman, or that the administrative group of the campaign, ought to decide whether or not you wish to participate in the Welfare Funds on any crude or refined budgetary basis which the Welfare Funds may work out individually, or whether you truly desire to make a campaign in each individual city.

When Mr. Montor was here recently he, I thought, made it very clear to me that it was the desire of all of you who were associated in the management of the UPA that you wished to be part of the Chicago Welfare Fund and its campaign. What has been said here to me today, however, leads me to the belief that you desire not only to receive funds from the Welfare Fund and to receive some indication of how much money the Welfare Fund will give, but to receive such an intimation of a contribution well in advance of the Welfare Fund's securing from the UPA, from you personally and from all other sources, facts on which the division of funds might be based. Furthermore, we have already been informed that persons have been approached and asked to withhold gifts to the Welfare Fund so that in the event the UPA decides to have an independent campaign, they might make their gifts to such an independent campaign.

Insofar as our present Welfare Fund campaign is concerned, it, of course, would be somewhat affected by the spreading of any such propaganda as that which I have just mentioned. I doubt, however, whether in terms of dollars it will so substantially affect the total amount to be raised as to prove a useful weapon, even of propaganda, to the UPA. It may, however, quite on the other hand, so discourage the non-Zionists or the non-active Zionists with respect to the usefulness of continuing the Welfare Fund beyond this year, as to wreak serious damage to the UPA and other causes that have had the support of the Welfare Fund, and might mitigate against the possibility of continuing the structure into the future.

Naturally, an independent UPA campaign would be strongly competitive with Gevekschaften, Hadassah, and other like efforts. I repeat that I think, without arguing the Welfare Fund case too strongly — I need not do this with a person

who has been, for a number of years, the Chairman of the Cleveland Welfare Fund -- common sense would dictate the utmost support of the Welfare Fund in order to have the utmost influence in the decisions which it will reach.

So far as our Special Gifts work has gone, I might say this to you:

Though we are securing a number of increased gifts, and though there are relatively few persons active in this bit of propaganda who have given in the Special Gifts Division as yet, those that have given have in no single instance increased their gifts over last year, and in other instances, possibly in the light of this propaganda, gifts have as yet not been made. You can understand how, from the standpoint of campaign psychology, this is not a good situation within which to advocate immediate action on the UPA and action that would lead to any increased appropriation to the UPA.

We have, in the publicity attendant upon the Special Gifts effort so far, and we intend, in the publicity that will be concerned with the general campaign, to include substantial mention of the UPA and of the work in Palestine. Do you wish us, at this time, to drop this publicity? Do you wish us, at this time, to notify those who have already given that the UPA is withdrawing from the Chicago Welfare Fund? Do you wish us, at this time, to consider with equal justice the appeals which the JDC and NRS certainly will make at some future date to us together with, of course, equal justice to the appeal that you personally or someone who acts on your behalf will desire to make on behalf of the UPA?

Finally, might I say this:

It has been our regular procedure to gather the funds and then, insofar as we have been free to do so in the past, to vote allocations at the close of the campaign. I say, "Insofar as we have been free to do so" because, by far, the major part of our funds went to the United Jewish Appeal in the past, and we had nothing to say, as a Jewish Welfare Fund, with regard to the distribution of funds collected by the United Jewish Appeal. Quite obviously, it is desirable for us to receive requests for funds from other organizations that have, in the past, been beneficiaries of our Fund. Quite obviously, it is important for us, insofar as we can, to make some evaluation of those appeals from facts presented and thereafter to have hearings with representatives of the organizations, after which time allocations can be made. Under the circumstances attendant upon the current campaign, we hope that hearings such as I have just indicated can be held either toward the end of February or early in March.

I do believe that it would be quite important, as rapidly as you conveniently can get to the matter, for you to give some word to us and to those who apparently are acting on behalf of the UPA here in Chicago, as to ~~whether~~ whether or not the UPA is desirous of acting as the agency of our community, via the Welfare Fund, or whether it is desirous of making its own appeal.

This letter is written to you purely as a personal communication and not upon instructions of the Welfare Fund. As you can surmise, I am deeply engrossed in the campaign and have to carry a good deal of responsibility in connection therewith. I would view with a good deal of chagrin any breakdown in the expression of solidarity on the part of our Jewish community, so far as our Welfare Fund expresses it, and, frankly and personally, I would view with a good deal of dissatisfaction

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any material reduction that the present somewhat vicious propaganda tactics will bring about in the total support that goes from Chicago to Palestine.

With all personal good wishes,

Cordially yours,

(Signed) Samuel A. Goldsmith



January 3, 1941

Rabbi Simon Greenberg
2253 N. 58rd St.
Philadelphia, Pa.

My dear Friend:

Please pardon the long delay in answering your letter. I have been traveling a good deal and my correspondence has lagged.

I was pleased to see Mr. Ben Eliezer in Cleveland and to listen to his story. I have never been a foe of the Revisionists and have always tried to heal the unfortunate breach in our Zionist ranks. I have not been very successful, nor have any others who have tried to do the same thing. Someday I am afraid this breach will lead to disaster in Palestine. While I have given no financial support to Mr. Ben Eliezer, I see no reason why I should discourage people who want to help in the Palestine projects which Mr. Ben Eliezer represents.

With all good wishes for a happy new year, I remain

Very cordially yours,

AHS:BK

UNITED PALESTINE APPEAL

4 EAST 42nd STREET

MEMORANDUM

Date January 6, 1941

To Dr. Abba Hillel Silver

From Henry Montor

Subject

Attached for your information is a copy of a memorandum I have received from Mr. Arthur Lourie.

FW

EMERGENCY COMMITTEE FOR ZIONIST AFFAIRS

MEMORANDUM

January 3, 1940

To: Mr. Henry Montor
From: Mr. Arthur Lourie
Subject: 1,000 Palestine Certificate Holders
(Lithuanian Chalutzim)

I am writing this by way of a brief outline of the cables received and sent in connection with the 1,000 Palestine certificate holders in Lithuania.

On December 13 Szczupakiewicz (hereafter referred to as S) cabled from Kobe, Japan, that 1,000 certificate holders of various categories (itemized in a letter of his dated November 19 to the JDC) remained in Vilna for lack of fares. It was possible to arrange a fare, described as extraordinarily cheap, of \$180 per person from Vilna to Haifa via Japan, of which \$30.00 represented fare from Vilna to Tokyo. (Copy attached)

DECEMBER 22 - S cabled (copy attached) requesting payment of \$10,000 in respect of his group, of which part was already on the way to Moscow, for 125 passage tickets with the NYK. Check for this amount was handed by you to the Emergency Committee, but as the NYK here are without information on the subject we are still holding the check.

The Executive in Jerusalem cabled us on the 22nd supporting the application for \$10,000 from Yokohama in respect of the travel fares of 125 persons. After contacting the NYK we replied to S on the 31st that the UPA were ready to pay but the NYK knew nothing of the matter.

In the meantime, on DECEMBER 30 we received a cable from Barlas in Turkey informing us that 250 immigrants had arrived from Lithuania en route for Palestine and requesting immediate payment of \$4,000. (Copy attached). We thereupon cabled Barlas (copy DECEMBER 31 attached) asking for further information with regard to the number going via Japan and Turkey respectively and the fare money required; also that the UPA were ready to guarantee the \$4,000 required. We also cabled to Zelik in Kaunas and S in Kobe inquiring as to the exact numbers of the Palestine visa holders, routes they were taking and the amounts required. (Cables dated DECEMBER 24 attached). To this an answer was received from Zelik on JANUARY 2 (copy attached), that there were now 461 certificate holders in Kaunas and Vilna of whom apparently nearly all were going to Istanbul at a cost of \$85.00 per person. From Istanbul the Executive was undertaking to pay the transport costs.

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January 3, 1941

From: Mr. Arthur Lourie

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At the same time Hadassah received cables which indicated that there are 210 of their youth people still in Kaunas. In all, Hadassah have paid, or are about to pay \$8,000 to Kaunas and \$3,000 to Barlas in Turkey. I am cabling to inquire whether that youth group is included in the 461 referred to by Zelik, also that the money for their transport is available here. I shall keep you informed of further cables.

From all this it would appear that:

- (1) 250 immigrants actually arrived in Istanbul for whom \$4,000 is required for transport to Palestine.
- (2) 461 are at present in Lithuania for whom transport to Lithuania at the rate of \$85.00 per person would amount to approximately \$39,000. We have no information as to how many of the 210 youth immigrants are or are not included in this total of 711.
- (3) Finally, S has requested payment of \$10,000 for 150 persons who are described as on the way to Tokyo, though there is no confirmation of this from Kaunas itself.

P.S. Since writing the above, I have received two cables from S and from Barlas (copies attached - January 1 and 3 respectively). In view of the above, and the absence of any further information with regard to the NYK tickets, I propose returning the UPA check for \$10,000 which was to have been applied to the NYK. I presume, on the other hand, it would be in order for the UPA to cable \$4,000 to Barlas. I shall telephone you in regard to this.

MINUTES OF A MEETING OF THE ADMINISTRATIVE COMMITTEE
OF THE UNITED PALESTINE APPEAL

Wednesday, January 8, 1941

At 8:00 P.M. at the United Palestine Appeal Office
41 East 42nd Street, New York City

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Present: Stephen S. Wise, presiding; Jacob H. Cohen, Sol Cohen, Mrs. Moses P. Epstein, Harry P. Fierst, Mendel N. Fisher, Israel Goldstein, Max Kirshblum, I.M. Kowalsky, Abraham Krumbein, John L. Leibowitz, Louis E. Levinthal, Abraham L. Liebovitz, Louis Lipsky, Samuel Markewich, Irving Miller, Charles Ress, Louis Rinsky, Mrs. Samuel Rosensohn, Morris Rothenberg, Abba Hillel Silver, Archibald Silverman, Robert Silverman, Jacob Sincoff, Ferdinand Sonneborn, Harold Weinberg, Morris Weinberg

Samuel Blitz, Kurt Blumenfeld, Joseph Cohen, Nahum Goldmann, David Ben Gurion, Sidney Hollander, Martin Rosenbluth, Alex Rothenberg, Meyer F. Steinglass.

Regrets for inattendance were received from Louis Altschul, George Backer, Robert M. Bernstein, Samuel Bonchek, Louis Braines, Isadore Breslau, Barnett R. Brickner, David Freiburger, Daniel Frisch, Leon Gellman, Leonard Ginsberg, Leib Glantz, David Glosser, Solomon Goldman, Edward L. Israel, Alexander Kahn, Jacob J. Kaplan, Joseph Kraemer, Harry J. Levine, G.A. Lowenstein, Louis J. Moss, David Pinski, Louis P. Rocker, Israel Sachs, Joseph Schlossberg, Baruch Schnur, Louis Segal, Simon Shetzer, Elihu D. Stone.

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STATEMENT ON DISSOLUTION OF UNITED JEWISH APPEAL

There was read into the record a copy of the statement issued by Rabbi Abba Hillel Silver and Rabbi Jonah B. Wise announcing the dissolution of the United Jewish Appeal of 1940. (Appendix A)

REPORT ON ALLOTMENT COMMITTEE DECISION

Dr. Silver recalled that at the last meeting of the Administrative Committee, a report had been presented to indicate that the Allotment Committee of the United Jewish Appeal had distributed \$1,200,000 on the basis of \$400,000 to the United Palestine Appeal and \$800,000 to the Joint Distribution Committee. The National Refugee Service was to receive no additional allocation, but it was recommended to the Joint Distribution Committee and to the United Palestine Appeal that the National Refugee Service be assisted in a financing problem by accelerating payments to it from the income of the United Jewish Appeal of 1940. It was agreed at a meeting of the Executive Committee of the United Jewish Appeal, held on December 30, 1940, that every unit of \$102,500 of United Jewish Appeal income be distributed on the basis of 50% to the National Refugee Service, \$31,250 to the Joint Distribution Committee, and \$20,000 to the United Palestine Appeal. This acceleration of the ratio of payment to the National Refugee Service is to be maintained until its full sum of \$3,500,000 is received from the United Jewish Appeal.

Dr. Silver stated that the report of the Inquiry Committee had not yet been completed and when it was submitted to the members of the Editorial Committee and approved, a copy would be turned over to the United Palestine Appeal, the Joint Distribution Committee, the National Refugee Service, and to the Council of Jewish Federations and Welfare Funds. Mr. Louis Lipsky is the representative of the United Palestine Appeal on the Editorial Committee, and Dr. Solomon Lowenstein for the Joint Distribution Committee.

UPA AGREEMENT FOR 1941

Dr. Israel Goldstein on behalf of the sub-committee of the Keren Hayesod and the Keren Kayemeth entered into the record (Appendix B) a copy of the agreement reached between the Keren Hayesod and Keren Kayemeth constituting the United Palestine Appeal for 1941.

RELATION OF UPA TOWARD COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS

The Chairman referred to a circular letter issued by Mr. Sidney Hollander, President of the Council of Jewish Federations and Welfare Funds, to its member agencies (Appendix C). Mr. Hollander read it to the Administrative Committee, stating that the purpose of his suggestion was to maintain unity and good will in the respective communities. Mr. Hollander said, after reading the statement, that he had received responses from some 30 or 40 Welfare Fund cities which, without exception, expressed deep feeling and disappointment over the dissolution of the United Jewish Appeal. He stated that perhaps a dozen had asked him to use his good offices to bring about, even now, a reunion of the agencies into a united campaign. Communities which had written to him felt that a step backward had been taken in the dissolution of the United Jewish Appeal.

Inasmuch as the Administrative Committee of the United Palestine Appeal wished to go into executive session to discuss the fundamental position of the United Palestine Appeal toward the Council of Jewish Federations and Welfare Funds, of which Mr. Hollander is President, the latter left the room. There then followed a discussion on the merits of the suggestion made by Mr. Hollander to the member agencies in which the participants included Dr. Silver, Dr. Wise, Judge Rothenberg, Judge Levinthal, Dr. Goldstein, Mr. Röss, Mr. Lipsky, Mr. Fisher, Dr. Nahum Goldmann and Rabbi Kowalsky.

In reviewing the background leading up to the suggestion that the Council be used to determine the ratios for the distribution of funds in 1941, Dr. Silver pointed out that in the past few years the United Palestine Appeal had suffered successive cuts in its income through the intervening action of those who had used the cloak of unity to compel the United Palestine Appeal into certain positions. He pointed out that the United Palestine Appeal had attended a meeting on December 17th convened by the Council in order to have a final discussion as to the possibility of unified effort in 1941. When it became evident at this conference that no such union was possible, it was agreed amicably between the United Palestine Appeal and the Joint Distribution Committee to issue the joint statement that was later released. Mr. Hollander had been present when this decision had been made. When subsequently he called upon the United Palestine Appeal and others to attend a conference, Dr. Silver had indicated that the announcement had already been issued with respect to independent campaigns, that the notice of dissolution had been issued and since no new proposals were forthcoming either from the Council or from the Joint Distribution Committee, another meeting would only serve to exacerbate feeling.

Immediately after the announcement by the United Palestine Appeal of its independent \$12,000,000 campaign, the Council sent a statement to the Jewish Telegraphic Agency to the effect that the Council had made an effort to bring the two parties together but that Rabbi Silver had refused to meet with the Council, and no mention was made of the meeting of December 17th which had been attended by United Palestine Appeal representatives. Subsequently, the Joint Distribution Committee, under the signatures of Messrs. Baerwald and Warburg sent telegrams to thousands of persons throughout the country, asking that no allocations or decisions be made in their communities until word was received from the Joint Distribution Committee. Within a few days thereafter, Mr. Hollander in his capacity as President of the Council of Federations issued his circular letter to the country in which, in effect, he seconded the position of the Joint Distribution Committee.

Dr. Silver called attention to the implications of the action initiated by Mr. Hollander. What is proposed is to suggest allocations to every Welfare Fund community in the United States. The Council of Federations, he declared, was never founded for that purpose but only to serve as a fact-finding body to service the communities in America by providing them with data and information. He regarded the present effort as an attempt to seize control under the pressure of a dissolved united campaign of practically the whole philanthropic life of America, as well as all the great movements which depend upon these Welfare Funds in the United States.

Dr. Silver presented a resolution expressing the United Palestine Appeal's profound disapproval of the action taken by the President of the Council, and voicing its unqualified opposition to any such program which would undertake to determine allotments as between the national fund-raising agencies. (Appendix D)

At this point Mr. Hollander was asked to return to the room so that he might hear the resolution and make any comment that he desired to offer. Dr. Wise again read the resolution. Mr. Hollander said that the Council had no program of its own, but that as the representative of some 200 Welfare Fund cities it had received expressions for the last two or three years from regional meetings of Welfare Funds calling upon the Council to establish its own budgetary processes, not only in relation to the three agencies which had been in the United Jewish Appeal, but with regard to the great number of other agencies about which the budget committees in their local communities had little information. For the last several years individual Welfare Funds and regional groups have been urging the Council to establish a fact-finding and budget process which will be in no way mandatory, he continued. The Council, Mr. Hollander said, merely attempts to the best of its ability, to carry out the requests of Welfare Funds.

The Council would greatly have preferred that some measure of agreement had been reached in 1941 in regard to the three agencies, because the failure to do so has been deeply disturbing, Mr. Hollander declared. But insofar as the setting up of a budgetary process is concerned, this program was decided upon a year ago by the executive board of the Council, and the development of the program has been going on for some time.

It had not been believed necessary to invoke this budgetary process for the three major agencies, but since an agreement for 1941 had not been made and since the various member agencies of the Council were concerned

over the results of the break, they had requested that the Council proceed with the establishment of the budgetary process. The matter would be brought before the Council of Federations at its January meeting at the end of the month.

In commenting on Mr. Hollander's statement, Dr. Silver felt that Mr. Hollander's explanation of the letter which was sent broadcast was a serious understatement. He did not recall at any time since the establishment of the Council that the President had sent out a letter to Welfare Funds, asking them to withhold decisions on allocations until they had heard from the Council. What Mr. Hollander had done was unprecedented. Mr. Hollander had felt that at the forthcoming Council session in Atlanta the question of the establishment of a budgetary fact-finding committee should be put on the agenda and that he would recommend that such action be taken, but this was a completely different matter from sending a statement to the country in connection with the announcement of the dissolution of the United Jewish Appeal and following up that statement with a request to communities to withhold allocations until they had heard from the Council. The Council, it was true, had been discussing the question of budgets for a long time. Dr. Silver pointed out that he had sent a lengthy letter on that subject some five months ago to the Council, expressing his opposition to the assumption by the Council of a budgeting function. This was long before there was a possibility of the dissolution of the united campaign. Mr. Goldsmith of Chicago, Mr. Goldhamer of Cleveland, and a great number of other workers had expressed themselves in vigorous terms against the assumption by the Council of budgetary decisions.

The subject had its pros and cons which could be discussed calmly by the Council without reference to the dissolution of the united campaign. Some people feel that the Council will underwrite its death warrant by adopting the policy of determining the ratios. They regard it as an attempt to establish a philanthropic dictatorship over the Jewish life of this country, Dr. Silver said. But whatever may be the merits of the budgetary process in general, there is another issue involved when it is tied up with the dissolution of the United Jewish Appeal in a manner that is first of all provocative, and secondly, definitely injurious when it is realized that many communities are now planning their campaigns to be launched in January, February and March, and which are asked to postpone their allocations. This can only put a brake on their campaigns and hurt the funds because certain ideas have been injected into these communities, which can only slow down fund-raising. What Mr. Hollander had done was an arrogation of authority that was not lodged with Mr. Hollander or with the Council.

Upon being put to a vote, the resolution submitted by Dr. Silver was unanimously adopted.

Mr. Hollander dissented from the action of the United Palestine Appeal in going into executive session. He felt that the United Palestine Appeal should take the Council into its confidence. Dr. Silver inquired why he as President of the Council had not taken the United Palestine Appeal into his confidence before he had sent out his communication to the country. Mr. Hollander said that he had taken this action as an individual, but it was pointed out that his step had been made to appear to the country as though he were acting in his official capacity as President of the Council of Federations. Dr. Silver observed that if the Council expected confidence and good will and cooperation, it was a process that had to work both ways.

The Chairman felt that Mr. Hollander's duty had been to call Dr. Silver to discuss his circular statement to the Council agencies and to get his point of view.

Mr. Hollander said that under no circumstances would he have done such a thing because he has responsibilities solely to the Council.

UNITED PALESTINE APPEAL 1941 CAMPAIGN

Dr. Silver made reference to the announcement of the independent campaign of the United Palestine Appeal for 1941 with a goal of \$12,000,000 based on the budgets of the Jewish Agency and the Jewish National Fund totalling \$13,640,000. Most of the income must now come from the United States, and therefore the United Palestine Appeal had to undertake to raise the largest part of the budgets of the national institutions in Palestine.

Dr. Silver reported that it had been made possible through the United Palestine Appeal for 995 Jews, who had gathered in Vilna from various parts of Eastern Europe, to go to Palestine. They had visas and needed funds for transportation. Included in the group were children, Chalutzim, yeshivah students, rabbis, writers, social workers, older people, etc. The United Palestine Appeal had agreed to finance this activity because of its relation to the success of the 1941 United Palestine Appeal campaign.

Dr. Silver further reported that he had sent a confidential letter to several thousand Zionists in the United States, apprising them of the negotiations which had led up to the dissolution of the United Jewish Appeal and enclosing confidential correspondence to amplify the record. These men and women had been asked to serve as spokesmen for the United Palestine Appeal in their various communities.

An additional application for inclusion to the Welfare Funds throughout the country over the signature of Charles J. Rosenbloom as Treasurer of the United Palestine Appeal had been sent. Copies of this application had also been circulated to friends of the United Palestine Appeal in the particular city affected.

The field staff of the United Palestine Appeal had been augmented to meet the increased campaign requirements. The national headquarters was working at full force and every effort was being made to cover the country as rapidly as possible.

It was realized that through an error Mr. Hollander had left the room. He was asked to return, which he did.

REPORT ON NEW YORK UPA

Mr. Blitz, Director of the New York United Palestine Appeal campaign, referred to a resolution which had been adopted at the last meeting of the Administrative Committee of the United Palestine Appeal, through which the National Chairman was instructed to appoint a committee to concern itself with the New York United Palestine Appeal drive. A committee was appointed with Mr. Louis Lipsky as its chairman, and had had several meetings to discuss campaign plans and the organization of a permanent unit of the United Palestine Appeal in New York City. At a meeting held on January 2, 1941 of this committee, Rabbi Irving Miller was elected Chairman to organize the United

Palestine Appeal in New York and to consider a slate of officers. The minutes of that meeting were circulated at the Administrative Committee meeting. (Appendix E)

Mr. Blitz reviewed briefly the slate of officers which include as Honorary Chairmen Governor Herbert H. Lehman, Judge Julian W. Mack and Dr. Stephen S. Wise, with the Hon. Nathan Straus as Chairman. He pointed out that Mr. Straus had accepted the Chairmanship with the full knowledge and understanding of the issues involved.

The other officers included Mr. Abraham L. Liebovitz as Treasurer of the New York United Palestine Appeal, with Messrs. Abraham Mazer and Jacob Sincoff as Associate Treasurers.

The New York United Palestine Appeal was now in the process of organizing its campaign with the knowledge that it had not only the responsibility, but an excellent opportunity of raising unprecedented sums in New York directly for the United Palestine Appeal. He stated that it was the plan to organize the campaign along the following lines: a department to cover trades under the Chairmanship of Mr. Leonard Ginsberg, President of Hearn's, to be assisted by Mr. Harry Hatry of Bloomingdale's as Co-Chairman; an employee's division to be headed by Joseph Hillman, brother of Sidney Hillman; a women's division headed by Mrs. Nathan L. Goldstein; and a junior division headed by Mr. Nathaniel Rothenberg. These various departments will cover mass appeals in the boroughs, synagogues, religious groups and affiliated bodies.

Mr. Blitz called attention to the most important individual section of the campaign, which is the Special Gifts Division, the success of which depended not upon the United Palestine Appeal staff but upon the leadership of the United Palestine Appeal in New York. He pointed out that the United Palestine Appeal would be able to reach people outside of the trades through the direct service of the leaders with the cooperation of Mr. Straus.

Mr. Blitz stated that all fiscal management of the campaign, budgeting and execution of financial obligations was now in the hands of Messrs. Bernard Reis and Company, who are now preparing a budget which, under the supervision of the Treasurer and Chairman, will be ready for consideration in a few days. He pointed out that Bernard Reis and Company are the same accountants as those for the National United Palestine Appeal. It is requested that the National United Palestine Appeal advance to the New York United Palestine Appeal the sum of \$50,000 with which to inaugurate the Greater New York campaign. The New York United Palestine Appeal had engaged its staff and was now negotiating for proper headquarters. Many of the men whose names were listed in the minutes of the New York United Palestine Appeal Organizing Committee had already agreed to serve, Mr. Blitz stated.

Dr. Silver moved that the National United Palestine Appeal make an advance of \$50,000 to the New York City United Palestine Appeal. This was seconded and unanimously approved.

Rabbi Miller stated that the first function being planned in the New York United Palestine Appeal campaign is an invitation luncheon for Monday, January 20th, when the leaders of New York City will hear a statement from Dr. Silver as to the background and nature of the 1941 United Palestine Appeal drive. He stated that some 200 to 300 leaders of trades, boroughs and organizations in New York are expected.

UPA BUDGET

It was moved, seconded and unanimously approved that a committee of five be named by the National Chairman to present a budget for the National United Palestine Appeal at the next meeting of the Administrative Committee.

POLICY COMMITTEE

Mr. Lipsky referred to a discussion which had been held at a meeting that afternoon in the Emergency Committee for Zionist Affairs with respect to the policy which should animate the United Palestine Appeal drive for 1941. It was felt that the campaign should be transformed from what it had been in previous years, that this year the campaign being independent was related to all other aspects of the Zionist movement. The campaign ought to be the window through which the whole of the Zionist movement is revealed. It was felt, he said, that there ought to be built around the campaign all that is related to the Zionist movement - its political aspects, defence aspects, our interest in the war of the democracies against Hitler aggression, and all the other atmosphere that an independent United Palestine Appeal campaign ought to introduce into its fund-raising activities. It was therefore suggested that there ought to be created this year a policy-framing committee so that all the propaganda connected with the movement be kept under the view and guidance of a special committee which was not concerned with the technique, management, control or financing of the campaign, but which would merely act as the instigator and guide for the propaganda of the campaign.

Dr. Silver felt that perhaps that framing of policy might be left to the Executive Committee. The Chairman said that at the Emergency Committee where this program had been considered, it was believed that since the Executive Committee deals with the machinery of the campaign, there ought to be a different body which would concern itself solely with policy-framing.

A motion was made that the Chairman be authorized to appoint a committee of five or seven which would act as a Policy-Framing Committee.

Following an address by Mr. Ben Gurion, the motion was unanimously approved.

STATEMENT BY BEN GURION

The Chairman called upon Mr. David Ben Gurion, who was about to leave America, to make his farewell address to the Administrative Committee of the United Palestine Appeal. In his statement Mr. Ben Gurion said;

"I am glad that there is going to be an independent campaign. I believe it was a necessity, not merely because the agencies could not agree to a joint campaign, but because something has taken place in the world and in America to change the thinking of the Jewish people. We cannot disregard that change. What has happened in the world is that there is a war which began as a war against the Jewish people by Hitler. For many years other people talked blindly that this war was not their concern until they realized that it was their concern, and that Hitler was out not only to destroy the Jewish people but out to subdue the whole world.

"Something has happened here in America. For a long time people here had the idea that what was happening abroad was not their concern. The real leaders of America, however, saw that this would be a most unfortunate and disastrous policy for America itself. The President of the United States after receiving a mandate from the people declared to the country and to the world that the struggle in Europe, though America did not participate as a belligerent, is of vital concern to America. America is helping England not out of sympathy for her alone, but as a matter of self-interest, of American security, as a question of the survival of the ideals for which America stands. The Jews in America cannot disassociate themselves from the fate of their own people all over the world just as they cannot disassociate themselves from the policy of America.

"Many Jews have said here, as have Americans who are not Jews, that what Hitler does is not our concern. Let Europe go to the devil. We will send food to the stricken countries. We will be the philanthropists of the world. But the American people rejected this blind policy. As a result America is now becoming the 'arsenal' of the democracies." America considers herself a partner in this struggle. She is going to spend billions to help the remaining democracies destroy Hitler.

"We are in it. It is inconceivable that the Jewish people should remain outside this great struggle. It is especially inconceivable that the greatest community in the world should be outside this great struggle and that just in America we should not act like Americans.

"The Jewish problem is not enough in itself to make us take part in the struggle; it is enough that Hitler has tried to destroy the Jewish people. We cannot allow certain Jews to degrade us. We cannot permit two Jewish peoples - one people who are beggars, who take charity from rich Jews in America, Poland or England, and another people which distributes that charity. We are all one people. If the Jews in Europe are destroyed I would not like to see the fate of the Jews in America. If the Jews in Europe are destroyed, Jews in America will suffer just as much as the English Jews will suffer if England is destroyed. How is it conceivable that American Jews cannot see the danger to themselves, the political danger, if the well being of the Jews of Europe is menaced? The problems of the Jews of Europe cannot be met solely by giving them handouts. We have tried for many years and have failed. I must emphasize that it is good and necessary that such charity be given, but that is a means and not the end.

"By entering into political action, by mobilizing all the defences of the democracies, we become a part of this worldwide struggle. What is significant is not the amount of money which you will raise, whether it be \$10,000,000 or \$15,000,000. Money alone does not help the Jewish people. The Jews abroad cannot be saved merely through dollars. There will be millions of Jews in Europe when England wins the war - and I believe she will win and that Hitler will be destroyed and that equality will be restored to the Jews - but that does not mean that the Jews will be saved thereby. The Jews will be equally destroyed in Europe even after the war. France and Belgium, which to a very large extent have been impoverished by

this war, will not be able to provide for the millions of Jews. The program of reconstruction of this Jewish life would be impugned by endeavoring to deal with it merely through charity. These Jews will be able to rebuild their lives only through their own efforts.

"It would perhaps be a good thing if America could open her gates to these Jews. No other country can do that. However, Jewish history has provided an answer. For two generations the best of the Jewish people prepared the reply. They have shown that you cannot help the Jewish people merely through charity but only through reconstruction, through giving the Jews an opportunity to live a dignified, creative life on the same plane as any other people.

"This restoration of Jewish life has been accomplished. It has been done in Palestine. Tens of millions of dollars for charity purposes were collected for 60 years, not only in America but throughout the world. America itself started on its national charity program only within the last 25 years but in the years before that, rich Jews all over the world in Russia, Poland, Germany, France and England had thought to solve the Jewish problem by charity methods. But in every instance this approach to the problem was a complete failure.

"There is only one great achievement that emerges from the activities of these years - the construction of a worldwide movement which is animated by a central great idea, which is suffused with the tradition of the Jewish people, - perhaps the greatest tradition that any people can have, and that is, the will for its own survival.

"What has been accomplished in Palestine in the last 20 years was not achieved by even the outstanding personalities of the world, but was attained by a comparative handful of poor Jews who through their own labor recreated their lives. A small minority did the work that has been done in Palestine. That minority which has been animated by one central idea now comes to the Jews and to Americans and to all the world, and says to them that after this war there will be only one solution to the Jewish problem - that the builders, the fighters, the creators of Jewish life must return to Palestine. That country must become their own. Its foundations must be established now when the peoples of America, of England and of other democracies are fighting for freedom.

"There is only one solution to the problem of the Jews - the establishment of Palestine as a commonwealth, a Jewish commonwealth, to which will be brought millions of Jews who may be settled as free creative citizens in their own country.

"This is the message which I believe is contained in Palestine, the message which we must emphasize to ourselves, the message with which we can renew the faith of the Jewish people in themselves. There is a basis for that faith. What has been achieved in Palestine is the outstanding accomplishment of the Jewish people, not only in the last 20 but in the last 60 years.

"We must now tell the Jews of America that we are part of this great struggle of the democracies against the forces of blindness and the forces of isolationism. We cannot but observe that there is a Jewish isolationism just as there is an American isolationism. These people who would insulate

themselves against the fundamental aspirations of the Jewish people are neither Americans nor Jews. It is these people who may be counted upon to be against the United Palestine Appeal in the campaign that has just been launched.

"The war in which Great Britain, Belgium, Norway and other countries are engaged, and the war which America is determined that the democracies shall win with her aid, is also the war which was originally launched against the Jews. It is our war, as it is the war of the Poles, of the Czechs and of the Belgians. We are part of the commonwealth of democracies. The democracies consist of certain peoples. We are one of those peoples.

"I believe that fundamentally, perhaps unconsciously, it was this background of historic necessity which impelled the Zionists to undertake an independent campaign in 1941. There is at last the realization that we cannot achieve real unity among a dignified free people when there are on one side beggars and on the other side contributors of charity. Our aim is to create self-respecting Jews all over the world. We are determined to do that. We deny this unJewish, undemocratic, unAmerican, undignified behavior of Jews who renounce their own heritage."

"I regard this campaign of the United Palestine Appeal of 1941 as a challenge of Jewish history, Jewish honor and Jewish achievement against an attitude of incapacity, bankruptcy, moral, political and spiritual bankruptcy on the part of degraded Jews with no faith in themselves either as men or as Jews.

"We will challenge these men. Our task will not be easy. Neither was the way of England easy. Our way is the way of resistance. Our fight, for the first time in our history, is a fight in common with other democracies. We shall win. We cannot rely upon others. We must share in the fight. If the democracies win we may have no part in the results of that victory if we do not make ourselves now a fighting part of the democratic struggle.

"In appealing to the Jews of America now we are concerned not only with money, but with the winning of the souls of the Jews themselves. We will find supporters among Jews who are not Zionists. We will find them everywhere and they will have the courage to stand with us and to help us.

"In these last days before my departure for Palestine, I have been inspired as I have read the courageous messages of President Roosevelt. I have said, these are Zionist speeches because he speaks for America as Jews ought to speak for Jews. That is the language which we propose to use in 1941. I wish all of you who have undertaken this solemn responsibility success in your endeavors for the sake of American Jewry, for the sake of Israel."

UNITED PALESTINE APPEAL
COMPARATIVE DATA MAJOR AND KEY CITIES (1938 - 1939 - 1940)

COMMUNITY	ALLOTMENT TO UPA IN 1938	UPA SHARE IN UJA INCOME FOR 1939	% OF INCREASE UPA SHARE 1938-1939	TOTAL IN DOLLARS OF INCREASE 1938-1939	UPA SHARE IN UJA INCOME FOR 1940	% OF DECREASE UPA SHARE FOR 1940	TOTAL IN DOLLARS OF DECREASE 1940	% OF INCREASE 1938- 1940	TOTAL IN DOLLARS OF INCREASE 1938-1940
Los Angeles, Calif.	\$59,378.80	\$133,750.	125	\$74,371.20	\$57,200.	-57	-\$76,550.	-04	- \$2,178.80
San Francisco, Calif.	60,000.	87,500.	46	27,500.	72,800.	-17	-14,700.	21	12,800.
Chicago, Ill.	—	350,000.	—	—	208,000 Est.	-41	-142,000.	—	—
Baltimore, Md.	45,356.	75,000.	65	29,644.	52,759.20 a/c	-30	-22,240.80	16	7,403.20
Boston, Mass.	50,000.	100,000.	100.	50,000.	66,000	—	—	—	—
Detroit, Mich.	60,000.	79,500.	33.	19,500.	72,800.	-08	-6,700.	21	12,800.
St. Louis, Mo.	38,015	81,250.	114	43,235.	69,800. Est	-14	-11,570.	83	31,665.
Cincinnati, Ohio	47,143	47,500.	008	357.	41,800	—	—	—	—
Cleveland, Ohio	70,000.	118,750.	70.	48,750.	98,800.	-17	-19,950	41	28,800
Newark, N.J.	24,000.	28,750.	20.	4,750.	24,232	-16	- 4,518.	.010	232.
New York, N.Y.	✓682,230.39	✓1,522,121.	123	839,890.61	✓1,017,854.86	-33	-504,266.14	49	335,624.47
Philadelphia, Pa.	120,000.	125,000.	4	5,000.	88,000.	—	—	—	—
Pittsburgh, Pa.	40,000.	60,000.	50	20,000.	31,200.M	-48	- 28,800.	- 22	- 8,800.
Denver, Colo.	14,500.	11,250. 10,000.Net	-31	- 4,500.	10,000 Fall	—	—	—	—
Hartford, Conn.	13,500.	13,788.50	02	288.50	17,786.08	29	3,997.58	32	4,286.08
New Haven, Conn.	12,600.09	12,410	-02	- 190.09	9,568.	- 23	- 2,842.	-24	- 3,032.09
Wilmington, Del.	5,740.	8,750.	52	3,010.	8,000 Fall	—	—	—	—
Washington, D.C.	32,572.	38,670.	19	6,098.	33,665.22	-13	- 5,004.78	03	1,093.22

COMMUNITY	ALLOTMENT TO UPA IN 1938	UPA SHARE IN UJA INCOME FOR 1939	% OF INCREASE UPA SHARE 1938-1939	TOTAL IN DOLLARS OF INCREASE 1938-1939	UPA SHARE IN UJA INCOME FOR 1940	% OF DECREASE UPA SHARE FOR 1940	TOTAL IN DOLLARS OF DECREASE 1940	% OF INCREASE 1938-1940	TOTAL IN DOLLARS IN INCREASE 1938-1940
Miami, Fla.	\$3,200.	\$8,750.	174	\$5,550.	\$8,736	-002	- \$ 14.	173	\$5,536
Atlanta, Ga.	11,600.	12,500.	8	900.	11,440.	- 9	- 1,060.	- 1	- 160.
Fort Wayne, Ind.	5,440.	6,000.	10.	560.	6,214.	4	214.	14	774.
Indianapolis, Ind.	14,000.	19,975.	43	5,975	16,640.	- 17	- 3,335.	19	2,640.
Des Moines, Iowa	5,500.	8,625.	57	3,125.	8,320	- 4	- 305.	51	2,820.
Louisville, Ky.	N.C.	16,750.	—	—	14,305.20	- 15	- 2,444.80	—	—
New Orleans, La.	11,550.	19,250.	67	7,700.	17,472.	- 9	- 1,778.	51	5,922.
Shreveport, La.	6,000.	9,375 M	56	3,375	8,000.	—	—	—	—
Fall River, Mass.	1,950	6,500.	233	4,550.	5,000.	—	—	—	—
Springfield, Mass.	6,000.	8,750	46	2,750.	5,824.	- 33	-2,926.	-3	- 176.
Worcester, Mass.	8,500.	10,000.	18	1,500.	8,320. M	- 17	-1,680	-2	- 180.
Duluth, Minn.	4,824.27	4,728 a/c	-2	- 96.27	5,824. M	23	1,096.	21	999.73
Minneapolis, Minn.	12,250.	14,250.	16	2,000.	11,128.	-22	-3,122.	-9	-1,122.
St. Paul, Minn.	6,611.62	11,250.	70	4,638.38	11,440. M	2	190.	73	4,828.38
Kansas City, Mo.	15,324.80	15,000.	- 2	- 324.80	15,600.	4	600.	2	275.20
Omaha, Neb.	4,000.	7,500.	87	3,500.	8,112.	8	612.	103	4,112.
Jersey City, N.J.	4,190	9,000. 8,000.Net	91	3,810.	(8,000) (Fall)	—	—	—	—
Paterson, N.J.	8,800.	11,700.	33	2,900.	9,776.	-16	-1,924	11	976.
Trenton, N.J.	4,500.	10,000.	123	5,500	5,200. M	-48	-4,800.	16	700
Albany, N.Y.	8,130.	10,962.50	35	2,832.50	6,240. M	-43	-4,722.50	- 23	-1,890.
Buffalo, N.Y.	16,160.	29,500.	83	13,340.	21,424. a/c	-27	-8,076.	33	5,264.

COMMUNITY	ALLOTMENT TO UJA IN 1938	UJA SHARE IN UJA INCOME FOR 1939	% OF INCREASE UJA SHARE 1938-1939	TOTAL IN DOLLARS OF INCREASE 1938-1939	UJA SHARE IN UJA INCOME FOR 1940	% OF DECREASE UJA SHARE FOR 1940	TOTAL IN DOLLARS OF DECREASE 1940	% OF INCREASE 1938-1940	TOTAL IN DOLLARS IN INCREASE 1938-1940
Rochester, N.Y.	\$16,500.	\$26,250.	59	\$9,750.	(\$17,600) (Fall)	---	---	---	---
Syracuse, N.Y.	7,400.	8,750.	18	1,350.	8,008.	- 8	-\$742.	- 8	\$608
Greensboro, N.C.	2,500.	20,000.	700	17,500.	20,000	---	---	---	---
Akron, Ohio	5,040.	7,500.	49	2,460.	6,240	-17	-1,260.	24	1,200.
Columbus, Ohio	12,000.	17,500.	46	5,500.	14,560.M.	-17	-2,940.	21	2,560.
Dayton, Ohio	7,650.	7,731.50	01	81.50	(7,000 (Fall	---	---	---	---
Toledo, Ohio	19,200.	13,125.	-32	- 6,075	(13,000 (Fall	---	---	---	---
Youngstown, Ohio	10,500.	11,000.	5	500.	(10,000 (Fall	---	---	---	---
Portland, Ore.	13,292.31	18,250	37	4,957.69	12,972.34	-29	-5,277.66	-2	- 319.97
Allentown, Pa.	4,076.62	6,250.	53	2,173.38	5,439.20	-13	- 810.80	33	1,362.58
Harrisburgh, Pa.	3,800.	6,250.	64	2,450.	5,200.	-17	-1,050.	37	1,400.
Scranton, Pa.	6,000.	7,500.	25	1,500.	7,280. M	- 3	- 220.	21	1,280.
Wilkes-Barre, Pa.	685.88	6,250.	811	5,564.12	5,200	-17	-1,050	657	4,514.12
Providence, R.I.	33,350.	12,684.75 a/c	-62	- 20,665.25	(10,000 (Fall	---	---	---	---
Memphis, Tenn.	8,000.	13,750.	72	5,750.	11,440. M Est.	-17	-2,310.	43	3,440.
Nashville, Tenn.	5,000	7,500.	50	2,500.	6,864.	- 8	- 636.	37	1,864
Dallas, Texas	10,800.	16,250.	51	5,450	15,600.	- 4	- 650.	44	4,800.
Houston, Texas	19,630	15,000.	-24	- 4,630	12,896	-14	-2,104.	- 34	- 6,734.
San Antonio, Texas	4,000.	8,750	119	4,750	8,264.88	- 6	- 485.12	107	4,264.88
Richmond, Va.	11,000	9,250	-16	-1,750	9,048.	- 2	- 202.	- 18	-1,952.
Seattle, Wash.	9,000.	10,750	20	1,750	9,568	-11	-1,182.	6	568
Milwaukee, Wisc.	15,333.33	24,000	57	8,666.67	20,800	-13	-3,200.	36	5,466.67

January 9, 1941

Mr. H. L. Lurie
Council of Jewish Federations and Welfare Funds
185 West 46th St.
New York, N.Y.

My dear Mr. Lurie:

I have just received a copy of a letter which you wrote on January 5 to Mr. Henry Montor in which you write: "I believe that you are incorrect in your statement that the UPA considered \$2,000,000 to the NRS as only an original allotment. Just the contrary attitude was expressed. A united appeal would have been possible if your representatives had not indicated that they were unwilling to consider additional commitments to the NRS during the year." For the sake of the record, and not for the purpose of opening the whole matter again, may I tell you that your statement is incorrect as the following resolution adopted by the meeting of the Administrative Committee of the UPA on Tuesday, December 17 will indicate:

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

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

January 9, 1941

This resolution was passed the same evening on which the conference in the office of the Council was held. You will see that there is no suggestion in this resolution that the Allotment Committee which was to distribute the funds over and above the original \$9,000,000 would be prevented from voting funds to the NRS. This was your own hasty deduction, and judging from a conversation which Mr. Hollander had with me last evening, is shared also by him. What we insisted on was that the \$2,000,000 to be originally allotted to the NRS should cover New York City and the country at large, and that no special million dollars be earmarked for the NRS in New York City as was done in the campaign of 1940.

I have deeply regretted the role which the Council has played throughout in this situation. It was belated and uninformed as your letter of January 5 proves, and slightly hysterical as Mr. Hollander's letter sent broadcast to the Welfare Funds indicates, and as is also indicated by the news item which you rushed to the Jewish Telegraphic Agency in which you announced that I had declined to accept the invitation of Mr. Hollander to meet for a conference of mediation, forgetting to mention that there had already taken place one such a conference which I did attend.

I regret that the Administrative Committee of the UPA was forced to adopt a resolution of protest last evening, a copy of which I am sure you will receive from the secretary of the Committee. The Council is being driven headlong under the impact of the present situation to take positions which might prove disastrous to its future growth and usefulness.

With kindest personal regards, I remain

Very cordially yours,

ANS:EK

THE REASONS FOR
AN
INDEPENDENT JDC APPEAL
IN 1941



A report to the Board of Directors and
the National Council of the American
Jewish Joint Distribution Committee, Inc.

January 14, 1941

DURING 1939 and 1940 the Joint Distribution Committee joined with the United Palestine Appeal and the National Refugee Service in a combined fund-raising effort embodied in the United Jewish Appeal for Refugees and Overseas Needs. The United Jewish Appeal has not been renewed for 1941.

The reasons for an independent J. D. C. Appeal in 1941:

THE BACKGROUND

The United Jewish Appeal agreement for 1940 called for a \$23,000,000 fund-raising campaign. It provided for distribution of the moneys to be raised as follows:

The first \$10,250,000 raised nationally was to be distributed according to a formula fixed in advance.

The J.D.C. was to receive \$5,250,000 of this sum.

The U.P.A. was to receive \$2,500,000.

The N.R.S. was to receive \$2,500,000.

In addition, the N.R.S. was to receive \$1,000,000 from the proceeds from Greater New York.

Thus, the advance allotments totalled \$11,250,000.

All sums raised above this amount were to be distributed by an Allotment Committee created in accordance with the wishes of the Welfare Fund Communities throughout the country. It consisted of two representatives of the J. D. C., Dr. Solomon Lowenstein and Mr. James H. Becker; two representatives of the U.P.A., Dr. Abba Hillel Silver and Dr. Stephen S. Wise; and three impartial members representing the country at large, the Messrs. Harris Perlstein of Chicago, David Watchmaker of Boston, and Henry Wineman of Detroit. The Allotment Committee decided early in December, 1940, that funds raised over and above the \$11,250,000 were to be distributed in the ratio of \$800,000 to the J.D.C. and \$400,000 to the U.P.A.

THE NEGOTIATIONS

(From the report of Dr. Solomon Lowenstein to the Executive Committee of the Joint Distribution Committee, December 23, 1940)

The J.D.C. proposed that the United Jewish Appeal be renewed during 1941 on the same basis as during 1940, with two modifications:

That the N.R.S. be admitted to the enterprise as a full partner instead of solely as a beneficiary.

That because rapidly-moving events all over the world make it impossible to foresee what situations may develop during the course of a year, fixed allotments for each of the three agencies be held to a minimum and that these allotments be made on a three to six months basis, leaving as large a sum as possible to be distributed by an Allotment Committee after a detailed study of the needs.

The U.P.A. was unwilling to continue the same arrange-

ment during 1941 that had existed during 1940. It made several successive proposals.

At the outset, it wished to exclude the N.R.S. entirely from the United Jewish Appeal, on the ground that the N.R.S. was a local activity, that its problem did not stimulate fund-raising for the J.D.C. or the U.P.A., but detracted from the presentation of overseas and Palestine needs.

Subsequently, the U.P.A. consented to inclusion of the N.R.S. in the campaign, but solely as a beneficiary, not as a partner, and throughout it maintained that the allotment to the N.R.S. should be substantially reduced on the theory that need for service to refugees in the United States would diminish during 1941.

