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REPORT TO
AMERICAN JEWS



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REPORT TO AMERICAN JEWS

ON OVERSEAS RELIEF, PALESTINE
AND REFUGEES IN THE
UNITED STATES

by

Eli Ginzberg

The Work of

The Joint Distribution Committee
The United Palestine Appeal
The National Refugee Service

HARPER & BROTHERS PUBLISHERS

New York and London

1942

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PREFACE

THE United Jewish Appeal was established in 1939 to merge the fund-raising activities of the Joint Distribution Committee and the United Palestine Appeal and to collect moneys for the newly organized National Refugee Service. During the past three years the United Jewish Appeal has raised approximately \$40,000,000 for overseas needs, Palestine, and the adjustment of refugees in the United States.

The contract establishing the United Jewish Appeal for 1941 provided for an initial subdivision of \$8,800,000 among the three beneficiaries of the Appeal and further provided for an Allotment Committee of seven members, which was charged with the distribution of all moneys in excess of the original subdivision. The Allotment Committee was to act on the basis of its own independent study.

I was appointed Director of Research for the Allotment Committee early in July and presented a report early in October. In the preparation of the report the three potential beneficiaries co-operated wholeheartedly by meeting all requests for data except in those few instances where disturbances caused by the war made records temporarily inaccessible.

The following consultants assisted in the analysis and evaluation of the materials:

Dr. Moses Abramovitz, National Bureau of Economic Research

Galley 3—Report to American Jews—52510—
11-13 10-12 14-14 8-9 Baskerville

BANK 9

SLIDE 37

x 22

Galley 4—Report to American Jews—52510—
11-13 10-12 14-14 8-9 Baskerville

x 22

BEARER BEARER BEARER BEAR

vi

PREFACE

Dr. Carrie Glasser, Institute of Public Administration
Mrs. Ethel Ginsburg, Columbia University Council
for Research in the Social Sciences
Dr. Sol W. Ginsburg, Mount Sinai Hospital, New
York City
Professor Louis Ginzberg, Jewish Theological
Seminary of America
Professor Patrick M. Malin, International Migration
Service

Doctors Milton Friedman and C. Lowell Harriss of the
Treasury Department of the United States also con-
tributed valuable suggestions. My chief assistant was Mr.
Isaiah Frank, at present on leave from Amherst College
as Carnegie Fellow at the National Bureau of Economic
Research. In addition to being responsible for the basic
statistical work, Mr. Frank participated in every stage
of the general analysis.

The report to the Allotment Committee surveyed the
many facts and figures which reflect the structure and
functioning of the Joint Distribution Committee, the
National Refugee Service, and the United Palestine
Appeal. Since the work of these organizations, in saving
human life, in contributing to the upbuilding of Pales-
tine, and in assisting in the assimilation of refugees in
the United States, is of great moment, and since this
work depends upon voluntary contributions from the
general public, the Allotment Committee felt that the
report should be made public.

This monograph is based upon the report to the
Allotment Committee, but the history of the organiza-

CONTENTS

PREFACE	0
I. THE CONSTITUENT ORGANIZATIONS	0
The Joint Distribution Committee	00
The National Refugee Service	000
The United Palestine Appeal	000
II. THE UNITED JEWISH APPEAL	000
III. NEEDS AND ALLOCATIONS	000
IV. CONCLUSIONS	000
POSTSCRIPT—THE IMPACT OF THE WAR	000
TABLES	00

Galley 3A

PREFACE

vii

ations has been expanded and a postscript dealing with the impact of the war has been added.

I am indebted to Professor Frederick G. Fassett, Jr., of the Massachusetts Institute of Technology for his careful reading of the manuscript and for his several suggestions, especially in matters of style.

February, 1942
New York City

Galley 4A

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REPORT TO
AMERICAN JEWS



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Galley 5—Report to American Jews—52510—
11-13 10-12 14-14 8-9 Baskerville x 22

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SLIDE 38

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PART I

THE CONSTITUENT ORGANIZATIONS

THE JOINT DISTRIBUTION COMMITTEE

THE Joint Distribution Committee was organized late in 1914 to facilitate the transfer of funds of three American relief organizations which had been established immediately after the outbreak of the First World War to cope with the emergencies confronting European Jews, especially those living in Poland and Baltic Russia. As the war progressed an ever increasing number of Jewish communities were caught between the German and the Russian armies, and so great were their trials that the newly organized Joint Distribution Committee was forced to center almost its entire energies upon meeting their emergency needs. During the period 1914-23 the Joint Distribution Committee raised and disbursed approximately \$60,000,000, the bulk of the expenditures being concentrated in Poland, Baltic Russia, and White Russia.

From its inception the Joint Distribution Committee has been a fund-disbursing agency with headquarters in New York. Most of its funds have been raised in the United States, although some small part has come from Canada and elsewhere. During the course of its history the Joint Distribution Committee has pursued varying

Galley 6—Report to American Jews—52510—
11-13 10-12 14-14 8-9 Baskerville x 22

THE CONSTITUENT ORGANIZATIONS

3

Ukrainian bandits, who killed two staff members, one of whom was the distinguished Bible scholar, Professor Israel Friedlaender. Nor was he the last of the martyrs. In more recent days concentration camps have taken their toll among outstanding Europeans whose devotion to the work of the Joint Distribution Committee and other relief organizations brought them into such intimate contact with the outside world that ruthless Nazi authorities thought it best to make an end of them.

The three organizations that merged to form the Joint Distribution Committee had concentrated their fund-raising activities, during their short period of independent existence, among different Jewish groups in the United States. The Central Relief Committee for the Relief of Jews raised funds primarily through the medium of Orthodox synagogues; the American Jewish Relief Committee sought contributions from the middle-class and wealthy groups not of Orthodox persuasion; the People's Relief Committee was designed to reach Jewish labor groups. From the beginning the leadership of the American Jewish Relief Committee—Louis Marshall, Felix M. Warburg, Cyrus L. Sulzberger—played a dominant role in directing the activities of the Joint Distribution Committee.

During and immediately following the First World War and again when the advent of Hitler precipitated new emergencies, the Joint Distribution Committee campaigned actively for contributions, and in its United Jewish Campaign of 1926, when it sought \$20,000,000 for the economic rehabilitation of Eastern European Jews, the broadest national support was elicited. But in other years, when conditions were less pressing and its

methods of operation: it has worked directly through its own staff members, through existing European welfare agencies, and in conjunction with European governments. In broad outline the Joint Distribution Committee has operated on the basis of advices received at the New York office concerning the urgent needs confronting some Jewish community in distress. It has, however, kept a small field staff in overseas areas where its expenditures have been concentrated, so that it could have some independent basis for evaluating the absolute and especially the relative needs of communities seeking assistance. In general the Joint Distribution Committee would make funds available to the community in distress, which would then be responsible for spending them. By acting more as a disbursing than as an operating agency the Joint Distribution Committee contributed greatly to the development of local institutions and local leadership, tasks to which the field staff devoted much time and energy. This method of operating not only had beneficial effects through heightening the efficiency of local institutions, but also facilitated the raising of additional moneys, for the Joint Distribution Committee frequently made its grants on a matching basis.

During the disorganized period following the armistice of 1918, the Joint Distribution Committee sent abroad a small group to supervise directly the distribution of relief. So great was the prestige of the Joint Distribution Committee four years after its organization that the United States government granted permission to the staff to wear the uniform of the United States army. The uniform was not respected, however, by

budget correspondingly smaller, the Joint Distribution Committee collected its funds from a more limited group. This restricted method of financing was reflected, to some degree, in the relatively small number of active leaders. In recent years, with the exigencies of the situation demanding monthly budgeting, increased responsibility for the work of the Joint Distribution Committee has been in the hands of a skilled group of administrators, for they alone have the technical knowledge essential to efficient operation of the organization.

As Jewish communities in Europe and elsewhere became acquainted with the work of the Joint Distribution Committee they sought assistance from it whenever their local resources were insufficient to meet emergencies. Not that the Joint Distribution Committee was the only Jewish agency able to operate on so broad a front, but it was by far the largest and most efficient.

Customarily the community in need cabled or wrote to the Joint Distribution Committee in New York to apprise American Jews of the difficulties with which it was faced and to request either a lump-sum remittance or continuing payments depending on the nature of the emergency. In supporting its request for assistance the community would furnish details about the nature of its needs and resources. Whenever possible the Joint Distribution Committee would receive a supplementary report from its field staff. The requests of the several communities were studied by a small budget committee composed of a few devoted laymen and assisted by members of the administrative staff. This group would establish priorities among the requests, for the total usually exceeded the funds available for distribution. The

BANK 9

SLIDE 42

budget committee would disregard, or scale down requests from communities that appeared able to raise additional moneys locally. Inasmuch as the Joint Distribution Committee continued to operate in the same or contiguous areas for many years, its field staff came to know many communities intimately and was therefore able to gauge accurately the reasonableness of requests for assistance; this information, placed at the disposal of the Joint Distribution Committee in New York, permitted more efficient budgeting.

During the first twenty-seven years of its history the Joint Distribution Committee has been forced to pursue different methods of operation in order to carry out its work efficiently, but the fact remains that the Joint Distribution Committee today, as at the time of its organization, is primarily a fund-disbursing rather than an operating agency, largely dependent on its own field staff and on foreign representatives.

The Nazification of the Continent has placed increasing difficulties in the path of the Joint Distribution Committee, but noteworthy is the fact that it can still operate efficiently, largely because of the integrity and devotion of its overseas staff and representatives. Although nobody, Gentile or Jew, has been permitted to leave Poland these last two years, the Joint Distribution Committee has been receiving that minimum of information which it needs to guide its operations. Only a few weeks after the conquest of Yugoslavia local Jewish leaders were able to make contact with the representative of the Joint Distribution Committee in Budapest. Shortly thereafter a plan was put into operation whereby Jews in Yugoslavia were given money for relief without the transfer of a single American dollar becoming necessary!

From a recent report issued by the Department of State of the United States one learns that with the single exception of the British War Relief the Joint Distribution Committee is the largest disbursing of American funds for overseas relief. It should be emphasized that the Joint Distribution Committee operates today not only in Europe but also in Africa, Asia, and South America. Its growth from 1914 to the present time can be briefly sketched.

In the first full year of operation, 1915, the Joint Dis-

tee. In 1931, for the first time in the history of the Joint Distribution Committee, expenditures fell below the million mark and in 1932 they were less than \$350,000. Reviewing its operations in the early thirties, the Joint Distribution Committee reached the conclusion that, since emergencies were not the order of the day and since rehabilitative work could now be financed locally, a marked shrinkage in its organization was called for. But Hitler quickly changed all this.

During the first twenty years of its existence the Joint Distribution Committee had followed a policy of adjusting Jews to the environment in which they found themselves rather than encouraging them to emigrate to more hospitable lands. When Hitler declared that Germany must be rid of all her Jews, the Joint Distribution Committee reconsidered its basic approach and entered upon emigration work, for Jews could not be adjusted to the Third Reich. During the last eight years emigration work has loomed large in the program of the Joint Distribution Committee.

From 1934 until 1940 the Joint Distribution Committee expended more than \$20,000,000. Although rehabilitative and reconstructive work has been continued in Eastern Europe, the ever worsening condition of Jews in Germany has led the Joint Distribution Committee to devote increasing resources to this area, which until the advent of Hitler had never been in need of widespread assistance. In many respects this third period of the Joint Distribution Committee parallels the first, for emergency expenditures predominate.

Hitler had not been in power many months before it became clear that he was sorely in need of foreign exchange in order to accelerate his program of rearmament and imperialistic expansion. While seeking to aid German Jews in distress, the Joint Distribution Committee was determined not to aid Hitler. With striking ingenuity it evolved "clearance transfer," a system by which it was possible to succor Jews living under Hitler's control without making dollars available to Hitler. Although there are many variations of "clearance transfer" the scheme, in short, is this: Jews desiring to emigrate from Greater Germany transfer their resources within Germany to the local Jewish relief organization in return for railroad tickets to a port of embarkation and for steamship tickets on a neutral liner. Poor Jews who

Galley 7A

tribution Committee received approximately \$2,000,000 from contributions. Confronted with increased demands from communities afflicted by the First World War, the Joint Distribution Committee succeeded in the following years in increasing its income substantially; in 1919, and again in 1920, it collected in excess of \$13,000,000. On its tenth anniversary, in 1924, the Joint Distribution Committee had spent in total more than \$60,000,000. This tenth anniversary marked the end of a period during which the Joint Distribution Committee had been forced to concentrate its efforts, on meeting the essential needs of distressed populations in the war-stricken regions of Central and Eastern Europe.

By the middle twenties these populations were, for the most part, again able to provide for their own food, shelter, and medical supplies. War, however, had wrought great havoc with the political and economic structure of Eastern Europe, and the Jewish population faced major problems in readjustment. This process of readjustment the Joint Distribution Committee sought to facilitate.

From 1924 until 1934 the Joint Distribution Committee spent approximately \$25,000,000, a sum considerably less than the \$60,000,000 which it had spent during the first decade of its existence, yet a sizable sum. During this second decade the expenditures of the Joint Distribution Committee were concentrated more on rehabilitation and reconstruction; the day of emergencies was over. Medical work, especially child care, co-operative loan societies, and agricultural and trade schools loomed large in the new program. Moreover as conditions became more stable the Joint Distribution Committee increased its subsidies for cultural purposes. The single largest effort during this second decade was the expenditure of approximately \$16,000,000 by the American Jewish Joint Agricultural Corporation (Agro-Joint), the operating agency of the Joint Distribution Committee in Russia. This subsidiary, established in 1924, succeeded in settling 250,000 persons on 3,000,000 acres of land in the Ukraine and the Crimea. Only \$6,000,000 of the total expenditures were direct allocations by the Joint Distribution Committee; \$8,000,000 was raised by private subscriptions, and the government of the Union of Socialist Soviet Republics made substantial contributions.

