". . . about the lives and destinies of great men and women who shaped an entire generation's fears and hopes. To read this book is to enter the collective memory of a vibrant Jewish community both here and in Israel."

—Elie Wiesel

Good Faith and Credit

GOTTLIEB HAMMER

Introduction by
ARTHUR HERTZBERG

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Acknowledgments

IN THE LAST FORTY FIVE YEARS I WAS FORTUNATE TO HAVE BEEN A PARTICIpant and a witness to some of the greatest events of our times. For the opportunity to relive this panorama, I feel both grateful and humble.

I am indebted to many people who encouraged me to write this book and to prepare it for publication. Foremost among them are:

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This book was written over a period of three years—whenever free time was available—either in New York or Bay Harbor Islands, Florida. I had no recourse to notes, records, diaries or files; I depended entirely upon my memory in recalling the events described in this memoir. If, therefore, there are errors in fact or faults in judgment, the responsibility is all mine.

Gottlieb Hammer
New York, October 1984

To Sarah—
and Robert and Leah and Benjie

Foreword

MANY YEARS AGO, WHEN I STARTED TO NEGOTIATE BANK LOANS FOR THE United Palestine Appeal and the Jewish Agency, I was confronted by the senior credit officer of a major bank, who put the following questions to me.

"Mr. Hammer, what collateral do you have for this loan?"

"I don't have any collateral," I replied.

"What assets do you have?"

"I don't have any assets."

"How then can you assure us of your ability to repay the loan?"

Without hesitation, I answered, "The good faith and credit of the American Jewish Community!"

We got the loan without any further discussion. And so it has been for the last four decades.

Introduction

By Arthur Hertzberg

GOTTLIEB HAMMER HAS WRITTEN A FAR MORE IMPORTANT BOOK THAN HE seems to know. His personal modesty and the reticence of a seasoned professional have combined to keep him from being totally aware of the importance of his memoirs. They are a major contribution to the history of Zionism and of the state of Israel, especially in the heroic days of the 1940's and 1950's.

Zionist and Israeli history of those days continues to be written centering on two themes: the diplomatic struggle for the creation of the state of Israel and the bloody war, the costliest in Israel's history, that followed the declaration of the state in May 1948. A large part of the diplomatic battle did take place in Washington, and in the arena of American public opinion in general, but the dominant figure in American Zionism in the mid-1940's was Abba Hillel Silver. Chaim Weizmann, David Ben-Gurion and Nahum Goldmann tended to disregard him as much as possible. There were clashes of temperament, but, more important, Silver was opposed on ideological grounds to the partition of Palestine. Most of the leaders of the Zionist movement knew that this was the only road to a Jewish state. In the crucial years between 1945 and 1948 the World Zionist Executive was dominated by a combination of Europeans and of the leaders of the Yishuv, the Jewish community in Palestine. The crucial political decisions were made by them, with the support of those Americans who were not under the commanding spell of Silver.

Much has already been written about this internal battle within the Zionist leadership. Gottlieb Hammer provides further insight in this book, in the stories that he tells as a close witness and collaborator with most of the great figures of that day. There is as yet no consensus of historians as to the relative

importance of the various forces which contended together, and often with each other, on behalf of Zionism. The question will probably always remain open as to whether the propaganda and political efforts of American Zionism were a major key to victory in the fight for the United Nations Resolution which established the state of Israel. The countercase that is made, especially by Israeli historians, is that military events on the ground in Palestine had made the country ungovernable by the British. They were forced out, so this argument runs, as part of the process of the contraction of the British empire; a Jewish state was an inevitability, regardless of diplomacy and propaganda abroad, all of which were secondary and essentially irrelevant. The state of Israel is thus depicted as the creation of the Yishuv; no significant partnership is acknowledged with the Jews of the diaspora.

This argument is made more pointedly, and to even greater effect, by all of those, without exception, who have written the history of Israel's "war of liberation." All of the ideologues, from right to left, have agreed that the military victory was due entirely to the valor and the willingness to die of those who fought the war. There is praise also for those Israelis who procured arms in out of the way places and got them, by stealth, to Palestine and, later, to Israel. These tales of military victory by the few against the many and of genius in deception in the service of a good cause are the stuff of saga. That arms had to be paid for and that a community under siege had to be fed—such mundane considerations barely figure in the usual accounts of the founding of Israel. Even in historic retrospect, who can think of bank balances and of checks to be covered, or of ships with supplies which have to be chartered with something more fungible than heroic words, when on those very days Jerusalem was cut off and hundreds were dying in the attempt to reopen the main road to the coast?

And yet, Napoleon, the greatest military captain of modern times, once observed that armies move on their bellies. Even the heroes of Israel's war of liberation needed to be supplied. Here, as Gottlieb Hammer has proved in this book, the "full faith and credit" of the American Jewish community was the critical element. It was pledged to the support of Israel. Hammer was the principal agent of the Zionist movement in persuading the major banks of New York to accept such intangible guarantees, and to lend the immediate cash which was critical to the war effort in Israel. The running of guns and the finding of supplies is an even more dramatic part of this story. Hundreds of North American Jews, and some non-Jews, took part in this effort. They put themselves unreservedly at the disposal of emissaries from Israel. Hammer's memoirs very nearly prove the proposition that this economic front in America was the other critical arena during the 1940's. A defeat in the effort

for supply would have had instant and disastrous effects on the fortunes of Israel on the battlefield.

This book has been written as a personal memoir and, as the author tells us, without recourse to his personal files or to those of the organizations for which he worked in central professional roles. The reader must hope that these fascinating pages are a preamble to a larger work which Gottlieb Hammer ought to undertake: a much less reticent account of the era, based on full documentation. Hammer is best qualified to narrate this history and to assess the critical significance of American Jewish economic participation in the creation of the state of Israel. Without regard to the questions of supply and finance an adequate history of the creation of Israel can not be written. It is the great merit of Gottlieb Hammer's memoirs that the reader is so intrigued by the drama of this story that he wants to know more.

Good Faith and Credit

1
In the Beginning

I RETIRED FROM ACTIVE SERVICE WITH THE JEWISH AGENCY AND UNITED Israel Appeal in June 1974.

About that time, one of the hit Broadway musicals, *Cabaret,* was made into a classic film. Liza Minelli and Joel Grey, playing night club entertainers in the Berlin of 1931, doomed to become victims of the Nazis, were amusing the nation with their rendition of the show's cynical patter song:

"Money, money, money, money . . .

"Money makes the world go 'r-r-round!"

They were overstating the case, of course, but there is an underlying truth. The availability of money, or the lack of it, does vitally influence the lives of men and the fate of nations. But there is a greater, more valid truth of which, in the course of a thirty five year professional career, I had been an instrument.

Even more powerful than money is enough people who really care—about an ideal, a cause, their fellow human beings. Their good faith and credit, as it is called in the world of finance, can be turned into money in the bank.

In my lifetime, most American Jews came to care very deeply about the dream of a Jewish state in Palestine and how it would change for the better the lives of millions of their fellow Jews. The personal story I have to tell is very largely an account of how, in the past half-century, that profoundly felt concern of the American Jewish community was made to generate billions of dollars which helped create and preserve the State of Israel and revive a people that stood on the brink of extermination.

It all began for me on February 23, 1939, as I walked somewhat hesitantly

into the offices of the Palestine Exhibits, Inc., on the twenty-eighth floor of the Empire State Building in New York, which was then the tallest building in the world. I had an appointment to see a Mr. Meyer W. Weisgal. Mr. Weisgal was looking for a comptroller and was going to interview me for the job. I sometimes think the events in my life have been predetermined, beginning with the interview that morning.

Who was Meyer Weisgal? His name has been familiar from the beginning to the Zionist leaders who brought about the renaissance of Israel and to all those men and women of influence in this country who have dedicated their time and energies in behalf of Israel's people. In those days he already enjoyed a reputation as an outstanding organizer and fund raiser. Now, he had conceived a bold plan to build a Jewish Palestine Pavilion at the 1939 World's Fair in New York.

The Pavilion would be a showcase for Jewish accomplishments in Palestine, intended to fire the imaginations of those who saw it and arouse their support for the idea of a Jewish state.

Weisgal, an astute organizer, had gathered around him a group of outstanding individuals to help make the Pavilion a success. To serve as President of Palestine Exhibits, there was George Backer, who would later become the publisher of the *New York Post.* Dr. Israel Goldstein, the well known rabbi and Zionist leader, served as chairman of the board. The treasurer he had shrewdly chosen was Harold Jacobi, president of the Schenley Distillers Corporation.

Jacobi was important to the project because through him it would be possible to obtain interim funds, loans and other financial backing to bring the ambitious plans for the Pavilion to realization. As his deputy on the Palestine Exhibits Board, Jacobi appointed his own corporate treasurer, a young man named Sidney Becker, who happened to have been a schoolmate of mine at Boys High School in Brooklyn. Early in 1939, Harold Jacobi died suddenly. Sidney Becker found himself promoted to vice president of Schenley, burdened by all the corporate responsibilities and problems left by Jacobi's unexpected death.

Becker wanted to resign from the Palestine Exhibits Board. Weisgal, however, who was nothing if not persuasive, convinced Becker not to give up his work with Palestine Exhibits, but instead to nominate some individual who could act as his representative in managing the day-to-day financial affairs of the new pavilion. This was the job for which I was to be interviewed.

Was I qualified for it? My background was financial.

Born in Brooklyn in 1911 of Russian Jewish parents, I had often heard the story of how my father had come to this country as a youngster and sought to make a living as a designer of ladies' dresses.

My interest in Judaism and the aspirations of the Jewish people to regain their homeland was inspired largely by my maternal grandparents—a saintly grandfather who was a retired rabbi, a matriarchal grandmother who taught me early to understand what it meant to be Jewish and to be proud of my Jewishness.

At the same time, in the days when I started school, the emphasis was on being American. It was no problem for me. I was passionately interested in current events. I loved sports. When I entered Boys High School, regarded in those days as the finest secondary school in the country, I became manager of the football team even though I was younger than most of the other boys. Soon I was winning prizes in current events contests conducted by the *New York World* and *Brooklyn Daily Eagle,* both now defunct, but then regarded as outstanding newspapers. I was only fifteen at the time of my graduation and had to wait six months before I could get into college. I went to Long Island University, entering with its very first class in September 1927. When I left two years later, what awaited me in the outside world was the Great Depression. Still, I was lucky enough to get a job, thanks to my father's friendship with one of the officers at the International Madison Bank and Trust Company on Park Row, which, as it happened, was run largely by Jews. I was given employment as a messenger and clerk.

I can still remember my first assignment when I reported for work on a brisk fall day in October 1929. The Wall Street crash and I arrived at almost the same time. I was put into a cage, handed a list of names and told to send each a telegram of warning: "Put up more margin or else." Before very long, I was promoted to assistant auditor and purchasing agent. The two internal auditors at the bank, one a Jew named Joe Walters, the other an Irishman named Charles Boylan, took me under their wing. I learned more from them than had I been fortunate enough to attend graduate courses at the Harvard School of Business Management. They taught me about money management, ethics in business, investigative auditing.

My education in these matters was not, alas, to continue too much longer. In December 1930 came the failure of the Bank of the United States, a landmark event that shook the whole banking structure of the country to its foundations. Smaller banks lost deposits so fast that fears for the safety of remaining funds caused the New York State superintendent of banks to take eight small New York banks, including ours, for liquidation. This occurred in August 1932. Even then, the special deputy superintendent in charge of liquidation offered me a job as chief file clerk for all the eight banks in liquidation. Haughtily, I refused. "Sir," I told him, "I did not go into banking to be a liquidator."

And there I was at the end of 1932, when jobs were as scarce as roses in Antarctica, out of work and in a depression of my own, both economically and

emotionally. My mother, to whom I was deeply devoted, and who had suffered for many years from a brain tumor, died that year. When my father remarried, my younger sister and I chose not to live with them but went instead to live with an aunt, my late mother's sister. I believe to this day it was the love and the warmth she showered on us that enabled us to get through those dark days.

Somehow, I was able to find work in a succession of uncertain jobs—with an insurance brokerage company, with a public accounting firm, as comptroller for a chain of restaurants and nightclubs—and I managed to support myself. Then, in 1938, I was hospitalized for surgery to remove a desmoid tumor of the abdominal wall. This rendered me *hors de combat* for the better part of a year while I waited for the muscles to regenerate.

At that point, through a mutual friend, I heard that Sid Becker was looking for a man to be his representative in the financial administration of the Palestine Pavilion at the World's Fair. If he found the right person, Becker would agree to stay on as treasurer of the Pavilion corporation.

Becker's office was also in the Empire State Building, ten floors above the offices of the Pavilion. He told me to go down and see Weisgal about the job as comptroller but warned me that, although he was a genius at organization, Weisgal had no idea whatever of administration and financial control. I would have to use my own judgment in that area, but I would be working under Weisgal and was never to bother Becker unless it was absolutely necessary. That is how, on the morning of February 23, 1939, I happened to find myself entering room 2804 in the Empire State Building.

The man I met that morning, who was to become my friend and colleague for the rest of his remarkable life, was a truly unusual individual. After what seemed to me an interminable wait, word flashed through the office from the reception desk that the great man had arrived.

I caught a glimpse of him as he strode past me into his office. He looked like a Broadway impresario engaged in the production of some lavish, high-budget musical comedy, dressed in a luxurious camel's hair overcoat, a black wide brimmed fedora on his head, a long cigar stuck in the corner of his mouth at an angle I had seen in photographs of George Gershwin.

Soon afterwards, I found myself entering a large many-windowed room. It seemed to take forever to reach his immense desk. He sat there looking jaunty, a man of medium height with a full head of bushy black hair. I was to witness its fading to gray over the years as he grew older.

It was the hair, I think, which caused him more than once to be mistaken for David Ben-Gurion. In fact, many years later, he told me how once, when he was staying at the Dorchester Hotel in London, he was approached one evening by one of "the ladies of the night" who told him she would consider

it a privilege to go to bed with a Prime Minister and would even offer him a reduced fee. Nothing Meyer Weisgal said could convince her that he was *not* Ben-Gurion. It took some persuading to get her to go away and leave him in peace, presumably as Israel's Prime Minister incognito.

When he spoke, Weisgal had a slight foreign accent and a bit of a lisp. Some people thought him loud and uncouth, but from the first I thought I could perceive in him a certain sensitivity. My original instinct about this was to prove entirely correct.

At any rate, there he sat. On this occasion this man, whom people either loved or hated with a passion, was as gruff and impatient as he was reputed to be.

"Hammer," he said, "here are some financial reports they have given me. I don't understand the first goddamn thing about these reports. Why can't accountants make things simple? I don't know where the hell I stand with this. Do you think you could take this kind of thing off my back? Could you give me a report I would be able to understand?"

"Sure," I said. "When do you want it?"