THE FINAL PROPOSAL

At a meeting convened by the Council of Jewish Federations and Welfare Funds on December 17, 1940, the U.P.A. stated its final proposal:

Y Fixed allotment of \$9,000,000 at the beginning of the year.

Of this sum, the N.R.S. to receive \$2,000,000 for its total national and New York City requirements during 1941.

The remaining \$7,000,000 to be distributed 65 percent, or \$4,550,000 to the J.D.C., and 35 percent, or \$2,450,000, to the U.P.A.

All income over \$9,000,000 to be allocated by the Allotment Committee to the J.D.C. and U.P.A. only.

X This proposal was unacceptable to the J.D.C., which believed that so drastic a reduction in the income of the N.R.S., from \$3,500,000 in 1940 to \$2,000,000 in 1941, would spell disaster to the refugee program in the United States and would thus endanger the interests of the entire American Jewish community.

Furthermore, on the basis of the U.P.A. plan, the J.D.C. would have suffered a substantial reduction of the allotment assigned to it in advance, while the U.P.A. would have been allotted practically the same initial amount as in 1940. The flexibility originally sought by the J.D.C. in proposing a reduction of fixed allotments would have been achieved only to a minor degree, and almost wholly at the expense of the J.D.C. and N.R.S.

THE RESULT

The Administrative Committee of the U.P.A. met on the evening of December 17, 1940 and resolved in favor of an independent campaign. On December 26, 1940 the U.P.A. announced a campaign for \$12,000,000.

The J.D.C. held the view that it was not free to launch a 1941 campaign until after the expiration of the U.J.A. agreement at the end of the calendar year 1940. In addition, it would not wish to announce a quota or present a budget to the public before consulting community leaders throughout the country on the problem.



THE AMERICAN JEWISH JOINT DISTRIBUTION COMMITTEE, Inc.

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



Printed in U. S. A.

January 17, 1941

Mr. Edmund I. Kaufmann
Hollywood Beach Hotel
Hollywood, Florida

My dear Mr. Kaufmann:

Permit me to acknowledge the receipt of your letter of January 13. The proposal for the UPA to take over full responsibility for the Vilna refugees was first made to me by Dr. Goldmann in the name of Dr. Wise, Mr. Lipsky and other members of the Emergency Committee and the UPA. Dr. Goldmann had been carrying on negotiations with the JDC and the HIAS about this group of refugees. My first reaction to the proposal was the same as yours, and I so informed him. The matter was then further discussed by the officers of the UPA in New York, and it was agreed that the UPA should assume, in this instance, full financial responsibility, inasmuch as it would anyhow have to carry by far the major part of the transportation expense. As you probably know, we have had increasing difficulty to persuade the JDC to assume even a share of the financial responsibility for transporting refugees to Palestine.

In launching an independent campaign in 1941, and for a large quota, it was important for the UPA to emphasize, among other things, new and major activities which it was undertaking. The transportation of the Vilna refugee group offered itself as a very dramatic opportunity to emphasize this fact to American Jewry. The response of the country to the announcement was most gratifying and most helpful to the UPA. In this connection, you might be interested to learn that the original cost for the transportation has been greatly reduced. The refugees will now be able to travel by way of Turkey instead of going across Asia, and then by way of the Indian Ocean to Palestine. The total cost will be no more than forty to fifty thousand dollars.

I am sorry that you have found it impossible to attend the meetings of the Administrative Committee of the UPA which have been held quite regularly during the last few months, at which all questions of policy are fully discussed, and in which you could have participated.

With all good wishes, I remain

Very sincerely yours,

MINUTES OF A MEETING OF THE ADMINISTRATIVE COMMITTEE
OF THE UNITED PALESTINE APPEAL

Monday, January 20, 1941

At 4:00 P.M. at the United Palestine Appeal office
41 East 42nd Street, New York City

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Present: Stephen S. Wise presiding; Sol Cohen, Harry P. Fierst, Mendel N. Fisher, David Freiburger, Daniel Frisch, Leib Glantz, Israel Goldstein, Harris J. Levine, Israel H. Levinthal, Louis E. Levinthal, Abraham L. Liebovitz, Joseph H. Lookstein, Irving Miller, Mrs. Nathan D. Perlman, Morris Rothenberg, William Salzman, Joseph Schlossberg, Baruch Schnur, Abba Hillel Silver, Ferdinand Sonneborn, David Wertheim.

Samuel Blitz, Josef Cohn, Samuel Goldstein, Henry Montor, Emanuel Neumann, Martin Rosenbluth, Maxwell Silver, Morris Weinberg

Regrets for inattendance were received from Louis Altschul, George Backer, Robert M. Bernstein, Kurt Blumenfeld, Samuel Bonchek, Isadore Breslau, Barnett R. Brickner, Charles Brown, Jacob H. Cohen, Daniel Ellison, Albert K. Epstein, Leon Gellman, Leonard Ginsberg, David Glosser, Solomon Goldman, Nahum Goldmann, Joseph Goldstein, Sylvan Gotshal, James G. Heller, Edward L. Israel, Jacob J. Kaplan, Maurice J. Karpf, Edmund I. Kaufmann, Max Kirshblum, I.M. Kowalsky, Joseph Kraemer, Abraham Krasne, Abraham Krumbein, John L. Leibowitz, Maurice Levin, Ludwig Lewisohn, Louis Lipsky, Arthur Lourie, G.A. Lowenstein, Samuel Markewich, Abraham Mazer, Louis J. Moss, Maurice J. Perlzweig, David Pinsky, Charles Ress, Louis Rinsky, Louis P. Rocker, Charles J. Rosenbloom, Mrs. Sol Rosenbloom, Mrs. Samuel J. Rosensohn, Israel Sachs, Michael Schaap, Albert Schiff, Max J. Schneider, Louis Segal, Simon Shetzer, Archibald Silverman, Robert Silverman, Jacob Sincoff, Nathan M. Stein, Elihu D. Stone, Mrs. Joseph Stroock, Sigmund Thau, Abraham Wechsler, H.M. Weinberg and Joe Weingarten.

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In opening the meeting the Chairman paid tribute to Dr. Silver's address delivered at a meeting of the New York United Palestine Appeal that same day. He felt that it was a magnificent statement of the case of the United Palestine Appeal.

CAMPAIGN DEVELOPMENTS

National

In reporting on developments in the national United Palestine Appeal 1941 campaign Mr. Montor stressed that the most important task at present was to convince the friends of Palestine of the validity of the United Palestine Appeal's position. U.P.A. Councils are being formed in many communities

and representatives of the Zionist Districts, of Hadassah, of the Poale Zion and of Mizrachi have been brought together. He felt that, as a result of the work that has been done and that will be done in even greater measure, the United Palestine Appeal, if not interfered with by the Council of Jewish Federations and other bodies, would raise more money in 1941 than it did in 1940.

In order to place before the Committee some of the problems facing the United Palestine Appeal Mr. Montor described the Chicago situation: the request of the United Palestine Appeal for a decision as regards its ratio now, and the insistence by the Chicago Board that no decision can be reached until the completion of the campaign. He pointed out that a meeting being held in Chicago on this same day would decide the relationship of the United Palestine Appeal to the Chicago Jewish Welfare Fund.

Mr. Montor also reviewed the situation in Hartford, Conn., where Mr. Abraham Goldstein is insisting upon a 50-50 ratio; or 40% for the UPA and 60% for the JDC and NRS.

DR. MAXWELL SILVER

The Chairman proposed that Dr. Maxwell Silver of New York be made a member of the Administrative Committee of the United Palestine Appeal

MOVED, SECONDED AND UNANIMOUSLY CARRIED

CAMPAIGN DEVELOPMENTS

New York

Mr. Blitz felt that the position in New York was perhaps better than had been anticipated; that no one was thinking of asking for less than a 50-50 ratio as between the Joint Distribution Committee and the United Palestine Appeal. He said that Mr. Edward Warburg had asked him whether it was too late to think of a joint drive in New York, to which Mr. Blitz replied that he would not submit to Dr. Silver any terms lower than 40% for the UPA, 40% for the JDC and 20% for the NRS for Greater New York. Mr. Warburg asked if agreement to this would be acceptable to the United Palestine Appeal with the exception of a list of big givers. Mr. Blitz felt that this was out of the question but requested a list of the big givers which he stated would be submitted to the national office of the United Palestine Appeal. He stated that the New York campaign will accept nothing less than a 50-50 ratio; or if it be 40-40-20, there must be no exceptions of big givers.

In response to a question by Rabbi Levinthal, Dr. Silver explained that the ratio would have to be 40-40-20 or there could be no joint drive in Brooklyn; or 40-60, the 60% to include the National Refugee Service.

Following a full discussion of a direct approach by the United Palestine Appeal to the labor groups, participated in by Mr. Schlossberg, Mr. Montor, Mr. Wertheim, the Chairman, Mr. Blitz, Mr. Glantz, Judge Rothenberg, Dr. Goldstein,

It was moved seconded and carried that a committee be appointed to act in cooperation with Judge Rothenberg

as Chairman and Mr. Schlossberg, Mr. Wertheim and Mr. Glantz to work out a formula for a direct approach to the labor groups by the United Palestine Appeal.

REPORT OF BUDGET COMMITTEE

The minutes of a meeting of the Budget Committee of the United Palestine Appeal, held on Friday, January 17, 1941, were presented by Mr. Liebovitz (Appendix A)

It was moved, seconded and carried that the report prepared by the Budget Committee of the United Palestine Appeal be approved.

REPORT ON WASHINGTON CONFERENCE PROGRAM

Mr. Montor offered to the Committee details of the program of the National Conference for Palestine of the United Palestine Appeal which is to take place on January 25 and 26, 1941 at the Willard Hotel in Washington, D.C.

ATLANTA MEETING OF COUNCIL OF FEDERATIONS

Dr. Silver advised that the Council of Jewish Federations and Welfare Funds, whose General Assembly will be held at Atlanta, Ga., on January 31, February 1 and 2, would propose at this meeting that the communities throughout the country be advised to make only a part-time allocation to the overseas agencies until the Budget Committee of the Council will have had an opportunity to make a thorough study of the needs of these agencies, and then make final recommendations to the communities. Dr. Silver had had a lengthy conversation with Mr. Harry L. Lurie, Executive Director of the Council, and had advised him not to follow this line at the Atlanta meeting, for the following reason: the Council in the last six months had had a committee studying the problem of the national budget. That Committee had been working gathering data, etc., and would probably have a preliminary report to present at the Atlanta Conference. Therefore, the logical thing for the Council to do would be to receive the report and authorize the committee to continue its studies. Then after six months or so, if the committee will be ready to present a final report, the Council should present that report to the Jewish Welfare Funds of America so that they might have time to study it for a few months. Then the question as to whether national budgeting is desirable could be discussed in the Jewish press; and then next year, if the committee will be prepared for it, general discussion could be had and action taken. Mr. Lurie felt this to be a very desirable thought, Dr. Silver said, and should be presented to the Atlanta meeting. Dr. Silver felt that action could be forestalled if organizations like the B'nai B'rith and national defense organization, like the American Jewish Congress, etc. would in the meantime register their opposition to immediate action on the proposal.

Mr. Montor pointed out that at a meeting of the Executive Committee of the United Palestine Appeal the previous week it had been urged that the national leadership of the United Palestine Appeal attend the Atlanta Conference of the Council of Federations.

Judge Rothenberg felt that both the Chairman and Dr. Silver should attend the Atlanta meeting.

Mr. Fisher proposed that a memorandum presenting Dr. Silver's point of view be circulated to all those who will attend the meeting.

MEETING ADJOURNED AT 5:30 P.M.

(APPENDIX A)
M I N U T E
OF A MEETING OF THE BUDGET COMMITTEE
of the
UNITED PALESTINE APPEAL
Friday, January 17, 1941, 12:30 A.M.
UPA office - 41 E. 42nd Street

PRESENT: Jacob Sincoff
A.L. Leibovitz
Dr. Ferdinand Sonneborn
Louis Lipsky
Joseph Kalafa
Henry Montor

The Budget Committee met on the appointment of Dr. Silver, acting on the resolution of the Administrative Committee of the United Palestine Appeal, to designate a budget committee of five (5) members to review the expenditures of the UPA campaign for 1941. The members of the Budget Committee as appointed are:

Charles J. Rosenbloom
Abraham L. Liebovitz
Dr. Ferdinand Sonneborn
Louis Lipsky
Jacob Sincoff

There was presented to the meeting a "first tentative preliminary budget" for the year 1941 as prepared by Bernard J. Reis & Company, the auditors and statisticians of the United Palestine Appeal.

The total amount of the budget for the year on a tentative basis was \$335,100.20. A series of tables was submitted to show comparisons between the proposed budget of the UPA and the actual budget of the United Jewish Appeal of 1940 and the actual budget of the United Palestine Appeal of 1940.

After a consideration of the various items of the budget, it was duly moved, seconded and unanimously carried that: The Budget Committee approve in principle a budget for the UPA of 1941 of \$335,100.20, with certain minor changes to be inserted, on the understanding that this budget will be carried through at a monthly rate through April, 1941 and that at the end of this four-month period Bernard J. Reis and Company will submit to the Budget Committee a revised budget which will take into account expenditure experience and the prospective income of the UPA.

The Budget Committee will meet at the end of that period to consider the budget once again.

ZIONIST ORGANIZATION OF AMERICA



CLEVELAND DISTRICT

2621 EAST 9TH STREET
CLEVELAND, OHIO

PRospect 6568

DR. SAMUEL H. MARON
President

January 21, 1941

RABBI BARNETT R. BRICKNER
RABBI ARMOND E. COHEN
SUGGS GARBER
EZRA Z. SHAPIRO
J. SPIELMAN
Vice-Presidents

BERNARD L. GOLDMAN
Secretary

MARVIN KANE
Treasurer

Mr. Joseph M. Berne
Jewish Welfare Federation
Chester-12th Building
Cleveland, Ohio

Dear Sir:

Enclosed is a copy of a resolution adopted by the Administrative Committee of the United Palestine Appeal anent the forthcoming annual meeting of the Council of Federations in Atlanta February 2 and 3, 1941.

The Cleveland Zionist District endorses and seconds this resolution, and in transmitting a copy of it to you, trusts that the Cleveland Welfare Fund will, at the forthcoming meeting, oppose the suggestion of Mr. Sidney Hollander that the budgets be determined in Atlanta. By such action, the Cleveland Welfare Fund can promote greatly the unity necessary for a successful drive for funds so greatly needed at present, and will not in any way jeopardize the whole-hearted and unqualified support which the Zionists have given to the efforts of the Jewish Welfare Funds, not only in this city, but throughout the country.

Very sincerely yours,

Samuel H. Maron

Samuel H. Maron
President, Cleveland
Zionist District

"Having consistently given its unreserved support to the policy of established local Welfare Funds in which, through a single campaign, all communal obligations to the overseas responsibilities of American Jews are pooled and distributed; and

"Having cooperated with the Council of Jewish Federations and Welfare Funds in the past, and desiring to do so also in the future, in the belief that the Council as a federation of representatives of the Welfare Funds was intended to be an impartial, fact-finding body interested in servicing its member agencies with dependable reports; and

"The Council having on various occasions indicated that it could not undertake to assume the function of determining allotments either as between the national fund-raising agencies or in the local Jewish communities;

"The Administrative Committee of the United Palestine Appeal is in duty bound to express its profound disapproval of the action taken by the President of the Council who has seen fit at this time to give notice to all member agencies of an intention on his part to propose at the Atlanta Conference of the Council that it set up its own budgeting body to recommend allocations to its member agencies in making their 1941 commitments; and further, urging all Welfare Funds to await the recommendations of such a body before completing their local 1941 budgeting.

"The United Palestine Appeal is constrained to lodge its protest against this premature action on the part of the President of the Council, on the ground that it seeks, in advance, to arrogate to the Council the function of decision in matters of budgeting, and that if its President's advice were followed, it would at once paralyze the 1941 campaign of the United Palestine Appeal - as well as of other bodies - until the so-called budgeting body would render its report, which could not be presented before late in 1941.

"The United Palestine Appeal must emphasize its unqualified opposition to any such program. We question the right of the President of the Council to advise communities to withhold making their budgets until they have heard from the Council, and we give notice that we intend to apprise our friends throughout the country of the destructive consequences that must flow from the proposed transformation of the Council from an impartial to an interested body, and from its unwarranted and unprecedented interference with the normal progress of local 1941 campaigns throughout the country."

Sincerely yours,

Abba Hillel Silver

Stephen S. Wise

Louis Lipsky

[Jan. 1941]

DRAFT OF A STATEMENT ANNOUNCING 1941 UNITED PALESTINE APPEAL DRIVE

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

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

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

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

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

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

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

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

as brothers and open their homes to them. But they need help, help to take care of them, and of the many more who are coming and help to continue to build the historic homeland of Israel.

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

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

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

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

January 22, 1941

Mr. Jacob Blaustein, Chairman
Committee to Study National Budgeting Proposals
American Building
Baltimore, Md.

My dear Mr. Blaustein:

I received a notice from the secretary of the Council of Federations and Welfare Funds apprising me that a meeting of the Committee to Study National Budgeting Proposals will in all probability be held on the day preceding the Atlanta Assembly of the Council. I am not at all sure that I will be able to attend the sessions of the Assembly, but I wanted to share with you and the members of the Committee my views.

You will probably recall that under date of October 18, I wrote a rather lengthy letter to Mr. Lurie giving my slant on the subject of National Budgeting. Whether my views prevail or not, it seems clear to me that the final decision of whether national budgeting should be set up ought not to be made before the Jewish Welfare Fund communities of America have had a chance to discuss the proposals and to clarify their own thought on the subject, as well as to express themselves in some formal way. National Jewish organizations also whose interests are vitally concerned in any such proposal ought to have an opportunity carefully to study the subject and to crystallize their thought in the matter. To rush through, under the impact of a heated controversy involving two or three organizations, a plan of such large implications is in my judgment unwise and may cause harm to the very plan which its friends wish to see adopted. The Jewish press of America also ought to have an opportunity to discuss this subject. National budgeting should not precipitously be promulgated just because the United Jewish Appeal has been dissolved and there is pressure from some directions urging the Council to assume immediately the role of an Allocations Committee, Policy-making, or Advisory Budgeting Committee (at bottom they are all the same) instead of retaining its traditional role of a fact-finding and servicing agency.

American Jews ought to have time to think through this radical departure, to discuss whether it is desirable, and if desirable,

whether the Council is the proper body to undertake it and to create the machinery for it, and what the proper machinery should be.

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

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

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

With all good wishes, I remain

Very cordially yours,

1) cannot submit - Land etc. - (Hollander -
Com. 78 - (internal Committee -

1/24/41

STATEMENT BY DR. SILVER

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Jewish
Leadership
in a Crisis

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WRHS
AN ADDRESS
By HENRY MONSKY
President of B'nai B'rith

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Delivered at The National Conference for Palestine, Washington, D. C., Sunday, January 26, 1941

IT IS MY PRIVILEGE to bring you greetings on behalf of the B'nai B'rith, and as its President, to express once again our profound interest in the exceedingly vital and all important program of Palestine. I am certain that I express the sentiments of the overwhelming majority of the approximately 150,000 men and women who constitute the membership of the B'nai B'rith and its affiliated organizations, when I say that you may be assured of their complete and unqualified support.

In terms of time, it is but a year since the last National Conference for Palestine convened in this, the nation's capital. In terms of history, it seems like a whole generation, so vast have been the chaotic and catastrophic changes in the world scene during the past twelve months. The status of Palestine and the Palestinian program have been materially influenced and affected by those changes. The program, in my judgment, has become vested and weighted with an importance unprecedented in the whole history of the movement. The greatest catastrophe that has ever befallen the people of Israel has engulfed our fellow Jews in the lands of darkness and despair. Millions—veritably millions—have been economically devastated and have been rendered homeless and helpless. This very circumstance gives to the Palestine Conference a place of first importance.

Most Realistic Solution

Many solutions have been suggested. This is but natural since the problem is one of great magnitude. The solutions quite generally have been unrealistic and impractical. They should have our consideration; these projects should be

carefully explored, but who can question the statement that Palestine, in the light of long term planning, presents the most realistic single opportunity for the resettlement of large numbers of the unfortunate and victimized of our people. Of course, that opportunity is impeded and frustrated temporarily because of the present conflict, but, God willing, there shall be a termination of the conflict, if in the interim we shall have discharged adequately our responsibility to Palestine, we will be able to bring about a realization of the dreams and the aspirations of our people down through the centuries.

I regret only that the Jews of America were lacking in the vision and the statesmanship twenty years ago to embrace the Palestinian program. That lack of vision and statesmanship was a mistake that I hope will not be repeated again. It matters not whether you think of Palestine as a national home, as you do here, as a cultural center, as a haven of refuge—the instrumentalities for its upbuilding command the respect and are entitled to the support of every Jew interested in the problems of his people.

Palestine is in the war zone. Its people are in the front-line trenches. They have already known the horrors of the great conflict. They have shared the burdens of the storm of conflict and have suffered casualties. They remain undaunted and unafraid. In fact, they have been demanding the opportunity to give their all in the fight to preserve the values of our present day civilization.

Thrilling Chapter

When we view the development that has taken place in Palestine, notwithstanding many difficul-

ties, political and economic, we must recognize the achievements of the Palestine community as a thrilling chapter in Jewish history. What they lack in material resources, they more than make up for in courage, in stamina and in idealism. Of the latter, unfortunately, we can give them little. Of material resources, we can give them much. The tangible resources that we now make available to the Yishuv in Palestine will enable them to convert the intangibles that they so happily possess, into the development and the up-building of Palestine upon an unprecedented scale.

We regard the United Palestine Appeal in the light of a defense commission for Palestine, producing, as it were, the weapons with which the Yishuv in Palestine may be able to withstand the effects of the present calamity, and the question that is presented to you is: Are you going to furnish these weapons, and furnish them generously and adequately?

A year ago I said that the American Jewish community accepted with deep satisfaction the United Jewish Appeal, in which the great humanitarian work of the Joint Distribution Committee and that of the United Palestine Appeal and of the National Refugee Service were supported by a common budget. I further said that these great humanitarian efforts were not unrelated causes, that they all served in the light of present conditions the same common problem. Unhappily, the United Jewish Appeal has been dissolved. The dissolution is not the result of con-

flict, controversy or dispute over funds, general opinion to the contrary notwithstanding. The dissolution, I regret to have to say, finds its roots in basic and fundamental differences in attitudes and approaches to the whole Jewish problem. It is not my purpose on this occasion to attack one and defend the other of these attitudes. I do crave, however, the privilege to present briefly a statement of principles concerning Jewish leadership.

Jewish Leadership

Let us consider the various kinds of leadership in Jewish life. There are those who, albeit they are sincerely imbued with the desire to serve, are primarily motivated by the instinct of self-protection or pure philanthropy, alien to or unsympathetic with the spirit, hopes and aspirations of the Jewish people, and indifferent to the positive values in Jewish life. There are those, on the other hand, equally zealous and sincere in their desire to serve, and along with such desire are sympathetic with and readily responsive to Jewish aspirations and values. Some have attained leadership through years of service and sacrifice, the reward for which is the privilege and responsibility of leadership. Others have assumed leadership as a necessary expedient to protect their security.

Some think in terms of large funds and stupendous activity, wholly unrelated to Jewish values—others in terms of ideals, morale, Jewish consciousness, positive values, the preservation of the vital spirit of Judaism, great contemporary Jewish movements, the lessons of Jewish history, a courageous self-respecting Jewish community. These are impelled above all else by the will to live as Jews. One type of leadership is driven

into activity on behalf of themselves primarily. They are moved by fear and hysteria. They have the erroneous idea that in the power of wealth, influence and position, without more, lies all wisdom. The other type has been enlisted through a profound respect for the destiny of Israel as an everlasting people.

The critical times which now confront us require competent and balanced leadership, men of genius, wisdom and experience, men of courage, men of inspiration, men who, recognizing the dangers that beset us, have the ability to view them in their proper perspective, men who will recognize and do something about the affirmative challenges that are so important for the continued growth of a normal people. Our leaders must have moral stamina. Life to them must be purposeful. We must refuse to be defeatists. We must recognize that spiritual and qualitative values are not alien to the cosmic order, and that they have relevance and significance. Our leaders must be rooted in the enduring prophetic tradition which interprets life as an unending service. We must think of Judaism and the Jewish cause as something more than just philanthropy and social service.

A leadership that is cynical as to eternal values, or so blasted in spirit that they impart their lack of moral stamina to those whom they influence, is not conducive to that strength and vitality in the Jewish community so essential to overcome our present difficulties. We need a leadership that is sufficiently resilient and tolerant to understand what the late Dr. Schechter called "the catholicity of Israel." We need a leadership close to the reservoirs of their people's heritage, steeped in

Jewish tradition, and capable of drawing inspiration from an immersion in Jewish historical values. If these principles had prevailed in American Jewish community life, and if our leadership possessed these qualities, there would have been no dissolution of the United Jewish Appeal.

The Jew Eternal

Those who persecute us, however numerous and however powerful, may cause the Jew discomfort, may visit upon him suffering and sorrow, may produce great temporary distress, but they cannot destroy him so long as he shall be conscious of his heritage and so long as he shall be inspired by and have reverence for Jewish ideals. These forces have preserved in Israel the will to live, not only in the physical sense, but to live as Jews with all which that implies. A fuller appreciation of our past gives an inner peace and psychological security that cannot be shaken by the most devastating onslaught.

We could not be destroyed; they would not destroy us even if we resigned ourselves to our fate, because if they did they would lose the grist for their mill of hate and persecution.

My thoughts go back to the lovely Biblical story of Moses, who was chosen by God to be his representative before the hard-hearted and obdurate Pharaoh. Moses was not sure that he deserved leadership.

"And Moses answered and said, 'But behold, they will not believe me nor harken unto my voice for they will say the Lord hath not appeared unto me,' and the Lord said unto him, 'What is that in thine hand?' and he said, 'A rod.' And He said, 'Cast it on the ground,'

and he cast it on the ground and it became a serpent and Moses fled from before it and the Lord said unto Moses, 'Put forth thy hand and take it by the tail,' and he put forth his hand and caught it and it became a rod in his hand."

The rabbinic comment adds another delightful touch. It notes that the rod of Moses bore fruits and blossoms. This legerdemain was required to convince ordinary mortals that leadership truly belonged to Moses. There is a beautiful and significant parable involved. Authority unwisely placed is not a rod but a snake, not a symbol of leadership but a symbol of evil, but authority deservedly possessed is a blessed rod, a rod which produces the fragrance of blossoms and the richness of fruits. The exercise of such authority blesses all who are fortunate to be guided by it.

Support—Not Lip Service

You have a challenge, you who by your attendance at this Conference have given evidence of your profound interest in and your great zeal on behalf of Palestine and its eternal program. Lip service will accomplish nothing. Your idealism, your devotion, your consecration to what you so deeply feel are the essential indispensable values that must prevail in Jewish life, must be translated into an aggressive, militant and "all out" effort to bring the message home to your respective communities and to obtain the largest possible amount of material and financial support for the cause that is so dear to the hearts of all of us.

COPY

JACOB BLAUSTEIN

American Building
Baltimore, Md.

January 27, 1941

Rabbi Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Rabbi Silver:

I wish to acknowledge receipt of your January 22, 1941 letter.

I hope that you will find it possible to attend the Atlanta meeting of the Committee on the Study of National Budgeting Proposals as it is important that all points of view be fully discussed. If you are not present, I shall read your letter to the Committee.

I want to assure you that I do not lend myself to precipitous action. Frankly, though, I would not consider it precipitous for a committee organized as far back as this committee was — a committee which has diligently pursued its task since then and has had available to it at least some of the experiences of the Allotment Committee of the 1940 United Jewish Appeal — to make a report and recommendations to the General Assembly in Atlanta. That would have been expected of the committee even if there were to be a 1941 UJA — and should not be side-tracked simply because it seems there is not to be a 1941 UJA.

This committee was organized, and made important decisions, long before it appeared there would be no 1941 UJA — and incidentally is concerned not only with the three beneficiary organizations of the 1940 UJA, but ultimately with all organizations appealing to the Welfare Fund Communities for funds and promptly with more than just those three.

If there is not to be a 1941 UJA — and I am still optimistic enough to hope there will be — and if the recommendations of the Committee on the Study of National Budgeting Proposals can, among other things, be helpful at a critical time in preserving unity within the communities, in minimizing confusion within them, in aiding them purely in an advisory capacity in arriving at sound and objective decisions, and in the raising of greater funds within the communities for the support of all the organizations, I, as one interested in Jewish Causes generally, would consider it most fortunate. It should be added that in its findings and recommendations, the Committee means to be thoroughly objective and non-partisan — and I believe that to be possible.

I understand that any recommendation of the Committee to Study National Budgeting Proposals will not be adopted unless, and until, those recommendations have been fully discussed and approved by the Board of the Council and the General Assembly, in which, it is hoped, all interested parties will participate.

Sincerely,

(Signed) J. Blaustein

UNITED PALESTINE APPEAL

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

CC: DR. ABBA HILLEL SILVER

January 28, 1941

Hon. Herbert H. Lehman
Executive Mansion
Albany, New York

Dear Governor Lehman:

Thank you for your letter of January 21st in which you advise me of your acceptance of the post of Honorary Chairman of the United Palestine Appeal. It is a source of encouragement to all of us that as we proceed in our unprecedented tasks of 1941, we shall have your continued cooperation and support.

I note your regret that there could not be a continuation of the united campaign. However, you are familiar with the factors which brought about this situation. It is most enheartening that the attitude of some men toward what has been achieved in Palestine is not in any way shared by yourself.

So vital is our program in 1941 in relation to the war tasks of the Yishuv that I think it would be most helpful if a conference could be arranged between yourself and Dr. Bernard Joseph, Legal Adviser of the Jewish Agency for Palestine, who has just arrived in this country. Dr. Joseph, who is one of the distinguished barristers of Palestine and one of its outstanding personalities, has a unique knowledge of every phase of the political, economic and social problems of Palestine development.

I am sure that Dr. Joseph would be very happy to come to Albany to see you sometime within the next two weeks, at your convenience. He is one of the most constructive figures in Palestine and he is a personality whom I know you will wish to meet.

Very cordially yours,

Abba Hillel Silver
National Chairman

AHS:BG

I met Mr. McLeash and he promised his cooperation in the matter of the periodical which we intend to publish under the auspices of the Pro-Palestine group. He also promised that he would consider favorably the request of Hadassah that he address their convention in the fall.

Dr. Lowdermilk is sending me some interesting material on Palestine which has not yet been used, and which he permits me to use in connection with the planned publication and our propaganda work generally. He dined with me, and we spent a whole evening together. He is leaving at the end of the week for a two months' trip out west but he promised to keep in touch with me through correspondence. The more I see of him, the more I love the man. He is overflowing with humanity.

I have also contacted a number of young men - Jews - in various government positions, who have agreed to collaborate in the research work which I plan to organize. I also met Mr. Nover of the Washington Post, and he promised cooperation along certain lines. On Monday next I am lunching with Mr. Stark of the New York Times.

I came back to New York to preside at a conference of the editors of fifteen official Zionist periodicals, which was addressed by Dr. Bernard Joseph. It was useful, and all agreed to make a regular institution of it, meeting fortnightly to receive an exchange of information and views, and to try to arrive at a common approach to the current questions, particularly of a political nature.

It has been a crowded week, not without some fruit. I feel stimulated and happy in the work, but am always terrified lest internal discussions and bickering in the Zionist ranks intervene at one point or another. That one should have to worry about that, in these critical days, is depressing.

Thanks once more for your advice and stimulating suggestions so generously given.

As ever

Faithfully yours,

Emanuel Neumann

P.S. I hope to speak to Mr. Flexner about Dr. Bowman, today.

EN.SB

January 31, 1941

Mr. Justice Louis D. Brandeis
2205 California Street
Washington, D. C.

Dear Mr. Justice Brandeis:

I have just returned from Washington and hasten to write to you. I am glad to report that the reorganization of the American Palestine Committee is proceeding. At Breslau's suggestion I made an arrangement with former Senator King to help in this work, but he was rather hesitant about approaching senators now - particularly isolationists. I therefore undertook to get the first signatures to the enclosed document myself, particularly among Republicans and isolationists. With the powerful support of Dr. Wise, as well as of Dr. Silver, I got senators McNary and Capper as well as Burton, all Republicans - and of course, Senator Wagner and Mr. McCormack, etc. By next week I hope we shall have quite a number more.

The Vice President will receive me on Monday morning. He remembers me from the dinner I arranged for him in New York, and the conversation I had with him on that day about which, as you will recall, I reported to you at the time. I am pushing this matter because I feel it would be desirable to have the formation of this Committee announced as impressively as possible, before the Jewish deputation calls on the British Ambassador, and for that reason I would like to have at least a luncheon of the Pro-Palestine group to be held soon. It would strengthen the position immensely if the President, as well as the Vice President, could be persuaded to write letters not only endorsing Zionism again, but could be persuaded to write letters not only endorsing Zionism again, but approving specifically of the activity of the projected committee. There is good precedent, you will remember, in the letter which President Hoover addressed to me in 1932, the text of which I am enclosing. Do you think something might be done about that?

I hope to call you on Monday, after I have seen Mr. Wallace, to discuss this and other matters.

In connection with the report which appeared to the effect that Lord Halifax was going to deliver a public address and discuss peace aims, I had a telephone conversation with Mr. Malcolm at the British Embassy, whom I had met previously. He said it was extremely unlikely that Lord Halifax would do so, at any rate not in the near future. I explained that we were going to ask the Ambassador to receive a deputation, but would like that to happen before any such pronouncement by Lord Halifax is made. He gave me assurances on that score, and it was agreed that we would write a letter, to be sent officially, requesting an interview, and in the meantime he would bring the matter unofficially to the attention of the Ambassador.

MINUTES

MEETING OF THE COMMITTEE ON THE STUDY OF NATIONAL BUDGETING PROPOSALS

COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS

ATLANTA, GA. - JANUARY 30, 1941

Present: Jacob Blaustein, Baltimore, presiding

Harry Greenstein, Baltimore
William Haber, New York
Sidney Hollander, Baltimore
Joseph C. Hyman, New York
George L. Levison, San Francisco
Solomon Lowenstein, New York

Henry Montor, New York
William Rosenwald, Greenwich
Edward M.M. Farburg, New York
James L. White, Salt Lake City
Ira M. Younker, New York

Staff: H.L. Lurie
G.W. Rabinoff

The Committee convened at 5:30 P.M.

MR. BLAUSTEIN read letters from Samuel Goldhamer and Dr. Abba Hillel Silver - both of Cleveland - absent members of the Committee, and his own reply to Dr. Silver.

MR. BLAUSTEIN read the draft of a report prepared by the chairman and the acting co-chairman of the Committee and the staff. The Committee then took up each section of the draft report and by appropriate motions either approved these sections or made revisions.

The final report was then approved by all those present, with the exception of MR. MONTOR, who dissented from the report as a whole in its final form, although he had voted with the majority on a number of the motions approving individual sections of the report or making specific revisions.

MR. MONTOR stated he would submit a minority report.

The meeting adjourned at 2:00 A.M.

Please substitute attached Page C for the incomplete Page C in the copy of the "Report of the Inquiry of the United Jewish Appeal" sent to you.

be found to carry on the work, so that accurate and current information can be made available to those allotting funds in the future.

In the development of the work of the Inquiry it became obvious that it was indispensable that information obtained from the various organizations should be comparable in form and method in order to allow for comparisons and the establishment of scientific relations. It was suggested that questionnaire forms be developed by the Inquiry, to be filled in by the Agencies, thus doing away with the difficulty of attempting to compare books kept in accordance with different methods, and without requiring the agencies to change their own accounting systems.

At the meeting on December 7th the Allotment Committee voted to make available to the Council of Jewish Federations and Welfare Funds the reports and material prepared by the Inquiry in order to enable it to make use of such reports in its own studies of material submitted by the agencies concerned. At its final meeting held at the Biltmore Hotel in Atlanta, Georgia, on January 31, 1941 the Committee voted unanimously that this report, together with the report of the Inquiry to this Committee and such comment, of reasonable length, on that report by J.D.C., N.R.S. and U.P.A. as those organizations submit not later than February 20, 1941 for that purpose, shall be printed and furnished to J.D.C., N.R.S., U.P.A. and the Council of Jewish Federations and Welfare Funds. It was further voted that extra copies be made available at fifty (50¢) cents each to those organizations for distribution to welfare funds and others having a proper interest in the report, with the proviso that each organization keep a record of all copies distributed and furnish a copy of that record to the secretary of this Committee. It was further voted that if any of the organizations wish to prepare and distribute abstracts or portions of the report, such abstracts or portions be first approved by the editorial committee consisting of Mr. Louis Lipsky, Dr. Solomon Lowenstein, Mr. Harris Perlsteir and Mr. Elisha Friedman.

The Committee feels it its duty to emphasize the fact that the combined resources of all the agencies included within the U.J.A. are pitifully small, and that the needs of world-wide Jewry are enormous and most urgent. The task that confronts the Jewry of the United States is unparalleled in its history. The greatest task of all is the task of raising adequate sums of money in order to meet the tremendous responsibilities that arise out of this situation.

The Committee wishes to express its appreciation of the services of the members of the Staff of the Inquiry and especially those of Mr. Friedman, the Director. The Inquiry faced a pioneering job in many respects and through hard and faithful labor assembled facts and established procedures which the Committee feels will be of great assistance in the carrying on of future studies.

Respectfully submitted,

Abba Hillel Silver
Louis Lipsky

Fred M. Butzel
Henry Wineman

Solomon Lowenstein
Edward M. M. Warburg

Harris Perlstein,
Chairman

January 31, 1941

LIST OF OFFICERS AS PROVIDED BY THE UPA AND JDC FOR THE 1941 UJA

UNITED PALESTINE APPEAL

National Chairman

Abba Hillel Silver

Honorary Chairmen

Albert Einstein
Julian W. Mack
Henry Monsky
Nathan Straus
Henrietta Szold
Stephen S. Wise

Co-Chairmen

Solomon Goldman
Israel Goldstein
Louis Lipsky
Morris Rothenberg
Edmund I. Kaufmann

Co-Treasurer

Charles J. Rosenbloom

Executive Vice-Chairman

Henry Montor

Executive Committee

David Diamond
Sylvan Gotshal
Benjamin R. Harris
Louis E. Levinthal
Abraham L. Liebovitz
Charles Ress
Simon Shetzer
Elihu D. Stone
David Wertheim

JOINT DISTRIBUTION COMMITTEE

National Chairman

Jonah B. Wise

Honorary Chairmen

Louis Bamberger
Max Epstein
Louis Finkelstein
Henry Ittleson
Louis E. Kirstein
Albert D. Lasker
Herbert H. Lehman
William J. Shroder
Max C. Sloss
Mrs. Felix M. Warburg

Co-Chairmen

Paul Baerwald
Mrs. David M. Levy
James N. Rosenberg
William Rosenwald
David H. Sulzberger
Edward M. M. Warburg

Co-Treasurer

I. Edwin Goldwasser

Executive Vice-Chairman

Isidor Coons

Executive Committee

James H. Becker
David M. Bressler
Joseph C. Hyman
Sidney Lansburgh
Albert H. Lieberman
Richard P. Limburg
Harold F. Linder
Solomon Lowenstein
Mrs. Roger W. Straus

[Jan. 1941]

£

A G R E E M E N T

between

JOINT DISTRIBUTION COMMITTEE AND UNITED PALESTINE APPEAL

Constituting the 1941

UNITED JEWISH APPEAL (INC.) FOR REFUGEES, OVERSEAS NEEDS, AND PALESTINE

1. The United Jewish Appeal, Inc. for Refugees, Overseas Needs and Palestine, is a continuation of the 1939 and 1940 campaign structure through the United Jewish Appeal, Inc. by means of which the American Jewish Joint Distribution Committee, Inc. (J.D.C.) and the United Palestine Appeal, Inc. (U.P.A.) will, during the calendar year 1941, conduct, in the United States a joint campaign for funds for their combined needs and those of the National Refugee Service, Inc. (N.R.S.) upon the following terms.
2. The quota of the 1941 United Jewish Appeal shall be fixed by the National Chairmen of the United Jewish Appeal.
3. All net funds received by the United Jewish Appeal and any of the organizations above mentioned, as a result of its 1941 campaign, are to be distributed as follows, after expenses of the National United Jewish Appeal have been deducted:
 - A. The first such funds up to \$8,800,000 are to be divided in the following proportions:

(a) The J.D.C. is to receive - - -	\$4,275,000	
(b) The U.P.A. is to receive - - -	2,525,000	
(c) The N.R.S. is to receive - - -	<u>2,000,000</u>	<u>\$8,800,000</u>
 - B. All net sums collected, received or raised through the United Jewish Appeal, and by or through any of the aforementioned organizations, over and above the funds disposed of by the preceding subdivision of

this paragraph shall be divided among the U.P.A., the J.D.C. and the U.R.S. at the sole and exclusive discretion of an Allotment Committee. It is distinctly understood and agreed that the allocation of funds provided for in subdivision "A" of this paragraph, shall not in any manner be regarded as a precedent or guide by the Allotment Committee in dividing any funds subject to its disposal; it being the intent and purpose hereof that the Allotment Committee shall make such division upon the basis of its own independent study.

- C. Expenditures incurred by the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service in connection with the launching of their campaigns for 1941, prior to the reconstitution of the United Jewish Appeal, shall be dealt with as provided for in a memorandum approved by the representatives of the J.D.C. and the U.P.A. respectively, and subscribed by said representatives. The memorandum in question setting forth a schedule of charges upon the campaigns of the United Jewish Appeal, National and Greater New York, and setting forth other charges to be assumed respectively by the agencies nationally or in Greater New York, in their own individual capacities is annexed to this Agreement and made a part thereof.
4. A. The aforesaid Allotment Committee shall be composed of an equal number of nominees of the J.D.C. and of the U.P.A. The Allotment Committee will also include three representatives of Welfare Fund communities, to be approved by the J.D.C. and the U.P.A. before said representatives shall become members of the Allotment Committee. In the event of a vacancy in the Allotment Committee for any reason whatsoever, the said vacancy shall be filled by a person

designated in exactly the same manner as was the person whose place had become vacant. The J.D.C. and the U.P.A. may respectively name alternates for their nominees to the Allotment Committee. The Allotment Committee shall act by a majority vote of the total number. As and when the Allotment Committee shall make grants, as herein authorized, out of receipts over and above the amounts set forth in paragraph 3-A hereof, the Treasurers of the United Jewish Appeal are empowered to make payments of such grants forthwith out of available funds.

- B. At the discretion of the Allotment Committee, a representative of the National Refugee Service shall be invited, without vote and with the privilege of discussion on questions pertaining to National Refugee Service, to attend all meetings of the Allotment Committee save those held in Executive session.
5. Upon organization of the Allotment Committee, there shall be allocated to it from the United Jewish Appeal, Inc. an amount, to be agreed upon between the parties, to be used during 1941 in connection with budget studies, personnel and other overhead expenses, to the end that the said Allotment Committee shall have for consideration at its various meetings all material which may be pertinent to a thorough analysis of all matters before it. The Allotment Committee shall be named not later than June 15th and it shall be requested to endeavor to make its first allotment by August 1st.
6. The traditional collections of the Jewish National Fund are not to be included or to be considered a part of the United Jewish Appeal. However, a report of its net receipts shall be made available to the

Allotment Committee. Any income received by the Jewish National Fund through allotment from Welfare Funds is to be considered income for the United Jewish Appeal.

7. Any funds paid or payable directly to the J.D.C., the U.P.A. or the N.R.S. as the respective beneficiaries of any Will, Estate, Testamentary Bequest or Provision and under any power of Appointment, shall be retained by the recipient thereof and not included in, or considered part of, the United Jewish Appeal.
8. The N.R.S. shall have the right to receive and retain grants and contributions from Foundations whose charters or established policy, prior to the making of such grant, specifically exclude gifts that are not to be used within the United States; and certification of such established policy by the duly authorized officers of such Foundation shall be deemed conclusive. Such grants or contributions shall not be included in, or considered part of, the United Jewish Appeal. However, it is understood that this paragraph shall not be deemed to give the N.R.S. the right to obtain grants or contributions from any Foundation or Agency which contributed funds to the United Jewish Appeal on behalf of the N.R.S. during the years 1939 and 1940. The National Refugee Service shall report to the Allotment Committee all funds received from whatever source with a description of the sources.
9. The United Jewish Appeal shall constitute the unified fund-raising instrument for the J.D.C., the U.P.A., and the N.R.S. and none of the three last-mentioned organizations shall undertake separate campaigns in the United States during the year 1941, with the exceptions noted herein. If a supplementary appeal or campaign is to be initiated in

the United States by any of the said three beneficiaries of the United Jewish Appeal, such a campaign or appeal must have the approval of the United Jewish Appeal and the proceeds must be reported and transmitted to it.

10. Except as otherwise specifically provided herein the U.P.A., the J.D.C. and the N.R.S. agree that all funds and assets of any nature whatsoever pledged to and/or collected or received by any of them directly during the year 1941, which would in the ordinary course be credited to the 1941 United States campaign of the recipient, and/or any and all funds and assets pledged to and/or received and collected by any of them directly as a result of any 1941 United States campaign activities, shall be assigned, transferred and/or paid over to the United Jewish Appeal, Inc. and shall be considered part of the receipts of the joint campaign and subject in their entirety to the provisions hereof.
11. The two technical managing heads of the U.J.A., representing the J.D.C. and the U.P.A. respectively, shall have equal status in the direction of the activities of the U.J.A. It is understood that the two technical managing heads will confer and agree on fundamental policies, conforming with the established policies of their respective organizations, in the management of the U.J.A.
12. No agencies other than the U.P.A., the J.D.C. and the N.R.S. are to be beneficiaries of distributions made by the Allotment Committee; and no such other agencies shall be included in the United Jewish Appeal without the prior consent of the J.D.C. and the U.P.A.
13. The United Jewish Appeal, Inc. undertakes to take immediate steps for such amendments of its By-Laws and Resolutions as may be necessary for

the purposes of this agreement; it being understood that no changes in the manner in which the Membership, the Board of Directors, and the Executive Committee of the United Jewish Appeal, Inc. is selected, shall be made.

14. This agreement between the J.D.C. and the U.P.A., and the joint campaign which is the subject thereof, shall be deemed to have commenced on January 1st, 1941 and shall expire on December 31st, 1941; it being understood, however, that all activities thereafter directed at concluding the 1941 campaign and the collection of all pledges and subscriptions made therein shall come within the purview hereof. Any proposal for an agreement for fund-raising in a 1942 campaign shall be considered not later than October 31st, 1941.
15. All details for implementing and carrying out the foregoing agreement are in the charge of the National Chairmen of the United Jewish Appeal, or their respective nominees. Meetings in regard to such details will be held at regular intervals.

Accepted for THE UNITED JEWISH APPEAL, Inc.

A D D E N D A

1. Referring to paragraph 3-A of the contract entered into between the Joint Distribution Committee and the United Palestine Appeal this day, it is understood that the \$2,000,000 to be paid to the National Refugee Service out of the first \$8,800,000 received, and such additional sums as may be granted to it by the Allotment Committee, shall be deemed to include the participation of the National Refugee Service in the proceeds of the Greater New York Campaign of the United Jewish Appeal.



2. With respect to officers or representatives of the United Jewish Appeal, Inc. authorized to sign for and in behalf of the National Campaign of the United Jewish Appeal any and all checks, drafts or other orders with respect to any funds at any time to the credit of the United Jewish Appeal, it is understood that such checks are to bear the signatures of at least two persons on a list to be submitted to banks or other depositories, and that at all times such checks, drafts or other orders shall bear the signatures of at least one person designated by the Joint Distribution Committee and one person designated by the United Palestine Appeal.