The advent of Hitler in 1933 coincided with the low point in expenditures of the Joint Distribution Commit-

Galley 8A

desire to emigrate, but who have no property to leave behind, are provided with transportation by the relief organization. The Joint Distribution Committee spends dollars on the purchases of steamship and railroad tickets. In the early days of "clearance transfer" emigrants left behind thirty marks for each dollar of transportation made available by the Joint Distribution Committee. Some left much more, some nothing at all, but thirty was the average. Today, because of the continuing impoverishment of Jews within Germany, the average has fallen to eight marks.

The marks left behind by the emigrants, as well as those raised from Jews who remained in Germany, were used by the Jewish welfare organizations to meet pressing needs: food for the unemployed, medical supplies, educational subsidies. In a very real sense the Joint Distribution Committee managed to get double use from its money, for it was able to get people out of Germany and support the needy in Germany on the same dollar. To make the story even better, Hitler did not get that dollar.

With the outbreak of the Second World War in September, 1939, the Polish frontiers were sealed, but this closure has not prevented the Joint Distribution Committee from making moneys available for Jews in Poland. The German authorities agreed to permit the marks left behind by emigrants from Greater Germany to be converted into zlotys at the rate of two zlotys to the mark and five marks for each dollar of transportation provided by the Joint Distribution Committee—in short, ten zlotys to the dollar. These funds up to a specified maximum are made available to the Jewish welfare organizations in Poland. With minor variations the same principle of indirect "clearance transfer" has been used in Yugoslavia.

In a world in which international finance reflects international politics, the Joint Distribution Committee has hewed to its major objective of facilitating the emigration and relief of Jews under Nazi control without contributing a penny to strengthening Nazi finances. So carefully has it worked its way through the labyrinth of financial intricacies that it has repeatedly secured licenses from the United States Treasury, for Washington authorities approve of the methods used by the Joint Distribution Committee in spending money abroad.

From its organization in 1914 to the end of the calendar year 1939, the Joint Distribution Committee spent

BANK 9

SLIDE 45

\$100,000,000. Almost three quarters of all expenditures have been concentrated in the following five regions:

Poland, Lithuania, etc.	\$29,000,000
Russia.	22,000,000
Palestine.	9,000,000
Austria-Hungary.	6,000,000
Germany.	5,000,000

A functional analysis of these expenditures follows:

General Emergency and Rehabilitative Work	\$56,000,000
Repatriation and Refugee Work.	11,000,000
General Reconstruction Work.	9,000,000
Agricultural Settlement.	7,600,000
Child Care.	6,400,000
Cultural Work.	4,200,000
Medical Work.	3,400,000

The outbreak of the Second World War in the fall of 1939 brought few changes, for the Joint Distribution Committee's total appropriations in 1940 were almost \$6,500,000 and during the first nine months of 1941 total appropriations exceeded \$4,000,000. Since accounting reports from abroad are received at only infrequent intervals there is an inevitable time lag between appropriations and payments, but not a noticeable one. For the two year period 1939-40 total appropriations were \$15,200,000, total receivable income was \$14,480,000, total payments were \$14,310,000; in short, there was an excess of appropriations over income of about \$700,000.

The work of the Joint Distribution Committee during the first nine months of 1941 can be briefly summarized. It appropriated \$600,000 to Hicem, an organization which facilitates the emigration of Jews from Central and Eastern Europe; \$300,000 was made available for the emigration of specially trained young Jews who plan to establish themselves as farmers on a special project under the control of the Dominican Republic Association.

Through the use of the "clearance transfer" scheme, the Joint Distribution Committee appropriated about

Theodore Herzl, it assumed political reality. The objectives of modern Zionism vastly transcended, however, the trickle of immigration that had taken place throughout the centuries. Zionism thought in terms of hundreds of thousands and millions of immigrants, of the redemption of the entire land; in short, of the re-establishment of a national "homeland."

Herzl and his followers knew that if they were to succeed in translating their ambitious program into realized objectives they would need widespread support from Diaspora Jewry—outside of Palestine—for the purchase of land, for agricultural settlements, for the improvement of public health and education. To this end the Fifth Zionist Congress, in 1901, provided for the establishment of the Keren Kayemeth (Jewish National Fund), and charged it to raise money throughout the world for buying land in Palestine which it was to hold in inalienable trust in the name of the Jewish people.

At the outbreak of the First World War the Keren Kayemeth owned only sixteen thousand dunam (four dunam equal one acre) and the total investments of the Keren Kayemeth up to 1920 did not exceed \$1,000,000. But with the issuance of the Balfour Declaration the Keren Kayemeth noticeably expanded its land purchases, both rural and urban.

The Balfour Declaration likewise stimulated the creation of the Keren Hayesod (Palestine Foundation Fund); Article Four of the Mandate provided that "an appropriate Jewish agency shall be recognized as a public body for the purpose of co-operating and advising with the Administration of Palestine in such economic, social, and other matters as may affect the establishment of the Jewish national home and the interests of the Jewish population in Palestine . . ." Until 1929 the World Zionist Organization was recognized as the appropriate body; after 1929, in order to make provision for the inclusion of non-Zionists, the Jewish Agency was established. The Keren Hayesod, organized in 1920, became the fiscal arm during the 1920's, of the World Zionist Organization and since then has been the fiscal arm of the Jewish Agency. The Keren Hayesod is founded on the principle of a fixed annual self-imposed tax on every Jew who wishes to contribute to the upbuilding of the homeland.

The noticeable progress of Palestine during the past two decades has been grounded on two developments: on the immigration of people and the inflow of private capital; on the stimulation provided by the expenditures

Galley 9A

\$600,000 for Poland, \$150,000 for Germany, \$130,000 for Austria, and \$138,000 for other countries. These moneys were spent on transportation for emigrants who left behind considerably more foreign exchange than could have been bought for the equivalent amount of dollars at the official rate of exchange. The moneys left by the emigrants were used by Jewish welfare organizations for communal purposes.

For direct relief the Joint Distribution Committee appropriated almost \$400,000 for unoccupied France, \$200,000 for China, \$130,000 for Japan (the refugees in Kobe have now all been removed), almost \$100,000 for Portugal, \$100,000 for Hungary, \$66,000 for Yugoslavia, and \$175,000 for other countries in the Eastern Hemisphere.

Slightly less than \$300,000 was made available to Central and South America, the largest appropriations going to Bolivia, Cuba, Chile, and Brazil. Approximately three thousand refugees in these countries received financial assistance during the first six months of 1941. Special appropriations, including \$56,000 for cultural purposes, totaled \$270,000, and administration expenses, including the cost of operating the Transmigration Bureau, were \$500,000.

A recapitulation for the period from January through September, 1941, follows: \$900,000 for direct emigration, \$1,000,000 for emigration and relief on the "clearance transfer" scheme, \$1,200,000 for direct relief in countries in the Eastern Hemisphere, \$560,000 for Central and South America and for special appropriations, and \$500,000 for administration.

The achievement of the Joint Distribution Committee are attested to by the thousands who have emigrated and the tens of thousands who have been fed and clothed. But the Joint Distribution Committee has accomplished more. By continuing to operate in Europe after all other relief organizations had disbanded, it has supported the morale of the severely stricken Jewish communities. European Jewry knows that it has not been forsaken.

THE UNITED PALESTINE APPEAL

A return to Palestine has been the aspiration of Jews for centuries, in fact for millennia, but the return was primarily a matter of religious belief until the end of the nineteenth century, when, under the leadership of

Galley 10A

of the Keren Hayesod and the Keren Kayemeth. During the 1920's there was substantial immigration into Palestine of middle-class Jews from Central Europe, who brought sizable amounts of capital with them, which they used for living expenses and for investments in land, building, and the citrus industry. With the moneys contributed by the Diaspora Jews the Keren Hayesod and the Keren Kayemeth made expenditures on current and capital account—especially for the purpose of land and for the establishment of agricultural settlements—which made it possible for additional immigrants to enter the country, especially immigrants without means.

At the end of 1919 the Jewish population of Palestine numbered less than 60,000; in November, 1931, it was 175,000; by September, 1940, it had increased to approximately 500,000. This rapid rise in the total Jewish population of Palestine resulted largely from immigration: more than 100,000 entered the country during the 1920's, and more than 250,000 during the 1930's. During certain years there was considerable emigration, but never enough to counteract the basic trend. In part the rapid increase in Jewish population reflected a very high birth rate; the population included a large number of young adults of marriageable age.

Although land in Jewish possession totaled only 500,000 dunam in 1922, it was in excess of 1,000,000 in 1932, and more than 1,500,000 at the end of 1941. During the 1920's the Keren Kayemeth accelerated its purchases, but private individuals bought even larger amounts than did the Keren Kayemeth. In the middle thirties, a period of heavy immigration from Germany, private land purchases were four times larger than those made by the Keren Kayemeth. But with the outbreak of the Arab disturbances in 1936 private purchases ceased almost completely and since then the Keren Kayemeth has been responsible for almost all new purchases. While the Keren Kayemeth held only 4 per cent of all land in Jewish hands in 1914, it controlled 40 per cent in 1941.

During the 1920's and 1930's there was an inflow of approximately \$500,000,000 of private capital into Palestine, chiefly capital brought into the country by immigrants from Central and Eastern Europe. Americans invested approximately \$40,000,000, or less than 10 per cent. Private capital eschewed agricultural investments except in the case of citriculture; mostly it invested in

BANK 9**SLIDE 16**

urban real estate, construction, and diversified industries. It is estimated that during the years 1932-37 Jewish investments totaled approximately \$200,000,000, of which amount more than 50 per cent was concentrated in urban real estate and construction and 25 per cent in industry and citriculture.

Although the inflow of \$500,000,000 in private capital during the two postwar decades was of paramount importance in conditioning the expansion of Palestine economy, one must not overlook the smaller but strategic role of national capital. For the period 1921-1941 the income of the Keren Hayesod and the Keren Kayemeth from donations alone totaled about \$70,000,000, and it is probable that total national capital approximated \$100,000,000.

The Jewish Agency, of which the Keren Hayesod is the fiscal arm, devoted most of its expenditures to operating functions—education, social service, immigration, administration—in short, to those functions typically performed by government. In addition the Keren Hayesod made capital expenditures primarily for agricultural settlement and subsidized nascent industry and land development companies. These capital expenditures are reflected today in the \$12,700,000 of assets on the balance sheet of the Keren Hayesod, but there are also liabilities of \$3,800,000, largely in the form of two bank loans which the Keren Hayesod incurred when it consolidated its short-term indebtedness and obtained new capital for agricultural settlements.

The Keren Kayemeth has devoted almost all of its income during the past four decades to the purchase of land, the development of water installations, and the planting of forests, all of which it holds in trust in the name of the Jewish people. It is estimated that these assets total in excess of \$30,000,000; but the Keren Kayemeth has liabilities of almost \$8,000,000, chiefly notes payable on demand, short-run loans, and debentures. Liabilities in this amount were incurred before 1939, largely in the latter part of the decade, when a desperate effort was made by the Keren Kayemeth to forestall some of the evil effects of the restrictive British land policy. The income of the Keren Kayemeth during the last three years has been insufficient to permit it to absorb this debt and at the same time continue its purchases of new land. For the most part this debt is held

the current income of the Keren Kayemeth has frequently been insufficient to permit it to exercise all available options, to complete purchases of land on which it has made down payments, and for the acquisition of desirable parcels that have suddenly become available, the Keren Kayemeth resorts to borrowing in anticipation of future income. "Meeting previous commitments" represents, in the largest degree, the repayment to individuals of funds borrowed by the Keren Kayemeth in anticipation of future income.

The Keren Kayemeth spent approximately \$1,500,000, or 18 per cent of total expenditures, on land purchases. These purchases were predicated on the following facts:

- a) The fundamental importance of the purchase of land in the accomplishment of the major objective, namely, the establishment of the Jewish national homeland
- b) The fear of restrictive land legislation in the future, which would tend to raise the price or otherwise increase the difficulties of land purchase
- c) The desirability of obtaining particular parcels of land in order to increase the economic and security value of parcels previously purchased
- d) The need for new land in order to increase agricultural settlements and the size of the rural population, in the absence of which the Palestinian economy is likely to become unbalanced
- e) The conviction that the Jewish claims at the Peace Conference will be respected in direct proportion to the actual strength shown by the Jewish economy in Palestine

Expenditures for new agricultural settlements totaled \$1,400,000, or 17 per cent of the total expenditures. To purchase land without settling it would contribute little to make a reality of the Jewish homeland. There were a large number of specially trained people awaiting an opportunity to settle on the land—eager young people whose training would go to waste if new settlements were not established. War has brought with it an increased demand for agricultural products.

Meeting previous commitments, purchases of land, and agricultural settlement together comprise 65 per cent of the total expenditures. The remaining 35 per cent are divided among the following activities:

Youth Aliyah: \$670,000—8 per cent—for the maintenance and settlement of children from Germany, Austria, and Czechoslovakia who came to Palestine without their par-

Galley 11A

by individual Jews and by Jewish co-operative and banking associations.

The last two decades have witnessed the rapid expansion of Palestinian agriculture. The number of settlements has increased from about 75 to 250, land holdings from 500,000 to 1,500,000 dunam, and the population living on the land from 15,000 to 150,000. About one-third of the total agricultural population live and work on land owned by the Keren Kayemeth. Because of the desire to purchase land as rapidly as possible and to settle it forthwith—in Palestine a failure to settle might put a title in jeopardy—the colonies established on the land of the Keren Kayemeth had little equipment, and the colonists were forced to concentrate on subsistence agriculture. The small rental which the Keren Kayemeth receives from its rural land is explained by the fact that settlers have very little surplus, and when a small surplus is achieved there are urgent demands for its use in purchasing a tractor, building a school, or meeting other insistent needs.

The Palestinian economy, like so many other modern economies, is half free and half controlled. Private capital plays an important role in directing the flow of resources, but the expenditures of public agencies are likewise significant. For example, in 1935, a boom year, the wage bill of the Jewish population totaled about \$33,000,000. In 1939-40 and again in 1940-41 the combined expenditures of the Keren Hayesod and the Keren Kayemeth (including also the expenditures of the Central Bureau for the Settlement of German Jews, a subsidiary of the Jewish Agency) totaled in excess of \$8,000,000, an amount equal to a substantial part of the entire wage bill.