He wanted it by the end of that week.

I said I would see what I could do and took my leave of the emphatic Mr. Weisgal. I knew nothing as yet of his imagination, his creativity, his enormous capacity for developing lasting friendships. I only knew I had come up against a tough customer, and I hoped and prayed I would be able to make good on my promise to him before the week was out.

Only two days later, I was back in Meyer Weisgal's office with a folder of papers in my hand.

"Have you got my report?" was his greeting.

"I have."

"Good, let's see it."

I no longer can recall the figures in that first of the many financial reports I prepared for Weisgal over the years, but I handed over a single sheet of paper. Three lines appeared on it, as follows:

Receipts: $_____.

Disbursements: $_____.

Balance: $_____.

Weisgal studied the page for a moment. Then he read it aloud. "This makes sense," was his reaction. "But is it all?"

From my folder, I took out a second page, a schedule of the funds he had obtained from various sources.

There was a glow of recognition on his face as he went over each item. He had a good memory. As he recalled the sources of the amounts he had

collected, he made ribald comments about how he had been able to obtain each individual gift, or loan, or grant. I was being informed and entertained at the same time.

When Weisgal had finished with the analysis of the receipts, he said, "I suppose you have an explanation for how we spent the money."

I handed him page three. He went over it, filling me in about the finances of the Palestine Pavilion up to that time.

The fourth page dealt with a description of cash balances. These were limited. The anticipated receivables, however, added up to quite a lot.

When he had gone over the entire four-page report, Weisgal shot me one of his keen looks and said, "My boy, you're a genius. If you could make sense out of this gobbledygook, then you're really the man I need here."

A week later, I was called into his office again. This time, he handed me a contract he was about to sign with a concessionaire for a restaurant to be called Cafe Tel Aviv and operated at the Palestine Pavilion. Thanks to my previous experience in auditing restaurant and hotel accounts, I could, as I read the contract, see that this concessionaire was trying to take unfair advantage of Weisgal. Meyer was not only naive about matters of this kind, he was so anxious to get the restaurant opened that he was just about ready to sign anything.

I told him the agreement as proposed was just no good.

"What the hell do you mean, it's no good? Look here, I need to get this restaurant going. Don't you hold it up!"

"This agreement is just no good," I reiterated firmly. "I won't let you sign it. I'm going up to the thirty-eighth floor to discuss this with Sid Becker. I don't want to do it behind your back, so if you want to come along with me, that would be just fine."

Weisgal rose from the chair. He accompanied me as far as the door, then he stopped and said, "Oh, the hell with it! Do as you think best."

During all the long years of our association and personal friendship, that was the only time I ever had a confrontation with Meyer Weisgal on financial matters. From that day on, he trusted my judgment implicitly. When it came to money problems, he never raised another question.

When I came back with a revised agreement a few days later, I was introduced to another man who would prove to be my friend for more than forty years. His name was Maurice Boukstein. At that time, he was a young attorney who had been asked by the prominent Zionist leader, Robert Szold, to serve as counsel to the Palestine Pavilion.

Boukstein had a remarkable background. He was born in Cohoes, New York, a small upstate town, of Russian Jewish parents. When he was eight, his father went back to Russia to settle some matters connected with his lumber business in the old country. The business had to do with transporting

logs down the Volga River for export. While in Russia, Maurice's father died suddenly. The year was 1914. It was just before the outbreak of the First World War. Maurice's mother left him with relatives and went over to try to settle the estate. The war started while she was in Europe and she was marooned there, unable to return to America for some years. The boy's relatives in America, meanwhile, sent him to Palestine to stay with another branch of the family. The conditions of Maurice's life in Palestine were hard. There were times when there was nothing to eat. He found himself acting as head of the family, trying to look after two younger brothers. It wasn't until 1920 that his mother was able to find her way out of Russia and be reunited with her children in Palestine.

Over the years, I shared many rewarding experiences with Boukstein. We worked together on innumerable projects. We improvised in areas where there were no precedents to guide us. Sometimes, we argued over the best way to solve a problem but always we settled our differences amicably. To Boukstein, the law was a means to an end, never an end in itself. He lived life to the full, enjoying everything, whether it was a golf game or a concert. He had an enormous capacity for friendship. He never forgot the trials of his youth and was fiercely loyal to the Zionist cause. He never flinched from any battle that involved the welfare of the State of Israel.

At that time, I also met Joe Brainin, the man Weisgal had chosen to serve as publicity man for the Palestine Pavilion. He was a perfect foil for Weisgal. They would wage stormy arguments on public relations matters, but Joe knew his business. He had worked on newspapers as well as being a publicist for various organizations. His father was Reuben Brainin, one of the first Russian Jewish Zionists, a prominent Hebraist and essayist. I'll never forget how Joe would start stuttering when he got too excited in the course of an argument. There was always a cigar stuck in the corner of his mouth. He was a man of deep loyalty. He too is gone now, and I miss him.

In those early days, I also met Nell Ziff, Meyer Weisgal's Wisconsin-born secretary. She too was deeply devoted to Zionism. She had grown up in a town where there were no other Jewish families. Her parents were strictly orthodox. Later, Nell married Rabbi Maurice Pekarsky, a Hillel director, and they raised two children. For a while, they lived in Jerusalem where her husband served as Hillel director at the Hebrew University. After that, they moved to Chicago where he was Hillel director at the University of Chicago until his death a few years ago. When I met her in 1939, she was president of Junior Hadassah. Nell, who lives in Chicago, still maintains an active interest in Jewish affairs.

The days just before the opening of the 1939 New York World's Fair were some of the most exciting I have ever experienced.

A young Palestinian architect and stage designer, Aryeh El Hanani, worked with his wife and two assistants from Palestine in a race against time to get the exhibits built. They had been sent over by a Tel Aviv firm with experience all over the Middle East in creating exhibits depicting the achievements of Jewish Palestine. I can still remember the names of the men who ran that firm—Idelson and Yevzeroff. Never in their lives had they run into a fellow quite like Meyer Weisgal. His sense of showmanship and shrewd appreciation of the power of propaganda left them helplessly befuddled. But El Hanani and Weisgal got along beautifully. The Pavilion proved to be one of the most interesting and artistically gratifying to grace the Fair.

When the Fair opened on April 30, 1939, exactly 198,791 paying customers arrived. Adults paid 75¢, children from 3 to 14, a quarter. With its trylon and perisphere painted in white, its modernistic pavilions and imaginative exhibits, all based on the brave theme, "Building the World of Tomorrow," the Fair was in large measure an expression of faith in the future.

Yet world War II loomed just over the horizon. For the Jews of the world, it was a time of ominous darkening. The British had just come out with their infamous White Paper barring Jewish immigrants to Palestine. The Nazis were putting their program for the "Final Solution" of the "Jewish Problem" into high gear. The wonderful World of Tomorrow was already showing grim signs that it wasn't going to be so wonderful.

Even before the Fair opened, there had been a political problem about our Palestine Pavilion. Was it going to be a national exhibit or a private one? Meyer Weisgal played a pivotal role in helping to answer that question. The men who ran the Fair were Grover Whalen, former police comissioner of New York City, chairman of the Mayor's official welcoming committee for distinguished guests of the city, and Loy Henderson, a State Department official and Whalen's aide on political matters. Henderson, who later became under-secretary of state, was well known as an Arabist with no love for the Zionist cause.

I can remember sitting in Henderson's office at the Fair with Meyer Weisgal, trying to discuss with him the problem of the opening exercises as they involved the Palestine Pavilion. Henderson sat there, picking at his fingernails, looking as though all he wanted from us was to go away and get lost. Meyer got nowhere with him, but he was not a man to be deterred by a mere aide. He went to see Grover Whalen.

He told Whalen that if we were going to be slighted and shoved aside, there would be a protest boycott of the Fair. The Jews of New York were concerned enough already about what was happening to the Jews of Europe.

Whalen understood well enough what Meyer was saying. A compromise was worked out.

The Parade of Nations would be followed by a parade of private exhibitors. The Palestine Pavilion would come in between—at the end of the Parade of Nations, before the parade of private exhibitors. For the general public watching, there would be fifty-nine nations represented, each carrying its own national flag, and at the end of the line, representatives of the Jewish Palestine Pavilion. Thus, it could be said that the Palestine Pavilion was a National Exhibit and not a private exhibitor.

Many questions came up. Would the blue and white Zionist flag, later to be adopted as the national flag of Israel, be raised at the parade? What sort of uniforms would our Pavilion's marchers wear? How would the guides dress? We settled on a simple uniform of khaki shirts and trousers plus a pitch helmet for the men, plain blue and white dresses for the female guides. They would march behind the blue and white flag with the Star of David. As things turned out, our part of the parade, at the end of the Parade of Nations, was a stirring sight.

The World's Fair—which closed for the winter of 1939–40, reopened again in the spring of 1940 and stayed open until October 31 of that year—attracted many millions of visitors. Three and half million of them were clocked, over the two seasons, at the Palestine Pavilion. I will never forget that beautiful building with its three heroic Biblical figures on the facade, and its two tall flagpoles—one flying the Stars and Stripes, the other the flag of Zion.

Our Pavilion's formal dedication took place on a Sunday, May 10, 1939. Four hundred thousand New York Jews came to the ceremonies. The human tide made it almost impossible to maintain an orderly flow and bore out everything Meyer had tried to tell Grover Whalen about the importance of the Palestine Pavilion.

Rabbi Leventhal of Philadelphia, the dean of the Orthodox rabbinate, hung our *mezzuzah* on the front door and recited appropriate prayers. There was a program of music, speeches by Mayor LaGuardia, Rabbi Stephen Wise, Albert Einstein and other distinguished personalities. In a very real sense, these ceremonies were also a protest demonstration against the horrors that were occurring in Europe.

For Meyer Weisgal, this was a most rewarding moment.

The two seasons of the New York World's Fair are still, four and a half decades later, among the most vivid and treasured of my memories. I was later to grow used to dealing with movers and shakers, the great and the near-great, in the Zionist movement and Jewish communal life, but in 1930

and '40 I was still young and impressionable, and my position at the Palestine Pavilion was bringing me face to face with such people for the first time.

I was to meet one of Zionism's legendary figures only once. He showed up at the Pavilion on a summer evening in 1940, unannounced—a plain-looking, mild-mannered man whose eyes stared out intensely through thick glasses. There was something formidable about him when I encountered him. I recognized the famous father of Zionist revisionism, Vladimir Jabotinsky.

It was Jabotinsky's conviction that Zionists would have to seize Palestine by force. If his right-wing party had prevailed in the movement, that attempt would have been made. If he had had his way, Jabotinsky would have expelled every Arab within the borders of the Jewish state, shipping them off to neighboring countries. On the issue of arriving at an accommodation with the Arabs, he opposed bitterly the policies advocated by more moderate and generally accepted leaders like Weizmann and Ben-Gurion.

Jabotinsky was not exactly *persona grata* with most Zionists. When I saw him at the Pavilion, however, I bade him welcome and offered to escort him through the exhibit. He accepted.

When our tour was over, I inquired, "Mr. Jabotinsky, what do you think of our Pavilion?"

He fixed that piercing gaze directly on me. To this day, I recall his exact words. "What can I say? This is beautiful. But don't quote me."

I did not realize that day how close Jabotinsky was to the end of his life. He died a month later at a Revisionist youth camp in upstate New York.

A visitor of whom I have very warm memories was a gentleman whose personality was as different from Jabotinsky's as is possible to imagine. He was Herbert H. Lehman, then governor of New York, who toured the Fair on a week end afternoon in September 1940, without advance notice.

Weisgal was out of town for the week end, leaving me in charge. I was in the Palestine Exhibits office in Manhattan, cleaning up some uncompleted work. We had moved from the Empire State Building to 225 West 34th Street, hard by Pennsylvania Station, whence a Long Island Railroad shuttle made the run directly to the World's Fair in eight minutes. This was a great convenience for us.

Suddenly, the phone rang. The Pavilion was calling with the information that Governor and Mrs. Lehman were at the Fair and wished to visit the Palestine Pavilion. Would somebody be there to receive them? I dashed downstairs to Penn Station, hopped aboard the next shuttle and was at the Pavilion in fifteen minutes. I guess I ran all the way through the fairgrounds. I was still out of breath, but standing at the curb, when the governor's car drew up.

I welcomed Mr. and Mrs. Lehman and took them on a tour of the Pavil-

ion. In his gentlemanly, poised fashion, the Governor thanked me for my trouble. Both he and his wife were generous in their praise of the exhibits. On an impulse, I invited them to stop for refreshments at the Cafe Tel Aviv. Mrs. Lehman was a little hesitant because they were expecting dinner guests that evening and it was already about five o'clock.

However, they came with me into the cafe, a bright, clean place that specialized in dairy foods. I suggested they try the *specialite de la maison,* cheese blintzes. To my surprise, Mrs. Lehman did not know what blintzes were. "Something like *crepes suzettes,*" her husband explained.

"Don't spoil your appetite for this evening," she warned him, and then ended up eating not only her own portion but most of his.

Soon after the Lehman's visit, Meyer Weisgal received a warm letter from the governor, extolling the Pavillion and stressing how much they had enjoyed both their tour and the blintzes.

Even more intriguing to Pavilion visitors than the blintzes was the exhibit in the Diorama Hall, one of the first of its kind ever constructed. It was a model of the city of Jerusalem in three dimensions and startlingly realistic detail. A series of lights played over the model, simulating the changes in Jerusalem's light in the course of a day and night. There was Jerusalem under a full moon and then the dawn appeared and the sun shone, and you could believe you were looking down on the actual Holy City in the gradually shifting illumination of the cleverly placed lights.

Albert Einstein was absolutely fascinated by this. He insisted on knowing exactly how these effects were achieved. Those of us accompanying him on his tour were amazed that the most famous scientist of the age, who had conceived the theory of relativity and was now spending his working days at Princeton's Institute for Advanced Studies contemplating the meaning of the whole universe, could be so curious about such a relatively mundane electro-mechanical contrivance.

Nevertheless, the staff electrician, Phil Fried, was sent for and, taking the scientific genius by the arm, he escorted him behind the scenes to show him the maze of machinery which performed the lighting magic. Einstein came out beaming, like a little boy. Indeed, he did look like one next to the bulky figure of the electrician. Fried became something of a celebrity himself, always being introduced thereafter as the man who had explained something to Einstein.

Another visitor I remember well was the novelist, Thomas Mann, whose eminence in literature was comparable to that of Einstein in science. And then there was the visit to the Palestine Pavilion by David Ben-Gurion during his trip to New York in September 1939, just after World War II broke out.

Ben-Gurion had traveled by sea via London, a perilous voyage in those

days. As the Cunard liner docked in New York, he was taken to Ellis Island. When an immigration official asked the purpose of his visit, Ben-Gurion answered:

"I've come over to *shmooz* with some of my friends."