THE U.P.A. CAMPAIGN OF 1941

In 1941 the United Palestine Appeal is calling upon the Jews of America to make a direct contribution to the upbuilding of the Jewish National Home in Palestine. The decision to place the paramount cause of Palestine upbuilding before the American Jewish public in an urgent and broad program of fund-raising was revealed this week by Dr. Abba Hillel Silver, National Chairman of the United Palestine Appeal, in compliance with decisions made by the Administrative Committee of the United Palestine Appeal, first on November 13, 1940 and finally on December 17, 1940.

The 1941 United Palestine Appeal will ask for allocations specifically for its work in the first campaign of its kind since 1937. In 1938 the U.P.A. had an agreement with the Joint Distribution Committee covering Welfare Fund cities. In 1939 and 1940 the U.P.A. and J.D.C. combined to form the United Jewish Appeal for Refugees and Overseas Needs. In 1941 the U.P.A. will conduct an "independent" campaign.

A survey by The New Palestine of the factors behind the momentous decision, which should have the wholehearted cooperation of all Zionists and non-Zionists concerned with the great Jewish community of Palestine, reveals an amicable difference of opinion between the United Palestine Appeal and the Joint Distribution Committee. Insofar as actual fund-raising is concerned, this is the position:

(1) In conducting an "independent" campaign, the United Palestine Appeal does NOT intend to set up separate fund-raising machinery in each community. It will cooperate wholeheartedly-- and, its officers hope, with increased effectiveness-- with the existing campaign systems in each community, whether this be a Welfare Fund or a combined drive, it being understood, of course, that the needs of the United Palestine Appeal will be adequately met as allocations are made to participating agencies.

(2) In 1941 the United Palestine Appeal will submit to each community a request

for an allotment proportionate to the national quota. This does not vary from the practise of previous years; except that in 1939 and 1940 a single application came from the office of the United Jewish Appeal for the needs of the J.D.C., the U.P.A., and the N.R.S., while in 1941 each agency will make its own application. In view of the fact that most communities in the United States raise funds for a variety of causes, the local situation will not be changed, except that the number of applications will be slightly increased.

What Was Behind Decision?

It is frequently said that a great need of American Jewish Community life is unity. The fact that the United Palestine Appeal and Joint Distribution Committee have decided to seek funds separately on their individual causes need not affect the cause of unity if the spirit of understanding, mutual good will and sympathy and a maximum of generosity are characteristic of the 1941 campaigns.

In accordance with the agreement between the United Palestine Appeal and the Joint Distribution Committee constituting the 1940 United Jewish Appeal, representatives of both organizations met on October 20th to discuss their 1941 plans. At that time the United Palestine Appeal took the position that the National Refugee Service ought not to be a member of the United Jewish Appeal. It was felt that the National Refugee Service was exclusively an American organization dealing with a comparatively temporary situation, while the U.P.A. and J.D.C. were overseas organizations with far-reaching and long-range programs that could not be put on the same basis as the N.R.S. It was pointed out also that though all groups in American Jewish life had a great concern with the integration of refugees in the United States- a cause for which the U.P.A. had shown its sympathy by self-sacrificing cuts in its own income in 1938 and 1939 -- a due concern for all causes in Jewish life in the light of the funds available should be evidenced. It was estimated, for example, that in 1940 -- considering the amounts which the N.R.S. received directly from the U.J.A., the large sums which each community spent for

refugees in its own locality and the sums provided by various other agencies --- there was spent for refugees in the United States at least \$6,000,000. In other words, in a country at peace and economically healthy, with the greatest number of refugees able to provide for themselves or being provided for by relatives, there was being spent on a comparatively limited number of refugees in the U.S.A. as much money as was being made available for all the driven, persecuted, homeless Jews who make claims on the J.D.C. and more than was being given for the greatest refugee reconstruction program being fostered by the Jewish people--- in Palestine--- not to speak of the significance of the Jewish National Home in its effect on the whole destiny of the Jewish people.

But the J.D.C. pressed for the inclusion of the N.R.S. in the U.J.A. Desirous of a united campaign, the U.P.A. agreed to yield on this point. On October 31st, the representatives of the United Palestine Appeal presented a proposal for the continuation of the United Jewish Appeal in 1941. They were prepared to admit the National Refugee Service; they agreed that the principle of leaving a certain sum above original grants to an Allotment Committee should be continued; but they also emphasized that contributors throughout the country wanted assurance that funds were being spent in accordance with the principle of flexibility, that is that money was being devoted to each cause in accordance with the conditions prevailing in the Jewish world. On that basis, the United Palestine Appeal proposed that the United Jewish Appeal be continued in 1941; that grants be made to each agency to enable it to operate on a minimum basis until further sums could be made available by an Allotment Committee and that these original grants be as follows: \$3,000,000 to the United Palestine Appeal, \$3,000,000 to the Joint Distribution Committee and \$1,500,000 to the National Refugee Service. The balance of the funds raised in 1941 would then be allocated by an Allotment Committee on determination of later needs.

From that proposal, the U.P.A. representatives went on to suggest a series of alternatives but without avail.

The representatives of the J.D.C., acting also for the N.R.S., stated that they could agree to only two conditions (1) that exactly the same ratios as existed in 1940 be maintained for all agencies; and (2) furthermore, that only half of such ratios should be granted originally to each agency in 1941. In the case of the United Palestine Appeal, this meant that for the first six months of 1941, if not for a longer period, it could count on only \$1,250,000.

The United Palestine Appeal took the position that it could not possibly agree to such terms: first, because Palestine, the largest free Jewish community in the world next to the United States, had greater requirements than ever before, because of certificated and non-certificated immigration, a new relief problem, the whole complex of war and emergency needs and the general upbuilding program for the Jewish National Home involving some 550,000 Jews and the thousands still coming; secondly because it would deal a shattering blow to the morale of the Yishuv if, in the midst of this war period in which it is straining all energies, it were to be told that the 5,000,000 Jews of America, free, well-to-do, at peace, could guarantee only \$1,250,000 for at least six months; thirdly, because the budgets of the Jewish Agency for Palestine and the Jewish National Fund, the constituents of the United Palestine Appeal, were made upon a long-range basis, involving a program of planned constructive tasks as well as emergency needs, and that these activities would absolutely be paralyzed if the Jews of America were to speak in terms of \$1,250,000 for six months.

From that time forward the position remained unchanged, including the meeting convened by the Council of Jewish Federations and Welfare Funds in New York on December 17th when representatives of the J.D.C. and the U.P.A. attended. On December 19th, the J.D.C. finally reiterated that the view it took of the 1941 campaign on October 31st it still adhered to.

In appealing to the Jews of America in 1941, the U.P.A. is entrusting the decision as to how community funds may be most fruitfully spent to the communities themselves instead of as in the past few years, to a handful of people in New York City. In the same way as local campaigns now make decisions as to how much they shall allot to other agencies - in the overseas, civic-protective, health and other educational and philanthropic fields -- they will now have the opportunity of giving to the Yishuv, 550,000 strong, a firm, purposeful answer to the challenge for support and comradeship in the most crucial year of Palestine's modern history.

History of U.P.A. Fund-Raising

Solemn consideration of all the factors involved underlies the decision of the United Palestine Appeal to call upon American Jewry for unprecedented sums in 1941. The budgets of the Jewish Agency for Palestine (and Palestine Foundation Fund) and the Jewish National Fund total \$13,640,000 for the period coinciding with the 1941 campaign. Because of the collapse of Jewish communities in Europe which even in recent years contributed some twenty percent to the income of the national institutions; because of the effect of the war on other Jewish communities; because of the intensified needs - - Palestine believes, and the officers of the United Palestine Appeal assent to that belief, that American Jewry should, if it is generous and statesmanlike, contribute at least eighty percent. of these budgets.

The history of America's contribution to Palestine has not kept pace either with the growing importance of Palestine in the scheme of Jewish Life and in its absorptivity for Jewish immigration or with the rising graph of American generosity. It is noteworthy that from July 1, 1932 to June 30, 1940, Palestine received 280,000 Jews, while in the same period the United States absorbed 130,000.

In 1938 the U.P.A. received \$2,500,000 from the Jews of America when less than \$7,000,000 was raised for overseas purposes. In 1939, out of a total of over \$16,200,000 raised for the same general tasks, the U.P.A. was allotted \$4,000,000. In 1940, when some \$14,500,000 will have been raised, the U.P.A. will have been allotted only \$2,900,000.

In those years - 1938-39-40 - the Jewish community of Palestine has received tens of thousands of additional Jews; scores of new colonies have been built; tens of thousands of acres of new land have been bought, scores of new agricultural, economic, industrial and cultural enterprises have been launched or sustained by the Jewish Agency.

Above all, in those years, the inescapable validity of the program for the rebuilding of the Jewish National Home in Palestine has received tragic emphasis in the despoliation and destruction of new Jewish communities and the liquidation of the foundations on which millions of Jews have lived.

Today, when the future of the world is at stake, the Jews of America have a solemn obligation to share in molding that future. One of the most effective ways in which they can achieve that is to enlarge the resources with which to sustain the morale of the Yishuv which, loyally, heroically, stands by the side of Great Britain to ensure the victory which ultimately will liberate the Jews and all peoples of Europe and restore peace and justice.

It is on these principles of faithful collaboration with and financial support of the national institutions in Palestine that the United Palestine Appeal launches its fund-raising effort of 1941.

It hopes that the Jews of America will respond with greater generosity than in 1940 so that out of these enlarged resources the needs of the United Palestine Appeal and of the Joint Distribution Committee will be met fairly and sympathetically.

Levinthal, January 1941

The Council of Jewish Federations and Welfare Funds, about to hold its Eighth General Assembly in Atlanta, occupies a unique position in the life of the American Jewish community.

Brought into being in 1932 as a cooperative enterprise "through which organized local federations, welfare funds and other forms of Jewish communal organizations in the United States and Canada meet their needs for developing standards, principles and activities in social and communal welfare work", the Council more recently has expanded its program to include active participation in the discussions and negotiations leading to a greater measure of coordination and a more equitable distribution of funds obtained by national agencies. Non-partisan in complexion, the spokesmen for the Council should be in a position to bring to these discussions and negotiations the will and the mind of the men and women - the rank and file - constituting the Jewish communities throughout the land. Its record of achievement is gratifying, more especially when it is recalled that the Council as such is only eight years old and the problems with which it grapples have their roots in personalities and in prejudices not easily shaken.

Subjects to be discussed by the General Assembly include the effects of the war on current programs for relief and reconstruction in Europe and Palestine, as well as a general discussion of the policies that are to guide local Jewish community-wide agencies for the coming year. It is extremely important that the active leadership of local communities throughout the country be adequately represented at the Assembly so that it may constitute in fact a cross-section of American Jewry. In view of the recent decisions to terminate the

United Jewish Appeal, it is to be hoped that the Assembly will stress the imperative need for harmonious activity in the various communities of the land, so that none of the three beneficiary agencies heretofore included in the United Jewish Appeal shall unduly suffer because of its dissolution. The Assembly faces a serious challenge to its ability to unite the Jews of America in its common problems.

THE NEW PALESTINE greets the Council of Jewish Federations and Welfare Funds on the occasion of its Eighth General Assembly, confident it will maintain the high standard of community service it has set for itself and certain that its deliberations will be in keeping with the needs and the aspirations of our people in this country and in the stricken countries of Europe, ever mindful, however, of the significant part Palestine must play in the permanent rehabilitation of a democratic world and of our own people.

REPORT OF THE
COMMITTEE ON THE STUDY OF NATIONAL BUDGETING PROPOSALS

(As approved by the Board of Directors, February 1, 1941)



Council of Jewish Federations and Welfare Funds
165 West 46 Street New York City

February 24, 1941

REPORT OF THE COMMITTEE ON THE STUDY OF NATIONAL BUDGETING PROPOSALS

(As approved by the Board of Directors, February 1, 1941)

ORIGIN OF COMMITTEE

At the May 18, 1940 meeting of the Board of Directors of the Council, a resolution adopted at the Western States Regional Conference in Salt Lake City on April 15, 1940 was submitted requesting the Council to set up a National Budgeting Committee. This specific action calling for a committee of the Council to study national and overseas agencies, to determine on the proper allocation of budgets and services among these agencies, and to give advice with respect thereto to the member agencies was one of a series of similar actions and expressions of opinion of member agencies, individually and through their regional organizations, over a period of years.

The Board on May 18th, after careful discussion of the requests, provided for a special committee to study the problem of national budgeting under the following resolution:

That the President of the Council appoint a committee, including representatives of large and small welfare funds and of unorganized cities, to study and report to the Board of Directors on proposals for national budgeting, collect facts with reference to the agencies involved, and consult with national and overseas agencies concerning the desirability and the methods of procedure that might be involved if a national budgeting process were to be established.

This committee was also authorized to enlist other members for the committee in addition to those mentioned in the resolution and to secure necessary funds for its work outside of the regular budget of the Council.

MEMBERSHIP OF COMMITTEE

Following the May 18th Board meeting, the committee was appointed in June with the following active members:

Jacob Blaustein, Chairman

William Rosenwald, Acting Co-chairman

Mrs. Dora Ehrlich, Detroit

Henry Montor, New York City

A. Richard Frank, Chicago

Stanley C. Myers, Miami

Samuel Goldhamer, Cleveland

Ben M. Selekman, Boston

Samuel A. Goldsmith, Chicago

William J. Shroder, Cincinnati

William Haber, New York City

Edward M.M. Warburg, New York City

Joseph C. Hyman, New York City

James L. White, Salt Lake City

George L. Levison, San Francisco

Rabbi Abba Hillel Silver, Cleveland

Solomon Lowenstein, New York City

Ira M. Younker, New York City

DISTINCTION BETWEEN THE COMMITTEE TO STUDY NATIONAL BUDGETING PROPOSALS AND THE 1940 UNITED JEWISH APPEAL ALLOTMENT COMMITTEE

This Committee to Study National Budgeting Proposals should not be confused with the 1940 United Jewish Appeal Allotment Committee.

The latter was concerned with the three beneficiary organizations in the 1940 UJA (i.e., Joint Distribution Committee, United Palestine Appeal and National Refugee Service) as regards the allotment of funds obtained from the 1940 UJA campaign -- and its decisions were mandatory on the three agencies. The 1940 UJA Allotment Committee was composed of two members each of the JDC and UPA and three members (with an alternate) representing the welfare fund cities appointed by the Council with the approval of the constituent agencies.

The Committee to Study National Budgeting Proposals is not limited in its considerations to the three (JDC, UPA and NRS) organizations but is concerned with the problems in connection with all national and overseas agencies which make appeals for funds regularly to local communities. Although its membership includes individuals affiliated with several of the national and overseas agencies, it was appointed by the Council to study national budgeting proposals. Unlike the authority of the UJA Allotment Committee, the conclusions of a national budgeting committee would be solely advisory in character and would not necessarily determine the actual distribution of funds since such distribution would depend ultimately upon local community actions and decisions.

It might be added that both of these committees were set up long before it appeared that there would be no 1941 UJA.

INITIAL STEPS OF COMMITTEE ON THE STUDY OF NATIONAL BUDGETING PROPOSALS

As a first step in discharging the responsibilities of the Committee on the Study of National Budgeting Proposals, the staff of the Council was asked to prepare an analysis of the problems involved and the possible procedures, advantages and disadvantages of national budgeting services. A thorough and comprehensive memorandum on these aspects was prepared with the active participation of the co-chairmen of the Committee and circulated among the members of the Committee in September 1940 with the request that the Committee members study it carefully and forward their comments in advance of an October meeting of the Committee. This was done, and comments were received from practically all members.

COMMITTEE AND BOARD ACTIONS LAST OCTOBER

The Committee met in New York City on October 25th. All but five members (Rabbi Silver, Mrs. Ehrlich and Messrs. Selekman, Warburg and White) were present. Rabbi Silver, Mrs. Ehrlich and Mr. White had previously written their comments on the memorandum. These had been distributed to the other members of the Committee and were carefully considered at the meeting. After full consideration of the various phases of the problem, preliminary recommendations were prepared and presented to the Board of Directors on the following day. The conclusions reached by the Committee (with partial objection on the part of Mr. Montor) and presented to the Board were as follows:

- 1) Budgeting of national and overseas agencies should be considered as one aspect of the program of local communities. Such a program must take into account the total American responsibility for needs of both a general nature and those of special interest to Jews.
- 2) A national budgeting process in principle is desirable and necessary.
- 3) The functions of the Committee should be to obtain complete data from all agencies, to evaluate the work of each agency and to recommend to the communities comparative allocations to the different agencies.
- 4) The Committee should ultimately consider the programs and expenditures of all national and overseas agencies applying to welfare fund communities for support. But as a first step, the Committee believed it should review the work of the Allotment Committee of the 1940 UJA and on the basis of this experience, to consider means of extending similar studies to agencies operating in similar or related fields. It was assumed that such studies would be undertaken with the cooperation of the agencies studied.
- 5) The Committee should consider the personnel and costs necessary to conduct such studies.

This report was adopted by the Board on October 26th, and the Committee was authorized "to take such further steps as may be necessary to develop plans for the establishment of a system of national budgeting."

APPRAISAL OF THE PROCEDURES AND RESULTS OF THE 1940 UJA ALLOTMENT COMMITTEE AND THE INQUIRY CONDUCTED BY IT

The Chairman of the Committee then asked the staff of the Council to make an appraisal for the Committee's review of the procedures and results of the Allotment Committee of the 1940 UJA and the Inquiry conducted by it. The report of the Inquiry and the auxiliary studies made have not been

officially released but opportunities were had to discuss questions involved with members of the Allotment Committee and the professional staff of the Inquiry. There was also opportunity to read some of the reports prepared by the Inquiry which are in process of being edited and which will be officially released to this Committee when edited.

The conclusions which the Committee has reached in its study of the Allotment Committee procedures are as follows:

- 1) It has been demonstrated that a group serving as a Budgeting Committee, especially those members who do not represent the beneficiary agencies, can arrive at definite and reasonable judgments concerning needs of agency programs in relation to available funds.
- 2) The procedures of the Inquiry indicated that more effective impartial methods of study and evaluation might have been developed in an independently conducted inquiry. It is, however, generally believed that the experience and information of the agencies is required for an adequate interpretation of collected data, and that advisory services of beneficiary agencies should be continued in the study process.
- 3) It should be stated again and recognized that the Allotment Committee of the UJA differed from a national budgetary service that would be set up by welfare funds under the auspices of the Council in at least one important function. Decisions of the Allotment Committee of the UJA were mandatory on the division of funds. Conclusions reached by an independent national budgeting committee would be solely advisory in character since welfare fund distribution would depend ultimately upon local community actions and decisions.

FINAL RECOMMENDATIONS AT THE JANUARY 30, 1941 MEETING OF THE
COMMITTEE ON THE STUDY OF NATIONAL BUDGETING PROPOSALS

These recommendations were unanimously approved (among the members present) at a further meeting of the Committee on January 30, excepting that Mr. Montor objected to most of them. Letters were received from Rabbi Silver and Mr. Goldhamer who could not be present in which they stated their general positions. Rabbi Silver is opposed to what the Committee proposes, Mr. Goldhamer is in favor of it.

The Committee believes that there would be considerable value in an advisory national budgeting service which would translate into factual terms, the programs of agencies that are presented in fund raising appeals.

It is believed that such impartial evaluations and studies, conducted with the cooperation of the participating agencies, would serve the following useful purposes, among others:

- 1) For the local communities: it would give to the many thousands of local contributors who represent every existing community interest and whose broad base of support makes possible the national and overseas programs carried on, the specific answers to the many questions constantly being asked by them with respect to the operations and functions of these agencies; it would assist their local budgeting committees in being fair and impartial in supporting these organizations and in reaching equitable decision with respect to them, it would help bring about improved coordination and less duplication of effort among the beneficiary organizations towards the goal of better economy and greater efficiency, and it would place them in better position to collect maximum sums within their communities for these causes;
- 2) For the national and overseas agencies: Contributors are asking questions and they want the answers -- and they want them objectively from an unbiased and authoritative source. From now on, campaign efforts must appeal to both the head and the heart. The story of needs and wants must be told -- but the analytical record must be there to back it up. It is believed that greater funds will be forthcoming when contributors are convinced from sources other than the particular agencies themselves that necessary jobs are actually being done at the lowest cost of doing them.

It is believed that the following will answer some of the objections sometimes raised against a national budgeting service:

- 1) Contacts between the national and overseas agencies and the local communities need not, and should not, be eliminated. On the contrary it is believed by this Committee that the educational work, and the creation of interest, by the agencies within the local communities should go on.

- 2) Setting up a National Budgeting Service does not in itself mean the removal of separate applications to the local communities by the different agencies. That, to some degree at least, might be desirable, but whether future appeals would be separate or united, and if united to what extent, would always be the result of other decisions. In any event, whether future appeals will be separate or united, they would be helped by a National Budgeting Service.
- 3) A National Budgeting Service does not mean that decision on goals and objectives of agencies would be governed entirely by statistical formulae. The intangibles, such as ideologies would, and should, also play their part. But there should be a balanced consideration of the intangibles with the tangibles. Incidentally, we think it is a mistaken idea of some that only the leaders in a particular organization can judge it fairly and honestly.
- 4) There is nothing in a National Budgeting Service that would prevent local communities from assuring contributors that funds are being distributed in accordance with the wishes of those contributors. For it must be borne in mind that the findings of the National Budgeting Service would not be mandatory upon either the agencies or the local communities. Its work would be purely advisory in character and the local communities would avail themselves of the findings of the National Budgeting Service only to the extent they deemed it desirable.

With the dissolution of the UJA and the immediate requests from many of the Council's member agencies for assistance in dealing with the problem of 1941 budgeting, the President of the Council requested the Committee to study the situation and to make recommendations to the Board of Directors at its meeting in Atlanta on January 31st, for later submission to the General Assembly there. The Committee has considered the new conditions created by the discontinuance of the UJA and the problems that will face local budget committees in dividing funds among the three agencies instead of allotting one lump sum to a joint appeal. The Committee has applied to this problem the principles and conclusions which it had reached in its study of the whole problem of national budgeting and presents the following over-all recommendations:

- 1) In methods of joint fund raising and distribution of funds, the UJA with its Allotment Committee made a real contribution in the development of agency cooperation, in efficiency of fund raising appeals, and in establishing excellent relationships between the agencies of the UJA and the local welfare funds. The Committee believes that the dissolution of the UJA was unfortunate and undesirable. It is late, but not too late, to have a 1941 United Jewish Appeal, provided there is a will and desire on the part of all parties to do so. That seems to be the overwhelming desire of the welfare funds and their contributors over the country all of whom are genuinely concerned with, and interested in, the programs of these agencies and perform important functions for them. This desire they have strongly indicated. The Committee urges that another immediate effort be made toward that end with such help as the Council can render, - and it is suggested that if the former conferees of the agencies cannot agree on a 1941 UJA, other methods of negotiations be attempted, such as the inclusion in the negotiations of the present neutral members of the Allotment Committee, or in any other way that the agencies believe would be helpful, including if they deem it desirable, the appointment of other agency conferees.

Furthermore, the Committee believes that all possible steps should be taken to establish methods of joint appeals and inter-agency cooperation in arriving at equitable fund allocations for all agencies operating in the same or related fields of service.

- 2) Even if there will not be a 1941 UJA, the Committee believes local communities should not permit the Causes to suffer, but on the contrary that the local communities should do their utmost in supporting them.

Further, the Committee believes that joint fund raising by local communities is inherently correct and should be continued.

- 3) The Committee believes that a competent and intensive process of fact finding both on programs of service and on financial experience should be continued and that these studies should be under the auspices of a committee of the Council.
- 4) The Committee believes in the establishment of a national budgeting service, advisory in character, which will help local communities evaluate the relative needs of separate agency appeals.
- 5) The Committee recommends to the Board of the Council that there be proposed to the General Assembly that the Council take steps immediately to set up a National Advisory Budgeting Committee with proper facilities for studies and evaluation of agencies. These functions might be entrusted to the present Committee on the Study of National Budgeting Proposals.
- 6) The Committee recommends that from time to time, as opportunity and fact finding are made available, sub-committees be appointed to specialize in the study of each different field of agencies.
- 7) As a first step and to give precedence and immediate consideration to the three agencies that constituted the 1940 UJA, i.e., the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service, the Committee recommends that a Special Commission of not less than five members or more than nine members be named for the year 1941 by the President of the Council, the Chairman of its Board and the Chairman of its Committee to Study National Budgeting Proposals, and approved by the Board of Directors of the Council. This Commission shall consist of laymen who, after appointment, shall sever connections which they may have on the Boards of the three agencies under review.

The decisions of this Committee shall be final in its advisory recommendations to the welfare funds and shall not be subject to change by the Council. Its findings and recommendations shall be transmitted to member agencies through the Council office, and the Council office shall be authorized to transmit to this Special Commission any inquiries, suggestions or recommendations of its member agencies. This Commission shall be authorized to employ such staff as may be required for its purposes, the cost to be financed by the Council.

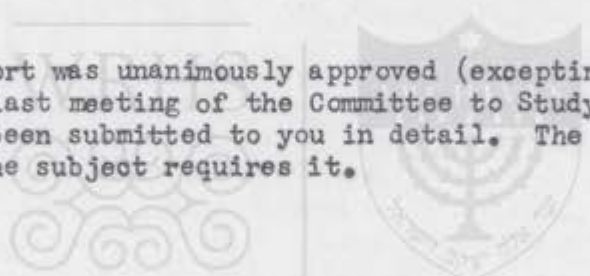
- 8) The Committee recommends as a method of procedure, that the three welfare fund members of the 1940 UJA Allotment Committee be looked to for guidance in recommending a basis for initial allotments to the three agencies formerly in the UJA, which can serve as a guide to welfare funds conducting early campaigns in 1941. One type of proposal to deal with the problem of initial installments under discussion is as follows:
 - a. That welfare funds in 1941 set aside a total amount to cover the allocations to be made to the JDC, the UPA and the NRS.
 - b. That an initial installment up to 60 percent of the total be distributed among the three agencies on the basis of the total 1940 allotments to these agencies made by the UJA from nationally collected funds, i.e., \$6,050,000 to the JDC, \$2,900,000 to the UPA, and \$2,500,000 to the NRS. (The NRS also received \$1,000,000 directly from the New York City campaign of the UJA for its local New York services.)
 - c. That on the basis of continued studies, the Special Commission to be established as outlined above, should recommend not later than May 30, 1941, a basis for total 1941 allocations to these three agencies. The final 1941 allocation would take into account the needs of these agencies, the new factors in needs and program that have been developed, and would attempt to adjust the final recommended allocations on the basis of agency needs and operations.
- 9) The Committee has also been asked to express an opinion now, on the 1941 campaign goals of the agencies formerly in the UJA. It is in no position at this time to suggest the total budgets of the agencies to which local welfare funds should relate their individual allotments. On the basis of facts available, it believes that welfare funds should try to secure for these agencies funds substantially in excess of the amounts secured by the UJA in 1939 and 1940. It fully accepts the fact that insofar as the overseas agencies are concerned, the needs to be met are overwhelming in character and that within the total program of local and American obligations, communities have

a responsibility for securing maximum funds for major overseas causes.

Similarly, we in the United States, have sole responsibility for caring for the refugees who come to this country, and must continue to care for them on the basis of the standards which have been established for local American responsibility. The Committee therefore suggests that within the responsibilities of local funds for total American and overseas needs, welfare funds should exceed the sum raised in 1939 and in 1940 for the UJA by the largest possible sum which they can effectively secure in their respective communities.

CONCLUSION

This report was unanimously approved (excepting objection by Mr. Montor) at the last meeting of the Committee to Study National Budgetary Proposals. It has been submitted to you in detail. The Committee feels that the importance of the subject requires it.



ATLANTA, FEB. 1-3, 1941

4. COORDINATED BUDGETING FOR WELFARE FUNDS

Individual welfare funds and several regions of the Council have urged the Council to provide greater assistance to local communities in their budgeting of funds for national and overseas agencies. They have asked specifically

1. That the Council, which now provides information on the volume of work, the income and expenditures of non-local agencies, should supply the communities with appraisals of the quality and effectiveness of the work done by these agencies.
2. That some national method be devised for guiding communities regarding the amounts they should allocate to the various national and overseas agencies.

Similar suggestions have been made by local leaders and organizations from time to time at national conferences beginning as far back as 1921.

✓ In May 1940 the Board of the Council appointed a committee headed by Jacob Blaustein of Baltimore and William Rosenwald of Greenwich to consider proposals for a system of national budgeting and report its findings back to the Board. The Committee has been at work since that time.

The committee has considered, among other things, the present methods of budgeting by national and overseas agencies and by local welfare funds.

How National and Overseas Agencies Budget

There are great differences among national agencies in their budgeting practices. Some national agencies have expenditures which remain at about the same level each year. They are able to prepare a fairly accurate budget of the year's operations in advance. Others deal with rapidly changing needs and emergency situations. Generally, the amount of work to be done greatly exceeds their available resources. Their budgeting consists of making commitments on expenditures in accordance with the income of the moment and anticipated income for the coming year.

Some agencies set campaign goals roughly approximating the amount of money they expect to raise. Others set goals far above what they expect in order to emphasize their needs in the minds of budget committees and contributors.

Some agencies carry on their work here and are able to judge their requirements fairly accurately. Others are fund-raising bodies for groups overseas who do the actual spending. The budgets here are based on the requests made by the groups on the other side.

How Local Welfare Funds Budget

Some national agencies ask for specific amounts from local welfare funds. Others ask for "the largest possible amount". When quotas are set by national agencies, they are based on the population of the community, the estimated wealth, the previous level of contributions, etc.

Most welfare funds have budget committees which take up each request for support, ask the national agency for additional information, study the relevant data and make allocations on the basis of several of the following factors:

1. Amounts raised by the agency in the community in previous years. (This factor measures how effectively the agency used to raise its funds in the community and may have no relation to the comparative needs of the agency and the importance of its cause.)

2. Relation of the percentage of the country's Jewish population in the community to the national goal set by the agency. In other words, if city A has 1 percent of the Jewish population of the U. S. A., it might provide 1 percent of the national goal set by the beneficiary agency. (This method fails to take into account the variety of practices of national agencies in setting goals, the relative wealth of the local Jewish group, the sources of income which the national agency may have outside of welfare funds, etc.)

3. Allocations made by other cities of similar size. (Reliance upon this factor may result merely in an averaging of previous errors, since there is no guarantee that the other communities budgeted on an intelligent and equitable basis.)

4. Expenditures of national agency in previous year. (This of course may fail to take into account continually changing needs.)

5. Previous income of national agency from all welfare funds. (This may erroneously assume that welfare fund support of the agency in the past has been at a fair level.)

6. Pressure of interested local contributors.

Well organized and methodical budget committees have been giving consideration to many of these factors and have been doing their best to avoid the limitations involved in each of them.

What a National Budgeting Process Could Do

The purpose of a national budgeting process would be to study the programs and services of each of the non-local agencies appealing for welfare fund support, to consider carefully the amounts sought by them and to obtain agreements as to the validity of their respective national goals and their quotas for each community. If such agreements could be reached, they might guide local communities in allocating their funds to the national agencies instead of having each national appeal approach each community on a competitive basis with every other appeal.

✓ The Committee's First Report

After considering these and other factors, the Committee studying national budget proposals made a preliminary report of its work to the Board of the Council on October 26. The majority of the committee had agreed that

1. Budgeting of national and overseas agencies should be considered as one aspect of the program of local communities for meeting their total responsibilities, both of a general nature and those of special interest to Jews.

2. A national budgeting process, in principle, is desirable and necessary.

3. The functions of a National Budgeting Committee should be to obtain complete data from all agencies, to evaluate the work of each agency and to recommend to the communities comparative allocations to the different agencies.

4. The Committee should ultimately consider the programs and expenditures of all national and overseas agencies applying to welfare fund communities for support.

5. As a first step, the Committee might review the work of the Allotment Committee of the 1940 United Jewish Appeal and, on the basis of this experience, might consider extending similar studies to agencies operating in similar or related fields. This should be done in consultation with the agencies being studied.

6. The Committee should consider the staff and costs necessary for such studies, and how they might be obtained.

The Board accepted this interim report and requested the committee studying the proposals to continue its work. The committee will report the results of its subsequent efforts to the Board and to the General Assembly in Atlanta on Sunday, February 2.

SPECIAL BULLETIN

FROM THE ATLANTA GENERAL ASSEMBLY

FEBRUARY 3, 1941

(Several of the situations which developed during the course of the 1941 General Assembly which has just closed, are of such immediate importance to the member agencies, that this brief summary is being sent you from Atlanta. A more complete discussion of these major questions will follow.)

For four days representatives of organized communities in all sections of the country devoted themselves to the grave questions resulting from the world situation, its impact on social welfare activities and fund raising in the United States. It was evident from the outset that the tension created by the dissolution of the UJA had not lessened in the intervening weeks. This tension stimulated an eleventh hour effort to reconstitute the United Jewish Appeal and permeated the discussion of the proposal for a national budget advisory service. Even consideration of American programs for social planning for defense in connection with extended government efforts and the current status of the General Jewish Council and its constituent agencies was colored by this atmosphere of anxiety. There was intense interest, much lobby discussion and frequent caucuses.

In spite of this charged atmosphere, it was possible for William J. Shneider, Chairman of the Board, in the closing address

of the Assembly, to point to the fact that community organization, as exemplified by the member agencies and their Council, had withstood its first great test. The clash of individual interests and points of view was resolved in an acceptance of the larger goal - the unified community. "Ideological differences" is the phrase that was heard everywhere throughout the Assembly, but Mr. Shroder emphasized that these differences legitimately belong within the framework of the community organization. The American pattern, Mr. Shroder said, calls for all groups making their contributions to American life through organization. At an earlier session, Mr. Amos Deihard of Minneapolis stressed the need for tolerance within the organized communities as a step toward better coordination of organized national activities.

Negotiations
for a 1941 UJA

Formal and informal efforts were made throughout the Assembly to bring about agreement between the three agencies constituting the 1940 UJA. The question was first raised at the afternoon session on Friday during a review of the negotiations which had failed, and explanations of the positions of the three agencies involved, and of the part the Council had played. This session closed with the acceptance of a suggestion by Mr. Shroder that Mr. Lowenstein and Rabbi Silver, representing respectively the JDC and the UPA, meet with him and the welfare fund representatives on the Allotment Committee in a further effort to work out an agreement.

Earlier in the week, President Gustave Kann of the Pittsburgh United Jewish Fund had invited representatives of the UPA, JDC, and NRS to meet with welfare fund presidents during the Assembly. This meeting went over substantially the same ground and brought out a suggestion for a new formula as a basis for further negotiations.

Mr. Shroder, with members of the Allotment Committee of the 1940 UJA and the agency spokesmen, held a protracted meeting at which this and other formulae were considered. The concrete result was the assent of the agency spokesmen to have their respective administrative boards consider the new proposals. It was announced that the Allotment Committee had voted to publish the report of its Inquiry on the activities and finances of the UJA agencies, before the end of February.

No Independent
Campaigns in Welfare
Fund Cities

During the Assembly sessions, spokesmen for the JDC, UPA and NRS each pledged to the delegates that their organizations would not undertake separate campaigns in welfare fund cities but would make their appeals for 1941 through the organized welfare funds wherever such Funds exist.

Proposal for a
National Advisory
Budgeting Service

At the May 1940 meeting of the Board of Directors, action was taken on the proposal of the Western States Region, calling for the establishment by the Council of an advisory budget service, as an additional aid to local budget committees of member agencies in determining their allocations. The Board had then set up a committee under the chairmanship of Jacob Blaustein of Baltimore, with William Rosenwald of Greenwich as acting Co-Chairman, to study the proposal. The Committee had reported favorably on the principle of setting up such a service at the October Board session. This report was then adopted by the Board with instructions to the Committee to develop a plan for carrying it out.

The Committee met again on Thursday evening preceding the Assembly and adopted a report recommending the establishment of such a service, based on continuous fact finding by a special commission consisting of not less than five nor more than nine members. The recommendations of this Commission would be transmitted to member agencies by the Council together with the data on which they were based, and would of course be merely advisory. As a first step in the national advisory budgeting process, this Commission would devote itself to the 1941 needs of the three agencies formerly in the UJA.

The report of Mr. Blaustein's Committee was debated at further meeting, at which time a minority report by one of the members of the Committee - Henry Montor of the UPA - was also presented, arguing that insufficient time had been allowed for consideration of the proposal, that action at this time would be precipitate, and that the principle of a national advisory service was unsound. He agreed with the majority report, however, that fact finding should be continued and expanded.

When the Board met, it was advised by the Credentials Committee that the voting procedure for delegates, as provided in the By-Laws, was unclear. Henry Monsky of Omaha therefore moved that action on the report be taken by the Board, so that no technical question of voting legality could confuse the issue. The Board approved the majority report in the following motion:

That this Board approve of the majority report to set up an advisory budget service as submitted to the meeting this afternoon; that it shall report that decision to the meeting of the Assembly tomorrow. The Assembly shall be informed that both the majority and the minority reports are to be submitted to the member agencies for a referendum vote, with an appropriate questionnaire, to be returned not later than April 1, 1941.

The Motion was carried with the votes cast as follows: 17 in favor and 5 dissenting.

This action was reported to the Assembly, and the majority and minority reports will be forwarded to the member agencies, who will be asked to vote on the proposal to set up an advisory budget service.

Funds for UJA
Agencies

Since no advisory budget service can become effective until after the referendum is completed, some time after April 1, the Board therefore voted -

In his letter of December 31 to member agencies, Mr. Hollender, in referring to the need for an advisory budget service, had suggested "that welfare funds await the recommendations of such a body before completing their local budgeting."

1. To suggest to member agencies that they make such initial appropriations for 1941 to the UJA agencies as they may consider appropriate, and transmit such funds as promptly as possible, in order that their work may not be impaired.
2. To indicate to the member agencies that the recommendations for partial allocations, contained in the majority report* are merely illustrative of a procedure that might be used at this time. Each community will doubtless develop such a formula as may best serve its individual views.

In view of the general agreement on the need for continued fact finding along the lines initiated by the 1940 Allotment Committee inquiry, the Board instructed the staff to proceed immediately with such studies of the three UJA agencies. The further stage of evaluation and other budgetary advice, proposed in the report adopted by the Board, will be determined by the referendum of member agencies.

*Copies were distributed at the Assembly and will be mailed to all agencies within a few days.

Emergency Committee for Zionist Affairs

41 EAST 42nd STREET
ROOM 1121

NEW YORK CITY

February 4, 1941.

Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio.

Dear Dr. Silver:

I understand that before Ben-Gurion left he discussed with you his proposal for training a number of young Jews in aviation, and possibly also as radio operators and as seamen, and you had kindly agreed to associate yourself with the scheme as a member of the committee. At Ben-Gurion's request I have agreed to act as Honorary Secretary of the committee for the time being, and I am writing to let you know how things stand today.

There are at present eight young men in training as pilots at the Floyd Bennett Field in New Jersey. Two of the original ten were not found suitable and have dropped off. It is hoped to start a second training group in Chicago in the near future, and also if funds are available to initiate a training group in fishing and marine activities at San Francisco, as well as in radio.

The suggested name for the sponsoring body is the "Jewish Air-Training Committee". In addition to yourself, it is hoped to have on the committee, among others, Dr. Goldman, Mr. Kaufmann, Mr. Lipsky, Mr. Szold, Dr. Wise, Mr. A.K. Epstein, Mr. Chaim Greenberg, Mr. Huberman, Mr. Breslau and a representative from Hadassah. Mr. Dickenstein is to assist in raising the necessary funds - probably a small campaign for perhaps \$30,000 or \$40,000 will be required.

Should you have the time when you are in New York next, I should be glad to arrange for you to visit the first training group. The technical arrangements are being undertaken by Israeli and one or two other members of the Hechalutz, who are to work under the direction of the committee. I hope to arrange a meeting of the committee in the near future when the membership of the committee has been finally determined.

With kind regards, I am

Yours sincerely,

Arthur Lourie
Arthur Lourie.

als:re

Emergency Committee for Zionist Affairs

41 EAST 42nd STREET
ROOM 1121
NEW YORK CITY

February 5, 1941

Rabbi Abba Hillel Silver
c/o The Temple
Cleveland, Ohio

Dear Abba:

It has occurred to me that in order to keep you posted of my activities it might be well for me to send you for your private information copies of certain letters, particularly some of those which I am sending to LDB, which speak for themselves. Accordingly I am sending you herewith copy of a letter which I wrote him last week. Others will follow in due course.

I saw LDB yesterday. He is so pleased with the rapid progress I am making in reconstituting the American Palestine Committee, that he has taken a definitely negative attitude toward any activity which might hamper the Emergency Committee in its work. He told me so clearly yesterday. In a talk that I had with him last week, shortly after the UPA Conference was over, he questioned me rather closely on the conference and my opinion with regard to the prospects. He seemed impressed and pleased to hear that it was a fighting conference and that you were full of spirit and courage. Yesterday he told me that he had spoken emphatically to Rabbi Breslau and to Mrs. Pool, saying that they should stop fussing over the Emergency Committee and concentrate their efforts upon (a) building up the Organization, and (b) helping the UPA. "We cannot afford", he said, "to ~~slow~~ down on either of these jobs at this time. The ZOA and the UPA must succeed; and the Emergency Committee should be allowed to go ahead with its work."

As you will see from the enclosed material, we already have two dozen Senators lined up for the Committee, and beginning today we are tackling members of the House.

There is a great deal more to report to you but I cannot stop to do it at this moment. I thought you would be glad to have the above information. I think the roads are clear and - full steam ahead.

As ever

Yours,

Emmanuel

*P.S. Attached is copy of
another letter to L.D.B. - of even date -
E.H.*

February 5, 1941

Justice Louis D. Brandeis,
2205 California Street, N.W.,
Washington, D.C.

Dear Justice Brandeis:

Following my interview with you yesterday, I had a crowded day till I took my train back late in the evening.

To summarize briefly:

1. I continued my work at the Capitol with Senators and Congressmen.

2. I communicated with Senator O'Mahoney, and I believe his secretary confirmed to you the appointment for today at 4:30.

3. I spent two hours at luncheon with Mr. Edgar Mowrer. It seems that he will not write a book on refugees as he had thought he might do, for the reason that he would not have time to do the research work and would not wish to depend on material supplied by others. (Do you think it would be worthwhile for us to make it possible for him to take the necessary time off from his regular work to do the research work himself and write the book?) He agreed to serve as one of the editors of the publication I am planning for non-Jews, "PALESTINE TODAY AND TOMORROW". He also offered to write an article on the subject of the refugees coming to Palestine during war times.

4. I had a conference with F.F. in the late afternoon in which we discussed a considerable range of subjects, and F. F. made recommendations, observations and suggestions which I carefully noted. For one thing, he suggested that Weizmann be advised not to have the announcement regarding a Jewish military force made before the Lease-Lend bill has been passed, and for the same reason, he should not turn up in America before the passage of the bill. I think it is sound advice, and I will try to convey it to Weizmann in code.

5. With regard to the Pro-Palestine Committee, F.F. thought that if a substantial number of Senators and Congressmen of both parties, including Isolationists, will have signed up, Senator Wagner could communicate with the President and get from the President a letter indicating his approval, etc. We will probably follow that tack.

Justice Louis D. Brandeis - 2

6. Mr. Lubin of the Department of Labor and the O.P.M. came to dine with me in the evening and stayed for hours. We discussed the proposed piece of research work about the possibilities of Palestine. I shall try to write up a minute and send it along. For the moment, I will just say that he seems quite interested and ready to help to the extent he can.

As ever

Faithfully yours,

Emanuel Neumann



"Give Today --- Tomorrow May Be Too Late"

—DR. CHAIM WEIZMANN

UNITED PALESTINE APPEAL

PALESTINE FOUNDATION FUND (KEREN HAYESOD)
JEWISH NATIONAL FUND (KEREN KAYEMETH)
For the Settlement in Palestine of Jews of Germany, Poland, Rumania and Other Lands

41 EAST 42ND STREET

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HENRY MONTOR

February 5, 1941

Dr. Abba Hillel Silver,
The Temple,
Tenth & Ansel Sts.,
Cleveland, Ohio.

Dear Dr. Silver:

It is vital that within the next few weeks all forces be mobilized so that the Welfare Fund communities may be made familiar with the implications and consequences of the adoption of the majority report of the Board of Directors of the Council of Jewish Federations and Welfare Funds. In essence, it would transfer from the individual communities to a small committee established by the Council, the power not merely to find facts, but to make evaluations of ideologies. The acceptance of this proposal would mean the most far-reaching departure from established Jewish and American practice that we have ever known.

In your own community you will have to take the initiative in acquainting the members of the Welfare Fund board with whom the decision will lie as to what took place at the Atlanta General Assembly of the Council of Federations and Welfare Funds. Copies of the majority and of the minority report will be made available to you from the Council office. I know, however, that you are sufficiently familiar with all the details to conduct a campaign of enlightenment in the community.

It is important that an impression should not be created that one organization alone, or even a few organizations, are interested for partisan reasons in the rejection of the majority report. It is clear that all causes which have ideological bases as well as community leaders themselves, must resist the elimination of individual community judgment in the determination of the fate of the various Jewish causes affected.

The referendum of the Council of Federations and Welfare Funds is to be completed by April 1st. Many Welfare Fund boards may meet quickly before opposition has been organized and before there is a clear realization in the minds of the Welfare Fund board members themselves of what is involved in the acceptance of the majority proposal. It would

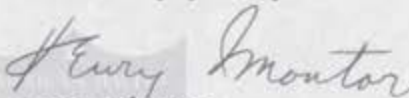
February 5, 1941

be very helpful if a meeting of the board of your own Welfare Fund were called soon so that a rejection of the majority report could be voted. This would have a valuable effect in influencing other communities so that they might be shown that not outside organizations, but the local communities themselves have most to fear from the establishment of the national budgeting committee.

I do not think that I am using hyperbole in saying that the referendum now being conducted by the Council of Federations and Welfare Funds is the most serious issue in the history of American Jewish community development. If a national budgeting committee should be established at this time, we are embarked upon a policy whose consequences for Jewish life in America might indeed be ominous.

With kindest personal regards, I am

Cordially yours,



Henry Montor
Executive Director

HM:JB



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February 6, 1941

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Rabbi A. H. Silver
The Temple
Ansel Road & E. 105th St.,
Cleveland, Ohio

Dear Rabbi Silver:

Thank you for your check for the tickets for the Max Hayes' dinner. It was a great disappointment to all of us that you and Mrs. Silver were not able to attend. Your message was read at the dinner.

I wonder whether you remember that it was just ten years ago this month since the first Unemployment Insurance bill was introduced in the legislature? On February 18th a joint public hearing is to be held on the bill introduced by Senator Keifer to liberalize and improve the law. Curiously enough that is just one day more than ten years since the first public hearing on the Reynolds-Keifer bill - that was February 17, 1931. Senator Keifer has maintained his interest throughout the years and is sponsoring a splendid bill to clear up some of the difficulties which have crept into the administration of the law, and also to allow a more generous benefit schedule.

Some day I would like to discuss this with you when you have some free time. It would be fine if you could possibly arrange to be at the hearing February 18th. It will be held in the evening at the State House.

With warm regards.

Sincerely yours,

Elizabeth S. Magee
Elizabeth S. Magee,
Executive Secretary.