The importance of these national expenditures for the Palestinian economy can be even better appreciated after a more careful study has been made of the expenditures set forth in the consolidated report of the Palestinian agencies (primarily the Keren Hayesod and the Keren Kayemeth). During the year October 1, 1940, to September 30, 1941—based on the Hebrew calendar—expenditures total approximately \$8,250,000.

The single largest expenditure was for "meeting previous commitments"—for the repayment of loans contracted by the Keren Hayesod and the Keren Kayemeth. Almost \$2,400,000, or 30 per cent of the total expenditures, were devoted to this purpose. Inasmuch as

Galley 12A

ents More than 7,000 children migrated to Palestine through the efforts of Youth Aliyah.)

Labor, housing, social service: \$560,000—7 per cent—direct unemployment relief, especially to laborers thrown out of work in the citrus industry and in private construction; relief through public works construction; vocational re-training

National organization and security: \$530,000—6 per cent—largely for supernumerary police, air-raid precaution, and the political departments of the Jewish Agency in Jerusalem and in London

Administration and propaganda: \$400,000—5 per cent—including the organizational expenses of the four agencies represented in the consolidated report

Urban settlement, trade, and industry: \$400,000—5 per cent—largely loans for industrial recovery to artisans and shopkeepers; participation with private individuals in the purchase of raw materials; loans for urban land development

Education and culture: \$200,000—2½ per cent—subsidies to Vaad Leumi (local Jewish Councils) for the school system; grants for special training and research centers

Immigration and training: \$190,000—2 per cent—for refugee fares and initial assistance to immigrants

These expenditures, which total in excess of \$8,000,000, were made possible by cash receipts from the following sources: contributions from abroad in the amount of \$4,750,000, of which sum the United States contributed \$2,900,000; about \$750,000 from service charges, grants, and participations; \$400,000 from special, earmarked funds; and the remainder from loans.

The bulk of the income which the agencies obtained from the United States derives from the share which the United Palestine Appeal receives from the United Jewish Appeal. The United Palestine Appeal was organized in 1936 to serve as a chief collecting agent for the Keren Hayesod and the Keren Kayemeth. With the exception of a small sum which it contributes to allied organizations, the United Palestine Appeal divides its total receipts in equal amounts between the Keren Hayesod and the Keren Kayemeth. In 1941 the initial allotment of the United Palestine Appeal was \$2,525,000, but there will also be available during 1941 about \$500,000 from the Traditional Collections of the Keren Kayemeth, and at least \$740,000 from the Hadwassah on behalf of the Central Bureau for the Settlement of German Jews. About \$200,000 of the United Palestine Appeal income will not be available for Palestine because of deductions

Galley 13—Report to American Jews—52510—

11-13 10-12 14-14 8-9 Baskerville

x 22

BANK 9

SLIDE 47

made for campaign and propaganda expenses in the United States.

Palestine represents the outstanding Jewish communal effort of the twentieth century, and its striking success is attested to by the fact that Palestine has absorbed more Jewish immigrants than did any other single country during the last several years. Until recently the inflow of private capital played a predominant role in the development of Palestine, although the activities of the Keren Hayesod and the Keren Kayemeth gave meaning and direction to the whole undertaking. In view of the total impoverishment of European Jews there is little likelihood that private capital will again play as important a role here as it did in the past. More than ever the work of the Keren Hayesod and the Keren Kayemeth is crucial. If this outstanding effort in cultural, social, and economic reconstruction is to fulfill its promise, liberal contributions to and full co-operation with the Keren Hayesod and Keren Kayemeth are essential.

THE NATIONAL REFUGEE SERVICE

One hundred and fifty years after the first Jew had settled in New York City, the total Jewish population probably did not exceed one hundred families. It was not until the third decade of the nineteenth century that Jewish immigration into the United States accelerated, and it was not until the end of the century that it reached its peak.

In the early 1800's, when the number of new arrivals was still relatively small, New York, the largest Jewish community in the United States, found its resources increasingly taxed in providing services for immigrants. When Jews were first granted permission to settle in New Amsterdam they obligated themselves not to permit any of their fellow Jews to become public charges. In view of this obligation, which only reinforced an old tradition of caring for their own needy, the Jewish community in New York developed a broad program of social welfare.

Because most immigrants arrived on these shores with little more than packs on their backs, they were unable to meet emergencies of any kind—unemployment, illness, death. Private charities sought to meet these emer-

Galley 14—Report to American Jews—52510—

11-13 10-12 14-14 8-9 Baskerville

x 22

moderate circumstances who needed some assistance in emigrating and adjusting to this country; and a third, immigrants whose own resources were so limited that they would never have been able to enter the United States or make an adjustment without substantial assistance from relatives, friends, or communal organizations.

During the early days of the Hitler regime, the immigrants were largely of the wealthiest group, who upon arrival occasionally needed information or advice but placed no great strain on local Jewish agencies. As time went on the regulations governing immigration became increasingly complex and no person living in the United States who sought to facilitate the immigration of relatives or friends could proceed without expert advice. Several agencies, therefore, developed skilled personnel to assist Americans in filling out the multiple forms required by American consuls in immigration cases. Moreover an increasing number of poorer immigrants began to arrive, and the Hebrew Sheltering and Immigrant Aid Society, as well as other groups, expanded their facilities for meeting boats and providing temporary shelter.

Late in 1934, the Greater New York Co-ordinating Committee was organized to integrate the work currently being carried on for refugees by departments of the Jewish Social Service Association, the Jewish Family Welfare Society of Brooklyn, and the New York and Brooklyn Sections of the Council of Jewish Women. In the following years the number of refugees continued to increase, and it became clear that the New York agencies would need increasing support from the country at large. In 1938 the National Co-ordinating Committee Fund was organized to provide central financing and to insure more widespread national support.

Between 1935 and 1938 approximately \$2,000,000 was raised specifically for refugee needs. Although there had been noticeable improvement in the co-ordination of the several agencies dealing with one or another aspect of refugee work the situation remained unsatisfactory. In the later thirties the refugees arriving in the United States were older, more impoverished, and more disturbed emotionally than those who had arrived earlier, and their needs were correspondingly greater. A critical appraisal of the New York situation in 1938 revealed that co-ordination was still inadequate and rec-

Galley 13A

gencies, and private funds also were forthcoming for Americanization classes.

It must be recalled that the government placed few obstacles in the path of prospective immigrants—permission to enter the United States was granted all except those who suffered from incurable diseases or who had been convicted of moral turpitude. It must also be recalled that except for those immigrants who had the misfortune to arrive in the United States when business was slack—prospective immigrants usually delayed their departure from Europe when they learned of a depression in the United States—all the able-bodied secured employment almost immediately. True, working conditions were generally poor and occasionally very bad, but individuals, and especially families, usually earned enough to be self-supporting.

Since the First World War and especially since the depression of the 1930's, the regulations governing immigration into the United States have become increasingly stringent. Moreover successful entry is only half the story, for successful immigration implies the ability of the immigrant to adjust, and especially to adjust economically. Widespread unemployment was prevalent in the 1930's and the new arrivals, handicapped in language, background, and skills, were had put to carve a niche for themselves. Since the law provided that an immigrant was subject to deportation if he became a public charge during his period of alienage, it was essential for the Jewish community to provide relief for needy immigrants.

Hitler had not been in office many days before it became a matter of life and death to some, and of great urgency to others, that they leave Germany. Of all the places in the world Shanghai alone had no prohibitions upon entry, and many set out for the East. But many others feared to go so far, or to so different a culture. The United States was the goal of most emigrants, but because of the stringent regulations that prevailed not more than two hundred thousand Jewish immigrants have arrived here in the last eight years.

These two hundred thousand immigrants can be divided loosely into three groups: a small minority of wealthy and well-connected people who were able to meet all the requirements for immigration without assistance from others and whose economic future was relatively secure; a second group composed of people in

Galley 14A

commended that a new agency be established to deal with all aspects of the refugee problem.

The National Refugee Service was organized in June of 1939 as an operating agency to care for all the needs of the refugees. The National Refugee Service did not, however, take over the work of the Hebrew Sheltering and Immigrant Aid Society, nor did all other organizations previously in the field cease all work with refugees. The National Refugee Service became however, the principal operating agency.

In 1939 the National Refugee Service spent \$2,444,000, and in 1940—its first full year of operation—its expenditure totaled \$3,480,000. During the first nine months of 1941 it spent \$2,300,000. Jewish immigration, these last years, has averaged approximately 25,000 annually, and most refugees have been able to adjust without seeking financial assistance from communal organizations. Nevertheless tens of thousands received financial assistance and additional tens of thousands have received other forms of assistance from the National Refugee Service and its predecessors.

The most important financial assistance offered by the National Refugee Service is outright relief to the temporarily or permanently unemployed refugee who has no way to provide for his minimum living expenses. When the National Refugee Service began operations in July, 1939, about 2,000 cases received financial assistance; in June, 1940, the figure had risen to 3,600; and in September, 1941, it approximated 2,400. Since there are about two and one-half persons per case, the National Refugee Service since its inception has been responsible for the partial or complete support of between 5,000 and 9,000 persons monthly. There is no unduplicated count available of the persons who have received relief, but recently there has been a monthly average of 300 cases leaving the relief rolls and 200 cases being added.

Although the National Refugee Service, like its predecessors, has been forced to devote a large part of its budget to relief, its work transcends these bounds. From the beginning the National Refugee Service has set itself the task of speeding the total adjustment of the refugee to American life and to this end has offered the following diversified services: a migration department whose staff offers advice and guidance to Americans seeking to facilitate the immigration of prospective refugees; a resettlement department that encourages

BANK 9**SLIDE 48**

adaptable refugees to locate in places other than in New York, where opportunities for employment and total adjustment seem to be better; subventions to physicians and others with specialized skills to enable them to prepare for examinations which must be passed before licenses to practice can be obtained; an employment and retraining program to speed the economic absorption of refugees; loans to small businessmen to aid them toward economic self-sufficiency; assistance to refugees seeking permanent visas.

During the year 1941 the National Refugee Service has been spending on the average \$255,000 monthly in providing these manifold services. Approximately half of the budget is devoted to relief payments and to the staffing of the relief department, the members of which devote considerable effort to helping refugees solve their numerous problems. Subventions to physicians, scholars, and other special groups, loans to small businessmen, and the cost of the retraining projects total approximately \$30,000 monthly. Expenditures for settling refugees outside of New York and the cost of maintaining a field staff that acts as a liaison between the National Refugee Service and the communities in which refugees have settled total about \$18,000 monthly. The employment and retraining department, which seeks jobs not only for refugees on relief but for all unemployed refugees resident in New York City, operates on a monthly budget of about \$6,000. The migration department, specializing in problems of immigration, has a monthly budget of between \$5,000 and \$6,000. Expenditures for rent, a central stenographic pool, and administration approximate \$15,000.

This detailed breakdown of the several functions of the National Refugee Service fails to disclose, perhaps, the most important contribution of the organization. For the past several decades the United States has become increasingly stringent about immigration. The exclusion of Orientals was followed by the establishment of quotas for other immigrants; these quotas have been reduced frequently; during the depression of the early 1930's many consuls suspended the issuance of all visas; recently, with defense and war the order of the day, all prospective immigrants have had to undergo thorough investigations of their political reliability. Powerful groups within the country look with favor

The basis for the joint campaign or the united appeal is not difficult to understand. It was believed that joint campaigning would lead to a reduction in operating costs by avoiding duplication in fund-raising activities. Since the success of every campaign depends in large part upon a relatively small number of leaders, and since separate campaigns were placing a severe strain upon the limited leadership, it was hoped that a joint campaign would result in the more efficient use of key personnel. Moreover there was reason to believe that organizational unity would itself have a stimulating influence upon total collections.

Although there were many agencies engaged in overseas work in 1930, it is not surprising that the Allied Jewish Campaign of that year was a merger of the fund-raising activities of the Joint Distribution Committee and the Keren Hayesod. The World Zionist Congress of 1929 had made provisions for the establishment of the Jewish Agency to enable non-Zionists to co-operate in the upbuilding of Palestine, and since American Zionists had always been interested in the work of the Joint Distribution Committee there was every good reason for an allied campaign. Nor it is surprising that the United Jewish Appeal of recent years has had as principals the Joint Distribution Committee and the United Palestine Appeal, for the latter became, in 1936, the fund-raising agency in the United States for the Keren Hayesod and the Keren Kayemeth. The inclusion of the National Refugee Service as a beneficiary of the United Jewish Appeal can best be explained by the fact that, although it spent its funds in the United States, the work in which it was engaged was essential to the successful immigration of refugees. If any large number of Jewish immigrants had failed to adjust in this country, there is little doubt that all immigration would have ceased and that maladjusted refugees might have led to an increase in anti-Semitism.

The structure and functioning of the United Jewish Appeal can be outlined briefly. It was re-established in 1939 by a contractual agreement between the Joint Distribution Committee and the United Palestine Appeal; in this agreement the National Refugee Service was included as a beneficiary but not as a principal. The contract provided for an initial division of \$9,500,000 among the three agencies and for the establishment of

upon the complete cessation of immigration, but as yet they have been unsuccessful in achieving their objective. There can be no doubt, however, that they would have succeeded had the refugees entering the country not been quietly and efficiently absorbed. By providing relief for those who needed it, by finding jobs for those able to work, by settling the more personable groups in smaller communities, by placing physicians and scientists in institutions short of skilled personnel, by co-operating fully with governmental departments—by all these activities the National Refugee Service has made a major contribution to maintaining an atmosphere conducive to a slow but steady immigration. Not only have thousands found a haven in the United States, but their assimilation has been speeded. There is no better guarantee of continuing immigration than well-adjusted refugees.