This startled the immigration officer, who did not know David Ben-Gurion from any other foreigner. He looked at him hard and said,

"Mr. Ben-Gurion, do you mean to tell me that you traveled 6,000 miles through submarine-infested waters just to have a conversation with friends? That doesn't sound right, somehow. I think you'd better stay here until we can check this out."

And so, the future prime minister of Israel was remanded to the Ellis Island detention hall.

Meyer Weisgal's phone rang. On the line was Rabbi Stephen Wise, shouting, "Do something quickly! Ben-Gurion is being held at Ellis Island."

Meyer and I dropped everything. We rushed out and caught the next ferry to the Island, ready to wage any argument necessary to spring Ben-Gurion. By the time we got there, others had beaten us to the scene and his release had been arranged.

One day soon afterward, Ben-Gurion arrived at the Pavilion. We had hired one of the Fair's sightseeing motor cars in order to show him the Fair. Everywhere we went in the car, people recognized him. Jews would call out, "*Chaver* Ben-Gurion, *shalom*!" He could not have been more delighted.

Actually, Ben-Gurion had come to New York for a much more serious purpose than just to "*shmooz* with friends." He had come to discuss with the Zionist leadership in America how communication could be maintained under wartime conditions and what, if anything, could be done to help the Jews of Europe in their time of torment. Poland had collapsed under the German onslaught in a matter of days. Communities which were the heart of European Jewry were being ravaged. Millions of Jews were falling into the hands of Nazi persecutors.

Even in such a desperate time, Ben-Gurion, as chairman of the Executive of The Jewish Agency for Palestine, was already dreaming of the establishment of the Jewish state. Others believed that would remain only a dream, but he was always certain it would become a reality.

Another very important visitor from Palestine was Eliezer Kaplan who in time would become my good friend and mentor as well as my boss.

An engineer born and trained in Russia, Kaplan had emigrated to Palestine as a *chalutz*—a pioneer in a collective settlement. There, his remarkable talents, especially when it came to administering financial affairs, soon became evident. It did not take Kaplan very long to rise through the ranks to become treasurer of the Jewish Agency, really its administrative head, re-

sponsible for financing and carrying out all its programs. He was rather a taciturn man, but kindly and sensitive. He was constantly preoccupied with the tremendous problems that were his responsibility, but he was always considerate of and attentive to his colleagues.

The day Kaplan came to the Palestine Pavilion, I did not so much guide him through it as follow him around it. He would often stop, ask a question and nod thoughtfully over the answer. When we emerged into the courtyard, he turned to me and asked, "What's your job, here?"

"I'm the comptroller," I explained.

"Well, then, how much did the Pavilion cost?"

I told him. Then he asked about the annual budget to run it, and I told him that, too.

"How was all this financed?" Kaplan inquired next.

I informed him that the total underwriting, which added up to about three million dollars, had come from such sources as grants from the American Jewish community's welfare funds, contributions from individuals and revenue from the sale of tickets to the Diorama Hall. The price of admission was only about thirty cents, but there were so many visitors that the total added up to an impressive sum. All these sources of money, I told Mr. Kaplan, left a deficit of only a million dollars to be financed by public funds. He looked at me in disbelief.

"You mean to say that for two seasons the cost in public funds is only one million dollars?" To Kaplan public funds meant money that would otherwise have gone to the Jewish Agency.

"Hammer, that is a tremendous job," he said. "The money has been well spent. This Pavilion is well worth it."

Thus began a relationship that lasted more than a dozen years, until Kaplan's untimely death in 1952 when his heart failed after being overworked for decades. Kaplan always sacrificed himself and his personal interests as he wrestled with the overwhelming difficulties of financing the struggle to establish and preserve the Jewish State.

Some of the friendships I formed with other members of the Palestine Pavilion's staff of twenty or more office workers, guides, technical and security people lasted long after it was torn down and the fairgrounds were turned into a public park. One was with the Pavilion's art director, Elias Newman, a noted American artist with strong ties to Palestine.

He had put together a collection of paintings, sculpture, ceramics and other handicraft and art objects, executed by the foremost Jewish artists and craftsmen resident in Palestine at the time, which gave the Pavilion a distinctive grace and elegance.

Probably my longest association from those years has been with one of the

Pavilion's guides, Isadore Hamlin, then a young student at Cornell University. Itzik, as we all called him, was the son of the well-known Labor Zionist leader, Isaac Hamlin. Itzik was fluent in Hebrew and thoroughly steeped in Labor Zionism's ideology and traditions.

I was given a personal demonstration of that one summer Sunday during the Fair's first season. Weisgal had gone off to a convention in Chicago, leaving me—as was usual when he was away—to fill in for the boss the best way I could. Suddenly, I was confronted by a couple of the guides—one of them Itzik—who demanded that I discuss their salary situation with them immediately. The guides wanted to be paid full salary for the winter season when the Fair was closed, plus severance pay.

Such matters, I suggested, were best discussed directly with Mr. Weisgal, not with me. They replied that if I did not talk about their demands then and there, they would go out on strike right now, on Sunday, when the Pavilion was always crowded with visitors. I told Itzik and his fellow delegate that the guides could go on strike if they liked, but if they had any sense, they would wait to talk things over with Mr. Weisgal.

They were young and impatient, however, and had no intention of waiting for Weisgal to return. The next thing I knew, I was standing in the Pavilion's courtyard, alone in the hot sun, muttering curses under my breath and struggling to direct the flow of visitors. The guides were all gone. They had walked off the job and were sitting across from the Pavilion in front of a building called the Temple of Religion.

At last, I managed to get somebody to put through a phone call to Weisgal in Chicago. Meyer demanded to speak to Itzik. After a while, the young man came back into the courtyard with a sheepish expression on his face. I wondered what Meyer had said to him. A few minutes later, the guides were all back on the job.

Next day, when Weisgal was back in town, I asked him, "What in the world did you tell Itzik yesterday?"

"I told him to go back to work."

"That was all?"

"I told him I would take care of everything when I got back to New York?"

"Just that?"

"Well, I used my most persuasive language on him."

"Oh." I had been working for Meyer only a few months, but I was well aware of how persuasive he could be when he employed strong language.

In the years that followed, Itzik Hamlin was to become one of my closest friends.

Toward the end of October 1940, it was time to shut down the Pavilion

for good. Almost everyday, we were out at the fairgrounds, supervising the dismantling and disposal of the exhibits. It was months later, in the middle of 1941, before all the loose ends were tired up, the records submitted for the archives, and the final reports rendered.

The job I had been hired for two and a half years before had come to its end, but it never even occurred to me to go out and look for another. By this time, I considered myself a fully committed Zionist, ready to take part in the struggle for statehood that lay ahead.

It seemed inevitable that, somehow or other, I would go on being associated with Meyer Weisgal—and that is exactly what happened. The nature of my employment changed somewhat, but I continued to work ever more closely with him as the years passed.

2
The Jewish National Fund

WHEN THE BOOKS OF THE PALESTINE PAVILION AT THE NEW YORK World's Fair were at last closed forever, I was ready for the next step in my professional career. It was not long in coming.

During the summer of 1940, months before we began shutting the Pavilion down, Rabbi I. M. Kowalsky, the treasurer of the Jewish National Fund, had asked me whether I would be interested in the position of comptroller of that organization. Rabbi Kowalsky was also the treasurer of the Palestine Pavilion where in addition he owned the concession occupied by the Palestine Arts and Crafts Shop.

Rabbi Kowalsky was a man of many interests. During World War I, he had been a representative of the Joint Distribution Committee in Europe. He was a prominent leader of Mizrachi, the Orthodox movement working for the economic and social development of Palestine, and continued that activity in the State of Israel, where he died many years later. At the time of which I speak, he was an importer of Palestine wine to the United States and maintained on West 28th Street in Manhattan an arts and crafts shop called Palestine House.

Apparently, the leadership of the Jewish National Fund, the organization that was raising funds for afforestation, reclamation and development of land in Palestine, had been keeping an eye on me. Not only Rabbi Kowalsky but Rabbi Israel Goldstein, president of the JNF as well as chairman of the board

of the Palestine Pavilion, and Jacob Sincoff, chairman of the JNF Finance Committee, had been carefully observing my work at the Pavilion.

The executive director of the JNF in those days was Mendel Fisher, a competent fund raiser unfortunately hampered by an antiquated organization that employed too many oldtimers not at all interested in adopting modern methods. Among other outmoded practices at JNF were its bookkeeping and record-keeping procedures. I agreed to take on the job of comptroller, provided I would have a free hand in updating the auditing and accounting system and would report only to Fisher. He agreed to this condition. In September 1941, I went to work at the Jewish National Fund.

As things turned out, in my new situation I was to see more of Meyer Weisgal rather than less. The headquarters of the Jewish National Fund were then at 41 East 42 Street on the corner of Madison Avenue in the heart of midtown Manhattan. With Palestine Exhibits, Inc., now completely out of business, Weisgal rented quarters in the same office building. He did so at the suggestion of Chaim Weizmann and the sign on the door read: "Office of the President—World Zionist Organization." The office was available for Dr. Weizmann when needed and, in addition, provided working space in New York for two members of the Jewish Agency Executive—Louis Lipsky, a veteran leader of American Zionism, and Nahum Goldmann, who had been compelled to move his base of operations out of Europe when the Nazis overran the continent.

It wasn't long before Weisgal was asking me to set up a simple bookkeeping system for him and serve as his consultant when needed. Since we were both working in the same building, Fisher agreed I could take on this extra responsibility, provided it did not interfere with my work for the JNF.

I was at the Jewish National Fund for a relatively short time—only until the spring of 1945. During those three and a half years, however, I learned a great deal about the history of Palestine and about Zionist traditions. I was lucky enough to meet oldtimers like Max Rudensky, the Fund's assistant director, and Lewis Raskin, a poet who was supposed to be in charge of public relations but spent most of his time doing his own writing. The chap who really handled the Fund's publicity was William Z. Spiegelman, an oldtime Yiddish journalist, who devoted himself to spreading the word about JNF.

Raskin was a sweet fellow and everybody on the staff loved him, even though he didn't do much for the organization. A far more conscientious staff member was another friend I made, Irving Sloane, director of the New York Section, who remained active with the JNF until he retired in 1981.

My assignment was to bring JNF's record-keeping methods up to date.

Despite all resistance to change, I insisted on mechanizing the bookkeeping system. It wasn't easy to convince Mendel Fisher that this ought to be done. When I introduced a bookkeeping machine, I got the feeling the accounting department thought I was bringing in an infernal contraption from another planet. Fisher didn't see the point of this modernization, but he had agreed I could have freedom of action and he kept his word. Just a few years ago, I had occasion to speak to the bookkeeper at the Fund and learned that 35 years later they were still using the system I had installed. I must have been doing something right.

On the very first day I reported to work, Fisher walked into my office and turned over to me sets of documents that had to do with money received from European refugees by the JNF in Switzerland. Behind the mute contents of those files lay a host of human tragedies. Each case history dealt with people once secure and affluent but now homeless and hounded by anxiety and fear. All of these families of refugees clung to a hope that if they made it to freedom in America, they would not be subject to a new affliction, poverty. Each family had been promised that when they came to the United States, their money would be safely waiting for them and they would receive the equivalent in American dollars, after a modest deduction as a contribution to the JNF.

The deputy director of the world JNF, Dr. Josef Weiss, had committed the Fund to this obligation. Weiss had conceived the idea of accepting local currency in Europe to help Jews in trouble, to feed those who were hungry, clothe those on the run with only rags to wear and sometimes even rescue them from the ghettos and death camps of the Nazis. The refugees who turned over their money to JNF in Geneva had worked hard to accumulate these modest little fortunes, but now they were trapped in the lengthening shadow of the Nazi terror. Their plight and our promise to them were to haunt me for my entire tenure at JNF.

For guidance on procedures to follow in fulfilling this responsibility, I consulted Maurice Boukstein, who was serving as legal counsel to the JNF. What should one do if a man showed up in New York, declared his name to be so-and-so, claimed he had given the JNF in Geneva the equivalent of, say, $100,000 in some European currency or other, and now wanted most of it back? With Boukstein, I prepared a set of guiding criteria. In each case, we would have to require of the claimant a full account of his history. How had he managed to get to the United States? Where had he come from? What proof did he have of the amount he claimed he had turned over to the JNF's Geneva director? Then, we would have to cable Geneva for verification.

I can recollect one file about an Italian Jew who had left us a written statement describing his life in Italy, the members of his family, and what to

do with his money in the event he did not survive. He even made provision for his mistress. The case was never settled; all the parties involved perished in the Holocaust.

There were some fifty or sixty of these files, involving more than $10 million in potential claims. As with the Italian Jew, most of the cases were never resolved because the would-be claimants and their successors or heirs fell victim to the Holocaust.

Another matter that occupied my time at the Jewish National Fund was raising cash for the organization through the issuance of promissory notes. The first issue was for a million dollars on the basis of five-year four-per cent notes. It sold out rapidly. It was followed by an additional series for five million dollars more, again on a five-year, four-per cent-per-annum basis.

These borrowings led to my first meeting with the late Abraham Dickenstein, the founder of AMPAL, the American-Israel Corporation, which for more than four decades has been financing and investing in economic enterprises in Palestine and then Israel. AMPAL has grown to very sizeable proportions from very small beginnings in those days.

One day, Dickenstein came into the office to see Mendel Fisher. He wanted to purchase some of our JNF notes. He also was looking for a discount or a sales commission for buying the notes. Fisher did not want to deal with this problem, and referred Dickenstein to me. Dickenstein began by haranguing me about the necessity of supporting projects in Palestine. He would obtain funds for buying our JNF notes from subscribers to AMPAL stock. He desperately needed income to cover his office expenses and his personal needs.

When Histadrut, the Yishuv's labor federation, assigned him to set up an AMPAL office in the United States, Dickenstein had embarked on an arduous journey the long way around the globe. With a war on in Europe, he had to take his wife and children all the way across Asia, the Pacific Ocean, and the United States from West Coast to East.

In New York, he opened a modest, one-room office in an old Park Row building. His expenses were small but he could not rely on receiving any income from Palestine, and he had to earn his keep by his own efforts. That was why he wanted to put the capital that had been committed to AMPAL to work immediately by investing in JNF notes. He hoped to live on whatever sales commission he could wangle out of us at the Fund.

I demurred at his proposal. His reaction was melodramatic. He climbed up on a chair and began to berate me. Struck by the humor of the situation, I eventually relented. I said I would pay him a very modest sales commission. And that was how AMPAL was born.