"Give Today --- Tomorrow May Be Too Late"

—DR. CHAIM WEIZMANN

UNITED PALESTINE APPEAL

PALESTINE FOUNDATION FUND (KEREN HAYESOD)
JEWISH NATIONAL FUND (KEREN KAYEMETH)
For the Settlement in Palestine of Jews of Germany, Poland, Rumania and Other Lands

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Henry Montor

January 9, 1941

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

My dear Mr. Lurie:

I have just received a copy of a letter which you wrote on January 3 to Mr. Henry Montor in which you write: "I believe that you are incorrect in your statement that the UPA considered \$2,000,000 to the NRS as only an original allotment. Just the contrary attitude was expressed. A united appeal would have been possible if your representatives had not indicated that they were unwilling to consider additional commitments to the NRS during the year." For the sake of the record, and not for the purpose of opening the whole matter again, may I tell you that your statement is incorrect as the following resolution adopted by the meeting of the Administrative Committee of the UPA on Tuesday, December 17 will indicate:

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

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

Mr. Lurie

-2-

January 9, 1941

This resolution was passed the same evening on which the conference in the office of the Council was held. You will see that there is no suggestion in this resolution that the Allotment Committee which was to distribute the funds over and above the original \$9,000,000 would be prevented from voting funds to the NRS. This was your own hasty deduction, and judging from a conversation which Mr. Hollander had with me last evening, is shared also by him. What we insisted on was that the \$2,000,000 to be originally allotted to the NRS should cover New York City and the country at large, and that no special million dollars be earmarked for the NRS in New York City as was done in the campaign of 1940.

I have deeply regretted the role which the Council has played throughout in this situation. It was belated and uninformed as your letter of January 3 proves, and slightly hysterical as Mr. Hollander's letter sent broadcast to the Welfare Funds indicates, and as is also indicated by the news item which you rushed to the Jewish Telegraphic Agency in which you announced that I had declined to accept the invitation of Mr. Hollander to meet for a conference of mediation, forgetting to mention that there had already taken place one such a conference which I did attend.

I regret that the Administrative Committee of the UPA was forced to adopt a resolution of protest last evening, a copy of which I am sure you will receive from the secretary of the Committee. The Council is being driven headlong under the impact of the present situation to take positions which might prove disastrous to its future growth and usefulness.

With kindest personal regards, I remain

Very cordially yours,

AHS:BK

February 10, 1941

Mr. J. M. Berne
Public Square Building
Cleveland, Ohio

My dear Joe:

Thank you for your letter of February 8. I believe that you are under a wrong impression with reference to a call which I am expecting from Mr. Warburg to arrange a meeting. I do not recall that such a meeting was discussed.

Dr. Heller of Cincinnati and I, at the meeting of the representatives of the three agencies called by the Board of the Council for last Saturday morning, in Atlanta, made another proposal in the hope of reconstituting the United Jewish Appeal. The proposal was made to meet the objection that the last proposals of the United Palestine Appeal had limited the NRS to \$2,000,000 for 1941, and that it would be unable to obtain any additional sums from the Allocation Committee. Although we still felt, and still feel that \$2,000,000 is quite adequate for the NRS in view of the large sums which are being raised by communities to take care of refugees locally, we made this further concession that out of the first \$9,000,000 raised, the NRS would receive \$2,000,000; the other \$7,000,000 would be divided 60-40 between the JDC (60) and the UPA (40). All sums over and above the \$9,000,000 would be left to an Allocation Committee and would be distributed by them among the three agencies as they saw fit. We are waiting to hear from the JDC whether these proposals are acceptable.

The proposal made to us by the representatives of the JDC, in Atlanta, that the needs of the NRS should be determined by a neutral body is thus taken care of by our proposal. In effect, our proposal states that after a first advance out of the 1941 the NRS shall receive \$2,000,000, the UPA \$2,800,000, and the JDC \$4,200,000. A neutral Allotment Committee would proceed to study the needs not only of the NRS, but of the other two agencies, and on the basis of its findings, would allocate whatever is raised above \$9,000,000. Last year,

Mr. J. M. Berne

-2-

2-10-41

\$12,500,000 were raised. In 1939, \$15,500,000 were raised.

Our estimate is that we should raise, in 1941, no less than what was raised in 1940. Because of the marked economic improvement, a larger sum may be raised. There would thus be \$3,500,000 minimum left for allocation, and if the requirements of the NRS will appear as clear to the neutral Allotment Committee as they are to its present spokesmen, the NRS will have no difficulty at all in obtaining the additional money which it will require.

In the meantime, of course, we are proceeding with our 1941 campaign plans as are the JDC and the NRS.

With all good wishes, I remain

Very cordially yours,

AHS:BK



C
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P
Y

COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS
165 West 46 Street
New York City

February 13, 1941

Rabbi Abba Hillel Silver
United Palestine Appeal
41 East 42nd Street
New York City

Dear Rabbi Silver:

I have your letter of February 12th, informing me of the scheduled meeting of the Administrative Committee of the UPA on Tuesday, February 25th at which time the proposals made during the Atlanta Conference will be submitted.

You will be interested to know that both the Administrative and Executive Committee of the JDC met early this week and unanimously agreed to accept the proposal stated as follows:

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

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

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

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

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

The Council has also been informed by the JDC that that agency is ready to accept the decisions of the neutral members of the Allotment Committee with regard to the MRS and to consider them as binding on the JDC. It is prepared, providing the MRS and the UPA likewise agree, to enter into further discussions

with respect to the reconstitution of the 1941 UJA. We have been informed that the JDC is authorized to appoint a committee of two with full power to participate in the negotiations that may be called by the officers of the Council of Jewish Federations and Welfare Funds and to participate similarly if a meeting is convened at the instance of the neutral members of the Allotment Committee of 1940.

I have not yet received a formal letter from the NRS but I have been informed orally that the Executive Committee of the NRS on February 11th approved of the proposal made at Atlanta on which the JDC has taken action.

In the expectancy that the UPA may be prepared to resume negotiations after it has considered the proposal on February 25th, it would seem advisable to schedule a meeting of the interested groups on February 26th in New York City. To expedite the procedures, do you think it desirable for the Council to ask the neutral members of the Allotment Committee to be available for consultation with representatives of the agencies concerned on February 26th?

In order to avoid any unnecessary delay, I have taken the liberty of sending a copy of this letter to William J. Shroder on whose initiative the matter was reopened, to several other officers of the Council, to the neutral members of the Allotment Committee and to the JDC and NRS. I shall be very happy to receive further advice from you on additional procedures that you would consider useful in arriving at the final decision on the Atlanta proposals.

With kindest regards, I am



Cordially,

(Signed) H. L. Lurie

February 17, 1941

Rabbi Ferdinand M. Isserman
Temple Israel
Kingshighway and Washington
Saint Louis, Mo.

My dear Ferd:

Thank you so much for your note of February 13. I do not know what paragraph of mine on the home the gentleman from San Antonio quoted, but I am glad that you liked it.

I am wondering what you are doing, Ferd, about cracking down in your Welfare Fund and Federation on the thoroughly nefarious proposals of the Council of Federation and Welfare Funds to foist a so-called national advisory budgeting system upon American Jewish communities. If ever there was a conspiracy on the part of a philanthropic oligarchy (largely centered in the East) to force control and to dominate all movements and national agencies in American Jewry, this is it. I hope that you and your friends will arouse your community against this menace.

With all good wishes, I remain

Most cordially yours,

AHS:BK

February 13, 1941

Rabbi Edward L. Israel
Har Sinai Temple
Bolton and Wilson Streets
Baltimore, Md.

My dear Ed:

I am sure that you are fully acquainted with the proposals of the Council of Federations and Welfare Funds to establish a national advisory Budgeting Committee, and informed about the discussions which took place at the Atlanta Assembly, and the position taken by the United Palestine Appeal and the Zionist Organizations. We are very much concerned about this attempt made, as we believe, by a small group in the East, a group very well known to you, who are making a supreme effort at this time to rivet their control over American Jewish life through many ways, and particularly through this way -- that of dictating to American Jewish communities how much they should allocate to national and international bodies. Two of the most active men in the field urging National Budgeting are from Baltimore, Hollander and Blaustein. Hollander made such a vicious attack on Zionists and on the Chairman of the United Palestine Appeal at the board meeting in Atlanta, that his remarks were ordered stricken from the records. As you know, the subject has been referred by the Council to the various Welfare Funds in this country for a referendum. This referendum will take place before long -- as soon as the minority and majority reports are mailed out. It is important that in every community the democratic forces of Jewish life be rallied to defeat the majority report. It is particularly important that it be done in your city where the two chief protagonists of the proposal, the President of the Council and the Chairman of the Committee on Budgeting live.

I have called a meeting of all the pro-Palestine organizations in the city to meet with me this evening in order to apprise them of all that is involved in the situation, and in order to make their voice heard. Other communities are doing the same thing. A National Council has been organized, with headquarters in New York, under the chairmanship of Mr. Shetser of Detroit, to fight the majority report. Whatever you can do in Baltimore to arouse public opinion and to influence your Board to defeat the proposals would be extremely helpful.

With all good wishes, I remain

Most cordially yours,

February 14, 1941

Rabbi Morris Lazaron
Baltimore Hebrew Congregation
1914 Madison Ave.
Baltimore, Md.

My dear Morris:

Thank you for your note of February 12. I have never questioned your right to express your convictions, and you are free to write about the dissolution of the United Jewish Appeal to your heart's content. I read the article in your Bulletin. It is, of course, full of inaccuracies and is quite as hysterical as all your writings about Palestine in recent years, or your action in the case of Dr. Weizmann, last year.

The heart of the developing controversy you either do not recognize, or choose to ignore. The United Palestine Appeal not only never opposed the Council in its work as a fact-finding agency, but steadily encouraged that work. We are whole-heartedly in favor of the Council making a thorough and scientific investigation of the work, budgets, expenditures, etc. of all agencies, national or international, which apply to welfare funds for support, and of making that data available to all the welfare funds of America. If you would take the time to read the letter which I addressed to the Council, last October, long before the United Jewish Appeal was dissolved, in which I expressed myself on the subject of National Budgeting, you would see that the United Palestine Appeal does not "object to a calm study by an objective group of the budgetary requirements" of the United Palestine Appeal or of any other organization. Your statement that the Palestine group objects to such an inquiry is an unconscious libel. The letter to which I refer was published in full in the issue of the New Palestine of January 31, 1941.

What is involved in the controversy is not the right of the Council to make a thorough survey of the agencies, but to entrust in the hands of a small committee the right to recommend to welfare funds definite allocations, to tell them, in other words, how much they should give to this or that agency. This we regard as dangerous in the extreme. The reasons are indicated in that same letter.

With all good wishes, I remain

Very cordially yours,

AHS:BK

COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS

LIST OF MEMBER AGENCIES AND NUMBER OF ASSIGNED VOTES

<u>City and Member Agency</u>	<u>No. of Delegates</u>	<u>City and Member Agency</u>	<u>No. of Delegates</u>
AKRON, OHIO - JSSF...JWF	4	CINCINNATI, OHIO - JCC...UJSA	5
ALBANY, N. Y. - JCC	2	CLEVELAND, OHIO - JWF	6
ALBUQUERQUE, N. M. - JFC	2	COLUMBUS, OHIO - UJF...JWF	2
ALEXANDRIA, LA. - JWF	2	CORPUS CHRISTI, TEXAS - JWF	2
ALLENTOWN, PA. - UJC	2	CUMBERLAND, MD. - JCF-WM	2
ALTOONA, PA. - FJP	2	DALLAS, TEXAS - JFSS	2
ASHEVILLE, N. C. - FJC	2	DAVENPORT, IOWA - JC	2
ATLANTA, GA. - FJSS...JWF	4	DAYTON, OHIO - JFSS...UJC	4
ATLANTIC CITY, N. J. - FJC	2	DES MOINES, IOWA - JWF	2
BAKERSFIELD, CALIF. - UJWF	2	DETROIT, MICH. - JWF	6
BALTIMORE, MD. - AJC...UJA	6	DULUTH, MINN. - JWF	2
BAYONNE, N. J. - JCC	2	EASTON, PA. - JCC	2
BINGHAMTON, N. Y. - JCC	2	EDMONTON, ALBERTA, CANADA - JF	2
BIRMINGHAM, ALA. - UJF	2	ELGIN, ILL. - JWC	2
BOSTON, MASS. - AJP...UJC	6	EL PASO, TEXAS - JF	2
BRIDGEPORT, CONN. - JWB&CS. JCC	4	ERIE, PA. - JCC	2
BROOKLYN, N. Y. - FJC	6	EVANSVILLE, IND. - JCC	2
BROCKTON, MASS. - UJA	2	FARGO, N. D. - JC	2
BUFFALO, N. Y. - JFSS...UJWF	5	FITCHBURG-LEOMINSTER, MASS. - JCC	2
BAY CITY, MICH. - NEM-JWF	2	FLINT, MICH. - FJC	2
BUTLER, PA. - JCC	2	FORT WAYNE, IND. - JF	2
BUTTE, MONT. - JWC	2	FORT WORTH, TEXAS - JF	2
CAMDEN, N. J. - FJC	2	FRESNO, CALIF. - JNWF	2
CANTON, OHIO - JWF...JWL	4	GARY, IND. - JWF	2
CENTRALIA, WASH. - CC-JWF	2	HAMILTON, ONT., CANADA - JSSF...UJWF	4
CHATTANOOGA, TENN. - JWF	2	HAMMOND, IND. - UJA	2
CHICAGO, ILL. - JC...JWF	8		

City and Member Agency	No. of Delegates	City and Member Agency	No. of Delegates
HARTFORD, CONN. - JWF	3	MONROE, LA. - UJC N.E. La.	2
HELENA, ARK. - FJC	2	MONTGOMERY, ALA. - JF	2
HOLYOKE, MASS. - UJA	2	NASHVILLE, TENN. - JCC	2
HOUSTON, TEXAS - JCC	2	NEWARK, N. J. - CJC	4
HUNTINGTON, W.VA. - UJF	2	NEW BEDFORD, MASS. - UJA	2
HARRISBURG, PA. - UJC	2	NEW HAVEN, CONN. - JCC	3
INDIANAPOLIS, IND. - JF...JWF	4	NEW ORLEANS, LA. - JC&EF..JWF	4
JACKSONVILLE, FLA. - JCC	2	NEW YORK, N. Y. - FSJPS	6
JOHNSTOWN, PA. - UJA	2	NIAGARA FALLS, N. Y. - JF	2
JOLIET, ILL. - JWC	2	NEWBURGH, N. Y. - UJC	2
JOPLIN, MO. - JWF	2	NORFOLK, VA. - UJF	2
KANSAS CITY, MO. - JWF...UJC	5	OAKLAND, CALIF. - JF...UJWF	4
KNOXVILLE, TENN. - FJC	2	OMAHA, NEB. - FJS	2
LAFAYETTE, IND. - FJC	2	PASSAIC, N. J. - JCC	2
LANCASTER, PA. - OJC	2	PEORIA, ILL. - JWF	2
LIMA, OHIO - AJC	2	PETERSBURG, VA. - UJCF	2
LINCOLN, NEB. - JWF	2	PHILADELPHIA, PA. - FJC...AJF	7
LITTLE ROCK, ARK. - FJC	2	PITTSBURGH, PA. - FJP...UJF	6
LONG BEACH, CALIF. - UJWF	2	PONTIAC, MICH. - FJC	2
LOS ANGELES, CALIF. - FJWO...JCC	6	PORTLAND, ORE. - FJC...OJWF	4
LOUISVILLE, KY. - CJO...JWF	4	PROVIDENCE, R. I. - JFSS	3
LOWELL, MASS. - UJA	2	RALEIGH, N. C. - FJC	2
MADISON, WIS. - JWF	2	READING, PA. - JCC	2
MEMPHIS, TENN. - FJWA...JWF	2	RICHMOND, VA. - JCC	2
LANSING, MICH. - FJC	2	RIVERSIDE, CALIF. - JJDC	2
MIAMI, FLA. - GMJF	2	ROANOKE, VA. - UJA	2
MIDDLETOWN, N. Y. - UJA	2	ROCHESTER, N.Y. - JWC...UJWF	5
MILWAUKEE, WIS. - FJC...JWF	3	ROCKFORD, ILL. - FJC	2
MINNEAPOLIS, MINN. - FJS	3	ROCK ISLAND, ILL. - UJC	2

City and Member Agency	No. of Delegates
SACRAMENTO, CALIF. - UJWF	2
SAGINAW, MICH. - JWF	2
SALEM, OHIO - JF	2
SALT LAKE CITY, UTAH - UJC	2
SAN ANTONIO, TEXAS - JSSF	2
SAN DIEGO, CALIF. - UJF	2
SAN FRANCISCO, CALIF - FJC..JNWF	5
SAN JOSE, CALIF. - JF	2
SAVANNAH, GA. - UJA	2
SANTA ANA, CALIF. - UWF-OC	2
SCHENECTADY, N. Y. - UJA	2
SCRANTON, PA. - JF...UJA	4
SEATTLE, WASH. - FJF...JWS	4
SELMA, ALA. - JWF	2
SHARON, PA. - UJA-SV	2
SHEBOYGAN, WIS. - FJC	2
SHEFFIELD, ALA. - FC	2
SIOUX CITY, IOWA - FJSS	2
SIOUX FALLS, S. D. - JWF	2
SOUTH BEND, IND. - JWF	2
SPOKANE, WASH. - JWA	2
SPRINGFIELD, MASS. - JSSB..JWF	4
ST. LOUIS, MO. - JF...JWF	5
ST. PAUL, MINN. - UJF...JWA	4
STEBENVILLE, OHIO - JCC	2
STOCKTON, CALIF. - NJWF	2
SYRACUSE, N. Y. - JWF	2

City and Member Agency	No. of Delegates
TACOMA, WASH. - FJF	2
TOLEDO, OHIO - JF...UJW	4
TORONTO, ONT., CANADA - FJP..UJWF	5
TRENTON, N. J. - JF	2
TROY, N. Y. - UHC	2
TULSA, OKLA. - JCC	2
TYLER, TEXAS - FJC	2
UTICA, N. Y. - JCC	2
VANCOUVER, B.C., CANADA-JAC..JEWf	2
VICKSBURG, MISS. - JWF	2
VIRGINIA, MINN. - FJS	2
WACO, TEXAS - JFC...UJA	4
WARREN, OHIO - JF	2
WASHINGTON, D.C.-JSSA..JCC..UJA	4
WATERBURY, CONN. - JFA	2
WATERTOWN, N. Y. - JFC	2
WEST PALM BEACH, FLA.-FJC-PBC	2
WHEELING, W. VA. - JCC	2
WICHITA, KAN. - M-K JWF	2
WILKES-BARRE, PA. - WV-JC	2
WILLIAMSPORT, PA. - FJC	2
WILMINGTON, DEL. - JFD	2
WINDSOR, ONT., CANADA-UJWF	2
WINNIPEG, MANITOBA, CANADA - JWF	2
WINSTON-SALEM, N. C. - JCC	2
WORCESTER, MASS. - JSSA...JWF	4
YORK, PA. - JOC	2
YOUNGSTOWN, OHIO - JF	2

COPY

February 17, 1941

Mr. H. L. Lurie, Executive Director
Council of Federations and Welfare Funds
165 West 46th St.
New York, N.Y.

My dear Mr. Lurie:

Permit me to thank you for your letter of February 15 in which you transmit to me the proposal of the JDC which was approved by its Administrative and Executive Committees. This proposal is, in effect, the same proposal which was made by the representatives of the JDC and NRS in Atlanta. As I stated in my letter to you of February 12, I shall submit it to the Administrative Committee of the UPA.

I am surprised that no reference is made in the resolution of the Administrative and Executive Committees of the JDC to the proposal which was made by the representatives of the UPA in Atlanta. The proposal made by Dr. Heller and myself at the conference convoked by the Board of the Council on Saturday morning, February 1, was to meet the objection raised that our former proposals had limited the NRS to \$2,000,000 and that it would be unable to obtain any additional sums from the Allocation Committee. Although we felt that \$2,000,000 was quite adequate for the NRS in view of the large sums which were being raised by communities locally to take care of their own refugees, we made a further concession in order to make possible the reconstitution of the United Jewish Appeals: that out of the first \$9,000,000 raised in 1941, the NRS would receive \$2,000,000; the other \$7,000,000 would be divided 60-40 between the JDC and the UPA — the JDC (60), and the UPA (40). All funds raised over and above the \$9,000,000 would be left to an Allocation Committee which would distribute them among the three agencies as they saw fit. We believe that our proposal took care of the JDC-NRS proposal for we made provision for a neutral allotment committee to study the needs of the NRS as well as of the other two agencies. Thus, if the requirements of the NRS were such as to warrant an additional allotment, it would undoubtedly receive it from the Allotment Committee. If the same amount of money will be raised in 1941 as in 1940, there would be left in the hands of the Allotment Committee nearly three and a half million dollars for allocation.

COPY

H. L. Lurie

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February 17, 1941

Inasmuch as you have referred to the UPA the proposals of the JDC-NRS, I assume that you have also submitted to the latter organizations the proposals which the UPA made at Atlanta. We are awaiting a reply and it would be helpful if the reply would be forthcoming before our meeting on the 25th.

You state that you have sent copies of your letter addressed to me, to Mr. Shroder, several other officers of the Council, to the neutral members of the Allotment Committee, to the JDC and the NRS. May I request that you send a copy of this letter to the same people. The impression should not be spread through the country that only one proposal was made in Atlanta, accepted by the JDC and the NRS, and that now "it was up to the UPA", to quote the New York Times of this morning reporting the JDC Conference of yesterday. I am rather surprised that no mention was made at the JDC Conference yesterday of the UPA proposals which were made in an earnest effort to reconstitute the United Jewish Appeal.

I would not suggest the calling of any meeting with the neutral members of the Allotment Committee and the representatives of the agencies until action is taken on the 25th.

With all good wishes, I remain

Very cordially yours,

AHS:BK

(Signed) Abba Hillel Silver

P.S. In your letter to me, dated February 6, you requested the agencies to consider the "several proposals which were made at Atlanta for reconstituting the UJA". Clearly there was more than one proposal.

February 19, 1941

Mr. H. L. Lurie, Executive Director
Council of Jewish Federations and Welfare Funds
185 West 46th St.
New York, N.Y.

My dear Mr. Lurie:

Permit me to thank you for your letter of February 18. You seem to be under a wrong impression concerning the two meetings which were held on Friday evening and on Saturday morning in Atlanta. It was not the Saturday morning meeting which was the informal one as you suggest, but the Friday evening meeting. That meeting was not called by the Council but by Mr. Kahn of Pittsburgh and a group of Presidents of welfare funds, and was arranged for before we arrived in Atlanta. The Saturday morning meeting was called at the request of the Council and was attended by the official representatives of the JDC, the UPA, the NRS and the Council. For the UPA there were present, besides myself, Mr. Kaufmann, President of the ZOA, Mr. Lipsky, Chairman of the Executive of the UPA, Dr. Heller, Vice-President of the UPA and, I believe, also Judge Levinthal.

At the informal Friday evening meeting, Mr. Warburg and Dr. Lowenstein presented the proposal for a neutral allotment committee to fix the amount which the NRS shall receive out of the 1941 campaign. The representative of the NRS indicated, I believe, his readiness to approve such a proposal. There were other proposals made that evening. When I was called upon to express an opinion, I made it clear that I should be very happy to present to the Administrative Committee of the UPA all proposals made at this meeting of the Presidents, but that I had no power to commit the organization to any proposal.

At the formal meeting the following morning called by the Council, it was proposed by Mr. Shroder that I join with Dr. Lowenstein and others in drafting the Warburg-Lowenstein proposal of the previous evening. You will recall that I definitely declined to do so stating that these were not proposals of the UPA, but of the JDC, and that the JDC representatives should draft their own

February 19, 1941

proposals. Mr. Kaufmann, the President of the ZOA, went further and stated that he did not approve of the proposals, and that the UPA would in all likelihood not accept them. I restated the position which I took on the previous evening that all proposals would be presented to the UPA for its earnest consideration. It was then that Dr. Heller made the proposal which I concurred in -- that out of an initial \$9,000,000 allocation, \$2,000,000 should go to the NRS and the rest should be divided 60-40 between the JDC and the UPA. All funds raised over and above the \$9,000,000 would be left to an allocation committee for distribution among the three agencies. We assumed then that our proposal would be transmitted by the JDC and NRS representatives to their bodies as we intended to transmit their proposals to our body. There were, of course, other proposals made at this Saturday morning meeting, but only two that were presented by the official representatives of the agencies involved in the United Jewish Appeal.

I would suggest that you as Executive Director of the Council, bring formally to the attention of the JDC and the NRS our proposals in the same way as you have transmitted the JDC-NRS proposals to us. I should regret to have to inform the Administrative Committee of the UPA, at its meeting on the 25th, that this was not done and that both the JDC and the NRS had completely ignored the proposals of the UPA's official representatives called to a formal conference of mediation by the Council in Atlanta.

With all good wishes, I remain

Very cordially yours,

AHS:BK

LAW OFFICES OF
ULMER, BERNE AND GORDON
PUBLIC SQUARE BUILDING
CLEVELAND

J. M. ULMER
J. M. BERNE
H. D. GORDON
C. W. BERNE
T. G. KLINGNER
A. J. KOEHLER
J. L. HALBERSTEIN

February 18, 1941

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

Dear Rabbi:

I have your letter of the 17th for which I thank you. The fact that you value my opinion sufficiently to write, means something to me. In view of the great personal regard I have for you, I owe it to you to answer frankly.

It is one of my greatest regrets that I should ever have occasion to differ with you. It is painful to me. I have seriously considered withdrawing from communal activity in order to avoid it, especially since I see other questions coming up on which we may not be able to agree. However, I find I cannot withdraw and maintain my self-respect.

I have been a member of the Zionist organization for a good many years and am interested in the support and development of Palestine although I may not be prepared to go as far as some on certain questions and in some procedures.

Some doubts have been cast as to the desire of Zionists generally to have a united drive. This is based upon statements freely made by Zionists that their cause would be better served otherwise. It has been somewhat supported by the position taken in the negotiations. To say that N.R.S. is receiving more money than it should receive is one thing. To say arbitrarily that \$2,000,000 is the limit of what N.R.S. should receive, is to be the indictor, the Judge and the jury, and creates an impossible barrier in the negotiations. On its face, in view of their budget of \$3,450,000 last year, it is an untenable position. It does not appeal to one's sense of fairness; especially if we start out with the premise that we must first take care of the people here.

I have talked to a great many people around the country and they are critical of this position, outside of a few ardent Zionists. The people I have talked to, I consider fair-minded men and not enemies of Palestine. I believe the

Rabbi Abba Hillel Silver

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February 18, 1941

vast majority of Americans feel that we must, for our own protection and strength and for the protection of those everywhere who look to us for relief and support, take care of the refugees here. The amount involved is of concern to all. No one wants to see any funds expended unnecessarily. The figures and data are available. There is no ideology involved. There are hundreds of decent highminded unprejudiced men in this country who can be trusted to determine this question fairly.

The willingness of N.R.S. to submit its case to such a group composed of men who are not active in N.R.S. appealed to those who were at Atlanta and will appeal to others. It is a proper way in which disputes of this kind should be settled. You take the position that this would be a concession on the part of U.P.A. but I do not agree that it is. I think it was a decent gesture on the part of N.R.S. So far as U.P.A. is concerned, it would be merely moving from what I consider an untenable position to a sound one.

At Atlanta, most of us understood that the representatives were to submit to their three respective organizations, this solution of the N.R.S. problem and the resuming of negotiations towards a reconstruction of the United Appeal. We felt that since the difference in ratios suggested, in New York, by the two other organizations, was small, there was every hope that they would get together. Even though you feel that you would be making a concession in the N.R.S. matter, justifying some reconsideration of the U.P.A. position, I do not think this makes the matter hopeless. I believe that J.D.C. from what they said publicly at the meetings in New York, is prepared to sit down with you and endeavor sincerely to arrive at some fair compromise.

You say that U.P.A. made a proposition on Saturday morning at Atlanta and that you are waiting for an answer to that proposal. I understand that someone suggested a 4-2-2 formula. Then Rabbi Heller suggested the formula set forth in your letter of February 10th to me. Most of us at Atlanta understood, from statements made by the representatives, that neither side had any authority to commit their organization at that time. Therefore, the propositions made would seem to have been merely a feeling out process. If they were not official, they would not require any official answer. Even though you feel that J.D.C. should have given some answer to Rabbi Heller's proposal, I feel sure you will not allow technicalities or procedural matters to stand in the way of a meeting which has for its very purpose a discussion of these formulas and an effort to get together.

I am convinced that the harm which will come from a breach at this time, with the feeling already stirred up, will be tragic, and will destroy our effectiveness in acting together in any major crisis which the next year is likely to bring forth, and will

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Rabbi Abba Hillel Silver

February 18, 1941

tremendously hurt the campaigns throughout the country. I value national harmony at this time far above J. D. C. and its causes, N.R.S. and its needs and U.P.A. and its program. I believe this to be the feeling of a large part of the country.

I do not believe that a solution can be found at long distance. I do have faith that if both sides sit down in good will and are prepared to compromise, they can get together and avoid what may be a disaster.

You know that it is only my deep convictions and sincerity which lead me to write so frankly and at such length.

With all good wishes,

Yours sincerely,



J. M. Berne



MINUTES

MEETING OF THE OFFICE COMMITTEE
of the
Emergency Committee for Zionist Affairs.

Wednesday, February 19, 1941

PRESENT: Mr. Lipsky (in the chair) Mesdames Pool and Schoolman;
Dr. Goldstein, Mr. Wertheim, Dr. Wise.

Dr. Nahum Goldmann, Dr. Joseph, Mr. Lourie, Mr. Neumann.

DEPUTATION TO LORD HALIFAX

After some discussion concerning the composition of the deputation to call on Lord Halifax, it was generally agreed that non-Zionists as well as Zionists should be included. It was emphasized that members of the deputation, irrespective of their personal views, shall be under obligation to support the memorandum to be prepared ad hoc and to be left with the ambassador.

The following are to be invited to be members of the deputation:

Non-Zionists: Mr. Henry Monsky, B'nai Brith; Mr. Sol Stroock;
Rabbi Herman Hoffman, Independent Order Brith Abraham.

Zionists: Mrs. Pool, Hadassah; Mr. Chaim Greenberg; a representative of Mizrahi, preferably Rabbi Gold; Mr. Kaufmann, ZOA; Rabbi Silver, UPA; Mr. Lipsky, Keren Hayesod; Dr. Goldstein, Keren Kayemeth; Rabbi Solomon Goldman; Dr. Wise, Mr. Szold, Mrs. Jacobs and Mr. Neumann.

MEMORANDUM TO LORD HALIFAX

It was agreed that a memorandum for submission to Lord Halifax be drafted with the help of Dr. Joseph, and be submitted for approval to the Office Committee.

In general the memorandum is to include the following points:

1. A preamble welcoming Lord Halifax to America and wishing him success in his arduous task; also pledging unqualified support for the British war effort on the part of Jewry.
2. The current situation in Palestine.
3. Opposition to the continued implementation of the White Paper.
4. The question of a Jewish military force.

In conclusion there is to be a reference in some form to the hope that Zionists have of a post-war settlement in which Palestine will find a place as a Jewish Commonwealth. Reference should be made in the course of the

memorandum to the record of support of the American government for Zionist aspirations ever since the Resolution of Congress in 1922.

Mrs. Pool reported that Hadassah, after consultation with Mr. Lourie, had written a welcoming letter to Lady Halifax and was making plans for entertaining her at the home of Mrs. Lehman.

PRESIDENT'S ADVISORY COMMITTEE

Mr. Lourie reported that the Emergency Committee had paid \$7,500 in the year 1940 to the President's Advisory Committee for Political Refugees and that a letter had just been received asking for the payment of \$2,500 on account of 1941. He pointed out that the Emergency Committee could not afford to continue these payments.

Moreover, it was reported that the Emergency Rescue Committee, the Jewish Labor Organization and other committees which avail themselves of the services of the President's Advisory Committee do not contribute to its support.

In view of the circumstances, Dr. Wise was authorized to inform Mr. George Warren of the President's Advisory Committee that the Emergency Committee could contribute only \$3,000 for the year 1941, to the support of his committee. \$1,000 should be paid immediately.

JDC-UPA

In reply to a request by Mrs. Pool, Mr. Lipsky briefly reviewed the situation as between the JDC and the UPA as it developed at the Atlanta Conference.

DEPARTMENT OF PUBLIC RELATIONS AND POLITICAL ACTION

Mr. Neumann reported that two-thirds of the Senate had already signed a statement endorsing the Zionist movement and joining the American Palestine Committee, and that he was now proceeding to enlist the support of the members of the House. Ten Governors of states had also sent in their acceptance as well as a number of intellectuals such as Dr. Reinhold Niebuhr of the Union Theological Seminary, and Ray Lyman Wilbur, President of Stamford University. Mr. William Green, President of the American Federation of Labor has agreed to serve as Vice-Chairman of the Committee. Other leading figures were being approached.

No announcement is to be made of the formation of the Committee until after the Lease-Lend Bill has been passed.

Mr. Neumann reported also that he was forming a dinner club of Jews in govt. positions in Washington, who might be interested in Palestine. In this connection Mrs. Pool asked that members of Hadassah's Business and Professional Women's Divisions employed in government posts be included as members of the dinner club.

A special effort was being made with the help of Dr. Wise, Dr. Goldstein and others to interest Christian clergymen.

Among other contacts, Mr. Neumann mentioned Mr. Herbert Hoover, whom he was about to see.

Mr. Neumann reported further that with regard to the assembling of data in preparation for the post-war situation, in addition to Dr. Baumann and Dr. Lowdermilk, he had also had a talk with Mr. Meyer Jacobstein of the Brookings Institution. It was probably possible to obtain from Brookings without cost a preliminary survey of the available data on the basis of which it would be possible to decide whether it was advisable to go into a more detailed survey and the cost of such a survey.

The meetings at regular intervals with editors of Zionist journals reported at the last meeting of the Committee, were continuing and were serving a useful function.

As regards the publications to be issued by the Committee, the first number of the internal bulletin "Fact and Comment" was now available and was in the process of distribution. Preparations for the publications of non-Jewish circles, which it was intended to call "Palestine Today and Tomorrow" were developing.

Arrangements had been made to supply Mr. Ben Cohen with detailed information on the Palestine and Zionist situation prior to his departure for London. He was hopeful that a conference with Ambassador Winant would also be arranged.

Mr. Neumann reported that he had arranged for the publication of an article by Mr. Edgar A. Mowrer on the Jewish contribution to the war effort and the organization of a Jewish military force based on information supplied by Dr. Joseph. The article appeared in dozens of newspapers throughout the country.

CIRCULAR LETTER TO SOUTH AMERICAN ORGANIZATIONS

Mr. Lourie reported that a circular information letter had been sent out to South American Zionist organizations. Copies would be sent to the members of the Committee before the next meeting.

Arthur Lourie.

2/25/41

February 20, 1941

Mr. J. M. Berne
Public Square Building
Cleveland, Ohio

My dear Joe:

Thank you for your letter of February 18. Just for the sake of record, I should like to repeat to you what I said the other day.

1) The proposal of the JDC-NRS (made by Warburg and Lowenstein) for an impartial body to set the amount for the NRS was no more official than the proposal made by Rabbi Heller and myself at the conference convoked Saturday morning by the Council. The UPA representatives were to submit the proposal of the JDC-NRS to its Administrative Committee and we presumed that the JDC and NRS would submit our proposal to their Administrative Committees.

2) The proposal of a 4:2:2 formula was not made by any representative of the three agencies. Even so, it would be presented to our Administrative Committee, for I had promised to present all proposals.

3) The proposal of Dr. Heller and myself at Atlanta definitely met the objection that the NRS was limited to \$2,000,000. An allocation committee would decide, later on, how much the NRS was entitled to receive over and above the \$2,000,000 which would be advanced to it for operations during the next few months. The same allocation committee would decide how much the JDC and the UPA should receive over and above their initial allocations -- \$4,200,000 to the JDC, \$2,800,000 to the UPA.

All the criticism of your letter, if it has any validity at all, is applicable to the earlier proposals made before we came to Atlanta, not to the proposal made by us at the mediation conference called by the Council.

The above are facts which will stand the closest scrutiny.

I am interested in what you say in your letter about having been a member of the Zionist Organization for a good many years. But, my dear Joe, you haven't worked at being a Zionist very hard, have you - not nearly as hard as you have worked for the JDC and the NRS in the last few months. But that is another matter which I hope I will have

Mr. J. M. Berne

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2-20-41

an opportunity to discuss with you at some other time.

With all good wishes, and trusting that you are well,
I remain

Very cordially,

AHS:BK



February 21, 1941

Mr. Leo Weidenthal, Editor
Jewish Independent
Film Exchange Building
2108 Payne Ave.
Cleveland, Ohio

My dear Leo:

I am sure you have been following up the discussion on the National Advisory Budgeting Proposal of the Council of Jewish Federations and Welfare Funds. You have probably seen Professor Kaplan's splendid article on the subject called "Do Your Own Budgeting". The proposal of the Council, in my judgment, is thoroughly bad and threatens to set up a small oligarchy in the East which will come, in time, to dictate to the Jewish communities just how much they should give to the great causes and agencies which apply to them for support, and thereby control them. I hope that you will find it possible to write a vigorous editorial urging the rejection of the proposal in the forthcoming referendum. You may, perhaps, also find space to reprint Professor Kaplan's article.

With all good wishes, I remain

Very cordially yours,

AHS:EK

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

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

41 EAST 42ND STREET

NEW YORK CITY

NATIONAL OFFICERS

February 21, 1941

Honorary Chairmen

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

Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Dr. Silver:

National Chairman

Abba Hillel Silver

National Co-Chairmen

Stephen S. Wise
*Chairman,
Administrative Committee*

Louis Lipsky
*Chairman,
Executive Committee*

Solomon Goldman
Israel Goldstein
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Elihu D. Stone
Joe Weingarten
David Wertheim

Executive Director

Henry Montor

Edward Warburg called me this afternoon as a result of an exchange he had had with Harry Lurie, Director of the Council of Jewish Federations and Welfare Funds. The latter had reported on a luncheon meeting which he and I had for the purpose of discussing the minority and majority reports involved in the current referendum of the Council.

During the luncheon Mr. Lurie had expressed the hope that the United Palestine Appeal and the Joint Distribution Committee would get together again for discussion of 1941 plans. He thought that it would be helpful if Mr. Warburg met privately with you. You will recall that I subsequently spoke to you on the phone, and you indicated that you would be very happy to meet with Mr. Warburg if he indicated a desire to have such a meeting with you.

Mr. Warburg telephoned me because Lurie had reported my conversation on this. I indicated once again that you would be glad to meet with him when you were in New York next week if he desired such a meeting. His conversation ran along the following lines:

He was glad to meet with Dr. Silver at any time, because both you and he were old friends. However, he did not see how any purpose would be served by a private meeting between himself and yourself. The JDC had appointed two representatives with power to act in any negotiations with the UPA. If he met with you he would have to be accompanied by Dr. Lowenstein which would mean, of course, that this would become official negotiations. He did not think that he knew enough of the background of the previous negotiations or was sufficiently familiar with the subject of ratios and percentages to do justice to the cause of the JDC.

In any event, there was to be a meeting of the Administrative Committee of the UPA on Tuesday afternoon, February 25. He hoped that the UPA would appoint two people with power to act, and that, therefore, when you and he met again following the meeting of the UPA, both bodies would be engaged not in private unofficial conversations, but in official negotiations, so that the matter could be disposed of definitively.

Dr. Abba Hillel Silver

February 21, 1941

He made three points:

(1) The JDC was anxious for a united campaign in 1941. He felt that both organizations had been "spanked" by the country as a whole as a result of the dissolution of the United Jewish Appeal so that both would now be in a position to compromise. He did not think that there was much separating the UPA and the JDC. He did not realize that what had been said by Rabbi Heller at the breakfast in Atlanta on Saturday morning, February 1, had represented a UPA proposal. As a matter of tactics that proposal ought not to be pressed at the present time, because from the tactical point of view it might have to be rejected by the JDC. He hoped, however, that this would be a subject of discussion between the UPA and the JDC. He seemed to think that a general proposal was made at Atlanta: that is, that the UPA and the JDC and the NRS should agree in advance that the needs of the NRS should be submitted to a fact-finding committee, and then the JDC and UPA could consider their relationships. He hoped that, regardless of any action to be taken at the Administrative Committee meeting of the UPA on this "Atlanta proposal", it would decide to appoint two people with power to meet with the two representatives of the JDC, and that all four would have final power from their organizations to act definitively in 1941 without reference to further organizational meetings. He hoped that there would be one more meeting between the representatives so that without regard to organizational prestige they might discuss their common grounds for action.

(2) In view of the fact that the NRS was an important subject, he felt that the NRS ought to be invited to have some people available when the JDC and UPA representatives met. He was not concerned with voting power, since votes were not at issue. But since any negotiations between the JDC and UPA would be futile without disposing of the share to be obtained by the NRS, he thought that the presence of representatives of the NRS was necessary even if those representatives were only to be in the next room when the JDC and the UPA met.

(3) He felt that there was a broad sphere still to discuss. He wished first of all for a united campaign throughout the country. If that could not be achieved, there might be some other formula. He would prefer a united campaign in New York to individual discussions in every trade and section.

I have tried to reproduce Mr. Warburg's conversation almost verbatim.

With kindest personal regards, I am

Cordially yours,


Henry Montor
Executive Director

HM:FE

UNITED PALESTINE APPEAL

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

NATIONAL REFUGEE SERVICE, INC.

165 West 46th Street

New York City

February 24, 1941

Rabbi Abba Hillel Silver, Chairman
Mr. Henry Montor, Executive Director
United Palestine Appeal, Inc.
41 East 42 Street
New York City

Gentlemen:

At the meetings of the Allotment Committee of the 1940 United Jewish Appeal, Inc., held on December 6 and 7, 1940, the representatives of the United Palestine Appeal, Inc. and the American Jewish Joint Distribution Committee, Inc. indicated their willingness to recommend to their respective Executive Committees that if it should be necessary, these two organizations lend to the National Refugee Service, Inc., funds of \$250,000, one-third from the United Palestine Appeal and two-thirds from the American Jewish Joint Distribution Committee. It was understood that such advances to the National Refugee Service would be subordinated to any borrowing it may obtain from a bank.

There is no need to indicate the importance of continuing to assist the refugees who are in the United States and who are continuing to come here. This is an obligation which must be met. National Refugee Service now has on hand only sufficient cash to see the organization through the first few days of March. It will be necessary, even if this loan of \$250,000 is granted to us, to secure additional funds to carry on until 1941 campaign income is available.

National Refugee Service, therefore, formally requests a loan from the United Palestine Appeal under the conditions indicated above, to be made available March 1, 1941, and to be repaid out of 1941 campaign income. A similar request is being made of the Joint Distribution Committee.

The cooperation which the United Palestine Appeal afforded National Refugee Service in the acceleration of funds from the 1940 United Jewish Appeal is sincerely appreciated. It is hoped that the United Palestine Appeal will see its way clear again to assist the National Refugee Service by granting this request for a loan.

With kind regards, I am

Sincerely yours,

(signed)

Richard P. Limburg
Treasurer

cc: to Mr. Harris Perlstein
Mr. Elisha M. Friedman

[Feb 24, 1941]

A MINORITY REPORT
ON THE PROPOSAL TO ESTABLISH A NATIONAL ADVISORY BUDGET SERVICE

(Submitted by Mr. Henry Montor, New York)*



* Mr. Montor has informed Council office that this minority report submitted by him has the endorsement of Dr. Abba Hillel Silver, Cleveland, and Mrs. Dora Ehrlich, Detroit, who together with Mr. Montor were members of the Committee to Study National Budgeting Proposals. The Committee appointed by the Council consisted of 18 individuals including the Chairman and Acting Co-Chairman.

February 24, 1941

THE MINORITY REPORT
OF THE COMMITTEE TO STUDY NATIONAL BUDGETING PROPOSALS

THE ISSUE

The Jews of America are now called upon to decide whether the funds they raise annually in their local communities through Welfare Funds (or similar campaign bodies) are to be distributed through the decision of their own local budgeting committee; or by a small national committee to be named by the Board of the Council of Jewish Federations and Welfare Funds.

EFFECT OF "ADVISORY" RECOMMENDATIONS

It is suggested by the Majority of the Committee that any recommendations that are made to local communities for the distribution of funds will be "advisory" in character. Experience indicates, however, that such "advisory" opinions are bound to become mandatory in effect. The "advisory" recommendations of a national budgeting committee, clothed with authority by the Council of Jewish Federations and Welfare Funds, with all the publicity that will be centered upon it, and all the prestige which would accrue to it, would, as a matter of course, exercise tremendous pressure upon local communities.

If the recommendations of allotments and ratios are to be purely "advisory" in character, it is evident that agencies in the national and overseas fields will continue their separate efforts to persuade the local communities with respect to the merits of their requirements. They will continue an independent presentation of their needs in each community. What purpose then is served by a National Budgeting Committee? Obviously, it is intended that the "advice" of the Budgeting Committee shall become binding upon the communities.

The creation of a National Budgeting Committee, styled "advisory", will have the following consequences:

- (a) It will have the effect of eliminating the educational value which Jewish leaders in every community derive from a close study of the needs and the relevant facts with respect to the agencies applying to their Welfare Funds.
- (b) It will create a hard mold of uniform thinking which must in time unfavorably affect Jewish thought and movements in the country. The thinking of a small committee, hand-picked by the Council, will be substituted for the thinking of representative men and women in hundreds of cities in the United States. The relationship between the local community leaders and the causes which they are called upon to serve, and in whose behalf they are asked to raise funds, will become steadily more remote, less personal and less informed.
- (c) The "advice" of a National Budgeting Committee, colored by its ideologic bias, will come to serve as a fixed pattern for all Jewish communities in America.

FACT-FINDING IS NOT THE ISSUE

The Council of Jewish Federations and Welfare Funds has ample power at the present time to make factual studies of every organization appearing before local Welfare Funds for contributions. Moreover, we are strongly in favor of expanding any service given by the Council in order to supply local communities with factual data on the basis of which they may make equitable decisions in the matter of distribution of funds.

These facts, to a large degree, are already available, and as a result of the cooperative process which has been developed between the Council and the various organizations, there are being created new and expanded forms of information dealing with every phase of the activities of these organizations in America. Every community in America can have at its disposal all the pertinent data with respect to their purposes, their past expenditures, as well as detailed analyses of their current budgets. This material is collected by the Council, and can be available to all Welfare Funds.

If it is only facts that are involved, why is a National Budgeting Committee being proposed to "evaluate" these facts? It is because the facts must be interpreted and, being interpreted, they involve a subjective approach.

WHAT IS MEANT IS EVALUATION

The Majority Report acknowledges the role which varying points of view will play in the drafting of national budgets. It is frank enough to say that the introduction of a national budgeting service

"does not mean that decisions on goals and objectives of agencies would be governed entirely by statistical formulae. The intangibles, such as ideologies, would and should also play their part."

Differences of opinion on ideologies are bound to determine decisions with respect to the facts. The attempt to evaluate ideologies by a National Budgeting Committee constitutes one of the most dangerous innovations in American Jewish communal life. It will sharpen and multiply conflict and divisiveness in every community.

It beclouds the issue to make it appear that basic to the idea of the National Budgeting Committee is the desirability of setting up a fact-finding agency. The real purpose is not so much to find the facts, which are available in abundant measure, but to set up a group of men nationally selected to whom is to be entrusted the exclusive responsibility for fixing ratios of apportionment for all agencies participating in the local Welfare Funds.

This tremendous responsibility is to be given to a group of what is called fair-minded, impartial men. It is obvious, however, that if there are any men competent through experience and knowledge to act for and on behalf of American Jewry in matters of such great importance, they must have acquired a definite point of view with regard to the various problems of Jewish life; and they are bound to be conditioned by the ripened conclusions they have arrived at with regard to these problems. There are leading personalities in the American Jewish community who are well-meaning, devoted and conscientious, but they invariably have a point of view and, whatever it may be, it has been tempered by their economic, social and cultural heritage and environment. In this sense, every man belongs to one or another group in American Jewish life.

In the upper economic level one point of view seems to predominate. It usually has great influence in communal life. The democratic procedure in the community serves the public interest by averaging the majority opinion against the view of individual leaders. Out of the amalgam, the state of mind of the specific community, however colored, is fairly reflected; but to abstract from each community one or two personalities occupying place and prestige in the upper economic level with their preconceived notions on the problems of Jewish life, would provide not an accurate cross-section of communal opinion, but would register merely the views of the top layer of one group.