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PART II

THE UNITED JEWISH APPEAL

THE Keren Kayemeth has been collecting moneys since the early 1900's; the Joint Distribution Committee since 1914; the Keren Hayesod since 1920. But it was not until 1930 that the Joint Distribution Committee and the Keren Hayesod conducted a joint campaign in the United States under the name of the Allied Jewish Campaign. They joined again in 1934 and 1935 under the name of the United Jewish Appeal. Following the dissolution of the United Jewish Appeal at the end of 1935, the United Palestine Appeal was established to conduct a joint appeal in 1936 (and again in 1937 and 1938) on behalf of the Keren Hayesod and the Keren Kayemeth. In 1939 the United Jewish Appeal was re-established, this time with the Joint Distribution Committee and the United Palestine Appeal as principals and the National Refugee Service as beneficiary. The United Jewish Appeal of 1940 and 1941 had the same structure as the United Jewish Appeal of 1939.

an Allotment Committee, which would have sole power to distribute moneys in excess of this amount. Each of the two principals had two representatives on the Allotment Committee; a neutral member, Mr. Louis Kirstein of Boston, was chosen Chairman. When the Allotment Committee met late in the year, it estimated that total net receipts from the campaign would approximate \$15,500,000; therefore \$6,000,000 was considered available for distribution. Since there was little basis for estimating accurately the amount of shrinkage from campaign pledges—and very large shrinkages did occur—the calculations of the Allotment Committee were later found to have been high by about \$700,000. In 1940 a new contract was drawn up, which provided for an initial subdivision of \$10,250,000 among the two principals and the beneficiary; an enlarged Allotment Committee was established, this time with three neutral members representing the welfare-fund communities of the country. The contract also provided for the appointment of a Director of Research, whose findings were to aid the Allotment Committee in reaching a decision. Mr. Elisha Friedman made an elaborate and painstaking study of the operations and needs of the three potential beneficiaries and in his report estimated that the 1940 campaign would end with only \$1,200,000 available for distribution to the agencies in excess of the original amount subdivided by contract.

There were prolonged negotiations prior to the writing of the contract for the 1941 campaign, with final agreement on an initial subdivision of \$8,800,000. An Allotment Committee of seven members was again established and a Director of Research was engaged to prepare a report to guide the Committee. At the meeting of the Allotment Committee in October it was estimated that the 1941 campaign would raise \$11,600,000 net—after shrinkage and expenses—and that \$2,800,000 in excess of the original allocation would therefore be available for distribution to the agencies.

The officers of the United Jewish Appeal are composed of leaders of the three participating organizations and several other men and women of national prominence who are not identified solely with any of the three participants. The administrative staff is drawn in almost equal numbers from the two principals; much the same thing is true of the field staff, which numbers about twenty men, who assist the many welfare-fund campaigns as well as campaigns in non-welfare-fund communities.

BANK 9

SLIDE 50

The major educational and propagandist efforts of the participating organizations continue independently although all of their fund-raising literature is distributed through the United Jewish Appeal.

The income of the United Jewish Appeal derives principally from two sources: contributions from communities whose fund-raising activities are organized into welfare funds, which customarily conduct one annual campaign from which allotments are made for local, national, and overseas needs; the net receipts of the Greater New York Campaign of the United Jewish Appeal. In addition, relatively small amounts are received from other local campaigns.

It is estimated that the United Jewish Appeal for 1941 will receive from all communities other than New York City about \$8,500,000, from which it will have to deduct about \$500,000 for national expenses. It is of interest to note that the local cost of collecting these funds is estimated at about 5 to 6 per cent of gross pledges. The New York City collections will probably reach \$4,300,000, but expenses may be as high as \$800,000, so that the net contribution of New York City will be only \$3,500,000. The over-all net for the entire campaign will probably approximate \$11,600,000.*

* This estimate was made in September 1941. The most recent figures, February 1942, suggest that there will be a total of approximately \$12,000,000 available for distribution.

The fact that there is a considerable lag between the time when pledges are made and the time when the cash is received introduces some uncertainty into the estimates. This lag results largely from the fact that the fiscal year of the United Jewish Appeal is the calendar year, which does not dovetail with the fiscal year of many welfare funds. On December 31, 1941, there will be outstanding from the 1941 campaign approximately \$3,000,000, and even on June 30, 1942, there will probably still be \$1,000,000 outstanding. Not until 1943 will all receipts from the 1941 campaign be on hand.

The predominant importance of the United Jewish Appeal relative to all other overseas agencies can be gauged by the fact that of the \$10,000,000 raised by ninety-three welfare funds in 1940 the United Jewish Appeal received 91 per cent of all money not retained for local purposes, which means that the United Jewish Appeal received between 55 and 60 per cent of all

In the year 1940-41 about 40,000 Jewish families had a combined income of \$1,000,000,000; the 10,000 wealthiest had an income of \$500,000,000. After all deductions, but before the payment of Federal income taxes, there were probably 400 Jews in New York City alone who had incomes of \$100,000 or more. These figures prove that what is true of the low and middle income groups is also true of the wealthy. Many do not contribute at all and those who do frequently fail to contribute in amounts commensurate with their income. If total receipts are to be noticeably increased, such increases must come either from persons not now contributing or from larger contributions by present participants. There is reason to believe that in small and medium-sized cities Jews who have not definitely severed their connections with the Jewish community are at present contributing to the United Jewish Appeal; but such is not the case in several metropolitan centers where many escape from all campaign pressures. The fact that there were only 200,000 contributors to the 1938 campaign of the Fifty-eight Welfare Funds and Federations, which included practically every important Jewish community in the United States, clearly proves that many Jews of the middle and lower income class were making no contribution whatever, and there is little reason to believe that conditions are very different today. A beginning has been made, however, to secure group contributions, especially from unions and lodges, but so far only a beginning.

A further problem of importance to the fund-raising activities of the United Jewish Appeal cannot be remedied solely by increasing the number of contributors or the size of total contributions. The United Jewish Appeal receives about two-thirds of its total net receipts in the form of contributions from welfare funds, the contributions representing about 60 per cent of the total collections of these funds. There is every good reason to believe that the noticeable increases in these total collections of welfare funds were brought about largely by the response of American Jews to overseas needs. During the past three years the percentage of total collections that the largest welfare funds contribute to the United Jewish Appeal has declined and there is considerable evidence that many communities retain increasingly large sums for local purposes. No simple method exists

moneys raised by these welfare funds.

In 1938 the Joint Distribution Committee raised about \$4,750,000 and the United Palestine Appeal about \$2,150,000 from independent campaigns, or a combined total of less than \$7,000,000. In 1939, when the United Jewish Appeal was re-established and the National Refugee Service was included as a beneficiary, approximately \$16,100,000 was pledged, \$15,200,000 has been collected to date, and \$14,500,000 has been distributed to the agencies, an increase which reflects in part the inclusion of the National Refugee Service but is largely the result of the reactions of American Jews to the Nazi pogroms of November, 1938. The 1940 campaign resulted in about \$12,500,000 being distributed to the three beneficiaries, and the 1941 campaign will probably end with about \$11,600,000 available for distribution.

The fact that a smaller amount was available for distribution both in 1940 and in 1941 than in 1939 is most disturbing, for, though it is true that collections were much greater in 1939 than previously, they did not represent even in that year the maximum ability of American Jews to contribute to such important work as was being carried on by the Joint Distribution Committee, the National Refugee Service, and the United Palestine Appeal. Moreover the decline in 1940 and 1941 took place in the face of increasing incomes for American Jews and increasing demands on the organizations.

Although statistical data are scarce, enough are available for an approximate analysis of Jewish fund-raising. A study of the Greater New York Campaign for the United Jewish Appeal of 1940, the results of which do not differ substantially from that of the total collections of the Fifty-eight Welfare Funds and Federations in 1938, suggests the following: that contributions of \$1,000 or more account for approximately 50 per cent of total contributions, that 800 people contributed this 50 per cent, and that their average contribution was in excess of \$3,000; that 700 persons contributed on the average between \$500—\$999, or 8 per cent of total collections; that 5,000 contributed between \$100—\$499, or 16 per cent. Thus, 6,500 contributors, each of whom gave more than \$100, accounted for 70 per cent of the total campaign receipts. One thing is clear; people in the middle and lower income groups are not contributing in any large number, but neither are all the wealthy.

by which the United Jewish Appeal can counteract this pervasive tendency of welfare funds to provide amply for all local needs before making moneys available for refugees and overseas needs. Leaders in these local communities will have to be educated about priorities, and this precipitates a discussion of the twin problem of leadership and education, which is the key to the understanding of all voluntary organizations.

At present fund raising is perhaps more dependent on the social and economic prestige of the leaders than on an appreciation of the work of the organizations. In the absence of taxing power, voluntary organizations have increasingly utilized social snobbery and business coercion as levers for fund raising. There is little doubt that these techniques were evolved out of necessity, but there is reason to question whether it would not be possible, especially in approaching certain groups, to place more stress on the work of agencies.

The several organizations, as well as the United Jewish Appeal itself, publish and distribute a considerable quantity of propagandist literature aimed directly at fund raising. Both in words and photographs emphasis is placed on the dire plight of the Jews, but a recent investigation disclosed that leaders and contributors feel that there is too much literature being distributed and that such emphasis is bad. This criticism appears valid; horror has a limited value as propaganda.

Even the specific fund-raising material leaves much to be desired. To illustrate: Many contributors are using the present tax rates and the proposed increases as excuses for niggardly contributions. This attitude can be countered in several ways—by emphasizing the increasing money incomes that most people will receive during the coming months, by pointing out the noticeable restrictions on luxury purchases that will shortly be in effect, by emphasizing the possibility inherent in the present tax structure of permitting many persons to increase their charitable donations at very small net cost to themselves, by emphasizing the very small net cost of corporate donations.

More serious than the inadequacies of fund-raising appeals is the almost complete absence of educational literature that deals with the history and present operations of the organizations in the United Jewish Appeal emphasizes the potentialities of these organizations. There is a serious dearth of this literature, and little

BANK 9

SLIDE 52

reason exists for doubt that if it were available many questions could be answered and doubts stilled, and, more important, enthusiasm aroused, all of which would be reflected in increased contributions. The need for such educational literature is particularly acute; the several organizations will continue to need funds—in fact, large amounts for many years to come. The only assurance of liberal support would be an educated and sympathetic public, who, because of their understanding of the needs of overseas Jewry and their trust in the overseas organizations, would contribute regularly and liberally.

Certain structural alterations in the United Jewish Appeal appear to be in order. When the United Jewish Appeal was re-established in 1939 expectations were high that total receipts would vastly exceed those collected by independent campaigns, that expenses would be cut, that leadership personnel would be more efficiently used. To some degree these objectives have been achieved by the United Jewish Appeal of 1939, 1940, and 1941, but only to some degree.

The campaigns of the last two years have fallen below that of 1939, and 1939 fell far below its goal. Fund raising has become increasingly professionalized and routinized. Conventional techniques for fund raising should certainly be reassessed, and every effort should be made to corral able young leaders to compensate for the inevitable loss caused by the retirement or death of older leaders.

One of the primary objectives of the United Jewish Appeal was to maximize the efficiency of the active leadership of the three organizations. It was hoped that the establishment of a united appeal would result in the individual leader's deflecting some energy from his own organization to that of the others. This end has been only approached. There has been little give and take in the negotiations attendant on the writing of the annual contract, and a high degree of separatism has been in evidence during the meetings of the Allotment Committees of 1940 and 1941. Concern for the organization he represents is the clear responsibility of a competent leader, yet preoccupation occasionally goes too far, as was the case during the negotiations for the 1941 contract. The delay in reaching an agreement had the un-

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PART III

**NEEDS
AND ALLOCATIONS**

THERE are two ways of viewing Jewish contributions for refugees, overseas needs, and Palestine. If the contributions of American Jews are compared with the moneys raised for overseas relief by non-Jews, the conclusion is inescapable that American Jews have reason to be proud of their philanthropic efforts; but it would be better to view the entire American effort as inadequate, especially when one compares overseas needs with American resources. The conclusion of inadequacy is buttressed by a comparison of the total Jewish population to the number of contributors and of the income of American Jews to their total contributions. These comparisons permit of little doubt that American Jews have failed to rise to the occasion, with the result that much urgent work has had to be left undone because of a shortage of funds. Nothing is further from the truth than the rationalizations occasionally advanced that, because of exchange restrictions and other difficulties in the international scene, the overseas organizations are really unable to make good use of additional funds.

From the very beginning the Nazis have placed great obstacles in the path of relief organizations and have frequently acted in a manner which proved that they cared little whether their enemies lived or died. Only if these enemies could be exploited would the Nazis be interested in keeping them alive. In the matter of Jewish emigration from Germany, the Nazis have been less obstreperous, for ridding Germany of all Jews is a cardinal principle in their New Order. Once their organization was perfected, the Nazis permitted emigrants to leave, but with little more than their skins. Yet leave they could. Within the last few months this policy has been altered. Suffering from severe shortages in the labor supply, the Nazis have turned from their goal of

fortunate result of increasing campaign expenses and otherwise contributing to inefficiency.

Since the annual reconstitution of the United Jewish Appeal results in a wasteful expenditure of the leaders' time and energy, it appears desirable to establish the United Jewish Appeal as a permanent organization. Because of the rapid changes in the international scene, it would be poor policy at this time to fix permanently the division of the total collections. Flexibility could, however, be assured by continuing the practice of appointing Allotment Committees. On the basis of experience the following changes would probably lead to increased efficiency on the part of Allotment Committees:

The neutral members (men not solely identified with any one organization, but interested in the work of all) should be encouraged to serve for several years, for the complexity of the organizations is so great that good judgment is dependent on detailed knowledge of the problems. If flexibility were really sought after, the annual contract would have to provide small initial allocations so that the Allotment Committee would have a sizable sum to distribute. It would be desirable to establish a small research staff to collect, assimilate, and publish relevant data about the needs and activities of the constituent organizations. If the research were to be of maximum use to the Allotment Committee, it would be important for the Committee to meet relatively early in the year. If the Allotment Committee were to express in writing the basis for its decision, it might, to the extent that its thinking was clear, exercise a wholesome influence on American Jewish opinion.