Life at JNF had other comical aspects. There was a character name Choneh

who became something of a legend. He had no visible means of support. He did not seem to work anywhere, yet he managed to show up everywhere for Zionist meetings, even the international Congresses. Consequently, he was well-known throughout the movement. How he got where he went, who paid for his transportation, how he supporoted himself, all were mysteries. There was a story that alleged the Jews of Palestine had taken up a collection in order to ship Choneh to America. After he had been here for six months, a number of the Zionist leaders, who simply could not stand this Twentieth Century "king of the shnorrers," were supposed to have taken up another collection to send him back to Palestine.

Choneh made quite a vivid impression. He was a tall hulk of a man. He shuffled rather than walked. He regarded without awe even the most important and respected leaders of the Zionist movement. He was always putting people in their place, even if they didn't belong in the places to which he assigned them. Choneh was a gossip, he carried tales, he was a nuisance—yet, for all that, such a droll character that people tended to tolerate him.

Choneh used to come into the JNF office and plant himself in the anteroom, next to the girl at the telephone switchboard. There, he could eavesdrop on the incoming and outgoing phone calls, and steal looks at the cables and the mail as soon as they were delivered. After a while, this behavior got to be such a great nuisance I decided to do something about it. One day, I asked the bookkeeper to prepare an invoice addressed to Choneh. It itemized so much for rent, so much for telephone calls, so much for stenographic services, and so forth. These were all filled in in great detail and then totalled; the figures were fictitious, of course.

The whole thing was meant as a joke, and I left it at the switchboard in an envelope addressed to Choneh. As was his custom, he walked in about midmorning. He saw the envelope and picked it up. He was practically illiterate in English so he asked the girl at the Board to read the envelope's contents to him. When he heard them, he became enraged. He went flapping down the long corridor to Fisher's office, broke in and started abusing Fisher roundly with a torrent of Yiddish. How could anyone dare to present Choneh with anything! Didn't they know Choneh was immune to such things as bills?

Fisher sat there, dumbfounded. He had no idea of the prank I had perpetrated. Choneh never did find out who played that trick on him. Anyhow, it did no good at all. He went right on as usual, sitting in the anteroom, pestering everybody who came in, tolerated because no one knew how to cope with the intransigent Mr. Choneh.

I have never worked in a place populated by as many colorful characters as was the JNF office in those days. At the same time, through my work with

Meyer Weisgal in his office in the same building, I was coming to know the man I regard as the greatest Jew of this century.

During World War II, Chaim Weizmann was sent to the United States by the British Government on a mission connected with the development of synthetic rubber. Japan's conquest of Southeast Asia, following the crippling attack on the United States Navy at Pearl Harbor on December 7, 1941, had cut off the sources of the natural product which was, of course, absolutely essential to the machines of modern warfare. Working for the British Admiralty during World War I, Weizmann, a scientific genius, had demonstrated how acetone, a key ingredient in most chemical explosives, could be synthesized from starches. The reputation gained by that achievement had been very helpful to Weizmann in winning from the British Government the Balfour Declaration of 1917, which provided the political and juridical basis for the creation of a Jewish national home within the Palestine mandate.

Now, Weizmann was living in New York while he worked on a similar scientific tasks of tremendous importance to the coalition of nations fighting to destroy Nazi Germany. I do not believe he has received proper credit for his role in the research that created the tires on which the Allied armies rolled to Berlin.

In those days, where Chaim Weizmann was, there was the heart of the Zionist movement outside Palestine. When he left London for New York, he had been the preeminent leader of the World Zionist movement for a quarter of a century. His base of political operations moved with him to the small "Office of the President" Meyer Weisgal had set up at 41 East 42nd Street.

My first exposure to Weizmann had occurred in late 1939, when Weisgal brought him to New York to sign with a great flourish and much publicity the contract for the Palestine Pavilion's second season at the World's Fair. I use the word "exposure" advisedly. Weizmann radiated a powerful dynamism that somehow particularly affected young men and women. Once you were in personal contact with Weizmann, the saying went, you were no longer fit for any work other than to be in his service. In this regard, I was no different, I suppose, than hundreds of other young Jews of that time.

I met Weizmann again almost a year later in September 1940, while the Royal Air Force and Hitler's Luftwaffe were fighting one of the crucial battles of World War II in the skies over Great Britain. Weisgal and I went to see him on some business or other at the St. Regis Hotel, where he was staying during one of his visits to New York. Weizmann was quite distraught by worry over his son Michael, an RAF pilot who had just been reported missing in action. He asked Weisgal to see if he could put through a telephone call to London and find out if there was news of Michael.

This was a difficult and frustrating thing to attempt under the war condi-

tions then prevailing. Before long, Weisgal's small store of patience was used up and he was shouting at the operator. Weizmann came back into the living room of the suite and saw what was going on. "Please," he said to me, "ask Meyer to use the telephone. He might get better results."

Every old-time Zionist knows that story or a similar one. It exemplifies Weizmann's sense of humor, the dry wit which never deserted him even under the most trying circumstances. Neither did his strong sense of dignity, although it was always tempered by warmth and friendliness. I think it was the combination of these qualities that enabled him to impress young people so irresistibly.

Also outstanding among Weizmann's personal attributes was patience. I believe his supply of it was inexhaustible, although there were times when it ran pretty low as he suffered through the lengthy ideological discourses and arguments that were common at Zionist meetings. He was indifferent to abstract considerations. What mattered to Weizmann was human beings, his fellow Jews, especially those among whom he had grown up in Eastern Europe and whom he never forgot. What concerned Weizmann was how a Jewish State would make their lives better and, during the wartime years when I was working closely with him, how many of them would survive the Nazi massacres and live to see a Jewish State born.

During that wartime stay in the United States, Weizmann must have endured some of the blackest hours of his personal and his political life. He and his wife were mourning the loss of their son, whose body was never found. Chaim's physical health was showing signs of breaking. Word of the horrors committed by the Nazis in Occupied Europe was reaching him in New York bit by bit. I suspect that the scientific work, at which he seemed to labor tirelessly, was a means of temporary escape, surcease from all the pain and the pressure. It helped him maintain his emotional equilibrium and his ability to function as the leader of his people.

Weizmann pressed American Jewish leaders harder and harder to mobilize their community. The Biltmore Conference of May 1942 was held to set a course for the movement to follow, through the war and afterward, toward the establishment of a Jewish state. There was fundraising to be done in order to support the political program. Meyer Weisgal ran a whole series of private dinners where Weizmann was the guest of honor.

Then, Meyer organized the "Ring of Freedom" under the sponsorship of Dorothy Thompson who, as one of America's top foreign correspondents, had chronicled Nazism's rise in Europe and had come home to rouse the American people to combat it. Under the patronage of the "Ring," Weisgal staged more ambitious events like dinners with the corps of diplomats-in-exile from Nazi-occupied nations. Weizmann was active in some of these.

Even with all this public activity and private agony, Weizmann found

time and means to do favors and provide assistance on an individual basis. One case I remember was that of Andre Meyer, senior partner in Lazard Freres, the French investment banking house. Weizmann helped him and his family get out of France. Meyer showed appreciation by contributing some money to the political work Weizmann was engaged in, but after a while he became unapproachable and a sore disappointment to Weizmann.

The Zionist movement's great political achievement of those war years was formulation of the Biltmore program. Instead of collapsing under the deadly blows Adolf Hitler was dealing the European Jewish communities that were its original sources of strength, Zionism acquired a new and stronger, more broadly based, more urgent and immediate, commitment to the establishment of a Jewish State in Palestine.

The convening of what history calls the Biltmore Conference was in very large part the doing of Meyer Weisgal. From the Office of the President at 41 East 42nd Street, he put together the sponsoring group of Zionist and non-Zionist leaders who called the Conference. It included Rabbis Stephen S. Wise and Abba Hillel Silver as the leaders of the American Zionist Emergency Council; Henry Monsky, the head of B'nai B'rith, American Jewry's largest fraternal organization; and the leaders of a number of other national Jewish organizations. The prestigious American Jewish Committee, the most establishment-minded of them all, would not commit itself to sending a full participation delegation but agreed to have observers there. This was to be the Committee's procedure for many years to come.

I remember very clearly the sessions at New York's old Biltmore Hotel, since converted to an office structure. The professionals who prepared the briefing papers, wrote the press releases, and performed the thousand other chores essential to the holding of a meeting of such great importance and broad scope included Weisgal, Isaiah Kenen, and Arthur Lourie.

The oratory was eloquent and unforgettable. The delegates, Zionists and non-Zionists alike, were impressed by Abba Hillel Silver's exposition of the need for immediate action. Henry Monsky entered a plea for moderation but strongly supported the Zionist demand for a Jewish State. Weizmann spoke with powerful emotion as he described the decimation of Europe's Jewish communities by the Nazis. David Ben-Gurion expressed flatly and unmistakably the determination of the Yishuv in Palestine to settle for nothing less than the establishment of a fully sovereign Jewish State.

What came of it all was a simple resolution urging—no, demanding of the Allied Powers—sanction for a Jewish State in Palestine in fulfillment of the pledge made in the Balfour Declaration twenty-five years earlier. Thus was launched an effort that culminated five and a half years later in the United Nations Resolution of November 29, 1947, which provided for the partition of Palestine and the establishment of a Jewish State.

3
Historical Background

REDEEMING A LAND AND A PEOPLE TO CREATE A NATION IS AN EXTREMELY complex enterprise. Over the decades, the Zionist movement founded by Theodor Herzl in Europe at the end of the nineteenth century spawned whole networks of funds, social agencies, business corporations, political organizations and other entitites to many of which reference has already been made in these pages. These were created, shaped and sometimes exploited by men of profound conviction and powerful character, some of whom influenced greatly the course of my life.

If these memoirs are to make sense to readers of younger generations that did not share the experiences of my generation of American Jews, I suppose it is necessary to provide some historical background about the fundraising organizations and the communal structures through which American Jews have aided their fellow Jews elsewhere in the world. If so, it is best to begin at the beginning, which was before the First World War.

Although the Jews have a very long tradition of conscientious giving to charity, which was exemplified in the *pushkes* our grandmothers kept on their kitchen shelves, fund raising in the United States for Jewish needs overseas before 1914 was done on a sporadic basis. Most assistance to communities in central and eastern Europe was sent by *landsmanschaften,* organizations of the immigrants to America who came from each town or *shtetl.* After the shock of the terrible pogrom in Kishinev, Russia, in 1903, a realization began to dawn that a more broadly based aid structure might be necessary.

The outbreak of World War I cut the lines of communication between many of the *landsmanschaften* in America and home communities in the war zones of eastern Europe and the Middle East. The organizations, banding together in a common effort to get relief supplies to Jews in the affected areas, formed the American Jewish Joint Distribution Committee. Indeed, the first community JDC was able to assist was the Yishuv in Palestine, then ruled by Turkey, one of the Central Powers whose territories were blockaded by the Allied navies. The *shelichim,* or messengers, who had been coming to America from time to time seeking funds for yeshivas, orphan asylums and other worthy institutions, could not get through.

Until 1921, fund raising to aid the Jews of Palestine remained largely unorganized except for JDC's wartime emergency effort and the Jewish National Fund's familiar blue and white boxes, into which millions of American Jews dropped their pennies, all that their immigrant poverty permitted most of them to contribute toward making green again the barren hills of the Jewish people's ancient homeland. In that year, the Keren Hayesod was established as a worldwide agency to raise funds for Jewish settlement in Palestine. A delegation, headed by Chaim Weizmann and Albert Einstein, was dispatched to the United States by the World Zionist Organization to urge creation of an American affiliate of the Keren Hayesod. This led to the establishment of the Palestine Foundation Fund, of which Emanuel Neumann was named the first executive director.

A stated purpose of the mandate was to facilitate the establishment in Palestine of a national home for the Jewish people. To that end, the mandate further stated, "an appropriate Jewish Agency shall be established to advise and cooperate with the Mandatory Power in close settlement of Jews upon the land." The mandate recognized as such an agency the World Zionist Organization, which by 1929 had formed The Jewish Agency for Palestine as the operational body to perform the function specified in the mandate. The Keren Hayesod become the principal source of income for the agency's treasury.

The original intention was for The Jewish Agency to include representation from non-Zionist as well as Zionist constituencies in the Jewish communities of Europe and the Americas. Negotiations toward this end went on through the 1920's with Chaim Weizmann, president of the World Zionist Organization, and Louis Marshall, president of the highly influential, non-Zionist American Jewish Committee, as the principal negotiators.

Marshall in no way endorsed the nationalistic or ideological objectives of the Zionist movement. His aim was to expand, on a humanitarian basis, the financial resources available to help Jewish refugees, in flight from poverty, anti-Semitism and oppression in eastern Europe and the Soviet Union, to

settle in Palestine, a land that offered them some security and a chance for a better life. Marshall and Weizmann did sign an agreement in August 1929, but shortly afterward, Marshall died suddenly, and the commitment he made was not realized. The Jewish Agency's executive bodies were made up of Zionists; the non-Zionist representation was for various reasons left vacant until the reconstitution of the Agency in 1970.

By 1921, there were 100,000 Jews in Palestine. The early cadres of Zionist *chalutzim,* pioneers who came to begin building the dream of Herzl and his colleagues into a reality, were swelled by immigrants uprooted by the European War of 1914–18 and the Russian Revolution. Their numbers were far smaller than were to be seen following World War II and the Nazi Holocaust, but they were sufficient to prod the conscience of their fellow Jews everywhere. Something had to be done to help these refugees settle on what millions of Jews were coming to regard as Jewish soil—bought, paid for and reclaimed from the desert with the money they were giving to the Jewish National Fund. Powered by the special Jewish talent for combining organization and improvisation, the Keren Hayesod, too, soon was raising sums that were substantial in terms of the standards and needs of the time.

Before long, it was obvious that if truly adequate amounts of money were to be raised, the various organizations seeking funds for Palestine would have to stop competing with each other. In particular, the Keren Hayesod-Palestine Foundation Fund and the Keren Kayemeth-Jewish National Fund, whose functions in Palestine were complementary, would have to make peace and start cooperating elsewhere, too. In 1926, a United Palestine Appeal was set up in the United States to conduct a joint campaign, with the proceeds to be divided equally between the Palestine Foundation Fund and the Jewish National Fund. The fundamental Zionist programs of purchasing land, reclaiming it and putting colonies of Jews on it to cultivate it now had a single source of financial support in America.

The United Palestine Appeal did not exactly get off to a sensational start. American Jews did not seem to be sufficiently motivated, to care enough about what was happening to Palestine, until 1929, when outbreaks of Arab rioting and terrorism aroused the apprehensions of many American Jewish leaders. Then, the British authorities restored order in Palestine, Louis Marshall died and the impetus toward united action by Zionists and non-Zionists faded away.

Through the 1930's, as Adolf Hitler rose to power in Germany and cast a threatening shadow over all of Europe, the situation of the masses of Jews concentrated in central and eastern Europe worsened steadily. The Joint Distribution Committee intensified its relief efforts on the continent. UPA

continued to grow and raise more and more money to settle refugees in Palestine. But, in the face of a sea of rising human needs, this was only a drop in the bucket.