If American Jewry would be raising sufficient funds for the needs of all the agencies, it might be possible to apportion the funds on the basis of determinable expenditures. But the amounts collected are so inadequate and the decisions reached deal chiefly with minimum requirements, so that the question of evaluation arises and plays an important part in determining programs of work. In the field of evaluation the subjective point of view assumes dominant significance. But evaluation there must be somewhere along the line. How is such evaluation to be reached as between one cause and another?

That is a function that can best be exercised in the local communities where the funds are raised and where local public opinion has a chance to control.

THE 1940 RATIOS ARE OBSOLETE

The Majority Report includes the suggestion that 1940 ratios might be one of the measuring rods to be used in making initial allocations in 1941. It is a regrettable departure from the impartial fact-finding service which the National Budgeting Committee proposes to set up to suggest ratios at this time. It should be emphasized that the 1940 ratios for the agencies constituting the United Jewish Appeal were not the result of scientific evaluation. They were the result of an agreement between the JDC and the UPA, as is indicated by the fact that only a small percentage of the total sum raised by the United Jewish Appeal was actually divided by the 1940 Allotment Committee. In other years there were other agreements. Enormous changes have taken place within the past year so that any adherence to former ratios would be as unfair as to use the standards of 1936 or 1939 as the criteria of how funds raised by American Jewry in 1941 may be most constructively used.

By urging that the 1940 ratios be accepted by American Jewish communities as a guide in the distribution of funds raised in 1941, the Committee to study National Budgeting Proposals has already infringed upon the functions of any budget committee to be set up, by removing from its competence the largest part of what might be subject to its decisions and by prejudicing in advance the thinking of such a budgeting committee with respect to the needs of the agencies in 1941.

WHO IS AFFECTED BY NATIONAL BUDGETING PROCESS?

There is an erroneous belief that all that is involved in the proposals for National Budgeting is the determination of ratios for the three agencies formerly in the United Jewish Appeal. Once there has been entrusted to a small committee of the Council the power to recommend ratios, it is clear that all agencies, causes and movements in Jewish life will come under its jurisdiction and control.

Are the civic-protective agencies, with their varying approaches to the Jewish problem, prepared to entrust their fate into the hands of a small body of men who may or may not share their fundamental convictions? In the field of Jewish education, will the lay and professional educators accept the point of view of some men whose philanthropic outlook on Jewish life does not necessarily include an appreciation of Jewish education?

Can any movement, having its roots in deep convictions concerning Jewish life and destiny, place its fate in the hands of those who are not animated by the same convictions and outlook? Is it cause for wonder, then, that these proposals have aroused the greatest anxiety and opposition?

Until such time as Jewish communities in America are democratically organized in Jewish community councils, and in turn into a national organization representative of these community councils which would then be competent to speak for American Jewry in a democratic and representative manner, it would be best to leave each community to pass judgment on the validity of the appeals made to it, reinforced by such factual information and data as the Council will supply.

Welfare Funds now make local decisions with respect to scores of causes. They are not deterred from making contributions to such organizations as the American Jewish Committee, American Jewish Congress, B'nai B'rith and Jewish Labor Committee, although they function in similar fields. Support is not withheld from Hias because its activities are in the same area as both the

National Refugee Service and the Joint Distribution Committee, nor from Ort.

To make it appear that unity in American Israel will be preserved or achieved by this device of National Budgeting is to mislead and to confuse the real issue. The real issue is control and domination!

THE MINORITY RECOMMENDATIONS

The Minority members were compelled to reject the proposals of the Majority members as harmful and dangerous. In place of them they submit the following proposals:

- (a) Every reasonable effort should be made to work out an equitable arrangement for a reconstitution of the United Jewish Appeal in 1941.
- (b) If these efforts fail and there will not be any United Jewish Appeal in 1941, the Committee urges local communities to consider the independent applications of the former beneficiaries of the United Jewish Appeal in the same spirit of fairness as they did before there was a United Jewish Appeal, and to allocate to each agency such amounts as their judgment, after a study of all available facts, will suggest. There should be no delay in fixing allocations or in proceeding immediately with a united campaign in each community. Delay means a paralysis of the 1941 campaign.
- (c) The Minority members of the committee believe that the fact-finding activities of the Council should be continued and enlarged.

THE COUNCIL SHOULD REMAIN A FACT-FINDING BODY

The Council of Jewish Federations and Welfare Funds was created eight years ago to correlate information for the use of Welfare Funds and to further Jewish communal organization.

We urge against transferring to the Council a power too great for any handful of men to wield, when the fate of great causes is at stake.

WHAT WILL BE THE DECISION OF THE WELFARE FUNDS?

The Welfare Funds of America are now engaged in a referendum to determine whether they shall accept the Majority Report or the Minority Report.

We are a people who have valued and fostered freedom of opinion. Our communities have been open to all appeals - religious, sociological, national and educational. It was always conceded that all Jews cannot have the same uniform ideology but that each individual and every group have the right to adhere to any ideological principles they may find compatible with their thinking, giving all other Jews the freedom to do the same thing.

Whatever may be the guise under which the proposals of the Majority will be submitted to a referendum of the Welfare Funds, the consequence of acceptance will be that American Jews will have turned over to a small committee of men not only the right to determine how the funds they contribute may be put to use, but also the power to determine the value and the relations of the views, aims and aspirations which are part of Jewish life in the United States. The determining of this issue gives power to the small committee to determine the destiny of American Jewry. That power should be retained by the local communities and should not be handed over to any National Budgeting Committee.

The Minority Report asks of the Welfare Funds endorsement of the proposal that the fact-finding services of the Council should be expanded but that the work of evaluation and of budgeting be left to the individual community where it properly belongs.

MINUTES OF A MEETING OF THE ADMINISTRATIVE COMMITTEE OF THE UNITED PALESTINE APPEAL

TUESDAY, FEBRUARY 25, 1941 at 4 P.M.

AT THE OFFICE OF THE UNITED PALESTINE APPEAL, 41 EAST 42nd STREET, NEW YORK

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Present: Stephen S. Wise, presiding; Sol Cohen, Harry P. Fierst, Mendel N. Fisher, Jacob Fishman, David Freiburger, Leon Gellman, Leib Glantz, Israel Goldstein, Abraham Krumbein, Abraham L. Liebovitz, Louis Lipsky, Irving Miller, Charles Ress, Morris Rothenberg, Joseph Schlossberg, Abba Hillel Silver, Robert Silverman, Ferdinand Sonneborn, Elihu D. Stone, David Wertheim, H.M. Weinberg, Morris Weinberg.

Samuel Blitz, Bernard Joseph, Arthur Lourie, Henry Montor, Maurice L. Perlzweig, Martin Rosenbluth, Alex Rothenberg, Meyer F. Steinglass

Regrets for inattendance were received from Louis Altschul, Robert M. Bernstein, Jacob H. Cohen, David Glosser, Solomon Goldman, Nahum Goldmann, Edward L. Israel, Jacob J. Kaplan, Maurice J. Karpf, John L. Leibowitz, Israel H. Levinthal, Ludwig Lewisohn, Charles J. Rosenbloom, Mrs. Sol Rosenbloom, Mrs. Samuel J. Rosensohn, Israel Sachs, Albert Schiff, Simon Shetzer, Nathan M. Stein

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UPA EXECUTIVE DIRECTOR

It was moved and seconded that Mr. Henry Montor be elected Executive Director of the United Palestine Appeal. The motion was unanimously carried.

REPORT ON CAMPAIGN

Mr. Montor reported that an intensive campaign was under way on behalf of the United Palestine Appeal in every part of the country. He felt that the UPA had a more adequate staff than ever before in its experience. It had been assumed that the raising of funds in 1941 would not be an easy task and, accordingly, the entire country had been covered with men of experience and competence. The UPA had tried to develop the communities so that they would give maximum consideration to the needs of the UPA. There has been an intensification of contact between the local communities and the national headquarters.

In addition to the campaign organization there was^a special regional activity being directed by Mr. Silverman which was arranging conferences in every section of the United States to serve as the background for contact with local communities for maximum consideration of UPA interests.

Mr. Montor then reviewed the UPA situation in the ten leading communities in the United States. He dealt with the attitude of Zionists in many communities to the independent campaign and pointed out that many of them were urging a unified campaign. Another factor that had to be taken into consideration was the continuation on a large scale of the Gewerkschaften campaign, the launching of a drive by the League for Religious Labor in Palestine and similar and smaller Palestine campaigns.

But even though there were many handicaps, Mr. Montor expressed his conviction that the launching of the UPA campaign represented the most forward-looking move that Zionists and Palestine had made in many years.

For the first time in years there was a link being established between the UPA and local adherents. He felt that the UPA could look forward, even under the worst of circumstances, to receiving more than it had in 1940 from the united campaign. Many people were being met, many meetings were being held and many friends were being made. The problems were numerous, but he felt that if the UPA were patient and were prepared to take ample time to make up for the losses and the liquidation of interest as a result of the last three years, the Zionist movement had much to gain.

Consideration was given to the problem of Chicago where, after many weeks of discussion by the local Zionist leaders, the national UPA headquarters and the Chicago Welfare Fund the latter had decided on an allotment to the UPA of approximately \$210,000 out of a total net income of \$1,400,000, out of which 59% was assigned to the three agencies formerly constituting the United Jewish Appeal.

After a thorough discussion of the Chicago situation it was moved, seconded and voted to refer the problem to the Executive Committee of the UPA for study, with power to act.

NEW YORK CAMPAIGN

Mr. Blitz reported on the energetic activity in the New York UPA campaign, referring especially to the formal launching on February 24th with six meetings in one day, all of which had been addressed by Dr. Silver. He felt that the Zionists in New York had rallied to the defense of Palestine in this emergency. He described the vigorous efforts that were made to counteract the campaign of the UPA, but there had been found devoted and energetic Zionists who had, in every trade, borough and section, protected the interests of the UPA.

Dr. Bernard Joseph, Mr. Louis Lipsky, Rabbi Irving Miller and others had been brought into the picture for the meetings that were constantly going on with trade groups to determine ratios for campaigns which were to be united.

Mr. Blitz stated that at a meeting of the Executive Committee of the New York UPA, at which Rabbi Irving Miller had presided, there had been a review of all the trades and it was the general agreement of the representatives present that the New York UPA campaign was in a first-rate condition.

Dr. Harold Weinberg felt that Mr. Blitz was taking a too optimistic view of the situation. Many people had told him that they would not take any part in money raising efforts unless there were a united campaign. He greatly feared a separate campaign and urged that there should be a united effort.

Mr. Fierst reported that he had attended the annual meeting of the JDC in New York on Sunday, February 23rd and that there had been submitted resolutions, passed unanimously, regretting the dissolution of the UJA and proposing that an effort be made to reconstitute the united campaign. It was the feeling of those who were at the meeting that another effort would be made to get together.

STATUS OF NEGOTIATIONS

At this point, Dr. Silver described the situation of the UPA in relation to demands that had been presented at various times for a reconstitution of the United Jewish Appeal.

Dr. Silver stated that at the last meeting of the Administrative Committee of the UPA authorization had been given to its representatives to make the following proposals as a means of preserving the UJA: out of the first \$9,000,000 to be raised in such a united appeal NRS would receive \$2,000,000 total and the other \$7,000,000 would be divided 65-35 between the JDC and UPA, the balance to go to an Allotment Committee.

This proposal was discussed at great length by the Administrative Committee and approved. It was the proposal which the UPA representatives had offered at a meeting convened by the Council of Jewish Federations and Welfare Funds in New York City on December 17th. That proposal was rejected by the JDC. There was no further progress made by the Council of Federations and no counter-proposals were offered by the JDC. There were none until the annual meeting of the Council of Federations and Welfare Funds at Atlanta, Georgia on February 1st.

In view of the rejection of the UPA final proposal the UPA proceeded on an independent campaign.

At Atlanta, a good deal of the time of the conference was devoted to a discussion of the dissolution of the UJA. There was almost a universal demand for its reconstitution. A meeting was convened on Friday evening, January 31, by ten presidents of Welfare Funds at Atlanta to which they invited the representatives of the three agencies in the hope of bringing about some mutual agreement.

Then the Council itself formally invited the representatives of the agencies to meet with its leaders on Saturday morning, February 1st. Out of that meeting evolved a proposal from the JDC-NRS group that inasmuch as the point of difference between the UPA-JDC seemed to be the amount to be given to the NRS, an impartial committee, so to speak, should be designated to determine the needs of the NRS, this determination to be binding automatically on the JDC and UPA. The JDC and UPA could then get together as regards their own ratios.

That proposal was not acceptable to the representatives of the UPA because what was involved was not the determination of the needs of the NRS but the determination of the relative needs of the three organizations. The importance of the relative needs cannot be left to a so-called impartial committee because that no longer involves fact-finding. That involves evaluation and subjective judgments as to whether it is more important to meet the whole needs of the NRS in America and give Palestine less than a minimum or give the JDC less than a minimum. Such decisions can only be the result of negotiations between the groups themselves.

The UPA representatives were pressed at Atlanta. Many Zionists felt that some kind of concession ought to be made in that direction. It was suggested that the NRS should be permitted to go to the Allotment Committee. The initial allotment to it should be \$2,000,000 and the ratio between the JDC and UPA should be changed to 60-40. This was the proposal

made on Saturday morning, February 1, 1941, by Rabbi James G. Heller and endorsed by Dr. Silver. This was the UPA counter-proposal to the one made by the JDC which was to take back the UPA proposal to its body. Neither group at Atlanta felt that it had a right to commit its organizations at that time and it was so stated.

The JDC and the NRS contrived to give the impression that only one proposal had come out of Atlanta, namely their own. No reference was made to the UPA counter-proposal which would take into consideration the needs of the NRS. It was pointed out by Mr. Lipsky that the proposal made by Rabbi Heller was categorically rejected by Dr. Solomon Lowenstein on behalf of the JDC.

Dr. Silver continued that after the annual meeting of the JDC, in accordance with the resolution which had there been adopted, two negotiators had been appointed to meet with the UPA. These two had power to act. Through the Council of Federations the UPA has now been asked to meet with these two negotiators. It is up to the UPA Administrative Committee to indicate whether it wants to appoint two negotiators and to decide what these negotiators are supposed to do and how far they can go. He felt that the UPA should reject formally the proposal made by the JDC and NRS representatives to agree to an impartial committee to fix the needs of the NRS, but that this should be made part of the discussions between the representatives of the JDC and UPA.

Dr. Silver read a letter sent to him by Mr. Harry L. Lurie on February 13, 1941 (Appendix A)

Dr. Silver replied on February 17, 1941 (Appendix B)

The JDC representatives were Mr. Edward M.M. Warburg and Dr. Solomon Lowenstein. There have been informal emissaries sent to the UPA yesterday. There had been an informal emissary who had met with Dr. Silver about the possibility of working out some agreeable solution. Another emissary had spoken to Dr. Stephen S. Wise.

Dr. Joseph stated that the Executive in Jerusalem had been very careful to leave the decision as to the manner in which the UPA should be conducted in the hands of the American leaders. It was felt that inasmuch as American Zionists would have to carry the responsibility for raising the money the decision as to the form of the campaign must rest largely on them. However, the Executive in Jerusalem was glad of the decision that had been taken. He realized that American Jews would have to make decisions based on their own judgment; however there were certain observations that he wished to make.

Unity in itself, he said, had many implications. It was obvious, for example, that Zionists could not unite with other Jews on a program of assimilationism. The question then arose as to what unity involves.

The needs in Palestine were great and were increasing. The amount of money that was suggested for Palestine out of the United Jewish Appeal, even if there should be an agreement to 40% for the UPA out of the first \$7,000,000, was inadequate to the tasks. There was in Palestine a community built up after twenty years of struggle, which is the one thing the Jewish people have accomplished in the past two decades. Whatever justice there might be-- and admitted the necessity of expenditures for relief purposes-- it was

obvious that all that was being done was to give help to individual Jews. There was no approach to the problem of the Jewish nation. The Jewish problem cannot be solved merely from the point of view of the individual Jew, but in terms of the national economy.

He recognized that aid must continue to be given to helpless Jews in Europe, but the extent of that aid must be determined in the light of the creation of permanent values for the Jewish nation. America is a normal nation and conducts itself as normal nations do. Hundreds of thousands of people in America, perhaps millions, are in want or haven't enough to satisfy their requirements; there are many unemployed and yet the Government does not find it incongruous to spend money to teach well-fed people how to read poetry at luxurious universities. Nobody condemns the Government for carrying out this program. Poetry is taught, ships are built, many seemingly unnecessary plants are created which are infinitely less important on the surface than the giving of bread to hungry people. Still the American nation goes on with its program and most people agree that from the point of view of the nation that is the proper approach, because the nation thinks not only of the individual, but of the present and of the future of the whole people. The nation sends individuals to be killed in order that the nation may live.

If the Jewish problem is approached from that point of view as of a nation, it may well be asked whether there is any nation in the world which spends over 78% of its national income on things which have no national value, on philanthropy.

Everyone seems to agree that from the point of view of Zionism the best thing to do would be to have a separate drive for the United Palestine Appeal. On that there is no doubt but there are some people who say there will be less money for Palestine. Those in Palestine who are responsible for the welfare of Palestine say to you that if such an effort means the building up of Zionism in this country, the loss is worthwhile. We in Palestine will bear the sacrifice in order that Zionism might be built up in America.

If it is reasonable to have a separate campaign, Dr. Joseph stated, not only will Zionism benefit, but more money will be obtained for Palestine. If there is any prospect of solving the problem of the Jewish people, it is only in Palestine and only if what we have built up there can stand firm until after the war. It cannot stand firm if the Zionist movement is to be treated in the way in which certain Americans would wish to treat it in this country.

Dr. Silver read the resolution which had been adopted by the JDC at its annual meeting (Appendix C)

Mr. Liebovitz was of the opinion that the community generally wanted a united campaign.

Dr. Goldstein said that there were several factors that had to be discussed in arriving at a decision; one was whether more money could be raised independently by the UPA than could be gotten from a United Jewish Appeal on the basis of the proposal made in Atlanta by the UPA; secondly, if the UPA could get from the Atlanta proposal at least as much as it could

raise independently, should it be accepted in view of the sacrifice that might be made from the standpoint of Zionist propaganda? What was that Zionist propaganda worth? On that latter point he felt that the answer should come partly from the people in Jerusalem. Dr. Joseph's remarks on this issue were relevant since it showed that Palestine was willing to share the responsibility with us.

Describing the proposals that had been made at Atlanta, Dr. Silver stated that these were a modification of the proposals approved by the Administrative Committee at its last meeting and were as follows: That out of the first \$9,000,000 to be raised in a united campaign, \$2,000,000 shall be given to the NRS and of the \$7,000,000, 60% to the JDC and 40% to the UPA. All sums above \$9,000,000 shall be left in the hands of an Allotment Committee.

Mr. Lipsky was of the opinion that the UPA is not now in the position in which it was during negotiations in 1940. It is not in a state of negotiations at the present time. An independent campaign has been launched; large establishments have been built up for campaign purposes by the JDC, NRS and UPA. The emissaries of the UPA have gone all over the United States laying the foundation for the campaign, as have emissaries for the other organizations. It is not possible, even with the best of Jewish goodwill, to say that after what has happened during the past three or four months the status quo can be re-established as if nothing had happened.

Mr. Lipsky was of the view that the UPA could not avoid negotiations with the JDC, either official or unofficial. He felt, however, that it would be a mistake to enter into negotiations merely with an eye to the ratios involved. Certain "imponderables" now have to be taken into account. He felt that once the negotiations were entered into they could not bog down merely on the matter of ratios. There would undoubtedly be an agreement somewhere in between the ratios that had already been discussed. There were other considerations that had to be kept in mind.

Dr. Silver stated that what was being considered was the kind of campaign that was conducted in 1938, when the UPA had an independent drive but there was a fixed ratio as between the JDC and UPA.

Mr. Lipsky said that in entering into an agreement with the JDC, there must be an agreement not only with respect to ratios, but with respect to the propaganda and approach involving Palestine, so that the UPA would have a proper place in the framework of the campaign.

Mr. Fishman suggested that the UPA appoint two negotiators with full power to act.

Mr. Ress believed that if the public is finally told that an agreement has been made, that instead of thinking ill of the Zionists, it will breathe a sigh of relief and declare that at last statesmanship has prevailed. He felt that that was the temper of the Jewish public. Everyone who participated in the negotiations will be put in that category, because they were finally able to work out a unified agreement. Even though he felt the full force of what Dr. Joseph had said, the Zionist movement is suffering from the calamity of not having made Jewish nationalists in America. Unfortunately, Zionism does not mean enough to the Jews of America, Mr. Ress said.

Mr. Röss added that the UPA ought to take the position that the proposal made at Atlanta is the final word and that negotiators ought to be appointed to present that point of view and to stick to it. He also suggested a time limit be fixed so that the negotiations should not be unduly prolonged.

Mr. Montor gave it as his view that if ratios could be agreed upon the UPA would not be permitted to conduct an independent campaign office but that it would have to be incorporated into a united campaign organization. The country at large would not understand when, after an agreement had been made on ratios, the same large staffs should be kept up by the individual campaign organizations.

He felt that there was a relationship between ideals and money. In 1934, there was a United Jewish Appeal; the Keren Hayesod was the only partner of the JDC in 1934. The Keren Hayesod had received out of that United Jewish Appeal \$916,000. As a result of the campaign of 1940, when all the allocations shall have been paid, the Keren Hayesod will have received as its share \$1,450,000. So that between 1934 and 1940 when 280,000 more Jews came into Palestine, there had been achieved the phenomenal sum of \$500,000 more in America for the Keren Hayesod. The reason for that was that we have neglected year after year to cultivate the people who give the money.

As far as unity is concerned, there was a United Jewish Appeal in 1939 and 1940, but there seems to be more antagonism toward Palestine today than in 1938. Insofar as money is concerned, it was his view that the UPA could raise more money gross, and possibly net, through an independent campaign than through the percentages that were being discussed. It also had to be remembered that insofar as the UPA was concerned, it was not only a matter of getting an initial allotment, but of dealing with an Allotment Committee. All those who had any experience with the Inquiry Committee of the Allotment Committee of 1940 would not wish to repeat that experience. The UPA was put into the position of being dependent upon the charity and upon the whim of someone else.

Mr. Montor felt that the UPA ought to begin cultivating those Zionists whom the movement had been losing--Zionists who do not stand with the UPA because after they have been cultivated and given a sense of direction, they are then allowed to feel that when a decision is made it may not be the final, ultimate, definitive decision.

The UPA campaign to his mind represented the most vigorous answer that could be given to the Yishuv's call to American Jewry to take some action to indicate that we know what Palestine means in Jewish life. He hoped that nothing would be done to sacrifice that understanding.

Dr. Silver felt that if the proposals made at Atlanta are acceptable to the JDC, the UPA ought to accept them because they represent a good deal.

Mr. Stone believed that in view of the negotiations that had taken place and of the general public discussion, the UPA should appoint a committee of two with full power to act. If the UPA were to reject the proposal which had been made on its behalf in Atlanta, it would be condemned by American public opinion.

Rabbi Perlzweig referred to the fact that in England a separate campaign for Palestine was being conducted, despite an appeal that had been launched by the English Jewish community for the maintenance of its own institutions. There was a split in England of a far graver character touching the lives and the institutions of English Jews as between Palestine and the other problems. Nevertheless, the Keren Hayesod appeal had gone forward.

The campaign was being conducted under difficulties of the most serious character in England. This was being done because it was felt in England that Zionism had been dying. It was believed essential that at the present moment, in view of the responsibilities that the Zionist movement will have to carry during the negotiations two or three years hence that this vast instrument of Palestine propaganda should go forward.

It was moved, seconded and approved that the Chairman of the meeting be authorized to appoint two negotiators for the UPA to meet with the JDC.

LOAN FOR UPA

Mr. Montor called attention to the fact that the Chairman of the Board of the Keren Hayesod and the President of the Jewish National Fund had indicated, on the basis of reports that Mr. Montor had made, that the income of the UPA in the coming months will be inadequate to meet even the minimum requirements of these agencies in Palestine. After consultation with the heads of these two organizations, the following resolution was submitted:

THE ADMINISTRATIVE COMMITTEE of the United Palestine Appeal at a meeting on Tuesday, February 25, 1941, in accordance with Paragraph 13 of the agreement constituting the United Palestine Appeal for 1941,

AUTHORIZES and INSTRUCTS Mr. Charles J. Rosenbloom, Treasurer, Mr. Abraham L. Liebovitz and Mr. Jacob Sincoff, Associate Treasurers, and such other officers as may be required to complete the transaction, to make a loan on behalf of the United Palestine Appeal not to exceed \$250,000.00 and to sign notes singly.

THE AMOUNT OF THE LOAN IS TO BE APPORTIONED EQUALLY between the Keren Hayesod and the Keren Kayemeth as advances on the sums they are to receive from the income of the United Palestine Appeal.

LOAN FOR NRS

A letter was read from Mr. Richard P. Limburg asking the UPA to cooperate in extending a loan to the NRS. (Appendix D)

It was moved, seconded and carried to voice regret to the NRS that because of the financial stringency confronting the UPA, as had been indicated in the decision to make a loan for the UPA, the UPA could not extend a loan to the NRS.

The meeting was adjourned at 6:45 P.M.

(APPENDIX A)
COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS
165 West 46th Street
New York, N.Y.

February 13, 1941

Rabbi Abba Hillel Silver, Natl Chairman
United Palestine Appeal
41 East 42nd Street
New York, N.Y.

Dear Rabbi Silver:

I have your letter of February 12th, informing me of the scheduled meeting of the Administrative Committee of the UPA on Tuesday, February 25th at which time the proposals made during the Atlanta Conference will be submitted.

You will be interested to know that both the Administrative and Executive Committees of the JDC met early this week and unanimously agreed to accept the proposal stated as follows:

1. That the neutral members of the 1940 U.J.A. Allotment Committee representing Welfare Fund communities, themselves, and through such instrumentalities as they may select, determine the allocations to N.R.S. for 1941.

Should the community representatives on the 1940 U.J.A. Allotment Committee be unsatisfactory for this purpose to the three agencies, members of the 1940 U.J.A., these three agencies should promptly agree on some other instrumentality satisfactory to them.

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

2. U.P.A. and J.D.C. should immediately resume negotiations for settling such differences between them as are not involved in the N.R.S. allotment.

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

The Council has also been informed by the JDC that that agency is ready to accept the decisions of the neutral members of the Allotment Committee with regard to the NRS and to consider them as binding on the JDC. It is prepared, providing the NRS and the UPA likewise agree, to enter into further discussions with respect to the reconstitution of the 1941 UJA. We have been informed that the JDC is authorized to appoint a committee of two with full power to participate in the negotiations that may be called by the officers of the Council of Jewish Federations and Welfare Funds and to participate similarly if a meeting is convened at the instance of the neutral members of the Allotment Committee of 1940.

Rabbi Abba Hillel Silver
New York, N.Y.

February 13, 1941

- 2 -

I have not yet received a formal letter from the NRS but I have been informed orally that the Executive Committee of the NRS on February 11th approved of the proposal made at Atlanta on which the JDC has taken action.

In the expectancy that the UPA may be prepared to resume negotiations after it has considered the proposal on February 25th, it would seem advisable to schedule a meeting of the interested groups on February 26th in New York City. To expedite the procedures, do you think it desirable for the Council to ask the neutral members of the Allotment Committee to be available for consultation with representatives of the agencies concerned on February 26th?

In order to avoid any unnecessary delay, I have taken the liberty of sending a copy of this letter to William J. Shroder on whose initiative the matter was reopened, to several other officers of the Council, to the neutral members of the Allotment Committee and to the JDC and NRS. I shall be very happy to receive further advice from you on additional procedures that you would consider useful in arriving at the final decision on the Atlanta proposals.

With kindest regards, I am

Cordially,

H.L. IURIE

(APPENDIX B)

February 17, 1941

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

My dear Mr. Lurie:

Permit me to thank you for your letter of February 13 in which you transmit to me the proposal of the JDC which was approved by the Administrative and Executive Committees. This proposal is, in effect, the same proposal which was made by the representatives of the JDC and NRS in Atlanta. As I stated in my letter to you of February 12, I shall submit it to the Administrative Committee of the UPA.

I am surprised that no reference is made in the resolution of the Administrative and Executive Committees of the JDC to the proposal which was made by the representatives of the UPA in Atlanta. The proposal made by Dr. Heller and myself at the conference convoked by the Board of the Council on Saturday morning, February 1, was to meet the objection raised that our former proposals had limited the NRS to \$2,000,000 and that it would be unable to obtain any additional sums from the Allocation Committee. Although we felt that \$2,000,000 was quite adequate for the NRS in view of the large sums which were being raised by communities locally to take care of their own refugees we made a further concession in order to make possible the reconstitution of the United Jewish Appeal; that out of the first \$9,000,000 raised in 1941, the NRS would receive \$2,000,000; the other \$7,000,000 would be divided 60-40 between the JDC and UPA -- the JDC (60), and the UPA (40). All funds raised over and above the \$9,000,000 would be left to an Allocation Committee which would distribute them among the three agencies as they saw fit. We believe that our proposal took care of the JDC-NRS proposal for we made provision for a neutral Allotment Committee to study the needs of the NRS as well as of the other two agencies. Thus, if the requirements of the NRS were such as to warrant an additional allotment, it would undoubtedly receive it from the Allotment Committee. If the same amount of money will be raised in 1941 as in 1940, there would be left in the hands of the Allotment Committee nearly three and a half million dollars for allocation.

Inasmuch as you have referred to the UPA the proposals of the JEC-NRS, I assume that you have also submitted to the latter organizations the proposals which the UPA made at Atlanta. We are awaiting a reply and it would be helpful if the reply would be forthcoming before our meeting on the 25th.

You state that you have sent copies of your letter addressed to me, to Mr. Shroder, several other officers of the Council, to the neutral members of the Allotment Committee, to the JDC and the NRS.

May I request that you send a copy of this letter to the same people. The impression should not be spread through the country that only one proposal was made in Atlanta accepted by the JDC and the NRS and that now "it was up to the UPA", to quote the New York Times of this morning reporting the JDC Conference of yesterday. I am rather surprised that no mention was made at the JDC Conference yesterday of the UPA proposals which were made in an earnest effort to reconstitute the United Jewish Appeal.

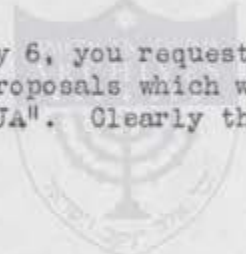
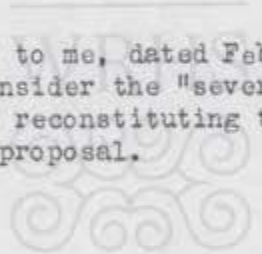
I would not suggest the calling of any meeting with the neutral members of the Allotment Committee and the representatives of the agencies until action is taken on the 25th.

With all good wishes, I remain

Very cordially yours,

(signed) Abba Hillel Silver

P.S. In your letter to me, dated February 6, you requested the agencies to consider the "several proposals which were made at Atlanta for reconstituting the UJA". Clearly there was more than one proposal.



(APPENDIX C)

RESOLUTION ADOPTED AT JDC MEETING SUNDAY, FEBRUARY 16th AT HOTEL ASTOR

The attitude of the JDC on the question of a united appeal was expressed in the following resolution:

"The Joint Distribution Committee has for 26 years dedicated itself to ameliorating the plight of Jewish populations of Eastern and Central Europe and throughout the world. At this crucial period in world affairs, the JDC looks to the continued support of the Jewish citizens of the United States. Without the active, enthusiastic assistance of local American Jewish communities, and a consecrated sense of service on the part of every man, woman and child who can give and serve, the JDC will be unable to render an adequate measure of help to those who are sorely in need.

"In the last two years, the JDC has been associated with the United Palestine Appeal and the National Refugee Service in a centralized fund-raising campaign through the United Jewish Appeal. Earnest efforts to continue the United Jewish Appeal in 1941 have thus far come to naught but it is the hope of the JDC that a unified appeal may still be possible. The major difference of opinion arose with respect to the amounts deemed requisite for the activities of the National Refugee Service. The Joint Distribution Committee desires to record now, as it has done in the past, its willingness to accept any equitable proposal, whereby the primary requirements of the National Refugee Service can be met, and whereby the JDC, as trustee for the welfare of millions of suffering, homeless and persecuted Jews the world over, can receive a proper share of the sums raised in this country.

"At meetings of the Council of Jewish Federations and Welfare Funds in Atlanta from January 31 to February 3, representatives of the JDC expressed their entire willingness to accept an arrangement for a fact-finding study of the needs of the NRS, provided such a study be undertaken under the supervision of fair-minded and objective persons, such as the neutral members of the 1940 UJA Allotment Committee or some other instrumentality acceptable to the three agencies. The JDC stands ready to abide by the decision of such a group. If the UPA agrees to abide by the same recommendations, the JDC is prepared, in concert with representatives of the Welfare Fund communities, to engage in any discussions leading to the reconstitution of the UJA for 1941.

"If, however, such proposals are not accepted by the UPA, the JDC is constrained to make independent applications to the various communities in behalf of its own program. In so doing, the JDC recognizes and respects the existence of welfare funds or similar organized fund-raising bodies in the individual communities which conduct local campaigns on the basis of a centralized, unified solicitation. The JDC pledges itself to work with such local organizations, and to extend to them its fullest cooperation and support. The JDC is convinced that, in turn, Welfare Funds and other communal fund-raising agencies will give to the JDC increased support consistent with the enormous and increased burdens now resting upon it."

(APPENDIX D)

NATIONAL REFUGEE SERVICE, Inc.
165 West 46th Street
New York City

February 24, 1941

Rabbi Abba Hillel Silver, Chairman
Mr. Henry Kontor, Executive Director
United Palestine Appeal, Inc.
41 East 42nd Street
New York City

Gentlemen:

At the meetings of the Allotment Committee of the 1940 United Jewish Appeal, Inc., held on December 6 and 7, 1940, the representatives of the United Palestine Appeal, Inc. and the American Jewish Joint Distribution Committee, Inc. indicated their willingness to recommend to their respective Executive Committees that if it should be necessary, these two organizations lend to the National Refugee Service, Inc., funds of \$250,000, one-third from the United Palestine Appeal and two-thirds from the American Jewish Joint Distribution Committee. It was understood that such advances to the National Refugee Service would be subordinated to any borrowing it may obtain from a bank.

There is no need to indicate the importance of continuing to assist the refugees who are in the United States and who are continuing to come here. This is an obligation which must be met. National Refugee Service now has on hand only sufficient cash to see the organization through the first few days of March. It will be necessary, even if this loan of \$250,000 is granted to us, to secure additional funds to carry on until 1941 campaign income is available.

National Refugee Service, therefore, formally requests a loan from the United Palestine Appeal under the conditions indicated above, to be made available March 1, 1941, and to be repaid out of 1941 campaign income. A similar request is being made of the Joint Distribution Committee.

The cooperation which the United Palestine Appeal afforded National Refugee Service in the acceleration of funds from the 1940 United Jewish Appeal is sincerely appreciated. It is hoped that the United Palestine Appeal will see its way clear again to assist the National Refugee Service by granting this request for a loan.

With kind regards, I am,

Sincerely yours,

(signed) Richard P. Limburg

CC: to Mr. Harris Perlstein
Mr. Elisha M. Friedman

Treasurer

JULIAN W. MACK

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

February 26, 1941

Dr. Abba H. Silver,
The Temple,
E. 105th St. at Ansel Rd.,
Cleveland, Ohio.

Dear Dr. Silver:

May I present, for your consideration, the facts about the Campaign of the United Palestine Appeal and some of my reasons for believing that its success is of vital importance at this critical period in Jewish history and, indeed, in the history of democracy.

The United Palestine Appeal, as you know, is the agency through which funds are received in the United States for the use of the Jewish National Fund and the Palestine Foundation Fund.

As we go about our affairs here in peace and comparative safety, a grim struggle is being waged across the sea. While it is unnecessary to review the facts of the heroic resistance of Great Britain against the monstrous Nazi machine, I want to call your attention to the part that Palestine is playing in helping to make Britain's resistance more effective -- and we all know what victory for Britain means to the United States and to Jews everywhere.

More than 8,000 Jews of Palestine have already enlisted for service with the British forces and, given the opportunity, Palestine is able and eager to provide a total force of at least 40,000 men.

In industry, too, Palestine is doing its part; it has over 200 factories in the metal industry manufacturing motorcar spare parts, armored cars, hospital equipment, barbed wire and numerous metal products. Thirty firms are actively producing electrical appliances, including searchlights. Three spinning mills working day and night make khaki drill for military use. There is a leather industry which can turn out 130,000 pairs of shoes per month. And most important of all to the war effort are the potash works of the Dead Sea which contains almost unlimited supplies of potash and other chemical products so essential to the conduct of the war.

Palestine is also helping to feed the army. Jewish farmers have placed some 50,000 additional dunams of land under cultivation. Agricultural output since the beginning of the war has increased by over 40%. Substantial quantities of potatoes and other vegetables, milk and eggs are being supplied.

These are but a few of the things which Palestine is doing; this is a war record of which Palestine may well be proud and one in which we in this country, too, may feel justifiable satisfaction. For it is largely through the efforts of the United Palestine Appeal that funds have been made available for the achievement of these results.

How has the war affected the people of Palestine? How do these free Jews react to actual attacks from the air, like those in Tel Aviv and Haifa in which several hundred people were killed and wounded? What is the state of their morale? The Jews of Palestine react to terror and attack just as free people have always reacted in the face of crisis. There is no fear in Palestine; there is only the unyielding determination to carry on and to beat back the enemy of mankind.

But this is only one phase of the great work in which Palestine is engaged. There is another way in which Palestine has coped with a critical situation -- another way in which the United Palestine Appeal with your help can continue to aid in a program that is a matter of life or death to hundreds of thousands of persecuted souls. For a number of years -- ever since the black cloud of Hitlerism darkened European skies -- our brother Jews in Europe have been cruelly maltreated, persecuted and hounded from pillar to post. Dispossessed from one nation, they have taken refuge in another, only to find themselves in a very short time confronted again with the necessity of fleeing to another temporary haven.

Much has been said about the duty of the rest of the world toward these unfortunates -- many meetings have been held -- many conferences have been called -- but out of them all has come merely a trickle of immigration into one country and a miserable quota in another. There have come soup kitchens, temporary relief and shelter -- all of which, of course, are highly important; their helpfulness is not, in any way, to be minimized.

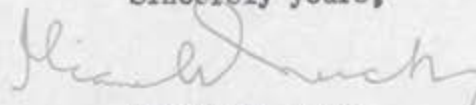
But only Palestine has tackled the problem of the refugee and with the proper vigor on a scale proportionate to its absorptive capacity. Since Nazism began its reign of terror, Palestine has received over 280,000 refugees -- more than were received by all other countries in the world combined. But even more important than this is the fact that when a refugee arrives in Palestine, he is no longer a refugee -- he is at home; he is made to feel that he is wanted. There is no thought of a refugee problem in Palestine. In fact, the Jews of Palestine consider it a holiday occasion when it becomes known that a boatload of wanderers has arrived.

Can Jews, whether Zionists or non-Zionists, who are themselves secure in a great democracy, refuse to do everything in their power to see that Palestine continues as a beacon light of hope for many of their oppressed brethren?

Among the many things that can be done through the United Palestine Appeal is the possibility of the immediate rescue in Rumania, Poland and other countries in Europe, of 8,000 Jews who have the necessary visas and certificates for emigration to Palestine. The keys that will open the doors of these homes are in our hands, for all that is lacking is money to pay their passage.

This campaign of the United Palestine Appeal is not one to dramatize suffering and despair. It is rather a call to hope and courage. There is a new world in the making. We Jews whose brethren have suffered so much in the old world, must do our part to build the new in accordance with the ideals of decency and freedom. It is to these ideals that Palestine and its wonderfully courageous Jewish community are dedicated, and it is to the support of Palestine's virile program that the United Palestine Appeal devotes itself.

Sincerely yours,



JULIAN W. MACK

LOUIS LIPSKY
386 Fourth Avenue
New York, N. Y.

February 28, 1941.

Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio

My dear Silver:

At last, the Comment on the Inquiry is finished. It was impossible for me to use the detailed criticism of the Inquiry which Montor and Reis prepared. It would have carried the discussion into a field jammed with acrimony and endless controversy.

I thought it best to reduce the criticism to a form that would appear in the public eye as dignified, restrained and, at the same time, effective from our point of view.

Very cordially yours,

Louis Lipsky

LL/RW

COMMENT ON BEHALF OF THE UNITED PALESTINE APPEAL

It was agreed in the Allotment Committee that the Report of the Inquiry should be submitted by its Director, who is responsible for all its statements and conclusions; but that in advance of publication, the Report was to be circulated to the three agencies for comment or criticism. The Director was to be given an opportunity to incorporate in his Report (or reject) any suggestions that might be submitted. In the event these suggestions were not incorporated in the Inquiry Report, the agencies were to have the right to ask that a Supplement be appended to the Report, in which such excluded observations would appear under their own signatures. The United Palestine Appeal has followed the agreed procedure. It made its comments on a draft Report of the Inquiry. Its detailed views, supported by the established figures, were submitted in the form of forty-eight typewritten pages. But the larger part of its observations was not incorporated in the final edition of the Inquiry Report. Many important objections were wholly disregarded. We are therefore compelled to take advantage of the privilege of the Supplement to spread before the readers of the Report a brief summary of our views. The summary is brief because our space has been limited.

(Certain general aspects of the Report will be considered in the succeeding paragraphs, but our responsibilities to the United Palestine Appeal compel us to make the following basic observation: The Inquiry was confined, at the beginning, to the problem of allotting the anticipated balances of undivided money in the United Jewish Appeal of 1940, which was its limited function. Subsequently, the Inquiry departed from its initial course. It entered into the consideration of problems of evaluation and comparison. It was soon immersed in an effort to analyze the works, the objectives and the ideologies of the three agencies. This has resulted in confusion of outlook, comparisons that are unfair and prejudicial to one or the other agency, and an illusion of scien-

tific accuracy in a field in which scientific accuracy is almost impossible. Our summarised comment follows:)

1. Appreciation is expressed for the colorful account of the Zionist movement, which the Director of the Inquiry has contributed to what might have been a dry, scientific account. It is surprising, therefore, to find a misunderstanding of the operations of the Jewish National Fund. The discrepancy arises, perhaps, out of the use of the term "bought" or "purchased." The Jewish National Fund operates on a long-term program. It first surveys the territory to be acquired in accordance with policy, and then proceeds to acquire options to purchase under a contract. When all the preliminaries are completed as to the purchase of lease-holds, the clearing of titles, etc., the options are translated into title when and as the funds are available to complete the transaction. It is a matter of skill in negotiation and understanding of the state of mind of the seller, and how long it is feasible to extend the time of purchase, which is involved. You are not dealing here with land purchase in the ordinary sense, but with a land policy in which a series of acts must be performed in sequence. It is a fact that the purchase of the Valley of Jezreel was begun as early as 1919. It took years to secure the consents of tenants, to arrange with the owners, and to remove blemishes on title. Often, options matured but payments had to be postponed, and the entire transaction extended over a period longer than was anticipated. Once land purchases (i.e. options in many cases) have begun in a certain area, it became essential, as a matter of policy, to increase the holdings in order to consolidate territory. The land purchases of the Jewish National Fund are matters of continuing operation, overlapping and extending many years into the future. It is obvious, therefore, that the term "bought" or "purchased" used in this connection must be given its proper interpretation, which has not been done.

2. Likewise, in dealing with the question of commitments and deficits, the Inquiry ignores the fundamental position of the Keren Hayesod. It is the

Fund which is devoted to the building of the Jewish Homeland. Its executive agent is the Jewish Agency. It is carrying on a long-term, continuing, developing program. Again and again the point was made in discussions with the Director of the Inquiry, but apparently without effect. The position is that the building of the Homeland is a continuing enterprise, and it is not pertinent - for the purposes of this Inquiry - to consider whether responsibilities were assumed in the current fiscal year or in previous years. The nature of the operations of the Jewish Agency (or Keren Hayesod) was clearly understood by the Joint Distribution Committee when it entered into an agreement with the United Palestine Appeal to form the United Jewish Appeal in 1939 and in 1940. The building of the Jewish National Home is not an emergency undertaking, but represents an organic development. The emergencies that arise in Palestine are an element latent in the growth of the National Home. There are special problems arising out of the war, including the dislocation of the economic structure, the increase of unemployment, the impairment of the major industries of Palestine - forcing an appeal for increased support. These emergencies compel the Jewish Agency to the use of credits, to the incurring of deficits, in the hope that the Jewish people will not permit the impairment of that center of Jewish life, which is the heart of Jewish hope. These are all elements that must be considered in any objective analysis of the situation.

3. It is misleading, in our view - for the purposes of the Inquiry - to assume that funds collected for Palestine by agencies other than the United Palestine Appeal have any relevancy to the question of allocations. The United Palestine Appeal does not profess to cover the whole field of Jewish life in Palestine. It is responsible for the needs of such institutions and agencies that are basic to the national rebuilding program. It is for this program that the Jewish Agency is responsible under the Mandate. It is this program which is reflected in the works of the Jewish National Fund and the Keren Hayesod,

which deal with immigration, colonization, land acquisition and the general economic development. No matter what amounts may be raised by other bodies and remitted to Palestine, the United Palestine Appeal is not relieved by such remittances of any of its fundamental obligations. If an American Jew gave a million dollars to build a hospital in Jerusalem, that would not mean that the United Palestine Appeal agencies would have their burden lightened in any degree. If a home for the aged were established in Palestine, or a synagogue would be built, the money thus expended would have no bearing upon the budgets of our National Funds.

4. In one part of the Report the statement is made that "the 80% now requested by the United Palestine Appeal seems to be excessive," and that it should "be substantially smaller, 70% at present." This has reference to the percentage which should be contributed by the United States to the budgets of the Keren Hayesod and the Jewish National Fund. The statement in the Report is contradicted by the figures on page 62, where it is pointed out that the Jewish National Fund and the Jewish Agency received from America in 1940, 63.2% of their income, and from Europe (excluding England) 11.1%. This would make the burden thrown upon America 74.3%. It is a patent fact that nothing may be expected from the Jewish communities in Europe for some time to come, first, because of economic disintegration, and, second, because of the war regulations which prevent the transfer of moneys from European countries. Nor can it be expected that either England or South Africa or Canada, carrying war-time burdens of their own, will be able to maintain their previous contributions to Palestine. Although Palestine Jewry itself is making every effort to maintain a high ratio of contributions to the National Funds, it is quite obvious that its capacity to do so will be seriously affected by its own economic conditions. Therefore, the minimum figure of 80% of the budget of the United Palestine Appeal as the responsibility of the United States is not a maximum, as the Report intimates, but an irreducible minimum.

5. We think it important to point out that various statistical and accounting tables, illustrating the text of the Report, are not uniform and comparable for the three agencies. Appropriations and commitments are used in the case of one agency, and cash accounts in the case of another. In dealing with the question of refugee immigration into Palestine, with the question of relief provisions for refugees, with the question of emergencies and budgetary deficits, comparable statistics are not used for the three agencies. As one instance, - Reference is made to the funds brought into Palestine by so-called capitalists, but comparable figures are not given for refugees entering other countries. The absence of figures of capital imports of refugees to the United States given an unfair reflection on the Palestine figures. Unless there is a comparison, the figures are bound to be prejudicial. In comparing expenditures and needs of one country with another, it is of the utmost importance that there be set up a standard, uniform basis, and that all auxiliary factors be taken into account. Merely to state that Palestine receives so much money as against what Europe receives, is an observation of no statistical or social value.