To the extent that the structure and functioning of the United Jewish Appeal comes to reflect a true rather than a spurious unity, the major objective of much larger net collections could more easily be achieved.

quickly ridding Germany of all Jews and, in order to further industrial production, have refused exit permits to Jews who are in their productive years; only the very young and the very old are still permitted to emigrate.

Emigration goes on, however, and the Joint Distribution Committee and its allied organization, Hicem, continue to fill boats in Lisbon, Marseille, and Bilbao with refugees whose eyes are turned to the West. Every month complications increase, immigration permits become more difficult to get, yet visas are obtained and people continue to leave.

During the period from June, 1940, to September, 1941, the Transmigration Bureau of the Joint Distribution Committee, which facilitates the emigration of persons from Europe whose relatives or friends in the United States are in a position to pay part of all of the costs of emigration, contributed in varying degrees to the successful handling of 15,000 cases, comprising almost 35,000 persons. More than 9,000 of these actually left Europe, and the others were brought nearer to leaving. Approximately \$1,800,000 was spent on this work. There are still today more than 9,000 cases pending, comprising almost 23,000 persons for whom funds are available but who lack the necessary exit permits and entrance visas. Persistent effort, both in the New World and the Old, proves rewarding, however, for essential papers are still being obtained for prospective emigrants. During the period from January to November, 1941, it is estimated that approximately 26,000 emigrants left Europe and the Far East for safer regions; of this number 16,000 were assisted by the Joint Distribution Committee to emigrate from Europe and 1,800 from Kobe and Shanghai.

Note must also be taken of the fact that emigration continues from Europe to Palestine. Despite the repressive measures taken by the Nazis in the countries they have conquered, small contingents of Jews succeed in making their way to neutral or allied countries and thence to Palestine.

If the Joint Distribution Committee had more funds at its disposal there is little doubt that it could speed the flow of emigration from Europe. Money can influence favorably the attitudes of countries of refuge, especially by providing for those refugees who arrive, so that local prejudice is not aroused. Money can enable one to post minimum guarantees that refugees will not become public charges. Money can also contribute to a better

BANK 9**SLIDE 99**

control of the shipping situation. If boats are overloaded and understaffed there is always the fear that an influx of refugees will bring contagious diseases. Although there is still much to be done, the Joint Distribution Committee has made a noticeable contribution these last two years toward checking the exploitative practices of shipping companies.

Emigration, however, is only part of the work of the Joint Distribution Committee—actually not the largest part, which remains today as always the direct relieving of distress. The problem is particularly acute in unoccupied France, where there are today probably more than a hundred thousand Jewish refugees whose position is constantly deteriorating. The small funds they brought with them are almost gone and new regulations make it nearly impossible for any Jew to earn a living. Most of these refugees are in need of food, medical supplies, and social rehabilitation. Men in the concentration camps are suffering especially, for nobody can exist on the official rations. The Joint Distribution Committee has, however, been supplementing these rations and has further contributed to feeding large numbers of children.

In Poland the situation is equally bad, if not worse. Jews able to labor are paid by the Germans just enough so that they can labor again tomorrow. But in the young, the ill, and the old the Nazis have no interest whatever, for these groups are unable to work. Since the local Jewish communities have been stripped of their wealth, these people are certain to die if aid is not forthcoming from the outside. That they are dying in appalling numbers is proved by the fact that the death rate in the Jewish ghetto is ten times greater than that of the general population.

Conditions in the Balkans are distressing, and the labor camps of North Africa tell a tale of deprivation and suffering that can scarcely be equaled. For some time now there have been stranded in Shanghai twenty-two thousand refugees who, try as they may, cannot compete with the coolie. Relief funds have been so inadequate that the average allowance has been four cents per person per day.

Then there are the emergencies that have been superimposed on the havoc wrought by war and persecution—a boatload of Jews stranded on the barren Isle of Rhodes; a pogrom in Bagdad with much loss of life and

of the Palestinian homeland. Land could have been bought very cheaply; colonies could have been established with a larger capital investment; the productivity of labor could have been increased; industrialization could have been speeded. Had this been possible Arab-Jewish relations might have been more firmly established, for Jewish industry and agriculture would have been less exclusionist.

Despite the absence of widespread support Palestine has nevertheless made steady progress, a fact that is illustrated by the almost tenfold increase in the Jewish population during the last two decades. In the middle 1930's, when it appeared that the expansion of Palestine was likely to slow down, an unexpected immigration took place—a Hitler-inspired immigration. These refugees brought not only capital but skills, and once again the Palestinian economy expanded rapidly. The outbreak of the Second World War, however, changed all this. Emigration from Europe became more difficult, and the swift subjugation of Central and Eastern Europe, followed by the ruthless stripping of wealth from all Jews, implied that in the future most immigrants would be penniless. It was indeed fortunate that the principal Palestinian agencies, during the first year of the war, received from abroad \$5,700,000, a sum considerably in excess of the amounts received in previous years. These contributions, together with other income, loans, and the drawing down of cash reserves, enabled the agencies represented in the consolidated report to spend approximately \$8,850,000. During the second year of the war there was a decline of almost \$1,000,000 in contributions from abroad, which was reflected in a decline of almost \$600,000 in expenditures. The most marked reduction took place in expenditures for agricultural settlement, which shrank \$430,000, or 25 per cent. With the exception of an increase of approximately \$50,000 for education and culture and a more rapid repayment of loans, all other activities were curtailed in amounts varying between 6 and 27 per cent.

The Palestinian economy lives off new capital, and if new capital is not forthcoming the economy regresses. Hence the expenditures of national capital have a two-fold significance. The annual expenditure of \$8,000,000 more or less, especially when a part of these expenditures take the form of subventions, grants, and guaran-

property; a group of distinguished Lithuanian Talmudic scholars and their pupils forced to leave Kobe with no place to go.

Even though insistent demands cannot adequately be met because of lack of funds, some small amount of money must be devoted to investigating the possibility for rehabilitative work at a later time. The opportunities for immigration to South America, Australasia, and other regions must be surveyed; Jewish communities, at present loosely knit or completely unorganized but still retaining some degree of economic and political freedom, must be assisted so that their potential strength can be maximized.

The money that the Joint Distribution Committee has been spending these last years has shown great returns. Tens of thousands have been helped to emigrate from countries under the control of Hitler to start life anew in more friendly environments. The hungry have been fed and the sick have received medication, contacts have been maintained with many stricken communities, and faith has been kept. Escape for the trapped, food for the hungry, medicine for the sick all require money. The more money there is, the more lives can be saved.

Only the sacrifices of pioneers have turned malarial swamps into flourishing agricultural communities, have built a Jewish city of two hundred thousand—in short, have laid the foundation for the re-establishment of the Jewish homeland in Palestine. In their struggles the pioneers have been aided, however, by the contributions of European, American, and South African Jewry, which have made possible the purchase of land, the settlement of immigrants, educational and social progress.

At the end of the last war enthusiastic Zionists had hoped that the Jews of the Diaspora would contribute large amounts of capital in order that advantage might be taken of the Balfour Declaration and all that it implied. But substantial amounts were not forthcoming, and the expansion of the last two decades has been beset by great difficulties. Had it not been for the immigration of middle-class Jews from Central Europe there would have been very little progress indeed. In the light of what has happened one can readily see the great opportunities that were lost by the failure of Diaspora Jewry to support more enthusiastically the development

tees, cannot fail to have a direct and, even more important, an indirect influence upon raising the level of employment and the profitability of industry. Moreover, since profits need not be earned on national capital, it can be invested in such wise as to further most effectively the basic objectives—the expansion of the homeland through accelerated immigration and production.

The war has brought not only a temporary but what may prove to be a permanent halt to the immigration of affluent Jewish capitalists, whose entry into the country was the basis for the expansion of the 1920's and 1930's. Construction industries, the single largest source of urban employment; citriculture, which gave considerable employment to both Arabs and Jews; small-scale industries, another important employer of urban labor—all depended on the immigration of these capitalists. Even the land-purchasing program of the Keren Kayemeth was accelerated by the willingness of these capitalists to extend credit.

The contemporary prosperity of Palestine should not obscure the fact that the cessation of capitalist immigration has made the economy much more vulnerable. The basis for the boom now prevailing is the large-scale activity of the British military in the Near East. The Army has drained off many men; construction has proceeded apace; soldiers spend their leaves in Palestine and officers' families are quartered there; agricultural commodities are eagerly sought after; maximum orders are being placed with nascent industries.

After two decades of neglect the British government—more correctly, the military authorities—are now seeking to speed the industrialization of Palestine. With war in North Africa and the threat of a Nazi invasion of the Near East the British have been forced to utilize every potential industrial resource, and while Palestinian industries are still in an early stage of development there is more industry in Palestine than in most neighboring countries. Equally important is the availability of entrepreneurial skills and trained labor.

An industrialization program offers real possibilities for placing the Palestinian economy on a more secure basis, one which will permit of the more rapid accomplishment of the major Zionist objective—a flourishing homeland. Emphasis on land purchase and land settlement, the policies followed these last two decades, could never compete with industrial and commercial expansion as the basis for rapid progress.

BANK 9**SLIDE 112**

Until peace comes, Palestine must receive contributions from abroad in sufficient amounts to support the present rate of development, for if this rate should slacken noticeably the work of four decades and the hope of two millennia might be undone. When peace comes, Palestine will need much more aid if the homeland is to be made a reality. At that time a commission of experts should study the potentialities not only of Palestine but of the entire Near East; if, as seems likely, they find that Palestine and its neighbors hold much promise for rapid industrial and commercial expansion, it will be the responsibility, largely of American Jews, to provide by contributions and loans the means whereby Palestine will be able to absorb large numbers of European refugees. Rapid industrialization and commercial expansion would doubtless go far toward integrating the Jewish and Arab economies in Palestine, as well as the Palestine economy with those of neighboring countries, thereby contributing to political adjustment between Arabs and Jews, which must be the basis for all progress in the Near East.

The needs of European Jewry are tremendous and the amount of money that Palestine could use, if its expansion is to be accelerated, is likewise very large—in short, the Joint Distribution Committee and the United Palestine Appeal could usefully spend not only substantially larger amounts than are now being collected, but practically any sum within the range of possibility. Not so the National Refugee Service. Many refugees arriving in the United States during the past eight years have been able to fend for themselves, or have been helped by relatives and friends. Financial assistance from the National Refugee Service has been sought largely by refugees who have arrived in the United States with little or no resources.

During the past three years the National Refugee Service has received from the United Jewish Appeal allotments that have enabled it to provide basic assistance for the refugees who sought its aid, but money has never been sufficiently plentiful to encourage a maximum program of refugee adjustment. It might appear that the relief allowances of the National Refugee Service are liberal, especially if hasty comparisons be made

to make the country aware of the refugee problem and has elicited national co-operation and support on the basis of this new awareness.

Many refugees arrived in the United States on temporary visas and were severely limited by governmental regulations in adjusting economically and in every other way. They could make no real effort to sink roots until they obtained their permanent visas, which they could secure only by appearing before an American consul and re-entering the United States. Had more funds been available many refugees could have had their status regularized.

At no time has the National Refugee Service had sufficient funds for a maximum program aimed at adjusting refugees. Finances aside, there are two additional considerations: who should provide and who should administer the funds?

The relationship of the National Refugee Service to the New York Jewish community is indeed complex, for almost all refugees use New York as a port of entry; a large number settle in New York City; approximately 40 per cent of the total Jewish population of the country is resident in New York; other communities raise relatively more for local and national refugee needs than does New York City.

A recent survey of thirty-five communities by the National Refugee Service showed an active case load of more than 1,000 refugee cases on relief; monthly expenditures of about \$60,000, of which \$45,000 represented outright relief and \$15,000 administration. A comparative study of welfare funds in nine large cities shows appropriations for local refugee work of approximately \$320,000 in 1939; \$550,000 in 1940; \$550,000 in 1941. Still another calculation: In 1939 local refugee appropriations were equal to 11 per cent of the communities' contributions to the United Jewish Appeal; in 1940, and again in 1941, they approximated 22 per cent of the communities' contributions to the United Jewish Appeal.

If the New York Jewish community were to raise for local refugee needs an amount equal to 22 per cent of its net contribution to the United Jewish Appeal it would have to seek a sum of approximately \$700,000. This figure appears reasonable when one realizes that Chicago appropriates about \$225,000 for local refugee needs and contributes \$900,000 to the United Jewish Appeal—and

Galley 23A

with the cost of relief in Europe or in smaller communities in the United States. But such an impression is erroneous. The scale of allowances of the National Refugee Service parallels that of the Department of Welfare of New York City, and no expert has yet argued that the public scale is too high. When one realizes that refugees are handicapped in language, experience, and friends, one can readily see that the scale of allowances is too low rather than too high.

These refugees differ in many respects from the immigrants of previous decades, but perhaps the most striking difference lies in their occupational backgrounds, for many of the recent arrivals are people of skill and talent. Had no regard been paid to skill and talent, in providing services for the refugees—had distinguished scientists been forced to become stock clerks, had physicians been forced to accept jobs as orderlies, had accountants been given peddlers' licenses—the National Refugee Service could have operated on a smaller budget, but such economy would have been of questionable value. But while the National Refugee Service has been able to provide for some while they were striving to adapt their skills to the American economy and to meet the legal requirements for the practice of their professions, it has never had adequate funds for this purpose.

Then, too, many refugees have come to this country with skills so specialized that they cannot be adapted to the American scene. Since most refugees are severely handicapped for employment, the National Refugee Service has recently expanded its vocational retraining program to provide refugees with skills currently in demand and thereby enable them to compensate to some degree for their other handicaps. Those trained as bakers, mechanics, and machine operators have been easily placed. But funds have not been available for the expansion of this program.