It was not until 1938, with the most terrible war in history about to break out and the Nazis about to seize untrammelled control of most of Europe, that the American Jewish community was really awakened to the dire and imminent peril of Europe's Jews and viewed the situation with enough alarm to take dramatic action.

It would be unfair to say that nothing at all had been done in response to the steadily mounting pressures the Nazis had been applying against German Jewry since 1932. Soon after Hitler became chancellor of the Reich in 1933, Henrietta Szold organized Youth Aliyah, and thousands of German Jews sent their children to Palestine to be cared for in children's settlements sponsored principally by Hadassah, the women's Zionist organization in America. Zionists were fighting to bring as many Jews as possible to safety in Palestine, in the face of a series of British actions limiting such immigration and increasing hostility on the part of the Arabs. As the Nazis extended their power, Palestinian Jews formed an underground to assist and maintain contact with their fellow Jews in Europe.

By late 1938, three very influential American Jewish communal leaders were meeting to consider what might be done to save more Jews. They were Rabbi Abba Hillel Silver, at that time chairman of the UPA; Rabbi Jonah B. Wise, chairman of the JDC, and William Rosenwald, still a young man but then heading an Emergency Coordinating Committee—soon to become the National Refugee Service—which was taking care of Jewish refugees reaching the United States. What these three accomplished was to prove of historic importance. They reached an agreement which created the United Jewish Appeal in time to conduct its first campaign in 1939.

The three heads of the partner organizations served as the chairmen of the first UJA campaign. To run it, they recruited a trio of expert fund raising professionals—from UPA, Henry Montor; from JDC, Isadore Coons; from the National Refugee Service, Robert Herman. Montor, by virtue of his strong personality, soon became the *de facto* executive director.

Veterans of those exciting days recall the early UJA campaigns with nostalgia and pride, but the fact is that the first one in 1939 was a success only in relative terms. It raised something over $8 million which, even allowing for the long inflation that was to cheapen the dollar drastically over the years, was nowhere near the American Jewish community's potential. This was proven by the postwar campaigns whose results rose into nine figures. Nevertheless, $8 million was several times the total the three organi-

zations had been raising by their separate efforts. It confirmed the wisdom of their leaders in unifying the campaigns and strengthened the will to keep the UJA going.

The first consideration in every distribution of the UJA's proceeds has been the needs of refugees reaching the United States. In 1939, thousands of them arrived in New York and other points of entry, penniless. In caring for them, the National Refugee Service carried out one of the oldest and strongest of American Jewry's traditions, fulfilling a commitment made in 1654 to Governor Peter Stuyvesant of the Dutch colony of New Amsterdam, by the first Jews to arrive in Colonial North America. They pledged that no Jew would become a public charge.

After the sum required for this purpose was allocated to NRS, the lion's share—two thirds—of the remaining proceeds went to JDC to sustain European Jews in flight from the Nazis. UPA received what was left and divided it equally between the Keren Hayesod and the Jewish National Fund. As their programs changed with the times, the division of funds between UPA's constituents would be altered accordingly.

In 1946, the method of allocating to JDC and UPA the cash proceeds of the UJA campaigns had to be adjusted as well. It was recognized that Palestine would have to be the major haven for the remnant of Jews left in Europe after the war, so the division of funds between the two major UJA constituents was changed to fifty-fifty. Then, as the political situation grew more acute and the influx of refugees into Palestine more massive, the division of funds in the following year was changed to two thirds for UPA and one third for JDC, and this remained in effect for many years.

Never was there a real problem between UPA and JDC in arriving at a fair formula for distribution of the funds raised by UJA—except for one incident which, I remember, occurred in 1945. Just as the annual contract between the two agencies was about to be renewed, the treasurer of the JDC, a determined anti-Zionist named Isaac Levy, dug in his heels when it came to the question of dividing up the funds. The argument became so bitter that a decision was actually taken to break up the United Jewish Appeal and return to separate campaigning by JDC and UPA. The machinery for this was already set in motion when, at the last moment, cooler heads prevailed. Mr. Levy's objections were overriden and the JDC agreed to continue the joint campaign with the UPA.

Through the war years, the UJA steadily expanded its staff and honed its fund raising techniques. The total of funds raised grew from year to year; for 1945 it reached $35 million. From the beginning, it was Henry Montor's fierce determination and energy that powered the campaign organization. Isadore Coons, a man of more retiring personality, left it to Montor to carry

the ball. By the end of the war years, Bob Herman of NRS had faded from the scene.

As the crashing sounds of war in Europe receded and the cries for help of the Holocaust's survivors carried across the Atlantic, the UJA was ready for the unprecedented task to which history called it. It united all elements of the American Jewish community in a voluntary, non-governmental humanitarian effort greater than any that America or the world had seen up to that time.

In this brief summary, I have naturally concentrated on the events and trends that unified both the Zionist movement and the American Jewish community at large. Of course, there were splits and divisions that hindered the historic process I have sketched, but in the end these did not stop it.

The international Zionist movement encompassed the full spectrum of social philosophies and political parties that is found in any twentieth century western democratic system. These ranged from extremely conservative—some would say reactionary—on the right through liberal in the center to socialist on the left. Special in Zionism was a number of religious parties. Although Herzl never was a religious man and preached a secular philosophy, the movement he founded seemed to many Orthodox Jews to be the way to fulfill the prophecies and the prayers with which they grew up.

In Palestine itself, the socialist and labor groups became dominant. This was probably a natural outgrowth of the early *kibbutzim,* which were collectives that set the pattern for the Yishuv's development. In the United States, the center of the political spectrum, represented by the Zionist Organization of America, was strongest although all the tendencies were present. This provided fertile soil for ideological disputes and power struggles within the American movement and between Americans and Palestinians.

The great division in American Jewry, as in the Jewries of other countries, was between believers in Zionism and those who feared that realization of Herzl's dream of a Jewish state might involve the Jews of other nations in a dual loyalty and cost them the acceptance and the security they had achieved in many western countries. The controversy raged heatedly through most of the first half of this century, but when the crisis came after World War II, there was no schism. Instead, there was unity in support of the Jews in Palestine and in Europe's DP camps.

Since the winning of Israel's independence and sovereignty, American Jews have found that one does not have to be a Zionist to feel deeply attached to the Jewish state, and this attachment poses no conflict with patriotic love for the United States. It fits very comfortably into the American tradition of pluralism.

I find that this little dissertation for the benefit of readers of these memoirs

parallels very closely the explanation I used to give bankers and other lenders of how their loans to the United Israel Appeal and The Jewish Agency were really secured by the good faith and credit of the American Jewish community. Some of my banker friends used to refer to it as Hammer's "alphabet soup." Perhaps it was; it certainly did deal with a complicated network of agencies and organizations, practically all of them called by their initials.

That "alphabet soup" helped sustain the Jewish people through the most difficult time we have known in many, many centuries.

4
Jewish Agency—American Section

THE BILTMORE CONFERENCE MADE ACHIEVEMENT OF THE JEWISH STATE IN Palestine the immediate agenda of the Zionist movement. The months following the conference were filled with a burst of political and organizational activity by the Zionist leadership in the United States.

To carry out the Biltmore Program more effectively, the American Zionist Emergency Council was reorganized and new groups, the American Christian Palestine Committee and the American Jewish Conference among them, were established to work in alliance with the Council and extend the base of support for the drive for a Jewish state beyond the Zionist movement itself.

In those days, Meyer Weisgal seemed to be everywhere, winning support for the cause by sheer ingenuity and strength of will. And I was spending more and more of my time at his side, usually in the Office of the President, dealing with the financial and administrative problems all this activity was generating.

One of Meyer's most productive projects was the series of private dinner parties to raise funds for the work of the Office of the President. The highlight of most of these occasions was the presence of Dr. Chaim Weizmann, the most respected Jewish leader then on the world scene. Among ourselves, we professionals used to call Weizmann "The Chief," a term both respectful and affectionate.

In this manner, enough money was solicited from a handful of big contributors to keep things going. But it was no more than a drop in the bucket.

By early 1945, it was clear to us all that the kind of *ad hoc* effort we were conducting was no longer adequate.

The end of the war in Europe was in sight. What would the Allied Armies find when they broke into the heart of the Nazi empire? How many Jewish survivors would there be? What would have to be done for them? We could only begin to guess at the enormity of the tasks that lay ahead for the intact Jewish communities of the world, especially the Jews of America. Their Jewish consciousness was just beginning to be aroused, and their financial and political resources were largely untapped and unknown.

We did know that a great conference of all the nations in the wartime anti-Nazi coalition—the United Nations, Franklin D. Roosevelt had named it—was to open that spring in San Francisco to draft a charter for a permanent organization which would eventually encompass all the world's nations. The claim of the Jews of Palestine to nationhood had to be registered there. That was the urgent, difficult and complex political task immediately before us.

A decision was made to open in New York an office of the Jewish Agency for Palestine, much larger than the Office of the President and capable of supporting the many programs and functions the Agency was engaged in. Meyer Weisgal was appointed executive director. I was offered the position of comptroller, actually Weisgal's principal aide. I did not realize it, of course, but this was to be the office in which I was to work for three decades, the rest of my full-time professional career.

Before I could accept the position, however, I found myself in the flattering but embarassing position of having my services in demand by two masters. The President of the Jewish National Fund, Judge Morris Rothenberg, was loath to let me go. I could not simply leave the Fund to take the new job, and thus become a bone of contention between two nominally co-equal arms of the World Zionist Organization. That would be a bad precedent, a breach of discipline that could not be tolerated.

Judge Rothenberg would have to release me. This he did upon receiving from Chaim Weizmann a letter requesting my release. It was done very graciously, too. The Judge invited JNF Board members and senior staff to an intimate farewell dinner in my honor. I still treasure the leatherbound copy of the *Song of Songs* they presented to me.

I have always been grateful for the years I spent at the Jewish National Fund. There, I learned much I had to know about financing and administering an eleemosynary organization. There I received my graduate training in the history, theory, and practice of Zionism. There I was given the freedom to work with Weisgal and Weizmann. There my background in *yiddishkeit* was profoundly enriched. To people I knew at the JNF—to Mendel Fisher,

my boss; to Raskin, the poet; to Irving Sloane, the fundraiser; even to Choneh, the *schnorrer*—I owe the kind of debt no man can ever repay.

In 1945 the primary duty of this new Jewish Agency office in New York was to assist the Agency's political department, which was entering a period of intensive activity. The Executive in Jerusalem sent the department's director, Moshe Shertok, to take personal charge of its work in New York. For the next three years, he was to spend much of his time there. It was the place where he could deal most expeditiously with the diplomatic operations that were mounted at the United Nations and with the Yishuv's relations with the United States Government. American decisions and policy were to become ever more important and crucial as the struggle for an independent Jewish state moved toward its climax.

Shertok, who as Moshe Sharett was to become the State of Israel's first foreign minister and second prime minister, had by then headed the Agency's political department for a dozen years. He was probably the most erudite and intellectual of Israel's founding fathers. Born in Russia in 1894, he was brought to Palestine as a boy of twelve and later was sent off to the London School of Economics, where he took a degree and did post-graduate work. After the usual training in a kibbutz and service in the ranks of Histradrut, he was appointed secretary of the Agency's political department at the age of 27. In 1933, when Director Chaim Arlozoroff was assassinated under circumstances that are still a mystery, the political department was entrusted to Shertok.

In every job he held, Shertok was very much a pedant and a perfectionist, a stickler for detail. Every paper, whether it was an important diplomatic note or public statement or an insignificant internal office memo, had to be precise in language, clear in style, proper in form of address to the recipient. He always approached his work with a feeling for exactness and the formalities that must have made him a top-notch secretary of the political department.

Off the job, we found him to be quite the opposite—warm, informal, courteous, thoughtful, friend and mentor to many of the younger people in the movement. In the waning hours of a World Zionist Congress, when there was nothing for the delegates to do but stand around waiting for resolutions committee reports, it was Shertok who gathered a group of the younger people around him and started dancing a horah.

Wherever Moshe and his wife were living—London, New York, Jerusalem—their apartment became a gathering place. He liked to hold court in his living room, to stimulate a lively discussion among guests seated in a circle on the floor. I have seen fifty or sixty people crowded into the

Sharetts' apartment on a Saturday afternoon, with the prime minister of Israel playing the perfect host, making sure that everyone had a cold, refreshing soft drink. Moshe loved people and, in most cases, the affection was reciprocated.

The first major assignment undertaken by the new Jewish Agency-American Section was organizing the delegation that was to lobby on behalf of Jewish statehood at the United Nations founding conference. It was to be a high-powered team of skillful diplomats and talented propagandists. It was to consist of a cadre of professionals drawn from a number of Zionist organizations, who would work practically full time in San Francisco. Their efforts would be supported, or capitalized upon, by such powerful personalities as, among others, Abba Hillel Silver, Nahum Goldmann, and Moshe Shertok, all members of The Jewish Agency Executive.

Shertok brought over from Palestine a contingent of professionals headed by Eliahu Epstein. As Elihau Elath, he was later to hold the top posts in Israel's foreign service—the first minister, then ambassador to Washington and later ambassador to the Court of St. James in London. Upon his retirement from the diplomatic service, he was president of the Hebrew University in Jerusalem for a number of years.

Other professionals sent to San Francisco included such astute and enterprising operatives as Isaiah L. Kenen (everybody called him Si), who later became the guiding spirit for nearly thirty years of the American-Israel Public Affairs Committee in Washington; Marvin Gelber, a Canadian scholar, member of a well-known Zionist family in Toronto, and Dr. Benjamin Akzin, a brilliant legal scholar and political scientist who eventually emigrated to Israel and became dean of the Hebrew University's Law School.

At times during the months the San Francisco Conference was in session, the Jewish Agency delegation on the scene was joined by other members of the Executive, notably Rabbi Wolf Gold, chairman of the World Mizrachi Organization, and Haim Greenberg, the Labor Zionist journalist and editor, who turned out to be a very effective diplomat.

The effort the Jewish Agency delegation made at San Francisco was regarded as useful. Although the question of a Jewish state was not dealt with officially in the conference proceedings, our people found great sympathy for the Zionist cause and made contacts and friendships that stood us in good stead two and three years later when the case for a Jewish state was argued before the United Nations at Flushing Meadow and Lake Success. Much of the groundwork for the Palestine Partition Resolution of November 1947 was laid at San Francisco in 1945.

When the Conference was over and it was clear that there would be a

permanent United Nations Organization with headquarters in New York, David Ben-Gurion, The Jewish Agency's chairman, and Eliezer Kaplan, the treasurer, came to New York to chart the future course of The Jewish Agency-American Section. One of their decisions was to commission me to find larger quarters in which the American Section could carry on its expanding functions. That story is told elsewhere in these memoirs.