6. The comparison of ratios of funds obtained by agencies in the United Palestine Appeal as between 1934 and 1940, fails to point out that in 1934 and 1935 the Jewish National Fund did more than conduct "traditional collections." It conducted full-sized mass campaigns. At that time it had no agreement with the Keren Hayesod, limiting its plans for fund-raising. There was no United Palestine Appeal in 1934 and 1935. Therefore, the percentages of 1934 and 1935 implicate only the Keren Hayesod, which represents a half interest in the United Palestine Appeal of today. A correction here would change the entire picture of proportions in the Report. The table showing "trend of fund-raising Palestinian agencies" fails to take into account the same rise in the index figure which occurred for every organization operating in the United States, whether of a local, national or overseas character. This was due to a general cause. It was due to the fact that beginning with 1938, the American Jewish communities began to

recover from the economic depression and developed a renewed sense of increased responsibility for Jewish needs. Unprecedented sums were made available not merely to the United Jewish Appeal, but to all Jewish institutions and agencies as a result of this recovery. The setting forth of a table dedicated to the trend in the fund-raising of Palestinian agencies, without pointing out this fact, certainly raises inferences with regard to Palestinian agencies which are not raised in connection with other Jewish institutions.

7. The Inquiry seems to question the validity of the budget of \$13,640,000 planned for the United Palestine Appeal for 1940-41. It points out that it is "more than double the 1939-40 minimum budget." The actual expenditures of the national institutions of Palestine, from October 1939 to September, 1940, were \$8,737,628. Why should the enlarged budget occasion surprise or be considered excessive, in view of the fact that the problems arising out of the war have dislocated the economy of the country, have imposed burdens connected with defense, and that all of Palestine is involved in an abnormal economy imposed upon it by the war? These abnormal conditions call for increased resources to meet the emergency, and these needs must be stated, if American Jewry is to be given a true picture of the situation.

8. The Inquiry set up by the Allotment Committee has rendered an important service to the American Jewish community. It has initiated an effort to introduce order in the consideration of our financial responsibilities. It has endeavored to establish comparisons between activities and to find, if possible, a common denominator. The Report reveals the difficulties of the problem. These difficulties cannot be resolved by straining for reconciliations of fact that are not ^{at all} comparable because they stem from conflicting objectives. It is to be regretted that this initial effort - which incorporates so much hard work - is lacking that degree of accuracy which is of the utmost

importance in the consideration of relations and ratios, and that it has not been possible throughout to maintain scientific objectivity.

February 27, 1941.

Benio Linsky

Chairman, Executive Committee
United Palestine Appeal



at the Assembly, although he said he would have no objection to the Board taking a vote. He thought that there should be a full discussion of the issue, that the Board should take any action it deemed desirable and that it should then submit the matter to local constituents of the Council for their action or ratification.

The formal session of the Board adjourned at 3:20 P.M. for an open Board discussion on the report of the Committee on the Study of National Budgeting Proposals. The Board resumed its session in the evening, at 10:30 P.M., following the open session of the General Assembly, with all those present at the afternoon meeting in attendance and the following additional persons present:

Ex-Officio: Judge Louis Levinthal

Guests: Philip Bernstein, Cleveland
Samuel A. Goldsmith, Chicago
Harry Greenstein, Baltimore
George Levison, San Francisco
Simon Shetzer, Detroit

There was extended discussion as to which persons present at the General Assembly might be entitled to vote. MR. LOEB pointed out that one of the most troublesome points in the By-laws was whether or not individual representatives from communities were entitled to vote as they pleased or whether they had to be bound by a caucus of the delegates from their community and to cast all the votes of their community in accordance with the views of the majority of the delegates from that community. There was further discussion as to the methods by which delegates might be duly accredited in accordance with the By-Laws with ESSRS. BETTMANN, ROSENWALD, YOUNKER, LOEB, LURIE, SHRODER, HOLLANDER, MONSKY, ARNER, DEINARD, WARBURG, LIEBERMAN, LEVINTHAL, HYMAN and DR. LOWENSTEIN participating.

MR. MONSKY repeated the suggestion that no vote be taken on controversial questions by the General Assembly but that the Board, if it wished, might express its views and then submit the matter to the member agencies of the Council for endorsement or rejection. In this way, he said, the question of the legality of the voting at the General Assembly would not be made an issue and the controversial problem could be discussed in each community purely on its merits. ESSRS. BLAUSTEIN and LOEB agreed with Mr. Monsky's suggestion. MR. LOEB added that he had expressed this view to the two other members of the Credentials Committee but they had disagreed with him. MR. DEINARD asked what would happen if the Board took some action, reported it to the Assembly and the Assembly rejected it. MR. MONSKY said he did not think the Board would make a report that would bring such action by the Assembly. If, however, the Assembly insisted on voting, he said, a credentials committee might have to be named to face the problems again. MR. SHRODER explained that the Board could decide whether or not it wanted to submit anything to the Assembly for a vote, but it could not prevent the Assembly from bringing up the same question for a vote itself.

DR. SILVER felt that, since the By-laws were so obscure, a committee ought to be named to revise them and present recommendations to the next meeting of the Board or the next General Assembly. He felt that the particular matter of the budgeting proposal should be submitted to member agencies of the Council without

any action being taken upon it either by the Board or the Assembly. DR. LOWENSTEIN agreed that the matter should be submitted to the communities for referendum, but that the Assembly should not vote on the matter, but felt that the Board itself should take action on the report and inform the communities of its decision. X

DR. LOWENSTEIN MOVED that the Board approve the report of the Committee on the Study of National Budgeting Proposals and that it submit the report to member agencies of the Council in a referendum, the details of which would be worked out by a special committee.

DR. SILVER felt that the minority report should be presented to the communities as well. DR. LOWENSTEIN agreed. MR. SHRODER felt that the statement delivered in opposition to the Committee report at the open Board meeting was of the type of minority report which should be sent to local communities. DR. SILVER said he was sure it would be revised.

DR. LOWENSTEIN revised his MOTION as follows:

That the Board approve the report of the Committee on the Study of National Budgeting proposals; that it report that decision to the Assembly the following day; that the Assembly be informed that both the Majority and Minority Reports would be submitted to the member agencies of the Council for a referendum vote through an appropriately constituted questionnaire with a deadline for votes not later than April 1, 1941. X

MR. BRIN felt that the deadline suggested might not give member agencies enough time to consider the matter and meet to take action on it.

MR. HOLLANDER seconded Dr. Lowenstein's MOTION.

MR. HOLLANDER asked what the procedure would be for getting the proposed service started if the member agencies approved of the Committee report. MR. ROSENBLUM asked what the expense would be for carrying through the service. MR. BLAUSTEIN said it would be between \$15,000 and \$20,500 a year. MR. ROSENBLUM said that the Inquiry of the UJA cost \$25,000; that if the Council were to study 50 or 60 agencies, the cost would be much more. He wondered whether communities knew that this was going to cost so much money. He asked where the Council would get the additional funds.

✓ DR. SILVER expressed the view that the Board was trying to do two things: one that had to be done in a hurry and the other that did not. One, he said, was what should be done about a UJA in 1941, and the other was the problem of setting up a permanent institution for American Jewish communities, which was a radical departure in the field of budgeting. This latter problem, he said, did not call for hurried action, but should be approached much more deliberately, since it was a major long-time issue. He felt the Majority Report should be revised in such a way that it presented communities with a clear-cut single problem - whether or not they favored a national budgeting committee, and not what they wanted done about a UJA in 1941.

MR. BLAUSTEIN, replying to Mr. Rosenbloom, said that the figures he gave on possible costs for the budgeting service covered only the three agencies in the UJA, and that the fact-finding for other agencies, as is stated in the Majority Report, would be undertaken as soon as facilities, including the financial resources for such fact-finding programs, became available. In reply to Rabbi Silver, he said that the Majority Report was being presented now, not because

of developments regarding the 1941 UJA, but because the Committee on the Study of National Budgeting Proposals, after studying the matter since last May, was not ready to report and there was no reason to delay action on the report. He felt that communities should be asked to take action in any referendum on the subject by March 1 rather than April 1.

MR. KINSKY MOVED a substitute motion that the majority and minority reports of the Committee on the Study of National Budgeting Proposals be submitted to the member agencies of the Council in a referendum, with the request that they express their views on the matter before April 1.

The MOTION was seconded by Mr. Wineman.

MR. WINEMAN asserted that he had been interested in national budgeting for the past 18 or 20 years and that he thought the Board would be mistaken to take action on the matter in the heat of controversy. He felt it should be submitted to the communities for their approval or disapproval. MR. LIEBERMAN said that the Board should state its convictions and inform the communities what its views were, on the basis of its mature and deliberate judgment after considering the problem for almost a year. MR. ROSENWALD agreed with Mr. Lieberman's position. He said that the Council had been set up to carry through the desires of local communities. If the Council could serve those of its member agencies which wanted a national advisory budget service and were pressing for such a service, he said, then the Council should act as quickly as possible in meeting these desires.

MR. HOLLANDER reviewed the background of the budgeting proposal and pointed out that for years local communities had been requesting the Council to establish some sort of advisory budget service. The Committee, he said, had brought in a carefully considered report which was intended to meet the needs of those agencies which had asked for the service. He felt the Board should accept the report and send out the referendum to the member agencies pointing out that the Council was prepared to establish services that might or might not be helpful to each of the communities. If a sufficient number of member agencies indicated that these services would be helpful to them, he felt the Council should institute these services. It would not provide the services to those agencies that did not want them. He felt the Council should always act with one idea in mind - that of serving its local constituents and giving them whatever assistance they requested and needed. Local communities, he said, had learned the need for centralized activities, for relating needs and programs to each other, for achieving community harmony. In the national field, he said, chaos still existed. He thought that a process of careful objective evaluation of the needs of all the agencies would serve as a first step "to put our house in order" on a national scale and bring the harmony achieved in local communities into the national picture.

X MR. LEVY felt the Council was a fact-finding organization and that this proposal was changing the character of the organization. He said it would be trying to dictate in the matter of budgeting and that communities might, as a result, leave the Council.

The substitute MOTION was then called for, and defeated.

MR. BLAUSTEIN proposed that the Board approve the majority report and advise local agencies that the Council was ready to provide the national advisory budget service and that, if a sufficient number of member agencies wanted it, the Council would establish the service. MR. ROSENWALD approved of this suggestion. R. WARNER felt that it was important to ascertain what the Board wanted, and what

the member agencies wanted - and not to consider what some member agencies of the Council wanted. MR. LURIE asserted it would be very undesirable to extend any service to a number of member agencies if a majority of the constituents of the Council were opposed to the establishment of such a service.

DR. LOWENSTEIN asserted that after the long and earnest discussion of the matter at the open Board meeting earlier in the day, nothing of substance could be added by further discussion before the full General Assembly the following day. The Board, he said, had a right to act on the matter, to inform the Assembly of the action taken, and to say the subject was closed for further discussion, but that each community would have a right to indicate whether it approved or disapproved of the proposal.

- ✓ The question was called on Dr. Lowenstein's MOTION. The MOTION was carried with the votes cast as follows: 17 in favor, 5 opposed.

MESSRS. ROSENBLOOM, MONSKY and DR. LEVY asked to have their votes in opposition to the MOTION recorded. MR. SHRODER noted that Rabbi Silver had left the meeting before the vote and that Mr. Butzel did not vote.

- ✓ After further discussion, DR. LOWENSTEIN MOVED that the President be authorized to appoint a committee to draw up an appropriate questionnaire for the referendum on the establishment of a national advisory budget service and that it be distributed as quickly as possible; that as soon after April 1 as possible a special Board meeting be called to consider the replies received.

The MOTION was seconded and carried.

There was some discussion as to how the action of the Board was to be reported to the Assembly. MR. GREENSTEIN suggested that in view of the importance of the matter the action be reported by the Chairman of the Board. MR. ROSENBLOOM said that Mr. Greenstein should present the report of the Board discussions and action, as he was originally scheduled to do. MR. GREENSTEIN agreed to make the report.

MR. SCHANFARBER asked whether it would be wise to reopen the controversy on the floor of the Assembly. DR. LOWENSTEIN agreed that a controversy as to who was entitled to vote should be kept from the floor. MR. MONSKY urged that the Assembly be invited to question and discuss the report, but that no vote be taken. MR. SHRODER said that the reporters would summarize the discussion and the action taken, and that the Chairman would advise the Assembly that the matter was open for discussion but that no vote would be taken.

7. GENERAL JEWISH COUNCIL

MR. WHITE felt the Board should consider the resolution that had been passed by the Central Conference of American Rabbis and distributed to local religious funds, - urging that no allocations be made to the individual national organizations in the General Jewish Council, but that contributions be made to the GJC for distribution among its constituents - as a step toward promoting greater coordination of the activities of the national bodies in the civic-protective field.

MR. WHITE asserted that he had written to the Central Conference that such a move was impracticable now, since the General Jewish Council was not prepared to allocate funds among its four constituents and that any action taken by welfare funds in accordance with the recommendations of the Central Conference would merely hamper the work of the four agencies. MR. WHITE suggested that the Council advise

its member agencies that the civic-protective organizations in the GJC had arrived at a joint fund-raising agreement for 1941; that the GJC was in a position either to use or allot funds for civic-protective activities; and that any funds allocated but not remitted, or any further allocations made, to civic-protective agencies, should be sent directly to the agencies themselves.

MR. LURIE asserted that only two member agencies had withheld funds from the individual civic-protective organizations as a result of the Central Conference resolution. MR. ROSENWALD suggested that a letter be sent to those organizations withholding funds.

MR. ROSENWALD MOVED that the Executive Director be requested to take care of this situation along the lines indicated.

The MOTION was seconded and carried.

MR. DEINARD, who was named as one of the reporters on the civic-protective situation to the General Assembly, asked whether the Board or the Assembly were expected to take any action on the matter. MR. SHRODER said that the only action contemplated was a report on the discussions at the open Board meeting the previous day devoted to the civic-protective situation. Any action to be taken, he said, would depend on whether some delegate might wish to make a motion following the presentation of the reports.

6. UNITED JEWISH APPEAL (contd.)

MR. WARNER re-introduced the resolution which he had presented earlier, action on which had been postponed until after the open Board discussion on the establishment of a national advisory budget service. MR. MONSKY suggested that the details of the steps taken to bring about a United Jewish Appeal be omitted but some general phrase, such as "efforts to bring about a UJA for 1941," be substituted. MR. WARNER agreed to the change.

Mr. Warner's MOTION was seconded and carried.

MR. LURIE and DR. LOWENSTEIN discussed the nature of the report that should be made to the Assembly on the further steps which had been taken at Atlanta to reconstitute the UJA for 1941.

MR. HOLLANDER and MR. YOUNKER discussed the recommendations that might be made to communities on preliminary allotments to the agencies in the 1940 UJA, pending either reestablishment of a 1941 UJA or the suggestions of a national advisory budget committee. MR. SHRODER proposed that the problem be left for the first meeting of the 1941 Board of Directors, to be held the following day.

The meeting adjourned at 1:30 A.M.

(signed) H. L. LURIE
Acting Secretary

[Feb. 1941]

TO THE EDITOR:

The full text of the letter addressed by Mr. Hollander to member agencies of the Council follows. It is intended for your own information and is NOT FOR PUBLICATION.

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The efforts of the Council to bring about a continuation of the United Jewish Appeal for 1941 have failed. Separate campaigns have been announced. The JDC, UPA and NRS, therefore, rejoin the list of the other Jewish organizations appealing independently to the welfare funds for overseas and refugee programs.

As provided in the 1940 agreement, direct negotiations between the JDC and the UPA had been going on for several months. Early in December I was advised that these had reached an impasse. On December 15, I sent a letter to both agencies asking for a conference with the Council. This conference was held on December 17 at which time the JDC and the UPA reported on their unsuccessful efforts to reach an agreement.

On behalf of the Council, I stressed the desire of an overwhelming majority of welfare funds for a unified campaign, and urged the continuance of the UJA for 1941. I suggested that the matter be referred to the Allotment Committee of the UJA which had been set up in 1940 by joint agreement with the Council and was composed of representatives of both agencies with an impartial group representing welfare fund cities. This Committee had at its command special fact-finding services that had for months been studying the budgets and needs of these two agencies and the NRS. The Allotment Committee had as recently as December 7, allocated \$1,250,000 on an acceptable basis. I urged that this Allotment Committee be promptly reconvened and asked to recommend initial 1941 allocations for the JDC, the UPA and the NRS of amounts sufficient to make possible continuance of the programs of the three agencies on present levels; allocations beyond these initial minimum amounts would not be fixed on any predetermined ratio, but would be decided from time to time by the Allotment Committee on the basis of continuing studies of needs. As so often requested by our member agencies, I also urged the inclusion of additional agencies in the unified appeal, in order to bring about greater cooperation in these fields of service.

From the report of previous negotiations given at this meeting I gathered that both the JDC and the UPA were willing to continue a joint appeal in 1941 if acceptable conditions for such an appeal could be found. Since they had been unable themselves to do this, they were willing to refer the matter to the Allotment Committee on the following terms:

The JDC was willing that the Allotment Committee should determine all allocations and ratios, but preferred that the initial 1941 grants be

made for the first few months only, substantially on the same ratio basis as in 1940. (The initial allocations in 1940 were \$5,250,000 for the JDC and \$2,500,000 for the UPA.) Subsequent grants throughout the year would be determined as a result of continuing studies of existing needs.

The UPA, on the other hand, desired initial distribution to cover the greater portion of the expectable 1941 receipts; and since they (the UPA) were committed to a planned program for 1941 in behalf of the Jewish Agency of Palestine, they felt that they could not enter into any agreement unless they were assured an initial commitment of approximately \$2,500,000.

I think that if the UPA could have been promised this specific initial amount, the setting up of satisfactory ratios between them and the JDC might not have presented an insurmountable problem, but they were definitely opposed to giving this or any Allotment Committee more than a small portion of the expectable 1941 collection to distribute.

The problem of the NRS appropriation constituted a serious stumbling block. In the earlier negotiations the UPA had suggested that the NRS be excluded from the 1941 joint appeal. In the course of the discussion they conceded the inclusion of the NRS but for a substantially smaller amount. At our conference the UPA would agree only to a total ✓ NRS allocation of \$2,000,000 from all sources. (The NRS had received 3,500,000 from the UJA in 1940.) The JDC would not agree and representatives of the NRS later stated that such a proposal would have been rejected had they been party to the discussions. The JDC had previously asked that the NRS be accepted as a full constituent rather than a beneficiary member of the 1941 UJA. This was not acceptable to the UPA but ✓ the issue was not fully discussed.

No further progress could be made and the meeting adjourned.

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In the hope that an agreement might still be possible I sent a telegram on December 24 to Rabbi Abba Hillel Silver for the UPA, Paul Baerwald for the JDC and William Rosewald for the NRS, asking for another conference on December 27. Rabbi Silver informed me that in view of the fact that independent campaigns had already been announced and since no new proposals had been put forward, no practical purpose could be served by another meeting.

The resulting situation contains many elements of uncertainty and perhaps some hazards to welfare fund campaigns. I am firmly convinced that even with separate appeals, welfare funds will continue as vigorously as before to promote the policy of local cooperation. I urge strongly that all possible steps be taken by local communities to avert any undesirable aspects of competition for funds which were so detrimental to campaign efforts in the past and left trails of friction and ill-will. There can be no question that welfare funds will continue to put forth the same energies and enthusiasm in order to secure adequate funds for these important Jewish causes, but they should not allow their communities to become battle grounds for competitive causes.

- ✓ In order to avoid the friction and chaos of competitive appeals, I shall recommend to our General Assembly in Atlanta that the Council set up its own fact-finding and budgeting body, to provide information and serve as a guide to our member agencies in making their 1941 commitments.

In the event that this proposal is adopted by the General Assembly, the Council will undertake to set up immediately its own advisory budgeting service with the necessary machinery to supply local budget committees with data and recommendations so that they can make their 1941 decisions on a basis of carefully determined needs, rather than as a result of competitive pressure. I therefore earnestly suggest that welfare funds await the recommendations of such a body before completing their local budgeting.

Naturally the Council action must reflect the wishes of its member agencies. I ask that you be prepared to present the views of your community at the General Assembly and to join other member agencies in working out procedures which would be most constructive both to the local communities and to the causes which welfare funds support.

In preparation for the Assembly I need an expression of your views and I would indeed be grateful if you would send me (your home - 2513 Fallot Road, Windsor Hills, Baltimore, Md.) your comments promptly especially on the proposal referred to above.

[Feb. 1941]

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To

Dr. Jonah B. Wise
Dr. Abba Hillel Silver
Chairmen, the United Jewish Appeal
for Refugees and Overseas Needs:

In accordance with the provisions of the Agreement of February 8th, 1940, between the Joint Distribution Committee and the United Palestine Appeal, this Allotment Committee was appointed for the purpose of deciding upon the division between the beneficiaries of the 1940 United Jewish Appeal of such funds as might be raised in excess of the moneys allotted in accordance with the original agreement. The Committee consisted of two representatives of the Joint Distribution Committee, Dr. Solomon Lowenstein, Mr. James H. Becker, and as two alternates, Messrs. Harold Linder and Edward M. Warburg; two of the United Palestine Appeal, Drs. Stephen S. Wise and Abba H. Silver, and as alternates Mr. Louis Lipsky and Judge Morris Rothenberg, and three representatives of the Welfare Fund Communities, Messrs. Harris Perlstein, Chairman, David M. Watchmaker and Henry Winsman, and as alternate Mr. Fred M. Butzel.

The original agreement provided for the distribution of the first \$10,250,000 as follows: the J.D.C. \$5,250,000, the U.P.A. \$2,500,000 and the National Refugee Service \$2,500,000. It also provided that the National Refugee Service would be permitted to receive from the Greater New York Campaign of the United Jewish Appeal, an additional sum of \$1,000,000.

The agreement provided an appropriation to this Allotment Committee to organize an Inquiry into the facts "in order to enable it to have for consideration at its various meetings all material which may be pertinent to a thorough analysis of all matters before it."

To this end, the Committee set up an Inquiry staffed by experts in finance, statistics and economics, headed by Mr. Elisha M. Friedman as Director.

Mr. Friedman has had long experience in investigation of business, finance and U.S. Government work; has been a member of the Faculty of New York University and of the New School for Social Research; is the author of several books on economic and statistical problems, including one on social aspects of the Jewish question. The staff included Bernard J. Reis, C.P.A., well-known for independent research in financial questions, and Special Adviser to the Comptroller of the City of New York; his partner, Joseph Kalafa, C.P.A.; Dr. Jules Backman,

member of the Faculty of Economics at New York University; Mr. William L. Bein, for over twenty years with the J.D.C., Mr. Abraham Ravusky, author of "Jews in Palestine"; Mr. Albert J. Phiebig, formerly Director of Statistical Department of the Reichsvertretung of Jews in Germany and member of the Research Staff of the National Refugee Service; and Dr. Frederick Grubel, formerly Executive Director of the Jewish Community at Leipzig.

The first meeting of the Allotment Committee for organization purposes took place in July, 1940. The Inquiry staff began its work soon thereafter. For two months the staff of accountants examined the books of the three beneficiary organizations and for three months the statisticians analyzed the activities of the agencies. The Inquiry was given the fullest co-operation of the Executive Directors and staffs of the three beneficiary organizations, and of the National Council of Jewish Federations and Welfare Funds.

At a meeting held on Friday, December 6, 1940, in the City of New York, the Committee gave its consideration to the reports assembled and submitted by the Inquiry. It also gave oral hearings to the representatives of all the Agencies concerned.

The continuation of the meeting of the Committee was held on Saturday evening, December 7, 1940, in New York City. After considerable discussion, the following resolution was adopted:

"Such moneys beyond the original allotments as are available for division from the 1940 campaign between the American Jewish Joint Distribution Committee and the United Palestine Appeal, shall be divided on the basis of \$300,000 to the J.D.C. and \$400,000 to the U.P.A., or in like ratio as funds are made available in an amount more or less than \$1,200,000."

No additional allotment was voted to the National Refugee Service. It appeared that the immediate problems of that beneficiary could be met by an acceleration of payments of the amounts still to be paid from the original allotments made by the United Jewish Appeal and the local New York campaign. The representatives of the J.D.C. and the U.P.A. agreed to recommend such an acceleration of payment to their principals, and since the meeting of December 7th, arrangements have been made in this connection. A similar cash shortage by N.R.S. seems likely also to be encountered again in March or April 1941.

In reaching its decision, the Committee gave careful and close consideration to the data developed in the course of the Inquiry. It found that too often differences in ideology are stressed, and thus situations are created which prevent the practical consideration of factual material in arriving at decisions. The Committee was unanimous in expressing the feeling that proper assembling of factual data is of

primary importance. It furnishes the only means by which there can be any intelligent reconciliation of sharply divergent points of view. Because of fundamental differences of viewpoints as to what is most important in the expenditures of funds raised for refugee and overseas work, unbiased studies of the kind attempted by the Committee through the Inquiry, are of the utmost importance and are the only way to meet the needs of the situation on anything but the crudest sort of bargaining basis. It was the unanimous opinion of the members of the Committee that the Inquiry set up for 1940 by the United Jewish Appeal should be continued and that if the U.J.A. is dissolved for 1941, some other way should be found to carry on the work, so that accurate and current information can be made available to those allotting funds in the future.

In the development of the work of the Inquiry, it became obvious that it was indispensable that information obtained from the various organizations should be comparable in form and method in order to allow for comparisons and the establishment of scientific relations. It was suggested that questionnaire forms be developed by the Inquiry, to be filled in by the Agencies, thus doing away with the difficulty of attempting to compare books kept in accordance with different methods and without requiring the agencies to change their own accounting systems.

At the meeting on December 7th, the Allotment Committee voted to make available to the Council of Jewish Federations and Welfare Funds, the reports and material prepared by the Inquiry in order to enable it to make use of such reports in its own studies of material submitted by the agencies concerned. At its final meeting held at the Biltmore Hotel in Atlanta, Georgia, January 31, 1941, the Committee voted unanimously that this report, together with the report of the Inquiry to the Committee and such comment, of reasonable length, on that report by J.D.C., N.R.S. and U.P.A. as those organizations submit not later than February 20th, 1941, for that purpose, shall be printed and furnished to J.D.C., N.R.S. and U.P.A. and the Council of Jewish Federations and Welfare Funds. It was further voted that extra copies be made available at fifty (50¢) cents each to those organizations for distribution to welfare funds and others having a proper interest in the report, with the proviso that each organization keep a record of all copies distributed and furnish a copy of that record to the secretary of this committee. It was further voted that if any of the organizations wish to prepare and distribute abstracts or portions of the report, such abstracts or portions be first approved by the editorial committee, consisting of Mr. Louis Lipsky, Dr. Solomon Lowenstein, Mr. Harris Perlstein and Mr. Elisha M. Friedman.

The Committee wishes to express its appreciation of the services of the members of the Staff of the Inquiry and especially those of Mr. Friedman, the Director. The Inquiry faced a pioneering job in many respects and through hard and faithful labor assembled facts and established procedures which the Committee feels will be of great assistance in the carrying on of future studies.

The Committee feels it its duty to emphasize the fact that the combined resources of all the Agencies included within the U.J.A. are pitifully small, and that the needs of world-wide Jewry are enormous and most urgent. The task that confronts the Jewry of the United States is unparalleled in its history. The greatest task of all is the task of raising adequate sums of money in order to meet the tremendous responsibilities that arise out of this situation.

Respectfully submitted,

Henry Wineman
Abba Hillel Silver
Louis Lipsky

Fred M. Butzel
Solomon Lowenstein
Edward M. Warburg
Harris Perlstein,
Chairman



March 1, 1941

Mr. Lowenstein:

In reply to your telegram, permit me to state the following:

In an earnest effort to reconstitute the United Jewish Appeal, we met with your representatives who we were informed had full power to act for the Joint Distribution Committee. We proposed a formula of an initial allocation of \$9,000,000 out of which the NRS would receive \$2,000,000 and the rest divided 60-40 between the JDC and the UPA. All sums raised over \$9,000,000 would be left to an Allotment Committee which would be free to distribute the funds among the three organizations as it deemed wise after a careful study of the facts in the situation. This was to meet the objection which had been raised that the former proposals of the UPA had limited the NRS to a total of \$2,000,000. At this same meeting, you and Mr. Warburg accepted the formula but insisted that the ratio between the JDC and the UPA be 54-36. We then offered an additional quarter of a million to the JDC out of the next million dollars before any allocations would be made. You rejected that proposal. Following the meeting, through Mr. Jacob Blaustein of Baltimore, who tried to be helpful in an impartial way, we suggested another compromise proposal of 62-38 which you also rejected. Through Mr. Blaustein again it was suggested by your organization that the initial allocation should be \$8,500,000 instead of \$9,000,000. We replied that that figure would be acceptable provided the ratio would again be the original one of 60-40. That you also rejected. We were finally asked by Mr. Blaustein whether we would agree to a 61-39 ratio on an initial allocation of \$8,500,000 and we indicated that we would. That, too, you rejected.

It seems clear that there is no serious desire on the part of your organization to work out an arrangement whereby a united campaign can be reconstituted. We must therefore most regretfully inform you that we are compelled to proceed independently.

AHS

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

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

41 EAST 42ND STREET

NEW YORK CITY

NATIONAL OFFICERS*Honorary Chairmen*

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

CONFIDENTIAL

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.....
.....

Dear.....:

National Chairman

Abba Hillel Silver

National Co-Chairmen

Stephen S. Wise

*Chairman,
Administrative Committee*

Louis Lipsky

*Chairman,
Executive Committee*

Solomon Goldman

Israel Goldstein

Edmund I. Kaufmann

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Louis E. Levinthal

Charles Ress

Elihu D. Stone

Joe Weingarten

David Wertheim

Executive Director

Henry Montor

I am taking this means of informing you of the background of the decision taken by the United Palestine Appeal for the reconstitution of the United Jewish Appeal. It is essential that our Zionist friends throughout the country be fully familiar with the facts so that they may find full satisfaction in the strong position that they took on behalf of Palestine which brought about a result which all of us believe will be helpful from every point of view, both in relation to the cause of unity in American Jewish life and for the development of a united American Jewish sentiment behind the Jewish National Home in this critical year.

1. You will recall that the United Palestine Appeal felt that an injustice had been done to Palestine in the declining ratios for the United Palestine Appeal in the United Jewish Appeal of 1939 and 1940. While the total income for refugees and overseas needs had increased sharply, the ratio for the United Palestine Appeal had declined consistently. Moreover, the National Refugee Service was receiving an increasingly large and, to our mind, disproportionate share of the funds raised by the United Jewish Appeal. We felt that this was especially unwarranted because of the large sums being made available in local communities for refugee purposes.

In 1939, of \$15,500,000 divided by the United Jewish Appeal, \$4,000,000 was allotted to the United Palestine Appeal. In 1940, out of \$12,200,000 raised by the United Jewish Appeal, \$2,900,000 was allotted to the UPA. The first allotment in 1940 was as follows:

\$5,250,000	-- Joint Distribution Committee
2,500,000	-- United Palestine Appeal
2,500,000	-- National Refugee Service, plus \$1,000,000 to the NRS from the New York City UJA

2. When the United Palestine Appeal launched its independent campaign, there was a great deal of misunderstanding of its purposes. This failure to appreciate the necessity of safeguarding the interests of Palestine was also noted among some of our Zionist friends, with

the result that the cry for "unity" came not only from those who did not sympathize with the purposes of the United Palestine Appeal, but from many in our own ranks who insisted that the prime necessity of American Jewish life today was harmonious action and "peace" in fund-raising.

The Administrative Committee of the United Palestine Appeal, on December 17, 1940, approved and endorsed an independent United Palestine Appeal campaign on the ground that the needs of Palestine were not being adequately met. This decision was reinforced at the National Conference of the United Palestine Appeal in Washington on January 25 and 26, 1941. From the very first time that negotiations for a 1941 United Jewish Appeal were launched on October 20, 1940, the UPA emphasized that it had received no proposals from the JDC which would warrant entering a 1941 UJA on the basis of the terms of the previous years. During this entire period, the JDC did not retreat from its original position. This was still true at the meeting of the Council of Jewish Federations and Welfare Funds in Atlanta, Georgia, on February 1, 1941. At Atlanta, scores of leaders representing many communities pressed the UPA, as well as the other organizations, to come to an understanding. The Council of Jewish Federations and Welfare Funds urged its offices in this direction. Subsequently, scores of communications were received by the leaders of the UPA from Zionists throughout the nation who urged that a United Jewish Appeal be reconstituted.

At a meeting of the Administrative Committee of the United Palestine Appeal on February 25, 1941, it was voted to designate two representatives of the UPA with full power to act and for them to meet with two representatives of the JDC to make a final effort to arrive at an understanding for a 1941 United Jewish Appeal. These negotiations continued at length for almost a week that resulted in an agreement as follows: That of the first \$8,800,000 to be distributed by the 1941 United Jewish Appeal, \$2,525,000 would go to the United Palestine Appeal, \$4,275,000 to the Joint Distribution Committee and \$2,000,000 to the National Refugee Service.

3. It will thus be seen that the objective of the United Palestine Appeal had been attained. In 1940, the JDC started off with a fixed allotment of \$5,250,000. This means that in 1941 the JDC will start off by receiving almost \$1,000,000 less. In 1940, the National Refugee Service started off with a fixed allotment of \$3,500,000 to cover national and New York purposes. In 1941, it starts off with a fixed allotment of \$2,000,000, or \$1,500,000 less. The recognition of the larger requirements of Palestine in 1941 is found in the fact that the UPA receives \$2,525,000--\$25,000 more than its first fixed allotment in 1940.

The balance of the funds above \$8,800,000 will be in the hands of an Allotment Committee to be selected in a manner similar to that of the 1940 Allotment Committee. This will mean that the UPA will have a definite voice in the selection of the personnel and in the fixing of the amounts which Palestine is to receive. Thus, it is not an agreement imposed from without but one which has been formulated by trustees for Palestine in full recognition of the spirit of 1941 and of the greater requirements of the Yishuv.

It is important that you understand this background in full so that you may realize that the representatives of Palestine have carried out the

mandate which they have received to obtain from the Jewish community of America the larger sums necessary for Palestine in 1941 and that place in the framework of American Jewish communal action justified by the pre-eminent role of Palestine in our time.

It is important to emphasize that this agreement to reconstitute the United Jewish Appeal should be the signal for intensified effort to bring about a rejection in your community of the proposal of the Council of Jewish Federations and Welfare Funds to establish a National Budgeting Committee. The origin of this proposal in the minds of some of the well-meaning gentlemen who sponsored it was the dissolution of the United Jewish Appeal. That pretext no longer exists.

The same reasons which were urged originally against the establishment of such a Budgeting Committee are still as potent as ever. We ought not permit our national thinking with respect to causes and movements to be determined by a small group of men outside the framework of the communities themselves and of the causes themselves.

Trusting that all of our friends will do their utmost in the coming year to make the agreement of the United Jewish Appeal a success from the point of view of greater emphasis on the role of Palestine and of larger generosity for the total needs, I am

Very cordially yours,

Abba Hillel Silver
National Chairman

AHS:MBG

[early March 1941]

COMMITTEE ON THE REFERENDUM FOR BUDGETING
207 FOURTH AVENUE, NEW YORK CITY

RELEASE ON RECEIPT

! The Proposal for National Budgeting !
! An Analysis of its Implications !
! By James G. Heller !
! Spiritual Leader of Isaac M. Wise Temple !
! Cincinnati, Ohio !
!-----

I was among those present at the assembly of the Council of Jewish Federations and Welfare Funds at Atlanta four weeks ago. I heard the proposal, later approved by the Board, and, after a debate, submitted for a referendum of the constituent bodies. I formed an opinion then that this was a thoroughly unwise and ill-timed suggestion, and I have found no reason since to alter that opinion, though I have given the matter the best thought of which I am capable.

In some of the statements, issued by officials of the National Council, there is the implication that all opposition to the proposal for National Budgeting is partisan, arising from a fear that has no relation to the merits of the suggestion. My own feeling toward it has nothing to do with this. And in these concise, few paragraphs I shall be able only to indicate the reasons, in the nature of the proposal itself and its relation to the actualities of the American Jewish scene, why it seems to me the height of unwisdom, and why I hope that welfare-funds and federations throughout the country will definitely vote against it.

The crux of the matter is to be found in the project to "evaluate" the work and needs of the great national and international agencies, and to suggest ratios to welfare-funds. There are two alternatives; either communities will not ask nor accept this service, in which case it would be a work of

supererogation and might as well not be undertaken. Or it will (as I predict it would) be accepted by the majority of welfare-funds for their guidance, and it would then exercise, in effect, a certain compulsive influence.

No one objects to the National Council furnishing "facts" to its constituents. But to go beyond this is to dive headlong into a dangerous and doubtful activity. How does one "evaluate" the work of such organizations as the Joint Distribution Committee or the United Palestine Appeal? All the objective factors that can be gathered would still give no basis for such a judgment. A large number of imponderables enter. And to contend, as some of these gentlemen do, that it is all very simple, that there is no reason to anticipate trouble, is quite simply to deny the obvious and glaring facts. There are different philosophies behind sections of the American Jewish community, different estimates as to the importance of certain kinds of work. Palestine, for example, by many people, has always been judged, not by its size, not even by the people who then dwelt in it, not by the ratio of the flow of migrants to it, but by its cultural, national, religious significance - by its relation to the totality of the Jewish problem in the world. And conversely it would be idle to deny that many people are opposed to giving certain monies to Palestine, not because they dislike the Jews who go there, but because they have a profound distrust of the whole experiment, because it still arouses an insensate opposition in them. These are facts! They are not idle fancies. How then can you come to an objective evaluation of such causes, when you are patently dealing with subjective factors all along the line?

Nor does multiplying talk about "impartial" committees solve the problem. Personally I have always thought that in such matters the only impartial Jew is a dead Jew. There is a great difference between agreements arrived at nationally by groups which rest upon a certain degree of democratic processes, which call together hundreds and thousands of their followers in regional and national conclaves, which can count upon their loyalty in

accepting such an agreement, - and simply delegating the solution of the question to a small group of neutrals, who may or may not be able to hit upon workable compromises.

It is a tragedy that the national agencies abandoned the United Jewish Appeal. But in the light of their failure to agree I can see but one democratic solution. Let each community debate the issue for itself and arrive at some compromise. These compromises, these allocations will differ in various sections of the country and in various communities. Travel about the land and you cannot fail to observe that this will be so. Out of all this, in two hundred and twenty-five welfare-funds, there will be a fair degree of justice. The result will be truly representative of the total attitude of the Jews of the United States. But delegate all this to a small group, and the result will depend upon their individualities, upon the degree of their genuine impartiality (if there can be impartiality on such questions!), upon narrow and accidental conditions! Is it democratic to take the decision away from Jewish communities and turn it over to a committee?... I know that the answer will be made that communities will still retain the right to accept or reject the recommendations of such a committee. But I point out again that, unless they win some power of acceptance by a majority of funds, they will be valueless!

Is centralization always a gain? Far from it! Often it means danger,- connotes not unity but repression. From the beginning, though I like the Community Councils and the work of the Welfare Funds, I have thought that there were certain dangers inherent in their expansion and joint action on a national scale. From being present at regional meetings of welfare-funds I know that this fear has been and is shared by many others. The welfare funds came into existence to save money and effort, - to stop the scandalous proportion expended for purposes of collection. They were never intended to be a super-government of the American Jewish community, a way of shaping its life by moving steadily toward control of its giving. Unity gained at the expense

of life, at the expense of minorities, at the expense of some of the deepest and most hopeful impulses of the Jewish masses, will not heal the breach, will not conduce toward harmony and cooperation. It will be a deadly unity. It will engender antagonisms and resentments that will, I predict, disrupt the hopeful beginnings of working and thinking together through existent councils and funds. Denying the truth will not produce unity. There are still deep-seated differences among Jews, differences that go far back in history, that have their origin in varieties of economic status, of national derivation, and of closely woven "ideologies" of Jewish life. I wish it were not so, but I know only too well that it is. The time has not come to force upon the American Jewish community a control from above, especially a control that comes, as it were, through the back-door, by getting hold of the great funds we raise for refugees, for foreign aid and for Palestine!

If the National Council is wise, it will abandon the proposal. It will not persist, as some seem to me to do, in shutting its eyes to its probable results. It will not keep on repeating that this is a perfectly innocuous suggestion, sweetly reasonable, designed only to be of brotherly aid! If it wishes to grow, to serve, to follow the realities of Jewish life as it converges slowly toward mutual understanding and unity, it will not try to hasten the millennium; it will not destroy what it has already succeeded in building. It is my hope that American Jewish communities, when they have sat down and thought this through, will reject the proposal, and will go forward along democratic lines.

March 4, 1941

Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Dr. Silver:

It would seem evident to me, considering the progress of negotiations and the attitude with which our people have entered them, that the United Jewish Appeal will be reconstituted. As you know, I regard this as one of the most serious setbacks that the Zionist movement has suffered in this country. I believe it wrong from the point of view of developing a sound and intelligent interest in Palestine among American Jews and from the point of view of the cumulative financial strength that would accrue to Palestine if its needs were placed on a plane of independence.

Feeling as I do on the subject, I do not believe I have any place in the United Jewish Appeal. Accordingly, I herewith submit my resignation as Executive Director of the United Palestine Appeal, to take effect as soon as you have appointed my successor.

One of my chief concerns at this moment is to protect the men and women who work with and for the United Palestine Appeal, who entered the campaign in a spirit of liberation and who felt that at last they might have the opportunity of serving a great cause as free human beings instead of as cogs in a lifeless machine. We have a large staff which is to my mind the finest that has ever been associated with the United Palestine Appeal. The men in the field and the girls in the office assumed that when they entered the United Palestine Appeal campaign they were engaged for the year. I am hoping that in the final negotiations due consideration will be given to these people so that they are not cast out merely because in the month of March the United Jewish Appeal has been reconstituted. Moreover, some of the field representatives, taking it for granted that the independent campaign of the United Palestine Appeal would be continued, have taken an affirmative position with respect to Palestine. I am hoping that this loyal attitude on their part will not be held against them when the staff of the United Jewish Appeal is constituted.

When the agreement of the United Jewish Appeal for 1941 is negotiated, may I suggest that some of the following principles be specifically incorporated in writing:

- a) That the United Palestine Appeal staff shall be fully protected in tenure and security and in its proper integration in the staff of the United Jewish Appeal;
- b) That the United Jewish Appeal shall be entitled "United Jewish Appeal for Refugees, Overseas Needs and Palestine";
- c) That emphasis on Palestine shall be one of the cardinal points in the United Jewish Appeal program of publicity and promotion and campaign organization;
- d) That any Allotment Committee to be created shall be under the full and exclusive control of the Chairmen of the United Jewish Appeal - as to its composition, the method of its operation, its selection of operating personnel and the manner of the publication of its findings; that the Allotment Committee shall be guided by the continuing nature of the responsibilities in Palestine of the United Palestine Appeal; that it shall have no right to deal with or interpret the fundamental ideological bases of the Palestine upbuilding program; that it shall strive to consider the needs and not merely the expenditures of the agencies to be benefitted;
- e) That the National Refugee Service shall continue to be a beneficiary and not a partner of the United Jewish Appeal;
- f) That the two technical managing heads of the United Jewish Appeal, representing the Joint Distribution Committee and United Palestine Appeal respectively, shall have equal powers in the determination of policies and that in the sphere representing the interests of the respective organizations the decision of the representative of that organization shall be final as to policy - thus facilitating the advancement of the interests of the United Jewish Appeal through autonomous action of the particular organization in the framework of the United Jewish Appeal;
- g) That at no time shall there be preference in payment to any organization, the funds to be distributed in relation to either the first fixed allotments or to subsequent distributions by the Allotment Committee, but never in excess of the ratio of the particular organization to the total funds available. Moreover, the Allotment Committee shall have no authority with respect to the distribution of the first fixed amounts nor shall it have the right to vote preferred payments within amounts at its disposal for allotment.

Even though I disagree with the decision that will be taken, I understand the reasons which impelled you to share in it. The unwillingness of many Zionist leaders to play their proper part in a strong and unified United Palestine Appeal campaign was evident from the beginning. The failure of many of the men of the rank and file to hold fast and not to submit you to a barrage that questioned the purpose of the campaign, was another vital factor that had to be taken into consideration. In fairness to the negotiators, I think it ought to be said that the terms they obtained for the United Palestine Appeal seem to be the most favorable since 1938.

Knowing you as I do, I am convinced that the step that you have taken is one which you completely believe to be in the best interests of the Zionist movement in America and of Palestine.

It is not for me as an individual to take the self-righteous position that my view, which seems to be an isolated one, is more correct than that of the leadership which is entrusted with power and responsibility. I feel, however, that the reason why there has been so much misunderstanding now among the Zionists and so little willingness to serve the cause of Palestine gallantly and militantly is because in years past there has not been in effect the program of molding Zionist opinion in the one direction of unequivocal, forthright defense of Palestine as the supreme cause of a purposeful Jewish life.

The year 1941 is, to my mind, unique in the history of America's relation to Palestine. In the midst of a world crisis, Palestine stands as the preeminent contribution of the Jewish people toward meeting that crisis. It is possible to galvanize the sentiment of the young in spirit among American Jews who have begun to feel that men alien to basic Jewish values have been attempting to dominate the direction of Jewish life. But that is not to be. I do not know how long it will be before we can recapture into our ranks those men and women throughout the country, however limited in number, who took courage from the new banner that had been unfurled and who must now feel forlorn.

May I take this opportunity of saying that I am grateful for the years during which I have worked with you. Your encouragement and your confidence have made it possible for me to perform whatever service I might have given. That personal friendship has been one of the greatest assets I have treasured in these years. My hope is that in whatever other capacity I may be serving in the future, I may continue to have that same confidence and good-will on your part.

With kindest personal regards, I am,

Cordially yours,

HM:EC
Enc.

Henry Montor
Executive Director

P.S. In view of the strong position that has been taken by the United Palestine Appeal among its friends, I would urge that a letter along the lines of the attached draft be sent to them as quickly as possible, in order to offset confusion and loss of morale.

STRICTLY CONFIDENTIAL

MINUTE OF INTERVIEW WITH MR. HENRY MORGENTHAU, JR.

At His Office, Treasury Building, Washington,

March 5th, 1941.

PRESENT: Mr. Morgenthau, Mrs. Henrietta Klotz (Secretary to Mr. Morgenthau) and Dr. Bernard Joseph.

Mr. Morgenthau opened the conversation by inquiring what was my mission in this country. I said that one of the reasons which had prompted the decision that I should come to the United States was the difficulty of communicating freely with our friends in this country. We were anxious that they should know what was transpiring in Palestine during the war period so that they might be able to take such action as possible to help us in this country. I told him that whilst everyone appreciated the need for censorship in war time, censorship in Palestine was being used by the Government in order to prevent any sort of expression of opinion and any particular criticism of Government policy or of Government officers. In England the English were obviously not prepared to give up, at the outset, freedom of speech, one of the very things they were fighting for. In Palestine the Administration took a different view of matters.

He was amazed when he heard from me examples of the kind of statements, publication of which censors in Palestine prohibited. I said that it was obvious that they were taking advantage of the war situation to muzzle criticism of Government policy. Mr. Morgenthau said, jocularly, that this must be hard on us. We Jews do not like to be in a position where we are not able to criticize.

Mr. Morgenthau then asked me what was our attitude to immigration into Palestine now. I replied that we would welcome as many Jews as would come to Palestine. We were only too glad to be able to help them escape from their persecution in Europe and to receive them into our midst. I pointed out that Palestine was probably the only country in the world where even the working class were happy to welcome new immigrants, although they might be competitors for work. This was because all of us in Palestine had only one concern, and that was the up-building of the Jewish National Home. Mr. Morgenthau then asked whether this was so despite the fact that the refugees were not selected immigrants and many of them were old. I replied that actually the average age of immigrants coming into Palestine was quite low. Our population was essentially a young population, but even when it came to refugees we would ask for the imposition of no restrictions whatsoever. We felt that every Jew was entitled to come to Palestine and we were glad to have them all.