Convinced that many refugees could make a better adjustment in smaller communities than was possible in New York City, the National Refugee Service has facilitated resettlement. The program has also been stimulated by the belief that it was good policy to reduce the concentration of refugees in New York City. To this end the National Refugee Service has sought the co-operation of other communities, and if more funds had been available for inducements to refugees and guarantees to communities additional numbers would have left New York. This resettlement program doubtless has helped

Galley 24A

Chicago does less well proportionately than many other cities. New York City's contribution to the United Jewish Appeal is four times that of Chicago, and if it were to raise funds for local refugee needs in like proportion it would have to set itself a goal of about \$900,000.

At the present time the Jewish social agencies in New York City make no special allocations for refugees who have settled in the metropolitan area, but it has been estimated that the affiliated organizations of the Federation for the Support of Jewish Philanthropic Societies of New York City are spending about \$25,000 monthly on behalf of refugees. Such expenditures, however, are probably similar to those in other communities, as is pointed out in the comment of H. L. Lurie, Executive Director of the Council of Jewish Welfare Funds and Federations:

Allocations by Welfare Funds may not represent the total amount of local funds devoted to local refugee purposes. A number of local Jewish agencies and some of the services of local agencies are made available to refugees in their regular budgets usually secured from local non-sectarian community chests. The data, therefore, probably represents additional amounts spent in local communities outside of regular annual budgets of established agencies.

Clearly New York City is failing to raise today, and has failed to raise for the past several years, an amount sufficient to cover its fair share of local and national refugee costs. The problem is complicated in New York by the absence of a welfare fund, which in other large communities is the instrument for raising moneys not only for the United Jewish Appeal and other national and overseas agencies, but also for local refugee needs. If a welfare fund were to be established in New York City it would be the logical organization for raising additional money for the cost of local refugee care assessable against New York. In the absence of such a development the best alternative for raising money for local refugee needs is the Federation for the Support of Jewish Philanthropic Societies. Only if a sum of approximately \$750,000 were raised could the New York community feel that it was carrying its fair part of the load.

There is yet another problem, that of administration. The National Refugee Service at the time of its establishment developed a structure based upon certain estimates of the flow of immigration to the United States and the number of refugees who were likely to need assistance. A study of the relevant statistics suggests that

BANK 9**SLIDE 113**

there has been a slow but steady decline in the total volume of assistance asked of the National Refugee Service. This is illustrated by a shrinkage in its active case load on relief from a high of 3,600 cases in June, 1940, to approximately 2,400 in September 1941. If this trend were to continue and the bulk of the employable persons on relief were to secure jobs, there would be good reason to contemplate radical changes in the structure of the National Refugee Service. The Jewish social agencies in New York City are now providing services for the underprivileged Jewish population, and there would probably be real point—if the volume of work in the National Refugee Service declined sharply—in having many of its functions taken over by the local agencies. Such an integration might well contribute toward speeding the assimilation of the refugees by bringing them into more intimate contact with agencies dealing with Jews longer resident in New York City. Clearly if such an integration were to take place a contribution would have to be made by the rest of the country to cover those costs not assessable against New York City. If New York City were to raise the \$750,000 that it is now failing to raise for local refugee needs, the share of the United Jewish Appeal National would be about twice that of the United Jewish Appeal New York for the remainder of the national costs of refugee care—in the present budget of \$3,000,000 the respective shares of United Jewish Appeal National and United Jewish Appeal New York would be \$1,500,000 and \$750,000.

Even if such integration were to take place the National Refugee Service might continue certain national functions for which it is particularly well-suited—migration work, guidance of communities in their work with the refugee problems, exploring the possibilities of accelerated immigration when the opportunity next offers. Since the Hebrew Immigrant Aid and Sheltering Society and the Council of Jewish Women both perform national immigration functions, some integration of their work with that of the National Refugee Service might prove advisable.

A recital of the many needs of European Jewry, of Palestine, and of refugees in this country which are not being adequately met permits of little doubt that the major efforts of the United Jewish Appeal should be

\$1,275,000 and to the United Palestine Appeal \$800,000. In 1939 the National Refugee Service received \$600,000; in 1940 no allotment was made to it; in 1941 it received \$725,000.

The following table illustrates the totals allocated to the three agencies by contract and by the Allotment Committees during the past three years.

	1939	1940	1941
Joint Distribution Committee	\$8,650,000	\$6,050,000	\$5,555,000
United Palestine Appeal . . .	4,000,000	2,900,000	3,325,000
National Refugee Service . .	2,600,000	3,500,000	2,750,000

If the amounts granted by contract and by the Allotment Committees are combined, the ratio of the funds received by the United Palestine Appeal to those received by the Joint Distribution Committee for the last three years was respectively 46, 48, and 60 per cent—an average of 51 per cent. It is of interest that this average is exactly the same as that which prevailed during the three years preceding the re-establishment of the United Jewish Appeal in 1939.

The agreement in 1939 between the Joint Distribution Committee and United Palestine Appeal to combine their fund-raising activities and to include the National Refugee Service as a beneficiary of this combined effort was predicated largely on the belief that each organization would receive a larger net amount from a joint than from an independent campaign. This was the pragmatic basis for the re-establishment of the United Jewish Appeal. When the United Jewish Appeal gave evidence of dissolution during the prolonged negotiations of 1941, when each principal thought that it might improve its position by an independent campaign, it became clear that another and powerful factor was at work to insure the continuance of the United Jewish Appeal. This new factor was the attitude of the welfare fund communities, especially that of the leadership but probably also that of the contributors. The United Jewish Appeal receives approximately two-thirds of its net collections in the form of contributions from these welfare fund communities, and the writing of an annual contract obviates the necessity for each community to decide for itself the sum to be allocated

Galley 25A

directed toward raising the total level of contributions. Some small saving in educational and public relations work and in administration might be effected, but no matter how greatly collections are increased and expenses decreased the problem of allocating a given sum among the three agencies would still have to be faced. This has been a knotty problem these last three years and will probably long remain so, especially if total collections continue to be inadequate for meeting even the minimum needs of the organizations.

In the three years preceding 1939 the combined collections of the Joint Distribution Committee and the United Palestine Appeal from independent campaigns rose from slightly more than \$4,000,000 in 1936 to almost \$7,000,000 in 1938. During those three years the United Palestine Appeal received on the average 51 per cent of the amount collected by the Joint Distribution Committee; in 1936, 58 per cent; in 1937, 50 per cent; in 1938, 45 per cent. With the establishment of the United Jewish Appeal in 1939 this experience was doubtless taken into consideration, for the contract allocated \$5,000,000 to the Joint Distribution Committee and \$2,500,000 to the United Palestine Appeal. The contract for 1940 gave the Joint Distribution Committee \$5,250,000, while maintaining the United Palestine Appeal's share at \$2,500,000; the contract for 1941 made an initial allotment of \$4,275,000 to the Joint Distribution Committee, and \$2,525,000 to the United Palestine Appeal. During these three years the National Refugee Service received, by contract, the following amounts: in 1939, \$2,000,000; in 1940, \$3,500,000; in 1941, \$2,000,000. It must be remembered that the National Refugee Service did not begin functioning until June, 1939.

The three agencies also received funds during these years from the Allotment Committees which were charged by the contracts with the distribution among the three potential beneficiaries of all moneys in excess of those subdivided by contract. The sums at the disposal of the respective Allotment Committees varied radically, as can be seen by the following distributions: in 1939, to the Joint Distribution Committee \$3,650,000 and to the United Palestine Appeal \$1,500,000; in 1940, to the Joint Distribution Committee \$800,000 and to the United Palestine Appeal \$400,000; in 1941, to the Joint Distribution Committee

Galley 26A

to each of the beneficiaries of the United Jewish Appeal. Since such allocations always precipitate lobbying, bickering, and a generally charged atmosphere, there is every reason for communities to seek an escape from the unpleasantness by shifting the responsibility to the national leadership. Moreover there is less strain on the local leadership when it seeks contributions for only one appeal. During recent years representatives of these welfare fund communities have played an increasingly important role as negotiators and arbitrators in the writing of the annual contract. They have also had a determining vote in the decisions of the respective Allotment Committees.

A consideration of the striking differences in the structure and functioning of the three beneficiaries of the United Jewish Appeal suggests why the allotment problem is a conundrum. The National Refugee Service is an operating agency within the United States and is therefore subject to detailed investigation. The Joint Distribution Committee is primarily a fund-disbursing agency, most of the expenditures of which are made overseas, frequently in places as distant as China and Chile. The United Palestine Appeal is solely a fund-raising organization—really a fund-raising organization in the second degree, since it divides its moneys equally between the Keren Hayesod and the Keren Kayemeth in the United States, which in turn are fund-collecting agencies for the Keren Hayesod and the Keren Kayemeth in Palestine.

Not only does each organization differ in many respects from the other two, but the work of each is sufficiently diversified to create a serious internal allotment problem, as is evidenced by the detailed labors of the budget committees of the three organizations. In view of this multiplicity of functions it becomes even more difficult to assess the relative need for funds of the three organizations.

The existence of the United Jewish Appeal is a tacit recognition that the contributors approve of the major activities engaged in by each of the three beneficiaries. This recognition implies that refugees in need should be offered assistance; that the emigration, relief, and rehabilitation work of the Joint Distribution Committee is worthy of support; that Palestine should be supported in both current expenditures and capital expansion. Clearly there is no common denominator that can

BANK 9

SLIDE 114

be used to allocate funds among organizations which engage in such diversified activities. A more sophisticated approach is in order—one that seeks to discover the major activities of each organization and then evaluates the relative urgency for these expenditures.

During the past few years the bulk of the Joint Distribution Committee's expenditures has been directed toward relief and emigration; other activities have been of secondary import. The money the United Palestine Appeal makes available to Palestine is used for a wide variety of functions, but primarily for the repayment of debts contracted in the land-purchasing program, for the establishment of agricultural colonies, and for the purchase of new land. The National Refugee Service has been spending about half of its budget on relief; resettlement, retraining, employment service, and migration work account for much of the remainder.

Yet another difficulty arises in allocating moneys among the three beneficiaries. Rapid changes in the international scene radically affect the demands made on the organizations and their ability to meet these demands. Assuredly no hard and fast rule about the allocation of funds is possible, but the following catena of objectives appears reasonable:

- 1) That human life should be saved, wherever possible, by disbursing funds for the purchase of food, medical supplies, and other essentials
- 2) That every person should be assisted who is in a position to emigrate from the countries under the control of the Axis
- 3) That in succoring Jews and in resettling them every effort be made to prevent jeopardizing other relatively secure Jewish communities
- 4) That Palestine should have first claim on all moneys made available for constructive activities.
- 5) That subventions be made to improve the health, cultural, and vocational level of Jews living in poverty
- 6) That small amounts be spent in exploring the possibility for immigration and settlement in hospitable areas

were frequently called upon to raise ransom money so that Jews who had been sold into slavery might be bought free, or Jews who were threatened by slavery might be saved.

When the Temple was destroyed for the second time, Jews outside of Palestine did not cease contributing to the homeland. Their contributions were used for the support of the needy and for subventionizing scholars and students in the academies. During the early centuries of the Common Era moneys were also sent to the academies in Babylonia, for these academies had established themselves as the authoritative interpreters of Jewish law.

Palestine continued to receive money, but after A.D. 400, when the academies were forced to close, the amounts were not substantial. In fact there has been a continuity of contributions from the Diaspora to Palestine for more than two thousand years, a continuity that was interrupted only once—at the time of the Crusades. Jewish tradition made it incumbent upon every Jew to return to Palestine if and when the opportunity offered; but despite tradition Jewish courts in the thirteenth century held that a husband could not force his wife to leave Germany and go with him to Palestine.

Until the advent of modern Zionism the return to Palestine of large numbers of Jews was seldom feasible. Occasionally a small group would make its way back to Palestine, as was the case with a group of Jewish scholars from Northern France in the thirteenth century. The only substantial return to Palestine occurred early in the sixteenth century under the sponsorship of Joseph Nasi, Duke of Naxos, who facilitated the immigration and settlement of many Jewish refugees from Spain. Because of the small number of immigrants to Palestine and the small native Jewish population, the demands on the Diaspora were few and the contributions of the Diaspora must be considered more in light of the emotions that inspired them than in the achievements which they made possible. Disagreement about the relative importance of the Diaspora and Palestine can be found throughout Jewish history, but for the most part these disagreements have been of little import, since for the last fifteen hundred years the Jewish population in Palestine has been negligible.

PART IV

CONCLUSIONS

THE Joint Distribution Committee was organized a quarter of a century ago; modern Zionism has an organizational existence of fifty years; the National Refugee Service and its predecessors have been in operation less than a decade; the first Allied Campaign took place in 1930; and the United Jewish Appeal was re-established in 1939. It might appear, therefore, that fund raising for refugees, for overseas needs, and for Palestine has a history among American Jews of not more than a half century and that the greatest effort dates from very recent times. Superficially correct, this deduction is nevertheless faulty, for the work of these organizations cannot be appreciated except against a background of the thinking and feeling of Jewish communities, young and old, both here and abroad. Only if the present work is placed in perspective can one appreciate the salient factors that lead American Jews voluntarily to contribute substantial amounts of money for the support of other Jews in need.

In the past the power to tax was the basis of Jewish fund raising. Realizing that communal undertakings could not be furthered without money, Jews submitted to self-taxation, and the secular authorities frequently implemented the power of Jewish communities to tax their own members. For the most part the moneys raised were used for local purposes—for the support of the indigent and the sick, for education, for religious institutions. From time to time Jewish communities were, however, called upon to contribute to nonlocal causes.