Those functions were economic as well as political. My friend Maurice Boukstein and I became deeply involved in the economic activities, which essentially meant seeing that the Jewish community in Palestine was supplied with food.

World War II was still on and the free world's supplies of foodstuffs and raw materials were being allocated by United States government agencies and Anglo-American committees, most of which were headquartered in Washington. Maurice and I began flying down to Washington practically every week to spend days knocking on doors and pleading with officials of various bureaus and commissions for allocations of wheat, edible oils and other commodities.

The problem we had with wheat was typical of the kind of difficulties we encountered. The 550,000 Jews in Palestine depended on imported grain for every loaf of bread produced in their bakeries. The British had arranged for the Yishuv's allocation of wheat to be lumped in with Transjordan's. The price of wheat in the world market was about $20 a ton; the Yishuv was paying about $95 for every ton supplied from the allocation to the Transjordan Emirate. The difference took care of the subsidy Great Britain was obligated to provide to Emir Abdullah in return for the services of his Arab Legion. The wheat allocations were being manipulated to help Britain maintain its imperial position in the Middle East.

What Boukstein and I were doing in Washington was to try to work our way around such situations, to get allocations to the Yishuv directly and obtain the export licenses and other documents that would permit us to buy wheat and other commodities on the world market and ship them straight to Jewish Palestine. On one of our trips, the problem was to arrange for a shipment to Palestine of a commodity called edible oil seeds. There, the seeds would be crushed, the oil used for cooking and the residue for cattle fodder.

The British told us we could have refined oils—olive oil, corn oil—ready for cooking. But that would not provide the vital cattle feed; we had to have the whole unpressed seeds. Exasperated by the runaround we were getting, Boukstein took our problem directly to the White House where an old friend, the economist Isadore Lubin, was working as one of what were called

in those days the "anonymous" assistants to the President. Some quiet diplomacy followed and a ship loaded with oil seeds, already in mid-ocean, was diverted to a new destination, the port of Haifa.

The assignments Maurice and I drew were never easy. The path was never smooth; there were always problems, always obstacles. We could never be sure of where we stood in our dealings with the Anglo-American committees. They almost always showed us two faces. Sometimes, we would feel we were being treated like suspects in a police station interrogated by a two-man team of cops. One would be all friendliness and sympathy—there was always one official asking politely: "What can we do to help you?"—and another would be the tough guy putting the squeeze on us. Gradually, Boukstein and I developed our own methods for coping with this sort of thing. Looking back, I think we turned in a very creditable performance on most of those trips to Washington.

It was becoming more and more obvious that The Jewish Agency needed a permanent office and staff in Washington. Eliahu Epstein was designated to head it; he was already spending most of his time there. Early in 1946, I was authorized to find quarters for the Agency in the capital by buying a building if necessary, as I had earlier done in New York.

This was much easier said than done. There had been no public or commercial building activity in the city since the United States had entered the war more than four years earlier, and there had been an explosive growth of government agencies. Even private homes were being used as offices. Eventually, after months of searching, we found, with the help of influential Washington friends, a mansion at 2210 Massachusetts Avenue, on Embassy Row.

Its former occupant was Lewis Strauss who was Jewish, had achieved considerable prominence as a result of assignments given him by the Roosevelt administration, and was to acquire the title of admiral and become even more prominent in the Eisenhower administration. Strauss was known for his antipathy to Zionism, and there was a nice touch of irony in the fact that the house he gave up became the Washington headquarters of The Jewish Agency for Palestine, and later the Embassy of the State of Israel.

Acquisition of 2210 Massachusetts Avenue provided a base for the Washington operation, but it did not solve the staffing problem. Boukstein and I were flying down from New York every Tuesday morning and staying until Thursday evening, putting up at Nahum Goldmann's Washington apartment when it was available. We were able to give Epstein some assistance, but he needed more than could be gotten from what he called the "airborne brigade." He was desperate for full-time help. In fact, the original plan called for me to come to Washington with my family, buy a home there.

Kaplan even told me that the Agency would take care of my moving expenses and help in the purchase of a house.

I did look around a lot on the days when I was in Washington, but there was simply nothing decent or adequate to be had at a reasonable price. Because Washington's housing shortage was so acute, being uprooted and moved away from New York was one sacrifice for the Zionist cause that my family was spared.

The establishment of The Jewish Agency-American Section meant that two major organizations were working for Zionist objectives in the United States. The other was the American Zionist Emergency Council. On the professional level, the relationship betwen the two was complementary and cooperative. Agency professionals like Boukstein and me worked very well with the Council's director in New York, Arthur Lurie, and its Washington representative, Ben Akzin, both highly competent men for whom we had great respect. We used to exchange information and sometimes divide up the work on assignments too big for either organization to handle alone.

The same could not be said about relations betwen the Council and the Agency on the leadership level. There were clashes of personality and policy. Abba Hillel Silver, a man of strong will and character, wanted to run the political show his way. He was opposed in this by such men as Louis Lipsky and Nahum Goldmann, Agency Executive members then in the United States full time, and to some extent by Ben-Gurion and Shertok.

Dr. Silver was not particularly popular among his peers. He was feared and resented as a loner who was neither controllable nor amenable to group discipline. Yet, as Rabbi of "The Temple" in Cleveland, one of the most prestigious of the country's Reform synagogues, and as a powerful and persuasive orator, Silver was quite a celebrity and commanded great respect among Jews all over the United States.

On the other hand, in the scheme of things that had developed in the Zionist movement, the Jewish Agency was the international body and it, especially the Executive in Jerusalem, guarded its prerogatives, its authority and its jurisdiction very jealously. Still, Americans were becoming more involved in and more knowledgable about Zionist affairs, and they were demanding a larger share in the movement's leadership.

The answers they were getting always ran something like this: "If you want to be a leader, come and join us in Palestine. Share with us the problems we face, and then we can talk about sharing the decisions we make." This, of course, most Americans were not ready to do. It would be many years before the leadership of the Jewish Agency was expanded to include representatives of the world's Jewish communities outside Israel.

By the beginning of 1946, things had reached a point where the conduct of Zionism's diplomacy was pretty much at an impasse. On one side were Chaim Weizmann and David Ben-Gurion, with Nahum Goldmann and Moshe Shertok as the Executive members handling day-to-day diplomatic operations, and Eliezer Kaplan taking care of economic and financial matters. On the other side, was the American Zionist Emergency Council headed by Abba Hillel Silver.

The tension between the American and the international bodies was great. There was inevitably a certain amount of overlapping in their activities and I can remember clashes and disagreements that caused many problems. Silver certainly knew how to use what power the Council had for all it was worth.

There had been an attempt, about a year earlier, at a special conference of Zionist leaders in London in the spring of 1945, to anticipate this kind of difficulty and establish policy to govern the movement's activities in the immediate postwar period. The last World Zionist Congress had been held in 1939, as World War II was breaking out. The Executive elected then was now an outdated body that lacked a true mandate. Many of the 1939 delegates, and even whole communities from which they had been elected, had been annihilated by the Nazis. With so much of European Jewry lost, the American Jewish community was coming to the fore.

The postwar situation obviously required a new international Congress and one was being planned for the late fall of 1946 in Basle, Switzerland. But that was many months away and the situation of multitudes of Jews in Europe and Palestine was becoming more desperate every day. The Zionist movement's present leadership had to deal promptly and effectively with events that were moving very fast.

Before the mid-1940's, the burning controversy within the Zionist movement was about whether or not to press for a Jewish state immediately and, if the answer was yes, what its boundaries in Palestine should be. There was little argument about the issue of statehood itself; the Biltmore Program of 1942 had in effect settled that question. It had placed before the Allied Powers, especially Great Britain and the United States, the demand for a Jewish state now. Thus, the only questions left for Zionists to argue about were how to go about winning that demand, and what borders the new state should have.

Abba Hillel Silver assumed leadership of those advocating a maximalist position. He wanted the British to turn over to the Jews all of Palestine; he would settle for nothing less. Others took a more pragmatic attitude. They believed that if the Jewish people were to have a state at all, the time to get it was at hand. They were willing, if necessary, to agree to a compromise entailing a partition of Palestine. If the opportunity to establish a Jewish

state was lost now, they feared, generations might pass before another chance came.

In the councils of the Zionist movement, the foremost exponent of partition was Nahum Goldmann. To him and his followers, statehood and the sovereignty it would bring had become an immediate necessity for the Jewish people. It was obvious that the Jews of Palestine could not rely on the Mandatory Power, Britain, or the two superpowers that had emerged from World War II, the United States and the Soviet Union, to allow free settlement of Jews in Palestine. Statehood, Goldmann and his people felt, could not be treated as an ideal, as a Zionist ideological abstraction, at a time when hundreds of thousands of stateless Jews—persecuted, homeless, destitute—were wandering the face of Europe.

Not long after the end of the war in Europe, we realized the full dimension of the refugee problem. Six million of Europe's Jews had perished in the Holocaust; the survivors were in a traumatic state. The occupation forces—the Americans, the British, the French, but not the Russians—were doing what they could to alleviate the situation, but that was not a solution. And the refugee problem would not just go away.

What was to become of Europe's homeless Jews? That was the overriding question confronting the Jewish Agency and other Jewish humanitarian organizations. The new British Labor government, elected in July 1945, very soon dashed any hope we might have been nursing that the Mandatory Power would relent and lift the restrictions on Jewish immigration to Palestine imposed by the White Paper of 1939. Prime Minister Clement Attlee was not sympathetic and Foreign Minister Ernest Bevin was suspected of harboring strong anti-Semitic feelings. At any rate, Bevin tried to get rid of the refugee problem by having it fobbed off on an Anglo-American investigative commission.

Our people in Washington had already turned to the new Truman administration, asking that an impartial investigator be sent into the DP camps to determine once and for all what the Jews there wanted their future to be. President Truman chose Earl Harrison of Philadelphia, a former United States commissioner of immigration and naturalization and an acknowledged expert in the field, to undertake this assignment.

Upon hearing of the appointment, Eliezer Kaplan proposed to his friend, Dr. Joseph J. Schwartz, who directed the Joint Distribution Committee's operations in Europe through the war and postwar years, that Schwartz accompany Harrison on his visits to the camps. There was good reason for Kaplan's suggestion. The Jews in the camps were extremely distrustful of all Gentiles. If a Jew they knew and trusted was with the President's investigator, they might be persuaded to talk to him freely and openly.

Schwartz recognized the wisdom in Kaplan's idea, but JDC's Board, traditionally inclined to avoid any action that might be construed as political, hesitated over giving its approval. JDC's young Chairman, Edward M. M. Warburg, who understood the refugee problem well by virtue of his service on Eisenhower's staff during the war, urged the JDC Board to give Schwartz permission to accompany Harrison.

What Harrison and Schwartz learned in the camps was that most of the Jewish DPs wanted to emigrate to Palestine. They felt they had wandered long enough from one European country to another. They did not wish to risk trying to reestablish themselves in any land where there was any possibility they might be treated with hostility and eventually expelled. Most wanted their next move to be the last they would have to make. If this meant there would be difficulties, they preferred to endure them as Jews having some control over their own destiny.

Apparently, Harrison took what he heard to heart. He returned home to write a report that recommended, among other things, that the British help solve the DP problem by granting visas for entry into Palestine to 100,000 Jews.

Bevin refused to accept this. Instead, he brought up again the proposal for an Anglo-American Committee of Inquiry. This the Truman administration now agreed to. The Committee was composed of five Britons and five Americans. It had two co-chairmen, Joseph E. Singleton, head of the British delegation, and Judge Joseph C. Hutcheson of Texas, head of the American delegation. The Americans included Bartley C. Crum, a prominent lawyer who was not Jewish but proved to be especially sympathetic and understanding of the plight of the refugees.

At the Jewish Agency-American Section, we set to work preparing for the hearings the new commission was to hold, first in Washington and then in Palestine, before retiring to neutral ground in Switzerland to write its report. The team we organized to assist the commission was a mixture of political and economic experts.

I worked with the economists, one of whom was David Horowitz, then Eliezer Kaplan's assistant and later the first governor of the Bank of Israel. Another was Oscar Gass, of the Washington consulting firm of Robert R. Nathan Associates. Just before the commission convened, there was published *Palestine: Problem and Promise,* a massively detailed exposition of the economic case for a Jewish state, which Gass had written in collaboration with Robert Nathan and Daniel Creamer.

Shertok was in charge of the political side, co-ordinating the presentation of the Zionist case and lining up the witnesses whose testimony we wanted the committee to have. The hearings in Washington and Palestine turned

out to be an exciting international show as our witnesses argued for a Jewish state and the witnesses introduced by the Arabs challenged that idea.

Months passed before the committee produced its voluminous report. Summed up, it expressed the opinion there was no easy answer to the "Palestine Problem," but partition might open the way to a solution. Meanwhile, the commission urged, 100,000 Jewish immigrants should be admitted to Palestine.

Bevin really blew up when he received the report. Apparently, he had taken it for granted all along that the Anglo-American committee would come up with some kind of whitewash for British policy. Instead, he found himself in the thoroughly untenable position of having sponsored an inquiry whose findings he was refusing to accept. He wriggled out of the dilemma by dumping the "Palestine Problem" right into the lap of the fledgling United Nations Organization.

Bevin called for a UN commission to investigate and recommend what should be done to resolve the dual problem of Jewish homelessness and conflicting Arab and Jewish claims to Palestine. Many months more were to pass while the UN body went over the same ground as the Anglo-American committee, and we made another intensive, exhausting effort to present our case effectively. It was the autumn of 1947 before the commission presented for action by the United Nations General Assembly a report recommending partition of Palestine into an Arab and a Jewish state.

More than two years had passed since the American Section of the Jewish Agency had started in business with two basic missions. One was to mobilize the economic and financial resources needed to maintain the viability of Palestine's Jewish community—the activity in which most of my time had been spent. The other mission was to advance diplomatically and politically, in the United States and in the international community, the struggle for a Jewish state in Palestine. This had been a tortuous and repetitive process, complicated by ideological controversy within the Zionist movement. But those willing to accept a partition of Palestine had prevailed, and a successful end was now in sight.

While so much progress was being made so painfully on the fronts outside Palestine, the country itself was slipping into ever-deepening turmoil, and the Yishuv was developing the means to defend itself militarily.

Palestine's Jews had not forgotten the bloody massacre Arabs had carried out in Hebron in 1929, or the guerilla raids they had been conducting against Jewish settlements since 1936. These had gone on right through World War II. The Jewish community had a defense force, Haganah, which dated back at least to 1920 and which, through most of the time they held the Palestine Mandate, the British compelled to operate clandestinely.