He then asked how many illegal immigrants we had in the country. I said that I was unable to give him any exact figure but that I knew that during the last year which was a war year, it was estimated that 20,500 immigrants had entered the country and about 9,500 of them held Government immigrant certificates. I added that it made no difference to us whether a Jew entering the country was in possession of an immigration certificate; we treated them all alike.

Mr. Morgenthau then inquired whether the Jewish Agency had any economic function. I said that we certainly did have; that we carried on all the colonization and settlement work of Jews; we settled the immigrants on the land and helped them find work in industry; it was our task to endeavor to help develop the country and settle Jews in Palestine so that they might become self-supporting. He inquired as to how much we spent per annum. I told him that last year we had spent some £ 2,300,000, which was roughly over \$9,000,000. He inquired whether any of that had been borrowed. I replied that part of it had been borrowed. He then asked what part of our money was contributed by Jews in the United States. I replied that previously the percentage had been lower, but now it was approximately 60%. He asked whether we did not raise more money in wartime. To this I said that we certainly needed more money and had to spend more money; I hoped that this year we would get more money in America than we had obtained previously.

He then asked me to tell him something about the enlistment of Jews in the British Army. I told him that when the war was imminent we had seen the General Officer commanding the British Forces in Palestine and had offered the services of 40,000 young men in a Jewish Force to serve in the defense of Palestine. We did not content ourselves with making the offer but immediately set about carrying through a voluntary registration for national service of men and women between the ages of 18 and 50. One hundred and thirty-six thousand (136,000) men and women registered. This was, as he would realize if he remembered that our population was just over 500,000, a greater part of the men and women of those ages. Most of the young men of military age had declared their readiness to serve in a Jewish military force in the defense of the country. Those registering had given us full particulars of their qualifications so that we were in a position to know fairly well how they could help in the war effort. I went on to say that soon after we made our offer to the authorities they called upon us to implement it to some extent. They asked us for 800 skilled artisans to bring some of the battalions of the British Army serving in Palestine in various technical services up to full strength. We provided the 800 men. They then asked us to raise a Jewish Transport Company of 550 chauffeurs and auto mechanics. We did so. We then began to raise companies of Pioneers whose job it was to do manual work in the Army. Later the R.A.F. asked us to assist them by providing 1,200 to 1,500 ground men for various technical services. It seemed that before Italy entered the war the R.A.F. had sent a large number of their trained ground personnel to England where they were needed, and that before recruits could be brought from England to Egypt, to be trained to take their place, Italy had entered the war and the Mediterranean had been closed. They therefore applied to us to help them out. We provided the 1,500 men in a few weeks' time. Later they asked us to furnish infantry companies to serve in the defense of Palestine. In all we furnished them, by the date I had left Palestine, with 7,100 men. By now the figure must be close to 8,000. Mr. Morgenthau said that he had heard that figure mentioned and asked me whether the units were mixed units. I replied that most of our men were serving in separate Jewish units. I went on to say that we were anxious to do even more than we had done and wanted to raise a complete Jewish Force. We felt that our men would do better, for serving in this way they would feel that they were fighting for their country; and we would be able to make a greater effort and would be more use if they would let us raise a Jewish Force of that kind. I added that we were helping not

only by providing men for the army, but that our farmers were doing what they could to increase agricultural production. We have placed 60,000 dunams of additional land under cultivation and in general had increased our agricultural output since the war began, by over 40%. In industry we had also tried to help satisfy the Army's needs. Of course we were only a small community, but we did have some 230 establishments manufacturing metal goods, some 30 factories manufacturing electrical appliances; we were already able to manufacture automobile spare parts, hospital equipment and numerous other things the Army required.

Mr. Morgenthau said that he understood our relations with the Army were all right, but that things were not altogether well between us and the Civil authorities. I confirmed that this was so. He asked me who was the Governor General of Palestine. I informed him that Sir Harold MacMichael was the High Commissioner. I told him that Sir Harold had served in the Sudan for over thirty years and came to the country with a particular mentality which might be suitable to Sudan but which we did not think had any place in Palestine. I said that the Administration of Palestine was not merely carrying out the White Paper policy of restricting our development but was doing so with a vengeance. I told him, as an illustration, of the arrival in Palestine of the Steamship Pacific and the Steamship Milos. When I described the condition of the refugees on these ships, he was visibly moved. I then told him of Government's decision to send them away from the country and how they were trans-shipped to the S.S. Patria, of the representations we made to Government appealing to them on humanitarian grounds not to send these people away after all they had endured before they reached the Promised Land, and of Government's refusal to budge from its decision; of the announcement that they would be sent away from Palestine and that it was not proposed that they would be allowed to return to Palestine even after the war was over. I went on to tell him of the misery this must have caused the refugees on the Patria and of how there was an explosion and the ship capsized and sank in Haifa Harbor. When I told him that nearly 200 Jews had lost their lives in this way he was greatly surprised and, turning to his secretary, he said that he did not think that there had been a mention of the sinking of the ship in the press. She replied that there had been a report of the sinking, but no particulars had been given. I observed that this was in keeping with Government's censorship policy as applied in Palestine.

I continued to tell him of how we again appealed to the High Commissioner after this calamity occurred, urging that these persons were no longer merely refugees but shipwrecked persons who had been saved from the sea, and that the British people had certain traditions about such cases. Nothing we could say moved the High Commissioner, who expressed the view that there were similar tragedies enacted in Ellis Island and that he could not see how that could affect a political decision. Dr. Weizmann was able to obtain the ear of Mr. Churchill who reversed the decision and allowed those saved from the Patria to remain. I went on to tell him of the S.S. Atlantic and of how its passengers were beaten in the Atlit Camp, ^{and compelled by use of force to leave camp and} to be taken on board ship, and that they were removed from Palestine to Mauritius. Mr. Morgenthau asked where Mauritius was situated and I told him it was in the Indian Ocean, 400 miles east of Madagascar. Turning to his secretary, Mr. Morgenthau said, "Do you remember the fuss that was made when Hitler proposed to send the Jews to Madagascar?" Mr. Morgenthau appeared distressed to hear of the way the Atlantic passengers had been treated. I pointed out that this was an example of how things appeared to us - that the Administration in Palestine was not content with enforcing the White Paper policy, but went further than was necessary in the drastic manner in which it applied that policy.

Mr. Morgenthau asked to whom the High Commissioner was answerable. I informed him that he was answerable to the Colonial Office, but indicated that the man on the spot in the Colonial Administration naturally had considerable power. There was now a new Colonial Secretary who we believe was a fair-minded person. No doubt, there would be some of the old officials of the Colonial Office not too friendly to us who might trip him up. With a fair lead from Palestine, the new Colonial Secretary might possibly improve our position, but with the lead he was sure to get from the present Administration in Palestine, we could, I was afraid, have little hope. If only we could get rid of the present High Commissioner, things might improve.

Mr. Morgenthau asked his secretary to take down the name of the High Commissioner and intimated that he thought something should be done about the matter. He said he thought I ought to tell Justices Brandeis and Frankfurter about these things. I said that I had met them and had spoken to them, and that I would be meeting Justice Brandeis again that afternoon.

Reverting to the question of the Patria, I said that such behavior on the part of the British authorities was contrary to the very principles for which Britain was fighting. We took the view that we were bound to help Great Britain win the war. This was the fundamental basis of our present policy. It was no easy matter to explain to our young men whom we called upon to join the British Army, why we were doing so despite the way the Administration was treating us in Palestine. We always made it clear that the two questions were independent ones. We had to help Great Britain win because she was fighting our enemy and if Hitler were not defeated we would be in a bad way, and I was careful to explain this clearly to all our friends here. At the same time I felt that we could not keep quiet about the policy in Palestine, which was a relic of the appeasement era and contrary to the principles the war was being fought for. I did not think it was wise for me to speak freely of the treatment of the passengers of the S.S. Atlantic and had only told these facts to a small circle of Zionist colleagues. Mr. Morgenthau said he thought I was quite right; that he sometimes felt as though he wanted to "spank" the British for their stupidity. He thought that it would be unwise to speak of the treatment of the refugees which I had mentioned to him, or that the British sent Jews away from Palestine, but he did think I should talk of things such as MacMichael was doing in Palestine.

Mr. Morgenthau then asked whether there was anything I wanted to ask of him. I replied that there was. He inquired what it was. I said I would like to ask for his sympathetic interest in our work. He replied that we would have it; indeed, he was already doing something, and Mr. Brandeis would tell me about that. I said I was gratified to hear this. I was sure that it would be of the greatest help to us to have his assistance. He then turned to his secretary (Mrs. Klotz) and said to her "You are 75% a Zionist, interested in Zionism, in Palestine". She replied, smilingly, that she was. He then turned to me and said, jocularly: "You see what influence I have around me". I replied that I was very glad this was so.

I told him that we had set up an Emergency Committee and asked whether I might arrange for Mr. Neumann of that Committee to keep in touch with him, to keep him informed of our activities. Mr. Neumann would be glad to come to Washington at any time it is convenient and Mr. Morgenthau so desired. I also asked whether we might not send him some material to give him further information. He said he would be glad to receive this and suggested that I send it to him care of his secretary, whose address he asked me to note.

Mr. Morgenthau, who had been most cordial throughout the interview, thanked me for coming to see him. I assured him that I considered it a privilege and was only too happy to be able to give him some information about the position in Palestine.

B.J.

MINUTES OF A MEETING OF THE ADMINISTRATIVE COMMITTEE OF THE UNITED PALESTINE APPEAL

WEINERDAY, MARCH 5, 1941, at 4 P.M.

AT THE OFFICE OF THE UNITED PALESTINE APPEAL, 41 East 42nd STREET, NEW YORK

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PRESENT: Stephen S. Wise presiding; Jacob H. Cohen, Sol Cohen, Harry P. Fierst, Mendel N. Fisher, Jacob Fishman, David Freiburger, Leib Glantz, Israel Goldstein, Sylvan Gotshal, Isaac Hamlin, Abraham Krumbein, John L. Leibowitz, Abraham L. Liebovitz, Louis Lipsky, Joseph H. Lookstein, Samuel Margoshes, Irving Miller, Henry Montor, Mrs. Nathan D. Perlman, David Pinski, Charles Ress, Louis P. Rucker, Louis Rinsky, Joseph Schlossberg, Louis Segal, Abba Hillel Silver, Robert Silverman, Jacob Sincoff, Ferdinand Sonneborn, Sigmund Thau, Harold M. Weinberg, David Wertheim.

Samuel Blitz, Samuel Caplan, Mrs. Judith Epstein, Nahum Goldmann, Lawrence Gould, Matthew Huttner, Arthur Lourie, William J. Mack, Abram S. Magida, Alex Rothenberg, Martin Rosenbluth, Max Simon of Cleveland, Meyer F. Steinglass.

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UNITED PALESTINE APPEAL STATUS

At the request of the Chairman, Dr. Silver reported on the status of negotiations between the JDC and the UPA with respect to a combined 1941 campaign.

At the recent annual meeting of the JDC in New York City, a resolution had been adopted expressing the sentiment of the JDC in favor of reconstituting the United Jewish Appeal and appointing two negotiators to represent the JDC in discussions with the UPA. It was requested that the UPA appoint two negotiators on its behalf who would have full power to act as did the JDC representatives. The resolution adopted by the JDC conference had suggested that if such negotiations were not successful, then an impartial group would be called into the negotiations, preferably the three men representing welfare funds who had been on the Allotment Committee of the 1940 UJA.

These resolutions were presented to a meeting of the UPA Administrative Committee on February 25.

On February 25th the Administrative Committee of the UPA had rejected the proposal made by the JDC and the NRS that a so-called impartial committee should be appointed to determine the needs of the NRS, and that its findings would then be automatically binding on the JDC and the UPA.

The UPA representatives, Dr. Abba Hillel Silver and Judge Morris Rothenberg, formally informed the JDC negotiators, Dr. Lowenstein and Mr. Edward Warburg, of this resolution.

Prior to the formal meeting between the UPA and the JDC negotiators on February 26, there were preliminary and informal meetings with Mr. Jacob Blaustein, of Baltimore, and with Mr. Blaustein and Dr. Lowenstein. Mr. Blaustein made a proposal, acceptable to Dr. Lowenstein, that out of an initial \$9,000,000, to be allotted by a 1941 UJA, \$2,000,000, go to the NRS and the other \$7,000,000.

to be divided 36% for the UPA and 64% for the JDC.

The UPA negotiators stated that this would not be acceptable. The UPA insisted throughout the discussions on a 40-60 arrangement.

The official meeting between the JDC and the UPA negotiators took place on the morning of February 27. It was attended by Mr. Warburg, Dr. Lowenstein, Judge Rothenberg and Dr. Silver, the latter two having been appointed by Dr. Stephen S. Wise in accordance with the resolution of the previous Administrative Committee meeting. No progress was made at this meeting since the JDC did not wish to go beyond the 64-36 ratio.

Upon Dr. Silver's departure from the city, he asked Dr. Wise together with Judge Rothenberg, to carry on the negotiations with the JDC.

At the request of Dr. Silver, Judge Rothenberg continued a chronological account of the negotiations. Following Dr. Silver's departure for Cleveland, Judge Rothenberg had a number of informal conversations with Mr. Warburg.

On the evening of February 27, Judge Rothenberg, also Dr. Wise, received a telegram signed by Dr. Solomon Lowenstein in which he suggested that the differences between the UPA and the JDC be arbitrated. The telegram from Dr. Lowenstein reads as follows:

"HAVE WIRED RABBI ABRA HILLEL SILVER AS LEAVING FOR SOUTH. WISH TO INFORM YOU HAROLD LINDER APPOINTED MY PLACE SHOULD THERE BE OCCASION FOR FURTHER CONVERSATIONS BETWEEN US. AS YOU KNOW I AND MY ORGANIZATION ARE MOST DESIROUS THAT A UNITED CAMPAIGN BE ARRANGED AND THEREFORE ON BEHALF OF THE JOINT DISTRIBUTION COMMITTEE I NOW PROPOSE RECONSTITUTION OF UNITED JEWISH APPEAL BE LEFT TO ANY NEUTRAL ARBITRATORS SATISFACTORY ALL SIDES PREFERABLY NEUTRAL MEMBERS 1940 ALLOTMENT COMMITTEE WHO WILL BE REQUIRED MERELY TO DETERMINE RELATIVE SMALL DIFFERENCE OUR TWO POINTS OF VIEW WITH RESPECT TOTAL INITIAL FIXED ALLOTMENT AND RATIOS OUR RESPECTIVE ORGANIZATIONS. REGARDS "

Dr. Wise and Judge Rothenberg as well as Dr. Silver agreed on the rejection of this suggestion, stating that the leadership of the JDC and of the UPA was amply equipped to solve the differences between them.

On February 28, Dr. Wise reported to Judge Rothenberg that Mr. Frederick Greenman, a prominent New York lawyer, was in touch with both Mr. Warburg and Dr. Lowenstein. As a result of conversations that followed, a meeting was arranged in Dr. Wise's study on Sunday afternoon, March 2. Mr. Greenman made clear that he was speaking with the authority of the JDC; although that was not true of other persons who had attempted to assist in the problem.

A series of proposals was discussed on Sunday afternoon. Mr. Greenman, after subsequent conversations with the representatives of the JDC, offered the following formula:

A) That the sum of \$8,800,000, be distributed from the first income of the 1941 UJA, to be divided as follows: \$4,275,000. to the JDC; \$2,525,000. to the UPA, and \$2,000,000. to the NRS.

B) The NRS was to remain a beneficiary and not become a partner in the UJA.

C) The traditional collections of the Jewish National Fund were to be excluded from the consideration of the UJA.

D) The income above \$8,800,000. was to be made available for distribution by an allotment committee composed in the same manner as in 1940.

This formula meant that the JDC would be taking \$975,000. less than the initial allotment it had received in 1940; and that the NRS would be receiving one and one-half million dollars less than its initial allotment in 1940. As between the UPA and the JDC, the percentages were .371 for the UPA and .529 for the JDC.

This formula was regarded as acceptable by Dr. Wise, Dr. Silver and Judge Rothenberg. The JDC had officially accepted the formula through Mr. Warburg. Judge Rothenberg had intimated that the figures would be acceptable to the UPA, but naturally the final decision rested with the Administrative Committee of the UPA.

In answer to a question by Dr. Goldmann, Judge Rothenberg stated that the NRS is not to receive any additional funds from the New York UJA as it did in 1940 when it obtained two and one-half million dollars from the National United Jewish Appeal, and one million from the New York City United Jewish Appeal campaign. The NRS would have to present its claims for any amount above two million dollars to the allotment committee.

Answering Mr. Hamlin, Dr. Silver stated that the allotment committee would be made up as follows: two representatives of the UPA; two of the JDC and three others selected from a panel presented by the Council of Federations and Welfare Funds. These three neutrals would have to be accepted by both the JDC and the UPA.

Dr. Silver stated that the percentage of the UPA of the total income of the UJA in 1940, was 22% plus. The initial allotment for the UPA in 1941 gave it a percentage of some 28 $\frac{1}{2}$ %.

It was also pointed out by Dr. Silver that the UPA received \$2,500,000. in 1940 out of a total original allotment of \$11,250,000, whereas its allotment of \$2,525,000. in 1941 was out of an original amount of \$8,800,000. If the same amount is raised as last year, i.e. \$12,450,000. the UPA would receive a very substantial sum in excess of its allotment in 1940.

Replying to a question by the Chairman, Dr. Silver stated that there would be no priority of any kind in the distribution of the funds of the UJA.

It was moved by Mr. Lipsky and seconded by Dr. Goldstein that the reports on the UJA and the UPA as submitted by Dr. Silver and Judge Rothenberg be approved.

Mrs. Epstein inquired whether the \$2,000,000. for the NRS from the UJA was exclusive of the funds spent in local communities for refugee service and maintenance. The answer was in the affirmative, except ^{for} New York City.

Dr. Silver made a statement anticipating some of the questions that might be in the minds of the members of the Administrative Committee as to why the negotiators for the UPA have felt that the arrangements arrived at for the 1941 UJA, represented a satisfactory solution of the problem. He reviewed the various proposals which had been made previously by the UPA which he felt were very generous and should have been originally accepted by the JDC. When

they were all rejected, the UPA had been forced to launch upon an independent UPA campaign. Subsequently, a number of factors had arisen which had to be considered in relation to the interests of the UPA and of Palestine.

He dealt with the progress of the UPA campaign in New York and Chicago and in several other large communities. He referred to the great pressure brought to bear on the UPA leadership by communities at large and by many Zionists -- leaders and rank and file alike. Many of these Zionists felt that they did not want to break up community harmony; that they did not want to antagonize their local welfare funds; that they did not want to assume responsibility for the controversial aspects that the campaign was taking.

Reference was made to the fact that the leaders of Zionist bodies had expressed a desire for a united campaign rather than an independent Palestine effort.

Inasmuch as the proposal now presented represented approximately the original UPA position, the country could not possibly understand it if the UPA should not agree to the proposal.

Judge Rothenberg commented that the position of the UPA in 1941 was an improvement over that of 1940, and that factor should also be taken into consideration in judging the proposed agreement.

Dr. Silver added that the UPA is receiving a better percentage of the initial allocation than either in 1939 or 1940. Moreover, the position that the UPA had taken with respect to the refugee problem had been vindicated by the negotiations. It was only to be regretted that the proposals now available had not been accepted by the JDC three months ago, thus involving the loss of three months' valuable time.

Judge Rothenberg supplemented Dr. Silver's statement by referring to his own experience of pressure having been brought to bear in many ways by Zionists in all parts of the country who felt that in this period there should be a unified campaign. The JDC on its side was subjected to extraordinary pressure so that it had to retreat from its original position and enter into a united campaign.

Judge Rothenberg stated his conviction that the reconstitution of the UJA was good from the point of view of general Jewish and Zionist interests. He felt that the great masses of American Jewry wanted and would approve a UJA.

Dr. Nahum Goldmann expressed his opposition to the decision to abandon the independent campaign of the UPA and of reconstituting a UJA. He felt that Zionism in America was making a very grave mistake. He could appreciate the reasons which had led the officers of the UPA to reach the decisions which they were not submitting to the Administrative Committee. But he could not share these reasons. He referred to experiences that he had had in a number of communities in recent weeks. He felt that the UPA had an excellent opportunity for widespread Zionist educational work. There were meetings in which the work in Palestine and the aim of Zionism received unprecedented attention. He found that even in communities where the Zionist position was not regarded as strong, there was an understanding of the needs of Palestine when adequate explanation was made. He did not think that the UPA would have risked as much in 1941 through an independent campaign, but he was not concerned as much with the money involved. It was his view that an independent campaign was essential

for the Zionist political education of American Jews. It might be true that many Zionists expressed themselves in favor of the united campaign, but it was the function of leadership to formulate a fighting policy on behalf of Zionism, and then to summon the rank and file to support that policy. He felt that the Zionists were rapidly being educated to the necessity of an independent Zionist campaign.

Mr. Wertheim said that he and his group were for an independent campaign now as they were previously.

The motion to accept the report presented by Dr. Silver, Judge Rothenberg and Dr. Wise on behalf of the UPA negotiators was approved. Those in favor of the report were:

Jacob H. Cohen, Sol Cohen, Harry P. Fierst, Mendel N. Fisher, Jacob Fishman, David Freiburger, Israel Goldstein, Sylvan Gotshal, Abraham Krumbein, John L. Leibowitz, Abraham L. Liebovitz, Louis Lipsky, Joseph H. Lookstein, Samuel Margoshes, Irving Miller, Mrs. Nathan D. Perlman, Charles Ress, Louis P. Rocker, Louis Rinsky, Abba Hillel Silver, Maxwell Silver, Robert Silverman, Jacob Sincoff, Ferdinand Sonneborn, Sigmund Thau, Harold M. Weinberg, Joseph Schlossberg.

Those opposed were:

Leib Glantz, Isaac Hamlin, Henry Montor, David Pinski, David Wertheim.

After the vote, Dr. Silver addressed himself to all the Zionists at the meeting, both those who voted for and those who voted against the proposal.

An act had been performed. All Zionists must now unite and forge ahead. The UPA is in a united campaign. There must go out of this Administrative Committee, as the responsible body of American Zionists in relation to fund-raising, the word that all our forces must be mobilized for the utmost success of the unified campaign. There must go forth from this meeting the fact that after prolonged negotiations the UPA had won a significant victory, the like of which it had not had in three years. This news should strengthen the Zionist forces in the country.

The UPA is going to carry on an intensive Zionist activity quite outside the framework of the UJA.

Dr. Silver said we have our own organization. We shall carry on our own publicity; we shall not mute our Zionist activities. We have never had to mute them. We had merely thought that there were other organizations in the Zionist world that ought to do some of it.

The word should go forth from this Administrative Committee that the UPA has yielded to the sentiment of the American Jewish public just as the JDC has had to yield. There was a demand for a united campaign. It came from the communities to whom we must appeal for money. They wanted a unified effort in this war year. They constituted the majority, and they have made the decision. However, the UPA yielded on terms of self-respect and dignity; on terms better than those of the past two years. We must now go forward

with a vigorous, positive approach to the task ahead of us. We must raise money for Palestine this year and for the UJA.

Mr. Silverman felt it important to supplement the program described by Dr. Silver by having the UPA take action whereby friends of Palestine would become integrated into the welfare funds. The main problem in the past has been that in large part the welfare funds were self-constituted organizations composed very largely of a few who had made large contributions or appointed by them. In the same way that the meeting of the Council of Federations and Welfare Funds at Atlanta showed a preponderance of one type of local leader, this situation is reflected in many welfare fund communities. He urged that the UPA should not merely limit its action to propaganda for Palestine and stop there, but that an effort should be initiated whereby the cause of Palestine could count not only upon ideological sentiment in its favor, but upon the cooperation of men on the boards of directors and on allotment committees of local welfare funds. Accordingly, Mr. Silverman moved that the National Chairman appoint a committee to study this problem and work out a plan of action whereby the UPA could operate in the local communities with a view to the integration on the welfare fund boards of men sympathetic to the cause of Palestine.

Mr. Lipsky suggested that the decision to reconstitute the UJA for 1941 should be viewed in the light of the problems that have to be faced in the Zionist movement. If the reconstitution were to be viewed solely in terms of better percentages for the UPA, then the battle had been won; but if it was imagined that the fight for the freedom of action for the Zionist movement in the United States had been lost, that would be a pessimistic view of the whole situation, Mr. Lipsky felt. He found a tendency in Zionist circles to imagine that if there is not obtained a free campaign, then the Zionist movement is lost. What was encountered in the current struggle was not something of Zionist making, but nevertheless enheartening to the Zionist movement. What has developed in the United States is a community organization and that organization embraces both Zionists and non-Zionists. There has been created the idea of unity, and whether the welfare funds are democratic or not, they represent the consolidation of forces in the Jewish community. There is a community organization called the "Welfare Fund"; it is that force which has not given way to the Zionist desire for freedom. That battle, Mr. Lipsky declared, is not lost, however. Our battle begins in a form which enables the Zionist movement to achieve direct contact with the people. The Zionist movement has been compelled to go into joint drives not merely because of the desire of the UPA and of the JDC, but because of the unavoidable requirements of the community. The communities wanted to protect themselves. They formed welfare Funds for their own protection; included in these welfare funds are the Zionists. The more important the Zionists become, the more desirous they are of maintaining their relations with other members of the community.

Mr. Lipsky pointed out that on all occasions he has urged independent Zionist campaigns. In theory everybody agreed, but when the operation itself is examined, there are so many handicaps that no movement is possible. Anyone who thinks that the Zionist movement can live and thrive on a perpetual fight is making a great mistake, Mr. Lipsky said. We may have the most heroic of men in our movement, the most self-sacrificing, but we cannot maintain the Zionist movement and attain any kind of success if we go on the theory that we must keep up a perpetual fight.

Mr. Lipsky believed that certain conclusions ought to be drawn from the struggle which accompanied the independent UPA campaign. He felt that a certain moderation should enter into the policy to be formed by the Zionist movement with respect to fund-raising.

Dr. Silver felt that Mr. Silverman had raised a basic issue. The Welfare Funds in America are here to stay. The job of the Zionist movement is to get control of the Welfare Funds. This should be done not merely by fighting exclusively on the plane of Zionist ideology. What is involved is a struggle for the democratic control of these funds. Whether it is done through the Welfare Funds or through the Jewish Community Councils, every effort must be made to exercise Zionist rightful influence in these organizations. There are devices whereby Palestine-minded, nationalist-minded Jews in America could exercise a tremendous influence on the Welfare Funds. Programs ought to be worked out whereby this influence could be made to express itself throughout the country.

Mr. Montor took issue with the basic idea of Mr. Lipsky's remarks. He observed that it was Herzl who said that he who prepared the future must be able to look beyond the present. Without commenting on the decision that had been made, he felt it personally necessary for himself to observe that if the Zionist movement is to go forward in presenting its cause to America in the spirit of retrenchment and of compromise it will have alienated from itself every one who is young in spirit and young in years.

He believed that one factor had been overlooked by Mr. Lipsky: it was not possible to compromise between un-Jewishness and Jewishness. Many un-Jews are in control of many Jewish communities of America. The only way to unseat these un-Jews is through the means that were followed in the independent campaign that the UPA had launched; in the forms that were found necessary in combating the proposal for a national budgeting committee.

Mr. Montor observed that during the past few years he had visited approximately 150 communities. He had found that there were in these communities many men who had no basic understanding of Jewish life. It was his thought that the primary function of the organized Zionist movement was to resist and to counteract the failure of such men to understand the basic values of Jewish life. He expressed the hope that in joining the UJA we had not foresworn our right to be forthright in denouncing those things we believe to be unjust and unfair.

Judge Rothenberg observed that the entrance into the UJA did not deprive anyone of the right to hold Zionist convictions. At no time, he felt, in any of the combined campaigns, had any leader of the Zionist movement been required to minimize his Zionist feelings or enthusiasms.

Mr. Hamlin felt that one of the tasks facing the UPA was to formulate new and stronger methods of Zionist propaganda and to create the machinery for it. Once this has been accomplished, everyone ought to go forward to make the UJA a success.

Mr. Schlossberg approved the reconstitution of the UJA. He felt that the UPA had gained much by its attitude in its discussions, having shown the Jews of America that when an opportunity was given to it to cooperate in a dignified manner, the UPA had accepted it. It would now be much easier for the UPA to present its case to the country. He felt that there was now a much better opportunity of explaining to the Jews of America what Palestine means in Jewish life, as a result of the form which the negotiations had taken. He felt that the UPA had won a battle in the form of dignity and respect.

Mr. Simon of Cleveland, who was called upon by the chairman to give his view of the situation, felt that the committee that had been entrusted by the UPA with the responsibility of conducting the negotiations had accomplished the best that could be done.

He felt that if the independent campaigns had been conducted, there would have been a wrecking of Jewish communal life. He felt that the Zionist movement had won a signal victory, and that the reconstitution of the UJA and its approval by the administrative committee of the UPA was for the best interests not only of American Jewish life but of American Zionist life.



TEMPLE EMANUEL

111 ELM STREET

WORCESTER, MASSACHUSETTS

LEVI A. OLAN
RABBI

March 6, 1941

Dr. Abbe Hillel Silver,
The Temple,
East 105th Street at Ansel Road,
Cleveland, Ohio.

My dear Dr. Silver:

I have your letter in regard to the referendum proposed by the Council of Jewish Federations and Welfare Funds. I understand your deep concern with this whole problem. Yet, I would indicate to you that I regret very much the propaganda that has been let loose in connection with it. I am especially concerned that even deep minds like yourself lend themselves to such sentences as "under the guise of this seemingly innocent proposal an effort is being made to control and dominate the American Jewish scene by a small group of people who through a system of interlocking directorates already control most of the national Jewish organizations in this country." I think you will agree with me upon further deliberation that it augurs no good for the American Jewish community to call into question the motives of leadership. The harm here is that instead of arguing the issue itself, most of the emphasis has been placed upon the motives of those who propose the referendum.

I have been a Zionist since I could first sing "Hope of Israel," a matter that occurred almost at infancy. I am as concerned, I believe, as you are about the creation of a positive Jewish life but I regret very much that so much energy is being spent in attacking personalities and motives that the main issues of Jewish life are being lost in them.

Personally, I have a great deal of confidence in the leadership of the Council of the Federations and Welfare Funds. I have worked closely with them and have found in their efforts to create community councils and welfare funds that they have stressed a democratic basis for all of these institutions. Your appeal as well as that of others that these people are trying to dominate the American Jewish scene falls rather poorly upon the background of the activities with which I have seen them connected. I would urge upon you very much that in deciding issues of American Jewish life our effort should be directed towards the problems themselves and not towards so-called sinister motives which may be attributed to our opponents.

I am sure that you understand that I write this to you because I know that you are concerned not only in a segment of Jewish life but in its totality.

With my kindest personal regards, I am

Cordially yours,

Levi

LAO:S

March 26, 1941

Rabbi Levi A. Olan
Temple Emanuel
111 Elm Street
Worcester, Mass.

My dear Olan:

I have just returned from a tour of the Pacific Coast in behalf of the United Jewish Appeal and I have read your letter which was by way of a neat little sermon containing sweet sentiments reminiscent of the propaganda literature issued by the friends of National Budgeting. I do not recall that anywhere in my letter to you I suggested sinister motives to the opposition or that I attacked personalities. You must be naive if you assume that such major proposals affecting all agencies in American Jewish life are motivated by nothing but sweet reasonableness.

As a Zionist since infancy you might be interested to know that Mr. Shroder, chairman of the Executive Council and one of the prime movers for National Budgeting, last year demanded that an invitation which had been extended to Dr. Chaim Weizmann to address the Detroit sessions of the Council of Federations and Welfare Funds be recalled. You might also be interested in learning that at the Atlanta Conference, the President of the Council of Federations and Welfare Funds, Mr. Hollander, made such a vicious attack on the United Palestine Appeal, on Zionists, and on me personally for disrupting American Jewish communities, that his own Board ordered his words stricken from the minutes.

As a disciplined Zionist, you might also have taken into consideration the fact that every Zionist Organization in America — the ZOA, the Hadassah, the Labor Zionists, the Mizrachi, not to speak of the Orthodox and Conservative Rabbis — have unanimously opposed the project after due consideration. This should have prompted you, a Zionist from infancy, to go out in your community to fight the proposal rather than lecture me about calling into question the motives of leadership. If you had read the literature sent to you, you would have realized that we did not confine ourselves to questioning the motives of some of the leaders favoring National Budgeting, but that a careful analysis was made of the subject and the reasons for our opposition to it stated in great detail.

Very cordially yours,

AHS:BK

MINUTES OF MEETING OF OFFICE COMMITTEE
of the
EMERGENCY COMMITTEE FOR ZIONIST AFFAIRS

March 6, 1941

PRESENT: Mr. Lipsky, in the chair; Dr. Goldstein, Mrs. Schoolman, Mr. Wertheim.

Dr. N. Goldmann, Dr. B. Joseph, Messrs. Lewin-Epstein, Lourie,
Emanuel Neumann

Absent with excuse: Mrs. Pool, Mr. Szold, Dr. Wise.

REORGANIZATION OF EMERGENCY COMMITTEE

Dr. Joseph reported that although he had considered all the organizational problems in connection with the Emergency Committee settled, according to his report in the minutes of February 27, apparently the question of the Committee on Public Relations was still not satisfactorily resolved. He reported the receipt of a message from Dr. Solomon Goldman of Chicago, transmitted by Mrs. Pool, indicating that Dr. Goldman was not prepared to accept nomination as one of three co-chairmen of the Public Relations Committee. Upon receipt of this message Dr. Joseph had telephoned Dr. Goldman urging him to reconsider the matter and explaining that he had interpreted a chairman and two co-chairmen to be identical with three co-chairmen. He assured Dr. Goldman that there was no question of suspicion or mistrust and that the whole Office Committee had endorsed the suggestion that he alone be the chairman of the Committee on Public Relations. Dr. Goldman was, however, reluctant to be persuaded.

Mrs. Schoolman recalled that she had challenged Dr. Joseph's report of February 27 on two scores:

1. Public Relations Committee: She had not understood that Dr. Goldman was to be one of three co-chairmen, but that he was to be chairman of the Committee on Public Relations and Dr. Wise and Mrs. Pool were to act as co-chairmen, thus vesting responsibility in one person. In her opinion the more sub-committees within an organization, the sounder the organization, providing that ultimate responsibility was specifically allocated.

2. Rotating Chairmanship: She had left the small morning meeting on February 27 with the distinct impression that rotating chairmanship of the Office Committee had been decided on.

Dr. Joseph was certain that there had been no decision on the question of rotating chairmanship. On the contrary, he had expressly told Mrs. Pool the opposite. On the question of co-chairmanships, he agreed with Mrs. Schoolman that the decision had been a chairman and two co-chairmen, as stated in the minutes, but he had understood that to mean three co-chairmen, since if A is a co-chairman of B, then B is necessarily the co-chairman of A. Mrs. Schoolman argued that in America there was a special understanding of the terms "chairman and co-chairman" which fixed responsibility in the office of chairman.

After an animated discussion on this point, it was unanimously agreed, on the proposal of Dr. Wise, that Dr. Solomon Goldman be invited to accept the chairmanship of the Public Relations Committee, with no co-chairmen. Mrs. Schoolman did not vote.

REPORT OF PUBLIC RELATIONS AND POLITICAL DEPARTMENT

Mr. Neumann reported as follows:

At the suggestion of friends in Washington the meeting scheduled with Lord Halifax had been postponed until after the passage of the Lease-Lend Bill. It had been suggested that a sizeable delegation such as had been planned might embarrass the British Embassy at this point in the debate on the Lease-Lend Bill.

After consultation with Dr. Wise, Dr. Joseph and Dr. Goldmann, Mr. Neumann had gone to the Embassy to explain the friendly reasons which prompted the request for a postponement of the deputation. Lord Halifax's secretary, though appreciative of the attitude adopted, said that the Embassy was not apprehensive of ^{the possibility of} unfavorable repercussions from such a deputation as had been planned. However, it was agreed that another appointment should be made as soon as the Bill had been passed.

Dr. Goldmann said that he considered the postponement deplorable. in view of the fact that High Commissioner MacMichael's term of office was expiring in April and time was of the essence. Moreover, he considered it an undemocratic procedure that decisions of the Office Committee should be reversed by others regardless of whatever the circumstances. In Dr. Goldman's view, if it were thought desirable to reconsider the matter, an emergency meeting of the Office Committee should have been called for that purpose.

Mr. Wertheim agreed with Dr. Goldmann. He emphasized that the fact that discussions on the Lease-Lend Bill were pending made it a suitable time for the delegation to call on Lord Halifax rather than the reverse.

Dr. Joseph said that he agreed in principle with the objections raised to the procedure adopted in postponing the deputation. However, he pointed out that the circumstances were such that an urgent decision had to be made. After further discussion it was unanimously agreed that decisions of the Office Committee should be rescinded only by the Office Committee. It was further agreed that a committee composed of Dr. Wise, Dr. Goldmann and Mr. Neumann should arrange a new date with the Embassy; it was the sense of the meeting that this date should not be later than next week.

Public Relations : Mr. Neumann reported as follows:

1. 70 Senators and 18 Governors had already accepted membership on the American Palestine Committee. No announcement is to be made of the formation of this Committee until after the passage of the Lease-Lend Bill. An appointment had been arranged with Mr. Willkie for the following day.

2. A dinner of a number of Jewish officials in Washington had been arranged at the Cosmos Club. Dr. Joseph had addressed the meeting, which was very successful, and many of those present had expressed their interest.

3. Mr. William Hard had agreed to be one of the editors of a publication Mr. Neumann was planning. He also said that he would write a Zionist article which it is hoped will appear in Readers' Digest. Mr. Hard had asked

Mr. Neumann to supply him with material for this article. Mr. Neumann said that most prominent journalists who agreed to write for his publication asked for this service, but that his department was by no means equipped to undertake a service of this kind, to the extent to which it was necessary.

4. Mr. Neumann considered it important to influence journalists who had hitherto been unsympathetic to Zionism, but whose articles were accepted by leading publications. Albert Viton, who had recently written an article in the "American Scholar" was a case in point; Joseph Levy of the New York Times, who is in this country preparing a book on Palestine, is another.

5. The Foreign Policy Association had evinced a friendly interest in Dr. Joseph's report; the head of their Palestine and Middle East Division had had a luncheon interview with Dr. Joseph and Mr. Neumann.

6. Mr. Neumann reported the suggestion of Justice Brandeis that it would be helpful to place articles presenting the Zionist point of view in periodicals edited by sympathetic and liberal Christians, such as "Christianity and Crisis" edited by Dr. Niebuhr. Justice Brandeis also said that in his opinion it is of the utmost importance that an outstanding American organization prepare data on the Jewish position against the coming peace conference. He urged Mr. Neumann to establish a commission of outstanding personalities who would lend the weight of their authority to their findings, and conclusions. Mr. Neumann said that he had invited Justice Brandeis to write a preface to a treatise on peace-aims. He also reported that he was planning a series of radio broadcasts and had found radio people in Washington sympathetic and cooperative.

Dr. Joseph reported on his interview with Mr. Morgenthau, which had taken place on the latter's invitation. A report of the interview will be sent to the members of the Office Committee within the next few days.

ECONOMIC DEPARTMENT

Mr. Lewin-Epstein reported on the release of funds for immigration from Roumania. A copy of his report is appended hereto. Mr. Lewin-Epstein added that all cable exchanges had gone through the Jewish National Fund offices.

BUDGET

Dr. Goldmann reported that out of the current budget more than \$15,000 had thus far been spent on administration expenses of the Emergency Committee. \$10,000 remained of which \$2,000 is earmarked to complete the subsidy of \$3,000 pledged to the President's Advisory Committee; in addition, \$3,000 was due from the Keren Hayesod as a reimbursement on expenses in connection with Dr. Weizmann's efforts to raise the Agency loan; \$1,000 is due on a pledge made by Mr. Kaufmann on behalf of the ZOA. Dr. Goldmann said that it was apparent there was not enough money to carry on the administration expenses of the Emergency Committee, especially in the light of the greatly expanded activities of the Public Relations Committee.

It was agreed that Mr. Szold, Mr. Neumann, Mr. Lourie and Dr. Goldmann present a detailed budget to the next meeting of the Office Committee.

It was decided that the next meeting of the Office Committee be held on Friday, March 14 at 2:30 p.m. and that a full meeting of the Emergency Committee be held on the same day at 3:15 p.m.

al:re

Arthur Lourie

REPORT ON RELEASE OF FUNDS
FOR IMMIGRATION FROM ROUMANIA .

Early in February the Emergency Committee was requested by the Palestine office in Bucharest to urge the American Government to unblock \$30,000 of National Bank of Roumania funds on deposit in this country to cover the transportation of 700 emigrants with Palestine Government certificates, desiring to go to Palestine. Since the funds were needed for the Wagons-Lit in payment of overland transportation costs from Istamboul to Haifa, I contacted Thomas Cook & Son, Bankers, Ltd., who are the representatives of the Wagons-Lit in this country. Together we made application to the Federal Reserve Bank of New York for the unblocking of these funds. Approval was immediately granted.

Immediately thereafter a change in the political and military situation in Roumania and vicinity apparently required a change in the travel plans for the 700 emigrants. The Palestine office in Bucharest cabled us that it had chartered a vessel to take the refugees from Constanza, Black Sea port, to Haifa. This change in plans eliminated Thomas Cook and Sons and Wagons-Lit and required the filing of a new application with the Federal Reserve Bank of New York.

When I made representations to Federal Reserve Bank of New York, I was told that inasmuch as the situation in Roumania had changed, the bank was obliged to refer the application to the treasury in Washington. To expedite matters, I took up the problem with treasury officials in Washington who told me that because of a change of policy, the application had to be discussed with other departments without disclosing the names of the departments.

Having surmised that the application would be referred to the State Dept. I discussed it with Mr. Robert T. Pell, Assistant Chief of the Division of European Affairs, who was familiar with the facts. Mr. Pell in turn referred the matter to the British Embassy and arranged an immediate appointment for me with the First Secretary of the British Embassy, with whom I conferred. He had several doubts and referred the matter to the Foreign Office in London. It appears that I was able to dispel some of his doubts, particularly with regard to the legality or validity of the Palestine Government certificates. I left him several copies of cables which we had received from the Palestine office in Bucharest and which referred to the Palestine Government certificates.

After consulting with several of his colleagues, Mr. Hayter of the British Embassy transmitted an urgent cable message to the Foreign Office in London asking that they give the matter immediate attention, in view of the seriousness of the position of the 700 emigrants.

Having received no word from the British Embassy for a period of five days, I telephoned and was informed that no message had come through, but that if nothing were heard by the end of this week, another cable would be sent to London.

Yesterday I spoke with Mr. Pell on the telephone. He told me that he had contacted the British Embassy again and intimated that the situation was becoming embarrassing and that he would like quicker action from them. When I asked him whether a vessel would be able to go through the Dardanelles, he told me that he was not very hopeful because the Dardanelles were closed. When I suggested that the Turkish authorities had left a narrow lane open, he said he thought it was for the British. He promised to press the matter.

Today we sent a cable to the Jewish Agency office in London asking them to intervene with the Foreign Office.

Council of Jewish Federations and Welfare Funds,
Inc.

including the Bureau of Jewish Social Research

National Office: 165 West 46 Street, New York, N. Y.

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March
8th
1941

Rabbi Abba Hillel Silver
The Temple
E. 105th Street at Ansel Road
Cleveland, Ohio

Dear Rabbi Silver:

Before this, you will have received my previous letter announcing the re-establishment of the United Jewish Appeal for 1941.

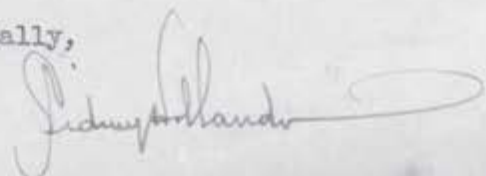
In that letter I mentioned the fact that Mr. Jacob Blaustein of our Board had been largely responsible for the successful result we all so greatly desired. As that letter was sent to all our member agencies I considered it undesirable to expand too much on this, but to the members of our own Board I can be more explicit.

Recently a few of us got together in New York to re-examine the U.J.A. situation. In view of the meagre results of all our efforts up to that time, none of us were too optimistic. Mr. Blaustein, however, expressed his willingness to make one further effort to bring the conflicting groups together, and as we all felt that no approach should be overlooked, we authorized him to try his luck. If nothing useful should come of it, - at any rate it could do no harm.

For several days Blaustein dropped all his other activities and devoted himself exclusively to the negotiations that finally were successful. The re-constituted 1941 U.J.A. is the result.

I thought the rest of the Board should know of his efforts, so that all of you may share the appreciation of them that I feel.

Cordially,



ההסתדרות הציונית של ארצות הברית

ZIONIST ORGANIZATION OF AMERICA

1720 - 16TH STREET, N.W.
WASHINGTON, D.C.

March 9, 1941.

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NATANEL COHEN

TO THE CHAIRMEN AND SECRETARIES
OF ZIONIST DISTRICTS:

Dear Friends:

This is to confirm reports you already may have received that the United Jewish Appeal has been reconstituted for the year 1941. As formerly, it will include the United Palestine Appeal, Joint Distribution Committee, and the National Refugee Service.

This decision for a joint campaign was reached in response to pressure exerted by Zionists and non-Zionists from all sections of the country, who felt that the interests of all three organizations would best be served through a united campaign.

Under the new agreement reached by representatives of the UPA and JDC the following allotments were accepted for the year 1941:

That of the first \$8,800,000 to be distributed by the re-constituted 1941 United Jewish Appeal,

\$2,525,000 will be allotted to the United Palestine
Appeal;

\$4,275,000 to the Joint Distribution Committee;

\$2,000,000 to the National Refugee Service.

The above allotments are a distinct and considerable improvement insofar as funds for Palestine are concerned when compared to the allotments distributed by the United Jewish Appeal in 1939 and 1940. Under the first allotment in 1940 the JDC received \$5,250,000; the UPA \$2,500,000 and the NRS, \$3,500,000. The new agreement therefore represents a decrease under the first allotment of almost \$1,000,000 for the JDC, \$1,500,000 for NRS, and an increase of \$25,000 for UPA.

The allocation of the funds above \$8,800,000 will be determined by an allotment committee to be selected on the same basis as the 1940 committee. This will ensure for the UPA a definite voice in fixing the amounts which Palestine is to receive.

Chairmen and Secretaries
of Zionist Districts -


-2-

You will observe that the new agreement represents a greater recognition of the needs of Palestine, which is more in keeping with the emergency requirements of the Yishuv. This was unquestionably achieved through the efforts of our Zionists who rallied so magnificently to the support of the UPA. The militant stand and aggressive action taken by our Zionist rank and file as well as leaders in defense of Palestine needs are largely responsible for increased recognition accorded our cause in the new agreement. Furthermore, the increased active interest in Palestine, stimulated during recent months, have spurred greater enthusiasm and a larger measure of recognition for the primacy of Palestine in Jewish life.

We want you to feel therefore that your activity for the UPA in the past months has not been in vain. It represents a specific gain for our movement which must not be dissipated. We must take advantage of the new positions we have won and consolidate our gains as far as possible within the framework of the ZOA. We must now seize the opportunity to enroll the new friends we have won in our local Zionist Districts. Though we have become once more part of a united campaign, we must guard our position as Zionists, strengthen the ZOA structure and retain Palestine as the core of our appeals.

With Zion's Greetings,

Sincerely yours,



Isadore Breslau
Isadore Breslau
Executive Director

Emergency Committee for Zionist Affairs

41 EAST 42nd STREET
ROOM 1121
NEW YORK CITY

March 12th, 1941

Dr. Abba Hillel Silver
Ambassador Hotel
Los Angeles, Cal.