In antiquity all Jews living outside the confines of Palestine—and it must be recalled that at the time of the Common Era probably three-fourths of the total Jewish population of the world lived outside of Palestine, in Babylonia, Asia Minor, Egypt, and on the shores of the Mediterranean all the way to Spain—all these Jews contributed regularly to the support of the Temple in Jerusalem. Moreover Jews in Palestine and elsewhere

Modern Zionism is doubtless rooted in Jewish tradition, for the return to the homeland has been an ever present aspiration. The realization of this aspiration remained an impossibility for so many centuries, however, that Jews and Judaism developed in the Diaspora a great capacity for creative living. Nor must one overlook the fact that some of the earliest parts of the Bible and surely some of the prophetic literature were not of Palestinian origin; the same is true of the Babylonian Talmud. And the great names of the post-Biblical era—Rashi, Maimonides, Halevi, the Gaon Elijah of Wilna—were all products of the Diaspora.

The support of Palestine is clearly the obligation of every Jew who feels himself bound by tradition, but the reduction of all Jewish problems to that of Palestine is no more in harmony with Jewish tradition than with contemporary political and economic reality.

At the time of the first exile Jeremiah outlined a program for the Jews of his time that way well serve for Jewry today. The hungry must be fed and the naked clothed; Jews in the Diaspora must marry and beget sons, and pray for the peace of the country in which they live, since that country's peace is their peace; and they should look forward to returning to Palestine. It is interesting to note that, while Jerusalem was under siege, Jeremiah redeemed his ancestral property to insure the possibility of settlement in Palestine at a later date.

There have been Jews in America for almost three hundred years, but it is difficult to speak, even today, of a Jewish community in the United States, although it might not have been so difficult a century ago. To illustrate: Throughout the late seventeenth and the eighteenth centuries, and on into the early nineteenth, the Jewish community in New York City was substantially homogeneous. The majority had emigrated, either directly or indirectly, from Holland and England; the minority from Germany and from the German-Polish province of Posen. The synagogue, substantially orthodox, was the center of communal activities, and around the synagogue there developed communal efforts directed toward Jewish education, the assisting of the poor, and fund raising for overseas Jews in distress as well as for the relief of the indigent in Palestine. It is of interest that before the end of the eighteenth century, when the Jewish community of New York City probably did not exceed a thousand persons, Palestine sent emissaries to the United States to collect funds. Some time

BANK 9

SLIDE 115

later American funds for Palestine were sent, for reasons of efficiency, via the Jewish community in London. Shortly after this change was made the New York synagogue informed London that it would be forced to reduce its annual contribution for Palestinian work because a recent influx of poor immigrants had placed a severe strain on local organizations.

This influx took place about 1830, and from then on the stream of Jewish immigrants to the United States became ever larger. The decades that followed witnessed not only a great acceleration in the number of Jewish immigrants, but also a change in their countries of origin. Germany and Central Europe supplied the larger number; only a few continued to come from England and Holland. So great were the differences in religious, economic, and social condition between the Jews long resident in the United States and the recent arrivals that the Jewish community lost all semblance of homogeneity. And when the really large-scale immigration from Russia and Eastern Europe took place in the 1880's, the homogeneity which had begun to re-emerge was again rudely broken—this time really shattered—for the new immigration was enormous and the differences between the old and the new were great. These differences were so great, in fact, that at the turn of the century the only real point of contact among all American Jews was the accident of birth. Only in organizing to withstand attacks and in caring for the needy and the sick were Jews able to co-operate. Wherever values were strongly conditioned by background and aspirations—religious organizations, Jewish education, Palestine—communal undertakings proved difficult, even impossible.

During the past few decades the number of Jewish immigrants has declined markedly, with the result that there has been less differentiation in the American Jewish community. Moreover other forces were operating in the same direction. The extremes in wealth between the old and the new immigrants have been narrowed; the same educational opportunities have been available to native-born Jews; religious orthodoxy has dwindled, and liberal Judaism has more Jewish content.

But it was Hitler more than any other single force that accelerated the cohesion of the American Jewish community. Every Jew in the United States has reacted

The number of leaders is noticeably small, and in view of the difficulties confronting the several organizations every effort should be made to elicit the co-operation of able young people. Clearly the leadership base can be broadened only by conscripting people who, though they must devote themselves to earning a living, can make a real contribution on less than a full-time basis.

The daily operations of these organizations are in the hands of administrators, for without specialized technical knowledge these organizations cannot be directed efficiently. Certainly these administrators must be paid for their work, and there is reason to believe that they are not being over-paid when one considers the size and difficulties of their jobs. Efforts, however, should be directed to encouraging young men with specialized training to consider Jewish social service as a career, for the field is not drawing many able young people.

Unless administrators have considerable freedom to do their work according to their own lights, good new personnel cannot be induced to enter the field of administration. However, it is the obligation of leaders to insure that organizations do not become inflexible and that a reassessment of objectives occurs from time to time.

Most important of all is the Jewish community at large—the wealthy, the middle class, and the masses—who are neither administrators nor leaders, who in fact frequently are not even contributors to Jewish causes. Since all effort on behalf of Jewish causes is voluntary, understanding and sympathy are the bases for support. There is the greatest need for bringing much more forcibly to the attention of all American Jews, by all possible educational methods—books and pamphlets, radio and lecture, word of mouth—the tremendous needs of Jews in distress. More effort should be devoted to apprising American Jews of the outstanding work that Jewish organizations have done in meeting these needs during the past years against the greatest odds, and how much more they could do were their resources greater. Nor can there be much doubt that as American Jews become more aware of these opportunities for helping others they will be glad to participate more actively in and contribute more liberally to these organizations. And to the extent that this occurs they will themselves become better Jews, better Americans, better citizens of the world.

Galley 29A

to the disruption of Jewish life in Europe; the large-scale immigration to Palestine was precipitated by Hitler; the two hundred thousand Jewish refugees in the United States are here because of Hitler's work. Above all it is Hitler who made all Jews aware of the fact that for the foreseeable future their Jewishness is not for them to accept or deny.

Because of trends present before the advent of Hitler, but especially because of trends accentuated by his advent, the Jewish community in the United States is more homogeneous today than in any recent period. In large measure the allied campaigns of the early 1930's and the United Jewish Appeal of the later 1930's are evidence of this homogeneity.

The history of American Jewry helps to explain many of the characteristics and difficulties of the constituent organizations in the United Jewish Appeal. Although each organization devotes most of its efforts to relief or rehabilitation—tasks that clearly demand the approbation of all—there are nevertheless disagreements about the relative importance and urgency of the demands made on the three organizations. If more money were available many disagreements would disappear, but with each organization unable to meet even the minimum demands made upon it the disagreements are not easy to reconcile, especially in the light of differences in the emotional and intellectual backgrounds of leaders and contributors.

As is true of all organizations, but especially in charitable and political organizations, leadership plays an important role in determining intra- and interorganizational activities. The leaders of the three organizations which participate in the United Jewish Appeal can be divided roughly into two groups. One group is composed of men of property who devote a large part of their time to the direction of these organizations. Prominent in this group are men whose families have long played an important role in Jewish communal life, and, although the present leaders frequently have a less intimate knowledge of Jewish problems than their fathers and grandfathers had, they nevertheless continue to serve. Prominent in the second group are rabbis and a small number of professional men, usually of middle-class background. One thing is common to both: their relative economic independence—in the one case through inheritance or business success, in the other through tenure in the professions.

Galley 30A

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POSTSCRIPT

THE IMPACT OF THE WAR

NO CURRENT assessment of the work of the United Jewish Appeal and its constituent organizations would be complete without a passing reference to the probable impact of the war upon the attitude of contributors and the work of the agencies. War usually precipitates many contradictions in the behavior of people: On the one hand war heightens the concern of many for the welfare of their country and their fellow citizens, an attitude that is usually associated with a lessened interest in the problems of other nationals. But war usually leads many to sacrifice willingly for the common good. As President Roosevelt and Prime Minister Churchill have emphasized time and again, the Second World War is unique in that the struggle is global and the best nationalists are those who appreciate the necessity of working together with their allies against common enemy wherever he is to be found. If this be the nature of the present struggle there is every reason for contributors to the United Jewish Appeal not only to continue to support the overseas work of the Joint Distribution Committee and the United Palestine Appeal—as well as the domestic work of the National Refugee Service—but to support it even more liberally than previously.

The coming months will doubtless witness the multiplication of appeals that will be made to all American citizens, and it is to be hoped that American Jews will respond liberally to such appeals. Nor is there the slightest doubt that the tax burden on all Americans will be vastly increased. But these additional responsibilities in no way justify any slackening in effort on behalf of the work supported by the United Jewish Appeal; this work, if properly carried out, doubtless contributes to the support of those values for which the war is being fought. It must be emphasized also that there are compensatory factors at work which will make it easier for

BANK 9

SLIDE 126

most persons to bear increased responsibility. Incomes will increase, opportunities for spending will be noticeably curtailed, and the higher tax rates will reduce the net burden of contributing to charity because of the liberal deductions of the income tax law. In time of war only a few can risk limb and life in their country's welfare, but all can contribute of their wealth and income.

The entrance of the United States into active belligerency on December 7, 1941, had a marked effect upon the present scope and future prospects of the constituent organizations of the United Jewish Appeal. New York had to be undertaken, other work had to be redirected, and some work had to be dropped, but for the most part the entrance of the United States into the war influenced the direction rather than the scope of their activities. But this redirection of effort has been a constant part of the regime of these organizations since the advent of Hitler and even before. The Joint Distribution Committee was born in the chaos of the last war and has operated with few exceptions in an emergency environment in which yesterday's procedures had to be scrapped and today's methods of operation could not be used tomorrow. And the upbuilding of Palestine weathered the First World War and proceeded in face of repeated periods of turmoil. With considerable foresight the National Refugee Service, many months before the outbreak of the Second World War, took initial steps to provide for such an eventuality and to insure by its efforts that the refugee problem would be dealt with reasonably rather than emotionally.

Just as the Red Cross is able to operate overseas on missions of mercy without aiding or abetting Hitler or his allies, so the Joint Distribution Committee can be relied upon because of its long and intimate association in the United States with the Department of State, the Department of the Treasury, and the Department of Justice to continue its overseas work in such wise as to insure that it is in harmony with American policy. Nor can there be much doubt that there are many areas where important work can still be done: there are one hundred thousand Jewish refugees in Unoccupied France; emigration work is still proceeding from Spanish and Portuguese ports; guarantees have been given to the Jewish



Galley 31A

relief committees in Central European countries to enable them to continue their work; the Central and South American program proceeds; and a beginning has been made to aid Polish Jews now living in Soviet Russia.

The work in Palestine is even more urgent than before, for every new acre of land that is acquired and brought into cultivation increases essential food supplies for the British armies of the Near East; industrial expansion not only makes the economic future of Palestine more secure, but contributes to the war effort directly by facilitating the manufacture of parts and the repair of essential machines; and this is a particularly auspicious time for furthering a social and cultural program which, among other objectives, can contribute to improving the relations between Jews and Arabs.

Refugees continue to arrive in the United States, not only directly from Europe but also from intermediary points, such as Cuba. Many of them present difficult problems of adjustment because of severe handicaps in age and health. And the outbreak of war has added to the burden of adjustment for refugees already in the country; there are additional difficulties of employment, restrictions of movement, and complicated legal requirements relating to registration and citizenship. To all these problems, and to those that may yet arise, the National Refugee Service must direct its attention.

War has wrought changes in the attitudes and feelings of contributors to the United Jewish Appeal, changes that will doubtless increase as the war continues; the war has also wrought changes in the direction if not in the scope of the operations of the Joint Distribution Committee, the United Palestine Appeal, and the National Refugee Service. But to succor the victims of Hitler and to strengthen the bulwarks against Hitler have long been the major objectives of the constituent organizations of the United Jewish Appeal, and there is surely no better time to strengthen the work of these organizations than when the United States is at war with Hitler. No American Jew, interested in furthering the survival of Judaism and strengthening American democracy, can fail to rise to the occasion.

BANK 24

SLIDE 172

TABLE 1

INCOME OF JOINT DISTRIBUTION COMMITTEE, UNITED PALESTINE APPEAL,
AND NATIONAL REFUGEE SERVICE FROM INDEPENDENT CAMPAIGNS AND
FROM THE UNITED JEWISH APPEAL: 1936-41¹

	Joint Distribution Committee	United Palestine Appeal ²	National Refugee Service	Total
1936.....	\$2,607,000	\$1,510,000		\$ 4,117,000
1937.....	3,332,000	1,683,000		5,015,000
1938.....	4,742,000	2,134,000		6,876,000
1939.....	7,967,000	3,983,000	\$2,600,000	14,550,000
1940.....	5,977,000	2,840,000	3,500,000 ³	12,317,000
1941.....	5,550,000	3,325,000	2,725,000	11,600,000

¹ The figures for 1936-38 are from page 17 of the Inquiry of 1940, by Elisha Friedman. Other data in his Inquiry were also helpful in the preparation of this report.

² These figures do not include "traditional collections" of the Keren Kayemeth. These funds are part of United Palestine Appeal income but are excluded from United Jewish Appeal income. The trend of "traditional collections" has been steadily upward. They averaged \$262,000 annually from 1936 to 1938, \$390,000 annually in 1939 and 1940, and are estimated at \$500,000 for 1941.

³ \$1,000,000 of this sum was allocated to the National Refugee Service in 1940 by the New York United Jewish Appeal.