Some 30,000 Palestinian Jews served in Allied armies during World War II. A large proportion of them were in the Jewish Brigade which fought as part of the British Eighth Army in the bitter and bloody campaign that for nearly two years raged all the way up the Italian Peninsula. Now, this tremendous reservoir of military experience was used by The Jewish Agency Executive to reorganize Haganah from a collection of local militias into a more cohesive and professional force.

Haganah soldiers had the excellent training the British themselves had given to most of them, and they had whatever arms could be smuggled into Palestine, but they were forced to operate as underground guerillas. The British authorities tried their best to suppress Haganah, not to help it defend Jewish settlements against Arab raids. Whatever military aid the British were giving in the Middle East was going to Arabs, not Jews.

Under the tight control of The Jewish Agency Executive, the Haganah restricted itself to actions calculated to defend the Yishuv. Meanwhile, members of the Zionist-Revisionist Party, organized by Vladimir Jabotinsky back in 1925, started their own military force, calling it Irgun Zvai Leumi, the People's Army. Irgun's guiding principle was that the time was ripe for military action to achieve the Jewish state. They were fewer in number than the Haganah, but more aggressive. They were also less disciplined and occasionally downright irresponsible.

Even more extreme than the Irgun was a more openly terrorist group known as the Stern Gang or Lechi. Their idea was to harass the British so much through guerilla warfare that they would simply throw in the sponge and leave Palestine.

To this day, the argument goes on about which of these forces was the most effective. My view is that the Haganah, by its exercise of restraint and discipline, served the interests of the Jewish community best. That was a time when the Yishuv had to show the world that the Jews of Palestine were a mature and responsible community, fit for nationhood. A good many Irgun and Stern Gang operations turned into public relations disasters whose effects we in America had to work hard to overcome.

As Foreign Secretary Bevin was more and more frustrated in the political and diplomatic effort to maintain British control of Palestine, the British authorities inside the country took ever more repressive actions. Certificates for legal Jewish immigration into the Mandate were issued in limited numbers, never more than 1,500 a month—and far less in most months—at a time when hundreds of thousands of Jews in the DP camps were clamoring desperately to go to Palestine.

Jewish settlement activity in Palestine was harassed from two directions. The British authorities, who had the decisive say in such matters, drastically

limited the area in which Jews were permitted to establish settlements. The Arabs, for their part, were carrying out more and more attacks against Jewish settlements.

Larger numbers of British troops were brought into Palestine—to "maintain order," it was claimed. There were Jewish attacks on British roadblocks and outposts, with casualties and loss of life on both sides. On June 29, 1946, the British acted to bring the deteriorating situation inside Palestine to a head.

I remember the day vividly; it was a Saturday and happened to be my wedding anniversary. My telephone at home rang very early that morning.

There was news that the British had just raided the Jewish Agency's headquarters in Jerusalem. They had chosen the Sabbath because they knew no one would be in the office. Simultaneously, they went to the homes of all the members of the Executive and seized every one of them they could find. Those captured were confined in a prison camp at Latrun.

It is with a sense of irony and, still, some bitterness that I recollect the names of men jailed that day by lawless British police action—Dov Joseph who would become Israel's minister of justice; David HaCohen, a leading Mapai politician who was to serve the Government of Israel in many forms. Another was Moshe Shertok, gentle intellectual and quintessential diplomat, with whom the British would eventually have to negotiate when violence availed them nothing. Still another was Rabbi Judah Leib Maimon, a great spiritual leader and profound scholar as well as a leader of religious Zionism.

The British military police would have jailed David Ben-Gurion, too, but the agency's chairman was out of the country on a mission in Paris on that fateful day. Nor could the police catch Treasurer Eliezer Kaplan, who was in America, and Moshe Sneh, the Executive member in charge of Haganah, who was in Haifa. Sneh, disguised in women's clothing, was smuggled down to the harbor where he boarded a ship and made good his escape from the country. He was soon to surface in such places as Paris and my own office in New York.

Later that Saturday, word came to us in New York that Ben-Gurion was leaving Paris by plane immediately and would be in New York the next day, Sunday. He wanted us to set up at once a special meeting of the American Zionist leadership to see what could be done on our side of the Atlantic about the turn events had taken in Palestine. His request fitted our mood exactly. We were all astounded and shocked by the British action, and determined to answer it immediately.

I got on the phone to discuss the meeting with various colleagues. Although it was the Sabbath, I managed to assemble a goodly number of the office staff and we went to work rounding up attendance and making plans

for the meeting with Ben-Gurion, which was to be held on Sunday under the auspices of the American Zionist Emergency Council.

The next day, a few of us went out to the airport to meet Ben-Gurion and bring him directly to the meeting. What he had to say led us to believe that The Jewish Agency-American Section was about to add a third assignment to its political-diplomatic and economic functions. The nature of this new mission was to be military.

5
Haganah

THE BRITISH OPERATION OF JUNE 29, 1946, WHEN MILITARY POLICE searched the Jewish Agency's headquarters in Jerusalem and arrested as many members of the Executive as they could catch, was pivotal in the sequence of events that led eventually to the establishment of the State of Israel. A significant number of the Yishuv's leaders were jailed, but their chief hastened to New York, his mind made up on the most crucial questions.

David Ben-Gurion now knew the course the Jewish people would have to follow in order to win an independent state in Palestine. It would not be negotiation with Great Britain. There would have to be a diplomatic struggle at the United Nations, to be waged, we hoped, with the help of the United States at the urging of American Jews. And, Ben-Gurion was convinced, there would have to be a military struggle, possibly against the British but certainly against the Arabs, who never would willingly give up the territory the Jewish state needed.

Once this grand stategic vision was fixed in his mind, Ben-Gurion thought through carefully and in great detail the steps required to implement it. The first item on his agenda was mobilization of the American Jewish community to carry on the political effort that was necessary in the United States. This he could accomplish without great difficulty. The organizational structure for this phase of the struggle for independence was already in place. It required only intensification of the activities of the Jewish

Agency offices in New York and Washington and of the Zionist Emergency Council and its affiliates.

Ben-Gurion arrived in New York from Paris on Sunday, the day after the British raids. He was driven from the airport directly to 342 Madison Avenue, where a meeting of American Jewish leaders, summoned overnight by the AZEC, was about to convene. His message to them was simple and direct:

"The arrest of the members of the Jewish Agency Executive in Jerusalem is a provocative and hostile act. It has to be met with firmness and decision by Zionists everywhere. The Jews of Palestine will settle for nothing less than a Jewish state."

When I look back on those days immediately after the British raids, it seems I was always rushing out of the office to some meeting or other, a good many of them involving the stocky presence of Ben-Gurion with his granite features and mane of white hair. As the leaderships and staffs of the AZEC and the Jewish Agency-American Section responded to the raids with an almost frantic burst of activity, the world reaction came rolling in. Public opinion everywhere viewed the British police action as punitive in nature and uncalled for. Foreign Minister Ernest Bevin had acted out of pique and would live to regret it.

Ben-Gurion's statements to those meetings were very plain and very clear. The die was cast, there could be no going back, he warned. Now, the only possible solution was an independent, sovereign Jewish state. Either American Jewry would join him in the struggle for independence or he would go back to Europe or Palestine to fight it out there all by himself, if he had to.

Within a few days, Ben-Gurion was satisfied that the political battle in America was well under way. He turned his attention to the task of preparing the Jewish community in Palestine for the inevitable conflict.

This was a far more difficult and complicated problem. The Mandatory Power held Palestine in a very tight grip. Under British military rule, the arming of the Jewish community could never be carried out openly. Ben-Gurion decided to create American representation for Haganah, the Yishuv's underground defense force, to develop sources of supply and carry on other essential work that could be done with speed and efficiency only in the United States.

He asked an old friend, Rudolf Sonneborn, to convene a meeting of important and sympathetic American Jews to whom Ben-Gurion could explain the Yishuv's defense needs. Scion of a well-to-do Baltimore Jewish family, Sonneborn had become a Zionist in his youth, at a time when that was unfashionable for young men of his class and upbringing. He had served as secretary of the Zionist Commission to the Versailles Peace Conference in

1919 and had been a leader in Zionist political and fund raising activity ever since. Over the years, Ben-Gurion had developed an affectionate regard for him.

The meeting was held in Sonneborn's Manhattan apartment on East 57th Street on a Sunday morning, just a week after Ben-Gurion's arrival. The response was immediate and encouraging. Sonneborn's guests assured Ben-Gurion of their full cooperation in whatever had to be done to assist the Haganah.

Eliezer Kaplan, who was also at the meeting, came away very pleased with its outcome. As treasurer of the Jewish Agency, he called me in to acquaint me with decisions he and Ben-Gurion had taken. I was to be involved in their financial implementation. Thus began two years I have always looked back upon as the most exciting and adventurous of my life.

A branch of Haganah, equivalent to a military mission that a sovereign government might send, was already being set up in New York. At first, until the arrival of its permanent chief, Yaacov Dostrovsky (later Dori), this "mishlachat" was to be headed by one of Ben-Gurion's closest personal associates, Reuven Zaslani, who was in New York with him. An able operative, utterly loyal to "B-G," Reuven would later change his name to Shiloah and serve the State of Israel in a number of key diplomatic assignments.

The mishlachat was to concentrate on four specific areas of work. One section would be devoted to the needs of Aliyah Beth, the so-called "illegal" immigration of Jews to Palestine. It would be responsible for obtaining ships, refitting them, registering them under flags of convenience, manning them, supplying the crews with suitable papers, and taking care of a myriad of other details. Heading this section would be Danny Zev Shind, whom I would get to know very well and regard with warm personal affection.

A second section of the mishlachat would be concerned with the procurement of arms and military equipment. This included two principal elements: the purchasing of guns and other hardware already in existence and available, and the acquisition of machines and other essentials for a military factory to be established in Palestine itself. Mishlachat chief, Dori himself, would be responsible for immediate procurement and an engineer would be sent out from Palestine to handle the factory problem.

A third section was to be assigned responsibility for the recruitment of personnel. In charge would be a Major Wellesley Aaron, a one-time British officer, who had emigrated to Palestine. He was to be assisted by Abba Hillel Silver's son, Daniel.

The fourth section was called "michtavim," the Hebrew word for "letters." Its functions were to be propaganda and intelligence.

The group of Americans who had met in Rudolf Sonneborn's apartment

was later formally incorporated under the name "Materials for Palestine, Inc.," but we usually referred to it as the Sonneborn Institute. The Institute was to support the Haganah mission in any way the mishlachat thought could be helpful—to raise money, to solicit or point out supplies of material that might be useful to Haganah in Palestine, to let other Americans in a position to be of assistance know, as discreetly as possible, the purpose of the mishlachat and the ways they could help it.

A budget of $10 million was drawn up for all this. My instructions from Kaplan were very clear. It was anticipated that the Sonneborn Institute would be able to raise the $10 million. Pending collection of the funds, I was to use whatever financial resources were at hand, whether from our bank loans, from special solicitations and Jewish Agency promissory notes, or if necessary, from our UJA income. Under any and all circumstances, I was to do my utmost to supply the money needed for the work of the mishlachat. Dori would both sign and countersign all requisitions, and this was to be all the authority I would require. Under no circumstances was I to communicate with Jerusalem on these matters—not by telephone, not by cable, not by letter.

Materials for Palestine, Inc., was directed by Julius (Rusty) Jarcho, whose wife had once been Dr. Weizmann's secretary. Rusty organized meetings, established committees in a number of industries, followed up leads to useful goods in kind, and attempted to raise funds. The fund raising effort soon had to be abandoned as a serious source of money. We simply could not compete with the United Jewish Appeal which, under Henry Montor's inspiring direction, had just raised $100 million in one year and in the next was out for $150 million, sums far larger than anyone had dreamed possible up to that time. However, the Sonneborn Institute rendered yeoman service in other ways. Materials if procured piled up at an out-of-the-way pier we rented at Potts Cove in the New York City Borough of Queens, whence they were shipped to Palestine.

The four divisions of the mishlachat operated simultaneously but independently of each other. Only three people were aware of the full scope of what was being done—Dostrovsky, Maurice Boukstein, who was serving as legal counsel, and I. Boukstein and I were spared the intimate details; we were told only what we had to know and nothing more.

In the Aliyah Beth section, Danny Zev Shind took charge and began working wonders. He had natural executive ability, a ready smile, and an affable personality that made people want to help him. He found vessels to buy or charter and developed contacts with the people who could get them properly registered and ready for sea in their new incarnations as immigrant transports.

Danny had gotten into this line of work by sheer accident. Having immigrated to Palestine from eastern Europe, he settled in Kfar Szold near Haifa, where he became the kibbutz's chief shepherd, in charge of the production of wool. One day, the story went, the kibbutz received word from Histadrut headquarters that someone knowledgable about "sheeps" was needed. They sent Danny as their resident expert. It turned out that Histadrut wanted someone who knew about the ocean-going, not the four-legged, kind. Apparently, nobody turned up who knew more about ships than Danny, so he got the job.

Danny was greatly assisted in his efforts in America by Dewey Stone in Boston and Morris Ginsberg in New York. The Ginsbergs were a well-known Zionist family in Brooklyn whose business interests involved the ownership and chartering of ships. Their firm, the American and Foreign Shipping Company, provided many connections to people who could do the things we needed done.

Another person whose assistance was immensely valuable to Danny was Sam ZeMurray, head of the United Fruit Company. ZeMurray was an international mystery man who operated largely in Central America. United Fruit had a monopoly on the banana trade which was vital to the region's economy, and ZeMurray made and overturned governments at will according to his business needs. He was one of the richest and most powerful men in the United States, yet ZeMurray was able to avoid publicity and keep his name out of the newspapers. The only condition he put upon his aid to the mishlachat was that he never be publicly identified and that the entire relationship be treated with the utmost discretion. Danny was always making trips to Boston or New Orleans to see people to whom ZeMurray directed him for papers of registry for ships and visas for crews.

The acquisition of vessels and proper documents was just the beginning. The ships always needed overhauling to be ready for sea and refitting to be usable by Aliyah Beth. Tiers of bunks were crammed into the holds of freighters so their passengers would have quarters for sleeping when they came on board. All the accommodations—latrines, galleys and so forth—were terribly crude. These vessels were never designed to carry hundreds of men, women and children for the several days it took to cross the Mediterranean Sea from southern Europe to the shores of Palestine, so our people had to improvise the necessary facilities the best way they could.

I remember inspecting one of these ships in the company of Shind and Joe Boxenbaum, a former United States military transportation officer who had been recruited by Haganah. The ship was tied up at a pier on Staten Island, being outfitted for its voyage across the Atlantic to pick up a load of refugees from Europe's displaced persons camps. To my surprise, I met aboard the

ship a young fellow I knew well, Ari Leon Lashner, younger brother of David, one of my boyhood friends who now lives in Atlanta. We had all grown up together in the old Bedford Stuyvesant neighborhood in Brooklyn.