Dear Dr. Silver:

I had meant to telephone you to Cleveland to say good-bye. To my regret I learned that you were on your way to the Coast. I shall be leaving the United States in a few days, either from Los Angeles or San Francisco and shall make an effort to see you if you are in either of those cities at the time. However, in case we do not meet, I wish to take this opportunity of saying Shalom!

Now that I am about to leave the country, as I look back over the two months I have been here, I know that one of the most impressive memories I shall take away will be that of your courageous leadership of Zionist forces in this country in the field of the United Palestine Appeal. I think particularly of the fearless manner in which you led our just struggle at the Washington Conference. I was, of course, not in the least surprised at the thoroughly sound Zionist approach which you propounded there.

I shall not conceal from you the fact that I was deeply disappointed that the U.P.A. did not carry out its original intention of having its independent campaign. This is so because it was my deep conviction that the U.P.A. could, in so doing, have played a primary role in the pre-eminently important task now facing us in the United States, of preaching and elucidating Zionism once again to the masses of Jews in this country. Another reason for my feeling was my equally deep conviction that great injustice is being done to our effort in Palestine by its being placed on a purely philanthropic basis and by its being evaluated at as little as less than 28% of the total contributions to public purposes abroad by Jews in this country. You and I know only too well that no nation in the world gives such a large proportion of its money as we do to charity, and so infinitely little to those things which are most important to the creation of permanent national values.

It is true that, viewed objectively, your arrangement with the Joint Distribution Committee can not be regarded as a defeat for the U.P.A., insofar as concerns the differences between it and the J. D. C.; but it does represent a lost opportunity, which bade

Dr. A.H.Silver
3/12/41

fair to be a great opportunity. But I do not regard this attempt on your part, on our part, to bring about a new orientation in Zionist life in this country as a closed chapter. It was only the first phase; and perhaps it would be fairer, considering what happened here during the preceding years, to say that under your leadership a good beginning was made in the direction of bringing about that new orientation. Of one thing I am certain: had others in important places had the same degree of courage and faith which I do believe you possess, the U.P.A. would have adhered to its original intention and Zionism in this country would have been the gainer. I am sure that I need not plead with you to persevere and make further attempts to raise the standard of Zionism in this country to the level to which you like to see it.

My very best wishes to you in your constant efforts on behalf of our cause.



Yours very sincerely,

Bernard Joseph

BJ:BJS

Emergency Committee for Zionist Affairs

41 EAST 42nd STREET
ROOM 1121
NEW YORK CITY

March 18, 1941

Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Abba:

There are several things I had intended to tell you or write you about, but I had no chance to do so.

In the first place, Dr. Joseph and I had occasion to mention to Mr. Brandeis the fact that a new agreement with the Joint Distribution Committee had been reached. He received it without comment. We explained that great pressure had been exerted on you as well as on other leaders, and that moreover you were not sufficiently supported by our own Zionists in the courageous stand you were taking. LDB then took occasion to make some complimentary remarks about you, saying in effect that he had the feeling that you had shown spirit, strength and leadership qualities. This is not the first time that he had spoken to me about you in that vein.

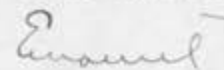
Secondly, about a week ago I got a call from Mr. Willkie's secretary and arrangements were made for me to meet Mr. Willkie. We talked, and he signed the statement and enrolled as a member of the American Palestine Committee, and took occasion to speak warmly about you again and again. As I left, he asked me to remember him to you and told me how he feels toward you.

With respect to the American Palestine Committee, we now have 19 governors, 71 senators, 75 representatives, three members of the Cabinet, a number of University presidents and a good list of outstanding lay leaders, as well as some clergy leaders. I think the list is not a bad one.

I hope that your trip was a satisfying one - and not too trying.

With warmest greetings, I am

Cordially yours,



Emanuel Neumann

[March 18, 1941]

MEMORANDUM

On the Establishment of

A National Advisory Budgeting Service

I. Introduction

As Director of the Inquiry, I came in close touch with the problems of budgeting and allotment. Over a period from August 5, 1940 to March 15, 1941, the Inquiry studied not only the three beneficiary organizations of the United Jewish Appeal, but also the parallel unaffiliated organizations applying to you for funds. The Report of the Inquiry shows the extent of the work.

At various periods in the past twenty years, I was active in the Zionist organization and in the J.D.C. and have been a contributor to the two Palestine organizations over the past twenty years or more, as well as to the J.D.C. and to several of the unaffiliated organizations. I was an enrolled member of the Zionist Organizations for many years and at the request of the organization became a life member. I was president of the Collegiate Zionist League from 1912 to 1914, then became member of the Executive Committee of the Federation of American Zionists, predecessor of the present Zionist Organization of America, and in 1916 was secretary of the University Zionist Society. From about 1927 to 1932, I was chairman of the American Committee of the Jewish Palestine Exploration Society. In 1925, I was elected as the first secretary of the American Committee for the Hebrew University in Palestine, and ever since then I have been a member of its board and of its finance committee. I am also now a member of the finance committee of Hadassah and trustee and member of the finance committee of the Palestine Endowment Funds, of which Judge Julian W. Mack and Dr. Stephen S. Wise are co-trustees. I made two journeys to Palestine, in 1922 and in 1934, and met the leading Zionists of Europe, Nordau in 1922 and Weizmann and others over the past twenty years. Before the formation of the U.J.A. 1939, Dr. Chaim Weizmann sent his representative in advance to confer with a number of American Zionists on the desirability of a united or an independent campaign, and he included me in this group. Of course, I ardently urged a united campaign.

I hold strongly to the belief that there can be no solution of the Jewish problem without Palestine and hope for a united American effort on behalf of Palestine. This I have consistently advocated throughout my life. In that belief, I initiated the conversations in 1917 between Justice Louis D. Brandeis and the late Mr. Jacob H. Schiff, described in the biography of Mr. Schiff, Volume II. This general background of familiarity, coupled with the intensive work of the Inquiry for the past few months, has given me the basis for the following comment.

I am now opposing the views of some Zionist officials because I feel earnestly that centralized budgeting will be a great aid to the cause of Palestine throughout the welfare fund communities.

II. What Are the Facts?

It is strange that in all the discussions that I have heard at Atlanta and elsewhere and in all the comments I have read in Opinion, the Congress Bulletin, the New Palestine and the Reconstructionist, I have found that the discussions

were always in terms of theories, phrases and what some people like to call "ideologies" there was a plethora of words. But there was an utter lack of accounting and statistical data, or any factual basis such as is required in coming to conclusions in any field, whether business, government or social work.

The contribution of Louis D. Brandeis to American legal method and interpretation has been an exhaustive study of all the statistics rather than reiteration of legal principles and precedents. His briefs on the constitutionality of the Illinois Women's Ten Hour Law and the Oregon Minimum Wage Law were largely an assemblage of relevant statistics and contained only a few pages of legal argument. His inauguration of the Boston Sliding Scale Gas System was based on a careful study of the facts. Similarly, the establishment of the Massachusetts Savings Bank Insurance System. Last, but not least, his attack on the New Haven monopoly of transportation in New England was sprinkled with striking phrases "Remember, O stranger, arithmetic is the mother of safety" and "Time and arithmetic will do the rest". However, the Brandeis approach is strangely lacking in discussing Jewish problems.

Let us apply the Brandeis technique to the issue of the referendum. What are the facts? How did the communities actually budget without the advice of a National Budgeting Service? Let us take, for example, the Report on Welfare Budgeting, dated November, 1940, issued by the Council of Jewish Federations and Welfare Funds. Select any group at random, say the Civic Protection Group. This includes the American Jewish Committee, American Jewish Congress, B'nai B'rith Anti-Defamation League, Jewish Labor Committee, etc. See what percentage of the total local budget is devoted to Civic Protection by the several communities of various sizes.

What do we find? The percentage of the total budget of each community allotted for Civic Protection varies sensationally (see Table III-a of Council Report of November, 1940). In the welfare communities raising annually less than \$10,000, this percentage varies from 0.1% in Selma, Ala. to 8.7% in Saginaw, Mich. In the communities raising \$10,000 to \$25,000, the range is from 0.6% for Wheeling, W. Va., up to 9.5% for Lafayette, Ind. In the communities raising from \$25,000 to \$50,000 the percentage varies from 1.0% for Birmingham, Ala. up to 8.1% for Oakland, Cal. In the communities of \$50,000 to \$100,000, the percentage varies from 1.1% for Worcester, Mass. to 6.8% for Portland, Ore. In the communities raising \$100,000 to \$500,000, the percentage varies from 0.9% in Pittsburgh, Pa. to 6.1% for San Francisco, Cal. Apparently these distributions show such a wide variation as to indicate a complete lack of study or any knowledge of the facts. It is impossible for any set of men to reach such divergent conclusions, if they had adequate data. What the figures do show, however, is the effect of prejudice or sympathy by the local community and of pressure or salesmanship by the applicants for funds.

This lack of knowledge of facts and this confusion of judgment is illustrated further within any group of organizations. For instance, take the Palestine organizations, Hadassah, National Labor Committee and the Hebrew University. Assume the total amount allotted to these three organizations in any community is 100%. The percentages for Hadassah, National Labor Committee and Hebrew University vary from 90%:7%:3% respectively for Atlanta to 19%:71%:10% respectively for Akron, Ohio. The percentages for other typical cities show an amazing variation.

<u>1940</u>	<u>Akron</u>	<u>Atlanta</u>	<u>Houston</u>	<u>San Francisco</u>
Hadassah	19%	90%	57%	54%
National Labor Committee	71	7	36	25
Hebrew University	<u>10</u>	<u>3</u>	<u>7</u>	<u>21</u>
	100%	100%	100%	100%

But even within the same community, the fluctuations from year to year show wide variations. For instance, the trend at Atlanta runs directly opposite to the trend in Kansas City for all three organizations.

	<u>Hadassah</u>		<u>National Labor Committee</u>		<u>Hebrew University</u>	
	<u>Atlanta</u>	<u>Kansas City</u>	<u>Atlanta</u>	<u>Kansas City</u>	<u>Atlanta</u>	<u>Kansas City</u>
1937	83%	67%	11%	23%	6%	10%
1938	84	58	10	31	6	11
1939	82	51	12	39	6	10
1940	90	47	7	41	3	12

An even more striking case of the unscientific decisions by local welfare funds is the fact that in some communities the ratios of the amounts allotted to the Hebrew University as compared with Hadassah range from 3% in Nashville in 1939 to 200% in Detroit in 1938. The National Labor Committee for Palestine shows similar relative wild variations compared to Hadassah in 1940, as 7% for Atlanta and 375% for Akron. Such decisions are the fruit of present blind policies by local communities, uninformed and unsupported by any data. One of these decisions must be wrong. Perhaps they are both wrong. A centralized advisory budgeting service may answer the question.

Further data could be added, as for instance, on ORT and HIAS. There is enough here, however, to prove the point. The local allotments shown here were obviously based not on knowledge, but on lack of knowledge, not on facts but on prejudice and pressure. The result is not order, but disorder. Without any plan or study, the result is chaos. It must be chaos. Without any basis for judgment, the end product is confusion. These tables embody a system which the minority report would like to perpetuate. No single community can reach the above conclusion from its own figures alone. But to anyone taking an airplane view of the whole field and comparing the communities, it is all obvious, -- the disorder, the confusion and the chaos. It is anarchy, not democracy.

III. Former National Advisory Budgeting Service

The proposal voted on is not new. In fact, it has already been applied. The two major organizations, the J.D.C. and the U.P.A., have had centralized allotment for the years 1939, 1940 and 1941. The ratios of allotments were 67:33 for 1939 and 68:32 for 1940 (See Report of the Inquiry of the U.J.A. 1940, Table T-II, p. 17). The 1941 proposals were reasonably close to the preceding two years, ranging about 65:35. What two other institutions can anyone select in the Council's Report on Welfare Fund Budgeting for 1940 which show comparably

consistent allotments for two consecutive years? Obviously, centralized budgeting has produced consistent results. Local budgeting without objective advice did not. The method is without system. The results are without equity.

IV. Arguments Against National Budgeting

At Atlanta several speakers argued against the budgeting proposals. Their arguments collapse under simple analysis.

A. One speaker referred to certain magazines that were opposed to the proposed central advisory budgeting service. This is an elementary fallacy in logic known to sophomores --the argumentum ad hominem. If you cannot prove your point, talk about its friends or supporters. This argument was advanced by a judge who certainly would not admit such evidence in his court and never would have adduced such an argument when he was a lawyer pleading a case.

B. Another argument against it was that if the local communities have not the material before them, they are compelled to study and dig up the facts. This argument will not bear analysis when one realizes that the annual cost of the work of the C.J.F.W.F. or the Inquiry is equivalent to the total budget of some of the smaller communities. Besides, even if a centralized advisory budgeting service should present the facts, the local communities could still study if they wished. In fact, there would be an inducement to study. The material would be available. At present there are no data. How can you "study" non-existent data? And, if they did not choose to study the material submitted by the central budgeting service, they would at least have some advice, suggestions and conclusions upon which to act. These conclusions would be public and would be subjected to close analysis and criticism. These two factors themselves; namely, publicity and criticism, would be a sobering influence on unwise and indefensible recommendations. And even so, after advisory recommendations would be available, there would still be ample room for local opinion, favoritism or prejudice, as well as organization pressure and salesmanship to play on the problem.

C. The third argument presented at Atlanta was that it would be undemocratic. This subject is treated at some length in "The Manual for Discussion" issued by the Council of Federations. May I add one thought. As groups grow in size, the democratic process takes the form of representation. The free citizen of the small Greek city-states voted on local measures themselves. The citizens in colonial New England villages at their town hall meetings voted on all legislation themselves. As political units grew in size and the political organizations become more complex, power was delegated. The democratic process still functioned, but in a way more suited to the enlarged size of the community; namely through elected representation.

There is nothing in the proposal for centralized budgeting service which in any way would affect, alter or reverse the democratic procedure already existing or to be created, or the control by the contributors in the communities over the men they select to represent them in the local allotment decisions. The charge of lack of democracy against the proposed reform is pure eye-wash. The catch word "democracy" is used to befuddle the issue, to distract attention, and to divert the public from the real issue; namely, the chaos that now prevails in the local communities in allotting funds either to a group of organizations or to the individual members within that group.

Under a system of centralized budgeting service, interest in all the organizations would be encouraged. The non-Zionists would have to learn something about Palestine and its needs. The Zionists within any community could and should do effective spade work in arousing interest in their cause, in winning adherents and in promoting such interest that the local Zionists would have local influence in their community's budgeting decision.

Under the minority report, such interest would be proportional to the extent of the noise and the nuisance created by some group. This is a new form of oligarchy. Under the majority report, there would be a truly democratic process. The very procedure of discussing Palestine's needs would necessarily be compulsory Zionist propaganda, among the non-Zionists members of the allotment committees in the local welfare fund communities and should create new followers and increased interest for the Zionists. The non-Zionists would have to listen as members of the judicial body in the local budgeting committee. As individual contributors, they do not have to go to Zionist fund raising meetings. They often do not. The Zionist propaganda would be at wholesale - to the local budget committees - and not at retail to individual contributors. The organizations that bandy about the word "democracy" are not necessarily democratic. In the words of the spiritual, "All dem dat talks of hebben ain't a'go'in dare".

V. The Need for Specialists

As the world grows increasingly complex, new vocations arise. Experts become necessary to guide the layman. Even in the past generation, a new set of experts has arisen in various fields of human activities, such as controllers or budget officers of corporations, also public relations counselors to industries, governments and philanthropies, vocational guides for adolescents, and the new class of experts in administrative law or in soil conservation. Intelligent philanthropy requires expert advice. This principle of expert counsel has been accepted by the Rockefeller Foundation and the Greater New York Fund. It has been accepted by governments, both American and foreign.

The Inquiry of the Allotment Committee represented a pioneer attempt on the part of Jewish philanthropy to catch up to the front line of progress in fields of non-Jewish philanthropy and of other human activities. Under the guise of "democracy" the result for the welfare funds has been anarchy in allotment. Under the facade of "democracy", the result has been chaos in giving. The same argument for democracy could be levelled against the extension of government by commissions, like the Securities and Exchange Commission, etc. As for the work of the Inquiry of the Allotment Committee, the "three organizations very generously commented on the service of the Inquiry in bringing a new and fresh point of view, presenting a unified picture of their operations such as had not been seen before, or focusing attention on basic problems of administration and accounts which had been but vaguely sensed". (See Inquiry Report, p. 3) A central budgeting service would perform the same function for the local communities. It would improve accounting procedures and reveal difficulties in administration of the organization applying for funds.

VI. Optional and Mandatory Recommendations

This question has been fully covered in the "Manual for Discussion" issued by the C.J.F.W.F. To meet any further objections, it should be possible to set upper and lower limits of percentage recommendations, so that local communities could still exercise an option around these limits. Each community could allow itself a discretion of several percent and, in some cases, could even ignore the advice of the central budgeting service, if when and as it had strong reasons for doing so. The local community could always return to its present freedom to create chaos in its allotments, if it so chose. The major organizations appealing for funds could still influence the communities in their favor by all the methods hitherto used.

VII. Background

This proposal should not be looked upon as an isolated detail. It is part of a process, concerning which perspective would be helpful. The history of democracy is the history of budgeting. Great Britain, the mother of parliaments, had the best budgeting system of any country in the world. The backward countries, weakest in democracy, are also weakest in their budgeting systems. Our own government attempted to move in the direction of centralized budgeting systems, for a generation. In 1912, President Taft appointed a Committee on Economy and Efficiency, under Professor Frederick A. Cleveland of the University of Pennsylvania. Its report recommended centralized responsible budgeting. It took a generation to overcome the resistance of lobbyists, pressure groups, selfish minorities and evil political forces, who favored spending by unlimited Congressional power to appropriate money and then passing an "urgent deficiency bill" to cover excesses. The argument of democracy vs. oligarchy was used then also. Finally, after long discussion and much debate in both the House and the Senate, the federal statute providing a centralized executive budget and an independent audit of government accounts, was passed and became law on June 10, 1921 (67th Congress, First Session). Until that time, appropriations were made helter-skelter without plan or principle. An analagous situation prevails in Jewish community life.

The objections to the establishment of a national advisory budgeting service did some good insofar as they developed constructive discussion. They are evil if they should prevent accomplishment of this necessary and inevitable reform. Pharaoh demanded that the ancient Israelites make bricks without straw. His intent was unjust. The product was poor. The minority report demands that the local communities make allotment decisions without the raw material - scientific analysis and interpretation.

Elisha M. Friedman
15 Broad Street
New York, N. Y.

March 18, 1941

March 19, 1941 no. 66

NOTES
and News

THE ATLANTA
ASSEMBLY



ISSUED by
CJFWF

An Advisory Budget Service X

The Proposal

By JACOB BLAUSTEIN, Baltimore

Chairman, Committee on the Study of National Budgeting Proposals

FOR several years local welfare funds have been struggling with the problem of allocating their funds fairly and equitably among the many national and overseas agencies appealing to them for support.

Although their methods have improved with experience, the difficulties facing them have increased enormously. The needs of overseas and refugee agencies have become virtually limitless and the number of organizations seeking support has grown each year.

No individual welfare fund is equipped to make a thoroughgoing study of the needs of all the agencies included in its budget. To assist them in their job, the welfare funds have been looking to their national organization—the Council—for information and guidance.

Many Requests for Guidance

Thus far, the Council has been meeting this demand only in part. It has been issuing reports on the income and expenditures of non-local agencies on the basis of information supplied by the agencies themselves. It has also acted as spokesman of the welfare funds in developing improved relationships with, and among, the national agencies.

But increasingly, local welfare funds have been asking for a greater measure of assistance from the Council in discharging their local budgeting responsibilities. Specifically, through individual requests and regional resolutions, they have been demanding not only more information but evaluations of the work of their beneficiary agencies and

advice as to the extent of their obligations. Finally on April 15, 1940 in Salt Lake City, the Western States Regional Conference adopted a resolution requesting the Council to set up a national budgeting committee.

At a meeting of the Council Board on May 18, 1940, these requests were considered. It was decided to proceed cautiously and, instead of responding to the specific demand for a national budgeting service as such, there was set up a Committee on the Study of National Budgeting. Proposals to study first whether a national advisory budget service should be established.

That Committee was organized in June 1940.

It was composed of 18 individuals from ten communities and included persons in close contact with each of the major overseas and refugee agencies. More than two months were taken by the staff of the Council and the Chairman and Acting Co-Chairman in an intensive study of the various factors involved and in the preparation for the whole Committee of a thorough and comprehensive memorandum on the subject, laying before them fully the objectives of a national advisory budget service and its possible advantages or disadvantages.

Proposals Carefully Studied

This memorandum was distributed to the members of the Committee in September 1940 with the request that they study it carefully and forward their comments in advance of an October meeting of the Committee. The com-

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ments were received. After full discussion the Committee reported, with one dissenting vote, to the Board in October that a national advisory budget service in principle was "desirable and necessary."

The Board, after careful review, adopted the report and authorized the Committee to take such further steps as may be necessary to develop plans for the establishment of a system of national budgeting.

Thereafter, such steps were taken, including a review of some of the experiences of the Allotment Committee of the 1940 UJA. The Study Committee's final report recommending the immediate establishment of a national advisory budget service, with a small minority objecting, was submitted to the Board of the Council at Atlanta.

Committee Urged UJA

Such a service would carry on an intensive fund-raising program on the activities and finances of national and local agencies, appealing to local communities for support and would help local communities evaluate the relative needs of the separate agency appeals. The national advisory budgeting committee, which would be set up to conduct the service, would be provided with proper facilities for that purpose. Subcommittees would be appointed, as occasion required, to specialize in the study of each different field of service.

Because the dissolution of the 1940 UJA had brought a widespread demand from local communities for some substitute mechanism to assist them in their 1941 budgeting for the JDC, UJA, and NRS, the Committee recommended: (1) that every effort be made to reconstitute the UJA; (2) that welfare funds continue to raise the greatest possible amounts for the UJA cause; (3) that the inherently sound

practice of joint fund raising within communities be continued; and (4) that the three UJA agencies be the first studied by the proposed advisory service. With the renewal of the UJA for 1941, however, the need for immediate studies of these three agencies is no longer urgent—but the need for the primary proposal of a national advisory budget service is as great as ever.

Service Only Advisory

The Committee's report emphasizes these points, among others:

1. The findings and recommendations of a national advisory budget service would not be mandatory upon either the agencies or the local communities. They would be purely advisory. Local communities could adopt, modify, or ignore the recommendations.

2. Contacts between the national agencies and the local communities would not be eliminated. On the contrary, they might be strengthened by the development of wider understanding of all the causes among all elements in the community.

3. Contributors asking questions about the causes they support would be given specific and objective answers. They would have a clear picture of how their money is being used.

4. The studies and evaluations would be made by a committee of fair-minded men, representing the welfare funds, sympathetic to all worthy causes, with adequate staff and facilities at their disposal, and would be carried on in cooperation with the beneficiary agencies.

5. A national advisory budget service would bring about improved co-ordination and less duplication of efforts among the beneficiary agencies.

6. A national advisory budget serv-

we would develop a strong factual base for finding maximum sums within each community.

The Council Board at Atlanta approved the Committee's recommendation for a national advisory budget service by a vote of 17 to 5,—and the member agencies are being called upon in the present referendum to express their views upon it before April 1, 1941.

Each affiliated federation and welfare fund must now decide for itself whether or not it wants its national body to provide it with detailed information on the great needs of the Jewish group both at home and abroad

and with a fair gauge of its responsibilities in coping with these needs.

If the welfare funds prefer to make their allocations on the basis of the limited information available now and the conflicting pressures of the beneficiary agencies, it is their privilege. If, however, they want a clear picture of the rapidly changing needs, both here and overseas, and help in making their own difficult decisions through an analysis of the work of the overseas and national agencies by fair-minded, sympathetic leaders from their own ranks, they can say so.

The choice is up to the member agencies.

The Discussion

By HARRY GREENSTEIN

Executive Director, Associated Jewish Charities, Baltimore

THE pros and cons of a national advisory budget service were fully discussed at an open meeting of the Board of Directors of the Council at Atlanta following the reading of the report of the Committee on the Study of National Budgeting Proposals by its chairman, Jacob Blaustein. Henry Monitor of New York presented a minority report objecting to various features of the Committee's proposals, and community leaders and national agency representatives participated in the subsequent discussion.

Arguments in favor of the proposal were presented by Jeffrey L. Lazarus, Cincinnati; George L. Levison, San Francisco; James Marshall, Joseph C. Hyman, Dr. William Haber and Dr. Solomon Lowenstein, New York, and Harris Perlstein, Chicago. Opposing arguments were presented by Simon Shetzer, Detroit; Mrs. David de Sola Pool, New York; Rabbi James G. Heller, Cincinnati; Judge Louis Levinthal,

Philadelphia; Henry Monsky, Omaha; and Rabbi Abba Hillel Silver, Cleveland.

Pro

Here is a summary of the important points made by those who favored the proposals:

Since it is impossible to get enough money to fill all the needs of Jewish causes here and abroad, a central fact-finding and advisory budget service is needed to consider the relative value of the programs of the agencies appealing for support. No local budget committee, no matter how conscientious, can spare the time or the effort or has the research facilities required to study carefully the swiftly changing needs of the 30 or 40 agencies included in a welfare fund.

The larger communities have developed fairly effective budgeting procedures but they require additional assistance from their national body. A national group representing all the wel-

fare funds is in a better position to study all community needs and services than are the individual communities.

The fact-finding and guidance supplied by a conscientious committee is a better way of dealing with the more than resorting to conflicting pressures, contradictory claims and counter-claims. The material provided by a budgeting service would naturally be weighed in each community in the light of local interests and preferences. There can be no compulsion by one group upon another in American Jewish life and the service would be purely advisory.

As no national or overseas agency can possibly make its own budget on a completely objective basis, the country as a whole is entitled to some dispassionate judgment as to the relative needs and demands upon the individual communities. If the Council fails to take the opportunity it has to render this notable service, it will be relinquishing the duty it owes to the communities.

New organizations are constantly springing up as a result of the war and increasing demands are being made upon communities. In their own defense, communities are compelled to look to some national body to help them in their bewilderment. There is an insistent demand from the welfare funds for facts, advice and guidance. Who shall offer this help? Shall it be given by the national and overseas agencies on a chaotic, competitive and propagandistic basis with the communities flooded with literature and subjected to conflicting pressures? Or is it better to find a group of men—decent Jews, decent Americans—who, provided with adequate professional service, can seek the facts, secure the needed information and provide budgetary help to the communities?

The only way an acceptable recon-

struction of the Jewish welfare funds can be viewed is by strong leadership on the basis of the practical consideration of carefully determined facts. If the welfare funds want a fact-finding and advisory budget service, they should get it, regardless of what the national agencies feel about the matter. Amazement was expressed that some of the same people who are demanding the continuation of the UJA, which relieves communities of all responsibility for determining allocations between the major overseas and refugee agencies, are opposed to an advisory budget service. In past years, the communities had nothing whatever to say when the national agencies made an agreement among themselves on the distribution of funds. In 1940 they did have some voice through their representatives on the Allotment Committee. If the communities are willing to place their major budgeting decisions in the hands of men who are not at all of their own choosing, there is no reason why they should not obtain mere advice from individuals who are their representatives.

Con

Those opposing the Committee report made these points:

No fair-minded person can object to a fact-finding body. It is the recommendation that, in addition to securing the facts, there should be an evaluation of programs which is unwise. Every person in Jewish life has already acquired a psychological perspective on the different problems facing the Jews of America, whether for or against, or even if neutral, with regard to any cause. The economic, social and cultural heritage of an individual cannot help but color judgment. Because of the present set-up of the Council, it is inevitable that one point of view will

predominant, namely, the top layer—one economic grouping. Preconceived notions are bound to color judgments in evaluation. Furthermore, even if it is argued that the budgetary service is to be advisory, such recommendations have the quality of becoming mandatory. If the budgetary service to be given is only advisory, leaving final decisions to each community, how will this do away with the competitiveness and pressures which the welfare funds hope to avoid?

This proposal, if adopted, will affect not only the UPA, the JDC and the NRS, but ultimately every segment of Jewish life. The awesome power of the purse is traditional. Can any national organization yield its life to any handful of people? Until such time as American Jewish life is democratically organized, no one is entitled to speak for American Jewry. It would, therefore, be best to let each community make its own judgments. Welfare funds at the present time are making decisions on scores of appeals. There is no reason why they cannot continue to do so on the present basis.

The Committee's report ignores the realities of American life. It would be a mistake to transfer to the Council such great powers when the fate of great causes is at stake.

The Committee's report, stripped of all its phraseology, recommends that the Council advise communities as to allocations and ratios. For the first time this would introduce an element of coercion and compulsion even though the material would be termed advisory in character. This involves an effort to regiment the thinking of local communities, which are not prepared at this time to accept any handmade formulas from above.

The officers and boards of national

agencies prepare their annual budgets with great care. The responsibility for preparing them belongs to these boards and not to any committee which can only meet intermittently and cannot begin to consider 100 budgets with the dedication and personal responsibility which these boards accept for their work.

No hasty action should be taken by the Council at this time without full realization of what is at stake. The attempt to evaluate would range the Council either on one side or the other and would precipitate disunity within the communities. The Council must have the sanity and the statesmanship not to proceed more rapidly than American Jewish life permits.

Immediate action on the proposals would be particularly unfortunate in view of the status of the UJA at the time of the Assembly.

Jewish communal work—regardless of this proposal—will go on for many years. Local communities should be given full opportunity to discuss the proposal, to weigh the factors involved and then to determine the issue at a later date. The Committee's report should be submitted to a referendum of the constituent agencies of the Council.

Action

At a meeting of the Board following this discussion, a motion was made to submit the report of the Committee, without approval of the Board, to member agencies of the Council for action. This motion was defeated.

It was then moved that the Board approve the report, that it inform the General Assembly of its action and that the majority and minority reports be submitted to the member agencies for a referendum vote to be returned not later than April 1, 1941. This motion was carried, 17 to 5.



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CARL BECK
CONSULTANT
ABRAHAM BLUESTEIN
ASST. SECRETARY

March 26, 1941.

Dr. Abba Hillel Silver
The Temple
Cleveland, Ohio

Dear Reverend:

I take pleasure in sending you a little pamphlet
which has just been published by the League for Human
Rights, Freedom and Democracy, entitled "THEIR AIMS...
OUR AIMS."

We have attempted to state as graphically as possible,
the war aims of the Dictatorships as opposed to the war
aims of the Democracies, by limiting ourselves to the public
statements of outstanding representatives of Nazi Germany
and representative spokesmen of American Democracy.

We have published the pamphlet in a great quantity
and are distributing it free of charge through the labor
movement all over the country.

I feel that as a member of our national advisory
committee, you will be greatly interested in this, our
latest effort, to present democracy's case before the labor
movement.

Inasmuch as we are at the present time engaged in more
intensive activity than in the past, we plan to keep you
informed regularly of what we are doing.

Trusting that our work meets with your approval, I am,
with every good wish,

Sincerely yours,

MATTHEW WOLL
PRESIDENT

MW:VG
AFOE:20940
ENC.

March 27, 1941

Mr. Emanuel Neumann
Emergency Committee for Zionist Affairs
41 East 42nd St.
New York, N.Y.

My dear Emanuel:

I received this morning the release announcing the formation of the American Palestine Committee. It is a very impressive statement of the number and character of the signatories making a remarkable impression. You have accomplished an act of utmost significance, and you ought to be congratulated by every lover of Zion.

The interview with Halifax makes it doubly clear how much we will have to do by way of mobilizing American public opinion to see that our rights in Palestine are safe-guarded. There is much work to be done in that field, and you are the one to do it. More power to you!

As ever,

AHS:EK

JACOB BLAUSTEIN

AMERICAN BUILDING
BALTIMORE, MD.

March 28, 1941

Rabbi Abba Hillel Silver,
The Temple
East 105th Street at Ansel Road,
Cleveland, Ohio.

Dear Rabbi Silver:

I was sorry to learn from your secretary in reply to my March 10th letter that you were on the Pacific Coast and therefore could not have a talk with me in Cleveland as suggested.

Upon my return to Baltimore I note a copy of Harry Lurie's March 10th letter to you in which he suggests that I might write you enlisting your support for the immediate practical question in connection with the national advisory budget service, i.e., the extension of the process at this time to the national and overseas agencies not included in UJA.

I do so herewith. Quite apart from the three beneficiary organizations of UJA, the study of which for 1941 is included in that arrangement itself, I am sure you realize that there are a great many other organizations appealing to welfare funds for support which should be studied and about which the communities should have advice. Cannot you see your way clear to at least approve the national advisory budget service to the extent of these other organizations? I believe it would be very constructive for you to do so.

Hoping to hear from you in this connection, and with best regards,

Sincerely,

A large, stylized handwritten signature, likely of Jacob Blaustein, written in dark ink. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

JEWISH COMMUNITY COUNCIL

Summary of Annual Meeting Held Thursday, March 27, 1941, 8:30 p.m., at the Temple on the Heights

1. Minutes - Copies having been mailed to all members, the reading of the minutes was dispensed with.
2. National Budgeting - The Chairman, Max Simon, informed the Council that the Board of Trustees of the Jewish Welfare Federation had voted to table the proposal for the establishment of a national advisory budget service. The Jewish Welfare Fund Committee had not yet met to act in the matter. Cleveland's official votes in the referendum rested with the Federation and Fund. Nationally the first few returns showed communities about evenly divided for and against the proposal. The referendum was due to close on April 1, and the Council would be informed at the next meeting as to the outcome.
3. United Jewish Appeal - Since the last meeting of the Community Council, the United Jewish Appeal had been reconstituted. There would thus be one national campaign for the Joint Distribution Committee, the United Palestine Appeal, and the National Refugee Service.
4. Jewish Welfare Fund - In Cleveland there would likewise be only one campaign, for the Jewish Welfare Fund. The united support of the community was urged in behalf of the campaign, and every effort would be made to assure a grand success for the drive. A very important meeting would be held by the Fund on April 1, to be addressed by Dr Chaim Weizmann, president of the Jewish Agency for Palestine, and Edward M Warburg, chairman of the Joint Distribution Committee. A capacity attendance was expected.
5. Kashruth - At the last regular meeting of the Council, the proposal that Jewish communal organizations should observe Kashruth in their public functions had been referred to the Executive Committee for consideration. A resolution had been received recently from the Cleveland Rabbinical Council, commending the Community Council for its interest in the matter and urging such observance by Jewish organizations. The Executive Committee would consider the question at its next meeting.
6. Election - The report of the Nominating Committee was presented by Myron Guren. In listing the recommendations, he pointed out that the Committee had attempted to give representation to all elements of the community, and had likewise tried to continue the policy of giving as many persons as possible an opportunity for leadership, while maintaining a balance of new and of experienced personnel. The fact that some persons had been dropped did not mean that they had not rendered excellent service, but merely that others were being given the same opportunity they had had for several years. In two cases, that of president and treasurer, the incumbents had reached the constitutional limit of their terms.

There having been no nominations by petition, upon motion made, duly seconded, and carried, the following persons were elected as recommended by the Nominating Committee:

Philmore J Haber, president; Ezra Z Shapiro, first vice-president; Jerome N Curtis, second vice-president; Mrs A F Mellman, third Vice-president; Abraham Stern, treasurer; Philip Bernstein, secretary; and as members of the Executive Committee, Milton P Altschul, Edward M Baker, Rabbi B R Brickner, Mrs George Burkin, Rabbi Armond E Cohen, Rabbi Louis Engelberg, George W Furth, Rabbi David Genuth, Rabbi Harold Goldfarb, Mrs Joseph Goldhamer, Mrs Joseph H Gross, Myron Guren, A I Hausman, David Ralph Hertz, Mrs Siegmund Herzog, Irving Hexter, Dr S F M Hirsch, Max Kohrman, S L Kossof, Mrs Benjamin Levine, Dr I Milcoff, A E Persky, Rabbi Israel Porath, Rabbi Rudolph Rosenthal, Rabbi A H Silver, Max Simon, Mrs Clarence Weidenhal, Julius Weisberg, Maurice Weltman, and Albert Woldman.

7. President's Message - The retiring president, Mr Simon, then summarized the five years of the Council's existence - its purposes, goals, major activities, and the fundamental principles which had guided and

must continue to be the basis for the Council's operation. He urged the Council's full support for the new president.

The report was warmly commended as being an "historic" document and "one of the most brilliant statements" on Jewish life those present had ever heard. It was agreed that it should be reproduced and widely distributed.

Upon motion made, duly seconded, and unanimously carried, the Council expressed its gratitude to Mr Simon for his leadership in founding and directing the Council, through a rising vote of appreciation.

8. Introduction of New President -- Mr Haber took over the presidency of the Council and the chairmanship of the meeting. He lauded Mr Simon's leadership of the Council as a monumental service to the community, and stated that his calm, balanced judgment, fairness and impartiality had fused the many elements of the community into an organization of great prestige and influence. The Community Council was a lasting tribute to his great ability and service, and it would continue to look to him for continued leadership and guidance.

Mr Haber stated further that the Council would have to meet the serious problems of Jewish life in the days ahead with "dignified, courageous, and sensible" action. He urged that all groups maintain and strengthen the attitude of respectful understanding for those in Jewish life with whom they might not agree. In these critical days, Jews had a solemn obligation to stress the elements of unity, and avoid unnecessary conflicts and dissension that served to weaken Jewish effort and action. He pledged his full energies to the task of leadership with which he had been entrusted.

9. Arbitration - Hebert Rosenthal, vice-chairman of the Arbitration Committee, reported that four cases were pending in the Jewish Arbitration and Conciliation Courts: (1) a dispute between two factions of a small synagogue over possession of the Torahs, prayer books, and other property, complicated by an eviction from the premises. The case was being decided by Judge Samuel Silbert, David Ralph Hertz, and Meyer Wolpaw as Arbitrators; (2) a suit by a synagogue against an adjoining property owner, in which Mr Rosenthal was serving as Arbitrator; (3) a claim against a congregation alleging the resale of a cemetery plot already purchased by the plaintiff, and seeking the removal of the body which had been buried there. This case was being handled by Mr Haber; (4) a dispute between the Orthodox Rabbis and a butcher over alleged violation of Kashruth regulations, and misrepresentation. Morris Berick and Henry Rucker were two of the three Arbitrators who had already been selected for this case.

These disputes undoubtedly would have gone to the public courts had not the Arbitration Court acted, and every effort was being made to keep them out of the public courts and newspapers. It was hoped that they would be settled amicably, and their outcome would be reported to the Council at its next meeting.

10. Schools - Rabbi B R Brickner, chairman of the Schools Committee, reported that the Committee had given its attention during the past several months to the question of the Released Time Plan for religious education in the public schools. The plan would provide for the excuse of children from public schools one or more hours per week, upon written request of parents and religious schools, to enable them to attend religious classes. The plan had been started about 30 years ago, largely under Protestant sponsorship, and had been inaugurated in many communities. Largely dormant for the last ten years, the movement had recently been strongly revived.

The Committee had studied the plan carefully and was unanimously opposed to it for the following reasons: (1) it threatened the fundamental doctrine of separation of Church and State; (2) the involvement of the public schools was likely to increase until the denominational religious classes were held in the school buildings -- this already had taken place in several cities; (3) the plan emphasized the differences among the children and opened the way to embarrassment and discrimination against the children whose parents did not choose to send them to religious classes or who did not have such classes available; (4) the instruction for one hour per week might do

more harm for religious education than good, by discouraging participation in more intensive religious education; (5) the Committee could not agree that the schools were "irreligious" or "godless" as had been charged -- rather it believed that the schools did include religious and spiritual instruction, as distinguished from denominational and sectarian instruction, and believed that such spiritual instruction should be strengthened in keeping with the function of the public schools; (6) the plan would involve serious administrative difficulties for the schools, and complications for different types of religious instruction which would be required near the schools.

The Committee had consulted with the Rabbis and heads of the Jewish religious schools and found them also opposed to the Released Time Plan. The Executive Committee likewise had supported its position, both with regard to the principles involved and the Committee's decision to oppose the plan clearly and publicly if necessary, as a matter of procedure.

Upon learning that the Protestant and Catholic groups were planning to propose the project to the East Cleveland Board of Education, the Schools Committee had conferred with them in a joint meeting. Each group had presented its views cordially but frankly, and the meeting had ended without any decision but with the promise that the Committee would be consulted before any action were taken by the sponsors. In the meantime, the hearing before the Board of Education had been postponed.

The day after the joint meeting, however, the local Catholic Universe Bulletin had carried an editorial sharply attacking the chairman of the schools for a sermon expressing opposition to the Released Time Plan. The same issue had carried a long story to prove that the Jews and not the Romans, were responsible for the crucifixion of Christ. The Committee immediately met, and in consultation with some of the officers and other individuals, agreed upon and took the following steps: It sent a letter to the Catholic Universe Bulletin, strongly protesting against the editorial and pointing out its destructive effects at a time when unity was needed among all minorities, and when more than ever differences must be discussed purely in terms of the issues involved and not by extreme charges on the basis of alleged motives; arranged a conference with Auxiliary Bishop McFadden and Father Fitzpatrick, editor of the Bulletin, to present personally the reaction of the Jewish community to the editorial; and arranged a conference with the head of the Conference of Christians and Jews. The Bulletin had printed the Council's letter on the front page of its last issue, accompanied by a brief statement defending the editorial but claiming that it had not been and would not be guilty of attacking the Jewish people.

That is where the matter rested, Rabbi Brickner reported. The Committee had devoted a great deal of time to the matter because it represented an issue of fundamental importance. He urged that the Committee have the full support of the Council, so that Cleveland would not make the mistake of other cities where a divided community had helped bring about the adoption of the plan.

Following discussion, it was moved, duly seconded, and unanimously carried that the Community Council approve the action taken by the Schools Committee, and authorize it to proceed with such further steps as might be necessary.

11. League for Human Rights - Miss Grace Meyette, director of the League for Human Rights, described the current activities of the major anti-Semitic groups in Cleveland and identified their leaders. She also analyzed the recent trend of the major anti-Semitic literature.

12. Three Agencies - The Chairman called attention to the fact that just two years ago the Council had taken action which had led to the formation of three agencies, the Bureau on Employment Problems, the Jewish Vocational Service, and the Jewish Young Adult Bureau. He believed it fitting for these agencies to review their activity, and the following reports were made:

The Jewish Vocational Service activity was described by A L Sudran, director. More than 500 persons per month were seeking the services of

the agency, representing all types of needs and all elements of the community. The guidance facilities were being used to capacity; training courses in stenography and power machine operation had been instituted with the cooperation of the Board of Education and the National Youth Administration; more than 200 positions were being filled each month; group guidance was being given at the Council Educational Alliance; nearby cities had begun to use the services of the agency; generous gifts by other community organizations had enabled the agency to build the best vocational library of its kind in the city and to extend other facilities; special attention was still being given to refugees, to help them become self-supporting as soon as possible; and the agency was continuing to cooperate with other organizations, finding the Bureau on Employment Problems particularly helpful. For the size of Cleveland's Jewish population, the Jewish Vocational Service had the best placement record of similar agencies in the country. Members were invited to the annual meeting on April 8.

The Bureau on Employment Problems had described its activity in a booklet which had been mailed to all of the representatives. George Segal, director, supplemented the report by emphasizing that the problem of discrimination in industry was not merely an agency problem, or a Jewish problem, but was basically an American problem. It was a paradox that companies engaged in filling defense orders for the protection of American democracy, were continuing to violate the foundation of that democracy by practicing racial and religious discrimination. Mr Segal stated that the Bureau had received very few of its reports from the member organizations of the Community Council. The Bureau was the agency of the community, and he urged them to contact the Bureau promptly with any authentic information, so that it might be properly checked rather than merely discussed.

The Jewish Young Adult Bureau was providing recreational and cultural service to 30 organized groups with a total membership of more than 7,000 young people, it was reported by Harry Rosen, director. Twenty major activities had been built up. In the last six months the Bureau had held 750 meetings, and in that period more than 1,000 unaffiliated young people had come to the Bureau for assistance. The agency had expanded greatly its service to refugees, to help them make a wholesome adjustment in the community. It had likewise taken responsibility for the young adult division in the Jewish Welfare Fund campaign, and through this activity had interested several hundred young people in community service that extended beyond the campaign. Other major services included cooperation with other cities in regional activity, good will programs in cooperation with the Conference of Christians and Jews, and the annual youth conference in cooperation with the Jewish Youth League. The Bureau was severely handicapped by the lack of sufficient staff and funds to meet the demands upon it, and though much had been achieved there was far more to be done.

13. No further business coming before the meeting, it was adjourned.

Respectfully submitted,

(signed)

Philip Bernstein

Secretary

April 3, 1941

Mr. Jacob Blaustein
American Building
Baltimore, Md.

My dear Mr. Blaustein:

Permit me to acknowledge the receipt of your kind letter of March 28. I trust that I may have the opportunity to discuss the contents of your letter with you at the forthcoming meeting of the Board of the Council of Federations and Welfare Funds which I hope will be set for such a time and place as will make it possible for me to attend.

You know, of course, that I do not favor national advisory budgeting whether for the constituent agencies of the United Jewish Appeal or for any other agency. I am opposed to the plan in principle, and expressed my opposition to it long before the UPA, JDC and the NRS became the principals in the discussion as a result of the dissolution of the UJA.

The sooner the Board of the Council abandons the attempt to foist it upon American Jewish communities, the better. I do not know the outcome of the referendum, but I am inclined to believe that the overwhelming endorsement which had been anticipated for it by its friends and the "great demand" which was cited as justification, have not materialized. It would be a mistake to attempt to force it through regardless.

Some new formula will have to be evolved whereby the fact finding services of the Council can be expanded and whereby closer cooperation between the agencies and the Council for mutual guidance and helpfulness can be achieved. I believe that such a formula can be found.

With all good wishes, I remain

Very cordially yours,

ANS:BK

March 31, 1941

Dr. Abba Hillel Silver
The Temple
Cleveland, O.

Dear Abba:

Your letter congratulating me on the formation of the American Palestine Committee has acted like a tonic. I had been approaching a stage of nervous exhaustion, what with the pressure of work, the bickerings going on in the ZOA and Hadassah, and all the rest of it. I am terribly understaffed, having almost no help; compelled to run back and forth between Washington and New York; sleeping on trains several nights a week. My salary was fixed at about one-half of what is paid to some of the men in the Zionist work who were my assistants or proteges in the past years, on the theory that I would supplement my income by practicing law on the side (which has been impossible, of course, since the budget for this work is wholly inadequate, and I am compelled to do the work of two or three men), and I have been digging into my slender resources every month. And, to top it all, I was put on the payroll on a month to month basis, which means in plain language "subject to discharge without notice".

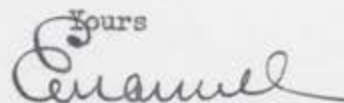
I do not know why I am spilling all this to you, but I suppose it had to come off my chest, and you happen to have been the only one of our leaders who has written me as you did. Incredible, isn't it?

It has occurred to me that since the United Palestine Appeal apparently is not going to supplement our budget, because we cannot overcome the objection of one or two members of your Committee, something might still be accomplished by getting some of the members of the United Palestine Appeal staff to help me. Indeed, one or two of them might be placed at my disposal, without any formal change in the budgets. I must say that I have had some cooperation from Montor and Steinglass in connection with the news release which we got out to the press. They have been entirely willing and cooperative. It seems to me that this sort of thing can be broadened out. Please think it over.

What about Willkie? Have you wired him? To refresh your memory, I am sending you a copy of my telegram to you on the subject.

When will you be in New York?

With warmest regards, I am, as ever

Yours

Emanuel Neumann

P.S. Since issuing the release we have obtained the signatures of almost 100 Mayors and University Presidents. We now have about 500 names - and still they come.

EN.SB

I am not sending it, because I haven't it on hand.