TABLE 2
THE UNITED JEWISH APPEAL OF 1941

	National	New York	Total
Gross Estimated Pledges . . .	\$9,050,000	\$4,850,000	\$13,900,000
Less Estimated Shrinkage . .	385,000	550,000	935,000
Less Expenses	565,000	800,000	1,365,000
Total Shrinkage and Expenses	\$ 950,000	\$1,350,000	\$ 2,300,000
Net Estimate Available for Distribution	\$8,100,000	\$3,500,000	\$11,600,000
Distributed by Agreement			8,800,000
Distributed by Allotment Committee			\$ 2,800,000

TABLE 3 CONTRIBUTIONS BY SIZE OF CONTRIBUTION	Under ³					Total
	\$100- \$499	\$50- \$99	\$25- \$49	\$10- \$24	\$10	
1	14,669	11,220	10,050	40,838	104,030	195,208
2	7.5	5.7	10.2	20.9	53.8	100.0
274	\$2,478,608	\$628,668	\$544,471	\$490,367	\$333,879	\$10,272,204
9	24.1	6.1	5.3	4.9	3.3	100.0
5,201	3,694	7,232	12,865	40,000	70,193	
1.3	0.9	1.8	3.2	57.0	100.0	
\$833,100	\$195,300	\$188,100	\$151,400	\$94,000	\$5,091,900	
10.3	3.8	3.7	3.0	18.0	100.0	

ically all the larger cities, including New York and Chicago.

mail since contributions made by lodges, societies, and other groups count must be made in expanding the total number of contributors in heading

York United Jewish Appeal, 1940, than in Welfare Funds and Federations,

Size of Contribution	DISTRIBUTION OF CONTR		
	\$5,000 \$ over	\$1,000- \$4,000	\$500- \$99
Total Collections of 58 Welfare Funds and Federations in 1938 ²			
Number of Contributors	215	1,455	1,63
% of Total Contributors	0.1	0.8	1.2
Amount Contributed	\$2,555,381	\$2,107,346	\$1,124
% of Total Contribution	22.0	23.4	10.
Total Collections of New York United Jewish Appeal, 1940			
Number of Contributors	125	643	733
% of Total Contributors	0.04	0.1	0.2
Amount Contributed	\$1,383,000	\$1,029,200	\$397,1
% of Total Contribution	27.2	20.2	7.8

¹ The 58 Welfare Funds and Federations comprise practi-
² 1938 is the latest year for which figures are available.
³ The figure for the total number of contributors is too s
as only one contribution. The most important adjustments
"under \$10." This correction is more important in the New Y
1938.

TABLE 4
NATIONAL INCOME OF JEWS IN THE UNITED STATES IN 1940-41¹

Income Class	Total Jewish Income by Income Class	Number of Families and Single Individuals
Under \$10,000.....	\$2,827,000,000	1,255,294
\$10,000-\$ 25,000.....	460,000,000	34,207
\$25,000-\$ 50,000.....	239,000,000	8,038
\$50,000-\$100,000.....	72,000,000	1,200
Over \$100,000.....	210,000,000 ²	1,261
	<hr/> \$3,808,000,000	<hr/> 1,300,000

¹ The figures are based on the assumption that there are 1,000,000 Jewish families and 300,000 single Jews in the United States and that the class distribution of Jewish incomes is no different from that of all people in urban centers of 100,000 population or more. The latter distribution was obtained for 1936 in National Resources Committee, *Consumer Income in the United States*, and U. S. Treasury Department, *Statistics of Income Supplement, 1936*. Incomes were raised to the 1940-41 level by application of the percentage increase in national income between the two years. (U. S. Foreign and Domestic Commerce, *Survey of Current Business*, July, Sept. 1941).

² In 1936 approximately 300 Jews in New York City had incomes of \$100,000 or over after all deductions but before payment of Federal Income Tax. Based on the assumption that the Jews in this bracket bore the same relation to the total in this bracket as did Jews to the total population in New York City. Compare U. S. Treasury Department, *Statistics of Income Supplement, 1936*.

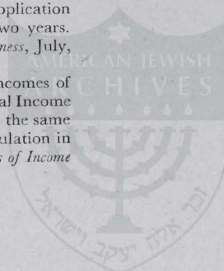


TABLE 5
FUNCTIONAL ANALYSIS OF JOINT DISTRIBUTION COMMITTEE
APPROPRIATIONS

Jan. 1—Sept. 30, 1941

Program	Appropriations
<i>Direct Emigration</i>	
Hicem.....	\$ 597,000
Emigration to San Domingo.....	300,000
	\$ 897,000
<i>Emigration and Relief: Clearance</i>	
Poland.....	\$ 590,000
Old Germany.....	152,000
Austria.....	130,000
Others.....	138,000
	\$1,010,000
<i>Other Relief</i>	
Unoccupied France.....	\$ 380,000
Portugal.....	94,000
Hungary.....	92,000
Yugoslavia.....	66,000
China.....	191,000
Japan.....	133,000
Sweden.....	9,000
Switzerland.....	79,000
Other.....	165,000
	\$1,209,000
<i>Central and South America</i>	\$ 293,000
<i>Cultural</i>	56,000
<i>Special Appropriations</i>	213,000
<i>Administration</i>	509,000
Grand Total.....	\$4,187,000

TABLE 6
JOINT DISTRIBUTION COMMITTEE OVERSEAS EXPENDITURES
FROM 1914 THROUGH 1939
BY COUNTRIES

Abyssinia.....	\$ 15,207.57
Albania.....	12,681.80
Alexandria, Egypt.....	58,851.55
Algiers, Tunis, Morocco.....	9,000.00
Argentina.....	31,875.00
Austria and Hungary, including Galicia (prior 1920) ..	2,881,591.10
Austria.....	2,806,364.35
Baltic Provinces.....	58,872.33
Belgium.....	874,671.33
Bolivia.....	137,500.00
Brazil.....	143,331.11
Bulgaria and Occupied Territory of Serbia.....	46,036.48
Canada.....	20,000.00
Central Europe.....	388,451.53
Chile.....	13,000.00
China.....	106,107.50
Columbia.....	2,642.10
Costa Rica.....	3,300.00
Cuba.....	238,767.53
Czechoslovakia—Bohemia, Moravia, and Slovakia....	1,473,422.61
Danzig.....	104,409.25
Denmark.....	8,777.92
Dominican Republic.....	2,775.00
England.....	110,029.13
Estonia.....	3,903.30
Finland.....	5,750.00
France.....	1,569,249.55
Germany.....	4,950,978.35
Greece, Turkey, Serbia, Syria.....	1,366,178.70
Greece.....	74,503.38
Haiti.....	700.00
Holland.....	1,077,426.58
Honduras.....	1,250.00
Hungary.....	843,565.60
Italy.....	229,823.34
Japan (Yokohama).....	126,987.23
	5,200.00

Kenya (Africa).....	373.00
Latvia.....	512,711.57
Lithuania.....	1,019,353.02
Luxembourg.....	64,318.90
Mexico.....	3,184.87
Morocco (Tangier).....	132.52

TABLE 6 (Continued)

Norway.....	3,000.00
Palestine.....	8,914,745.76
Panama.....	18,825.68
Paraguay.....	252.54
Persia.....	38,717.37
Peru.....	11,500.00
Philippines.....	40,041.25
Poland, Lithuania, and Kurland (prior 1920).....	11,543,198.37
Poland.....	16,842,092.22
Portugal.....	11,107.50
Rumania.....	3,422,221.66
Russia (prior 1920).....	4,000,300.00
Russia and Ukraine.....	17,532,408.05
Saar.....	1,985.05
Siberia.....	477,768.37
Spain.....	75,484.65
Switzerland.....	650,759.08
Syria.....	52,076.02
Trinidad, British West Indies.....	4,570.00
Turkey.....	812,986.38
United States.....	1,098,553.59
Uruguay.....	12,800.00
Yugoslavia.....	69,980.12
S. S. <i>Saint Louis</i> Refugees.....	500,000.00
Unclassified Geographically.....	6,246,913.91
American Joint Reconstruction Foundation.....	1,978,034.06
Constituent Committees for Cultural Work:	
Joint Distribution Committee.....	3,322,565.20
American Jewish Relief Committee.....	
Central Relief Committee.....	
People's Relief Committee.....	
	\$99,085,869.93



TABLE 7

CONSOLIDATED REPORT OF FOUR PALESTINIAN AGENCIES
CASH RECEIPTS AND DISBURSEMENTS

	Oct. 1, 1939 to Sept. 30, 1940	Oct. 1, 1940 to Sept. 30, 1941 ¹
Contributions		
from United States.....	\$3,393,000	\$2,892,000
from other countries.....	2,297,000	1,866,000
Total Contributions.....	\$5,690,000	\$4,758,000
Service Charges, Collections, Grants, and Participations.....	652,000	773,000
Special Earmarked Funds.....	137,000	386,000
Loans.....	1,589,000	1,707,000
Total Income.....	\$8,087,000	\$7,624,000
EXPENDITURES		
Youth Aliyah.....	\$ 790,000	\$ 672,000
Immigration and Training.....	259,000	190,000
Purchases of Land.....	1,626,000	1,528,000
Agricultural Settlement.....	1,832,000	1,400,000
Labor, Housing, and Social Service.....	641,000	564,000
Urban Settlement, Trade, and Industry.....	486,000	394,000
Education and Culture.....	168,000	217,000
National Organization and Security.....	524,000	528,000
Administration and Propaganda.....	477,000	404,000
Meeting Previous Commitments.....	2,045,000	2,370,000
Total Expenditures.....	\$8,848,000	\$8,267,000

¹ Estimated on basis of actual figures for eleven months, Oct. 1, 1940, to Aug. 31, 1941.

BANK 24

SLIDE 174

TABLE 8

INCOME FROM THE UNITED STATES AVAILABLE FOR THE FOUR PALESTINIAN AGENCIES

	1939	1940	1941
United Palestine Appeal Income			
from United Jewish Appeal	\$3,983,000	\$2,863,000	\$3,325,000
from Traditional Collections	373,000	361,000	500,000
Total United Palestine Appeal Income	\$4,356,000	\$3,224,000	\$3,825,000
Less: Campaign Expenses	47,000	100,000	179,000
Payments to Other Palestine Organizations	172,000	278,000	313,000 ¹
Total Expenses and Other Payments	\$219,000	\$378,000	\$492,000
United Palestine Appeal Income Available for Beneficiary Palestine Organizations	\$4,137,000	\$2,846,000	\$3,333,000
Hadassah Remittances to German Bureau	600,000	268,000	740,000 ²
Income from the United States Available for Beneficiary Palestine Organizations	\$4,737,000	\$3,114,000	\$4,073,000

¹ The bulk of this \$313,000 is sent to other Palestinian organizations. Only sums paid to the Zionist Organization of America, the Emergency Committee for Zionist Affairs, the Mizrahi Organization of America, and the Poale Zion—in total amounting to \$111,000—remain in the United States.

² This represents remittances for the nine months from January 1, 1941, to September 30, 1941.

TABLE 9
KEREN HAYESOD AND KEREN KAYEMETH
NET INCOME FROM DONATIONS BY COUNTRY OF ORIGIN

	Keren Hayesod			Keren Kayemeth		
	1921-1940	1940-1941	Total 1921-1941	1921-1938	1938-1941	Total 1921-1941
United States	\$18,681,000		\$18,681,000	\$5,325,000	\$4,598,000	\$9,923,000
Europe (except England)	9,824,000		9,824,000	7,720,000		7,720,000
England	2,353,000		2,353,000	2,140,000		2,140,000
North Africa	4,335,000	464,000	4,799,000	1,430,000	2,241,000	3,671,000
Palestine	900,000		900,000	1,200,000		1,200,000
Other	3,197,000		3,197,000	3,220,000		3,220,000
Totals	\$39,290,000	\$1,882,000	\$41,172,000	\$21,035,000	\$6,839,000	\$27,874,000

TABLE 10

KEREN HAYESOD

BALANCE SHEET—MARCH 1941

<i>Assets</i>	
Long-term loans for settlement	\$ 6,088,451.12
Other loans for immigration, development, etc.	1,959,546.17
Land, buildings, etc.	709,229.98
Investments	2,114,779.55
Trust and earmarked funds	1,270,847.30
Cash at banks and on hand	125,243.64
Other miscellaneous assets	430,013.84
Total Assets	\$12,698,111.60
<i>Liabilities</i>	
Trust and earmarked funds	\$ 1,270,847.30
Loans, chiefly from Lloyds Bank, Ltd., and Anglo-Palestine Bank	2,457,680.88
Credit balances, employees' pension, and insurance fund	100,443.15
Total Liabilities	\$ 3,828,971.33
Subscriptions since incorporation of company, Mar. 1921	\$40,826,074.49
Less net transfers to Jewish Agency, etc., plus administrative expenses	32,075,434.22
Net Capital	\$ 8,750,640.27
Capital refund reserve	118,500.00
Total Liabilities and Capital Funds	\$12,698,111.60

TABLE 11

KEREN KAYEMETH

BALANCE SHEET—SEPTEMBER 1940

<i>Assets</i>	
Land, buildings, and water installations in Palestine	\$25,067,668.40
Forests and plantations	1,088,818.40
Furniture, office equipment, fittings, Golden Book, library, etc.—net of depreciation	3,522.03
Securities and Investments	470,375.13
Discount on and expenses of issue of debentures—Less amounts written off	89,639.21
Loans granted	980,029.53
Sundry debtors and debit balances	796,913.48
Bills receivable	180,984.65
Interest paid in advance	140,100.59
Cash at bank and in hand	289,811.07
Total Assets	\$29,107,862.49
<i>Liabilities</i>	
Trust funds	\$ 917,010.22
Debentures and interest accrued:	
2½%—1934-1953	224,160.00
2½%—1936-1955	323,760.00
4%—1939-1958	371,900.00
4%—1943-1958	389,750.00
Interest accrued	29,396.22
Sundry creditors	306,231.07
Loans, bills, and engagements payable	5,053,310.56
Rents received in advance	96,856.92
Total Liabilities	\$ 7,712,374.99
Donation capital account	20,081,513.88
Tree donation fund	1,313,973.62
Total Liabilities and Capital	\$29,107,862.49

TABLE 14
 APPROPRIATIONS FOR LOCAL REFUGEE WORK IN NINE LARGE WELFARE
 FUND COMMUNITIES

	1939	1940	1941
Chicago.....	\$151,000	\$225,000	\$225,000
Cincinnati.....	17,000	15,000	20,000
Cleveland.....	33,500	46,800	53,000
Milwaukee.....	5,000	24,100	32,500
Minneapolis.....	5,000	12,700	15,700
New Orleans.....	7,500	12,000	12,000
Pittsburgh.....	39,500	89,500	66,100
St. Louis.....	27,100	67,300	62,000
San Francisco.....	42,000	61,900	61,400
Total.....	\$318,600	\$554,300	\$547,700