Leon had been a babe in arms when I first met him, but here he was in 1947 grown up and supervising installation of the ship's radio and other communication and navigation equipment. He was going on the voyage as the wireless officer and the Haganah representative in charge. Leon's young wife made the trip with him. The ship did pick up its passengers and reach Palestine, where the Lashners joined the kibbutz at Kfar Blum.

How I wish their story had a happy ending! A year later, about a month before statehood was declared, I received a telephone call from Haganah headquarters in Tel Aviv, informing me that Ari Leon Lashner had been killed. He was shot by a sniper as he crawled out into a field at Kfar Blum to repair a severed telephone line. I had the sad duty of conveying the news to his brother.

Joe Boxenbaum's is another, happier story. He came from a very active Labor Zionist family and served in the U.S. Army during World War II. When asked to place at Haganah's disposal the maritime expertise he had acquired in the service, he had the encouragement of his family and readily agreed. After independence, he settled in Israel where he ran an automobile agency and continued doing whatever he could to be helpful to the new State.

In the summer of 1946, early in the mishlachat's organizational process, I received notice from Yaacov Dori that the engineer coming from Palestine to arrange the establishment of an arms factory there would arrive in New York in a few days. I was asked to look after him. Sure enough, a few days later, Chaim Slavin materialized—a stocky, fair-haired man with piercing blue eyes.

Somehow, passage had been wangled for him aboard a U.S. miltiary air transport which, although much faster than a sea voyage, was in those days a very uncomfortable way to travel. Slavin boarded the plane in Cairo, was handed a blanket and assigned a spot on the floor of the cargo bay in which to bed down. That was all Slavin, who spoke absolutely no English, knew until the long flight ended at Idlewild Airport, on the edge of New York City. Slavin had only Yiddish and Hebrew to help him find his way, but it took him only about an hour—a fast time for the trip—to reach my office and get down to business.

What he was looking for, Slavin explained, was somebody who had a factory with certain types of machines and who was willing to help him. I thought at once of Dewey Stone's closest friend, Harry Levine, in Leominster, Massachusetts. During the war, Dewey and Harry had bought the York

Safe and Lock Company in York, Pennsylvania, and converted the plant to war production. Now, the plant was shut down, awaiting retooling so it could resume making peacetime products. I told Slavin I believed I knew the man he wanted.

"When can I see him?" Slavin asked.

"I don't know," I said. "I'll call him and find out when he will be in New York."

"I can't wait," Slavin shot back. "I must see him today!"

I got Levine on the telephone, explained I had with me someone from Palestine whom he should see right away; his business was extremely urgent. When I repeated what Slavin had told me, Levine said: "OK, send him up at once and I'll talk to him."

Luckily, we were able to book Slavin on a commercial flight to Boston that was leaving LaGuardia Airport within the hour. Otherwise, we would have had to hire a private plane for him. Chaim Slavin was not one to stand for any delay in his mission or take no for an answer.

I later heard from Levine that, after Slavin arrived at his office, the two of them talked for about half an hour, then left immediately to fly to York, Pennsylvania, in a chartered plane. Within hours of reaching New York, Slavin was hard at work in the plant in Pennsylvania.

Chaim was absolutely indefatigable. He worked 364 days a year. The one day he took off was Yom Kippur, and he spent it sleeping. The rest of the year, he worked sixteen to eighteen hours a day. While with us, he was endeavoring to assemble a complete factory for the manufacture of infantry weapons—rifles, pistols, machine guns—and the ammunition for them. Once he acquired the machines and the other equipment he needed, the really difficult problem was how it was all to be shipped into Palestine past the rigid British controls on incoming cargoes. That was handled, however, with considerably less difficulty than I anticipated.

Using York Safe and Lock as his base, Slavin collected the necessary equipment for his factory. Then he dismantled the machines and crated them as innocent looking building materials. Chemical materials he handled in accordance with advice given him by Dr. Ernst Bergmann, a chemist who was Dr. Weizmann's assistant. The two met in my office one day and Slavin described to Bergmann what he had done at the York plant.

"Give me half an hour, please," Bergmann said, "and I will tell you what to do." He retired to a private room with paper and pencil. In about thirty minutes, he came back, a list in his hand.

"Buy these items," he told Slavin, "and ship them to Palestine with your other equipment. Then we will tell you what to do next."

Bergmann's list consisted of paint, the lead used in paint, and related

materials. These were ingredients which a competent chemist could readily convert into the bullets and powder that the weapons turned out by Slavin's machines would require once production was begun in Palestine.

This was a time when the British authorities, concerned about expenditures of precious foreign exchange as well as the possibility of contraband shipments, were keeping very close watch on imports to Jewish Palestine. The one category of cargo about which they were being lenient was building materials. World War II had lasted more than five years, construction in Palestine had pretty well stopped, and maintenance was perforce grossly neglected. The British were looking with a kindly eye on imports of goods and materials that would stop widespread deterioration of buildings and spruce up the appearance of Palestine's cities and towns.

Taking advantage of the loophole with great ingenuity, Slavin packed his dismantled machines and his supplies into shipments of building materials and agricultural equipment. Over a period of months, he managed to have his whole plant smuggled into Palestine without the British realizing what was going on. His factory was set up and operating even before the British evacuated the last of their forces from Palestine on May 14, 1948. During the War of Independence and for years afterward, the plant produced a substantial portion of the weapons used by the Israel defense forces. Much first class, modern weaponry—like the Uzi machine pistol, standard today in many of the world's military and paramilitary forces—originated in Slavin's factory.

A taciturn fellow and a compulsive loner, Chaim Slavin seemed incapable of resting or relaxing. He worked very hard every day he was with us and turned down all invitations to join us in our occasional recreations. He was a driven man who felt he was in a race against time to get his job done. He completed his mission in America with truly remarkable speed. Everything was ready for shipment to Palestine by mid-November 1946.

Ben-Gurion sent a direct order for Slavin to stop in Europe on the way back to Palestine to rest for a few weeks; he was not to come home until he had done so. Since several of us were going to the Zionist Congress in Basle, Switzerland, that December, Slavin decided to come along and meet some of his counterparts in Europe. After the Congress, a group of us proceeded to Paris where Slavin decided to indulge in his mandatory rest and recreation by going out with us to a night club.

As we watched the show at the Casino de Paris, Chaim suddenly burst into roars of laughter. People turned to glare at him and he became quiet. A few minutes later, he began laughing loudly again, to the great annoyance of everybody around us. Nothing funny was happening on the stage.

What had amused him so much we asked Chaim after leaving the theater.

He understood French no better than he did English and could not really follow the performance. Chaim had reasoned, however, that since the show was supposed to be his means of relaxation and enjoyment, he ought to laugh to show he appreciated it.

Slavin was an individualist who accomplished his greatest feats with practically no help. He was never meant to be part of an organization; the successes of his country or of the cause in which he labored so devotedly seemed to mean little to him. In the summer of 1948, he was back in New York, holed up in a cramped little room at the modest Hotel 14, 14 East 60 Street. On the day Israel was admitted to the United Nations and its flag was being raised among those of all the nations of the world on display at Flushing Meadow, Slavin was not elated like the rest of us.

Instead, he was complaining to me bitterly: "Here I am, trying to do a job, and they have no money for me. They cut my budget, but they have the money to send Sharett on this fancy trip and put him up at the Waldorf Astoria. How much is a room at the Waldorf? How much is my room here? Why can't he stay at Hotel 14, too? They could give me the difference in cost to help get my job done."

That was Chaim Slavin, engineer, a strange and lonely man whose historic achievement, the smuggling into Palestine of a complete munitions plant, proved absolutely vital to the infant State of Israel as it fought off invasion by seven armies. About a year later, they had to relieve Slavin as director of the factory he had created from nothing. As the War of Independence ended and the pressures eased, he simply could not function as part of a team or tolerate any longer the discipline of working within a bureaucracy. Until he died a few years ago, Slavin spent the rest of his life building housing for immigrants, working pretty much on his own.

Another executive of a very different type was Major Wellesley Aaron, who headed the mishlachat section charged with recruiting personnel. Named for the most famous general in British history—Arthur Wellesley, the Duke of Wellington, who defeated Napoleon at Waterloo—Aaron was the picture of what a British officer is supposed to be. With his mustache and erect bearing, he always seemed to be carrying an invisible swagger stick.

All over the United States in 1946–47, there were young veterans of World War II who had training and experience Haganah needed desperately. Aaron, in his clipped British speech, knew how to communicate with them, how to fire their imaginations and enlist them in the service of the Jewish people.

Hundreds of these young Americans—not all of them convinced Zionists, some of them not even Jewish—manned the ships of Aliyah Beth and fought bravely in Israel's War of Liberation. Many gave their lives so there would be

a Jewish state, a land where Jews would live safe from persecution and free to develop to their full potential as human beings.

Michtavim, the fourth section of the mishlachat, was to me an intriguing and mysterious operation. The men working in it were very discreet, always taking pains to avoid being obvious or too well known, even to us, their comrades in the Haganah. All these years later, however, there are one or two stories about michtavim that really ought to be told.

The section's first chief was Reuven Zaslani, who was an experienced intelligence operative. From the beginning, michtavim bore his stamp. One day, according to one story, Zaslani, on some errand or other, rushed into the street outside our office at 342 Madison Avenue, hailed a taxi and jumped in. "Where to, Bud?" asked the driver. "I'm sorry," was Zaslani's reply "I can't tell you. It's classified." Shocked, the cabbie turned on him: "What kind of nut are you? Get out of my cab!" I don't know whether or not the story is apocryphal, but it fits Zaslani's character.

One thing the michtavim boys did was to find out all about the limousine services which the delegations to the United Nations used for trips between their offices in midtown Manhattan and the UN facilities at Flushing Meadow and Lake Success on Long Island. Every mission used one or more of these services. It turned out that a number of the companies were Jewish-owned and many of the drivers were Jews. Before long, Zaslani had organized a surveillance operation that was "bugging" limousines used by Arab delegations.

Our people listened to the recordings, transcribed pertinent portions and, for some reason I never did fathom, decided to store the originals in a safe deposit box. I learned about the operation when they asked me where they could rent a box big enough to hold all this material. I don't think the recordings produced much useful information, although some proved to be entertaining. I remember one dealing with the sexual frustrations and misadventures of some of the Arab diplomats. New York was not turning out to be the Garden of Eden they had expected.

During the nearly two years it existed, the Haganah mishlachat in New York was commanded by a series of extraordinary men, possessed of great imagination and leadership ability. The first chief of the mission, the aseticlooking intellectual, Yaacov Dori, was a genius at organization. He was recalled by Ben-Gurion at the end of 1946 to take over all planning for the military defense of the Yishuv in Palestine. He created a general staff and laid the foundations for every element of a modern military establishment. All this was begun a year and a half before statehood, which is a tribute to Ben-Gurion's foresight about what would happen to the Jews of Palestine once they declared themselves an independent nation.

Dori was succeeded at the mishlachat by Hi Izsacharov, whose time in

New York was cut short by ill health. His successor was Shlomo Shamir, one of whose accomplishments was the recruiting of Colonel David "Mickey" Marcus, West Point graduate and brilliant U.S. Army staff officer in World War II, to assist in reorganizing Haganah into a modern military force. Marcus lost his life in that endeavor when on a night time inspection of the front around Latrun, he and a green Israeli sentry misunderstood each other and Marcus was shot dead.

Shamir was instinctively a dashing soldier. This aggressive quality was recognized by Ben-Gurion who, as independence neared and a desperate military situation approached its crisis, recalled him to Palestine to take a field command. In the War of Independence, Shamir was the general who had to send into unequal combat with the heavily armed, well-trained Arab Legion the raw, ragtag but valiant troops who fought the crucial battles around Latrun for control of the road between Tel Aviv and Jerusalem. The terribly heavy casualties they suffered have clouded Shamir's military reputation ever since.

Teddy Kollek, who has rendered so many signal services to the State of Israel, most recently as the Mayor of reunited Jerusalem, headed the Haganah mishlachat in New York for a time. Its last chief was Victor Avrunin, a Detroit-trained American engineer, who had emigrated to Palestine. With the establishment of the State of Israel, a Haganah mishlachat in New York was no longer necessary and its functions were taken over by the appropriate departments of Israel's Provisional Government.

The mishlachat performed many services—perhaps miracles is a better word for some of them—that proved to be vital to the survival of the State of Israel when it came under military attack even as it was being born. Chief among these accomplishments was the procurement in the United States and Canada of large quantities of military supplies. Most of these were obtained quite legally, but not without difficulties and misadventures. Maurice Boukstein and I spent a lot of time in rescue missions of one sort or another.

Early in 1947, Yehuda Arazi arrived in New York to help in procuring these supplies. He had been remarkably successful at this in Italy and was one of Ben-Gurion's fair-haired boys. But America was different from Italy, as Arazi soon found out. He was very discreet and very close-mouthed; he would share information classified as secret or confidential with absolutely no one.

Arazi busied himself buying explosives and other supplies of World War II manufacture, which the United States Army was disposing of as surplus at arsenals around the country. His assignment was not only to purchase such materials but to transport them, store them and arrange shipment to Palestine.

Several months earlier, mishlachat operatives had made contact with a Jew

named Zimmel Resnick, who had a farm near Lakewood, New Jersey. A devoted Zionist, Resnick was ready to sacrifice everything he had for the cause. His barn became a depot where much of the explosive material bought by the mishlachat was stored and repacked for shipment, usually in crates, trucked down to the docks in Jersey City to be loaded on vessels bound for Palestine.

As the winch was lifting some of them from the pier to lower them into the ship's hold, the sling broke, crates came cascading down, and at least one was broken. When the longshoremen examined them, they found the crates to contain cartons marked: "T.N.T., U.S. Arsenal, U.S. Army, Watervliet, N.Y."

The authorities began an investigation, of course. We realized quickly that we were in trouble. We formed a crisis committee that consisted of Emanuel Neumann, Arthur Lourie, Maurice Boukstein and myself. We decided that the services of a good criminal lawyer were essential and one of the first thoughts was of Murray I. Gurfein, later to serve with distinction as a Judge of the U.S. Court of Appeals for the Second Circuit of New York. Before the war, Murray had been a brilliant young assistant district attorney, prosecuting racketeers in New York. He had attained the rank of colonel in U.S. Army Intelligence and had been on the prosecuting staff at the Nuremberg Trials of Nazi leaders.

Murray understood immediately the grave danger we faced if this case got out of hand. It might become impossible for the mishlachat to operate in the United States. It took months of intensive effort to contain the damage, with meetings almost every night at Neumann's home on West End Avenue. But the case was finally settled favorably to us. Federal Judge Sylvester Ryan delivered a blistering scolding to the two of our boys who were the defendants, and then suspended their sentences.

Gurfein had done his job well. That evening, we met at the Agency office to tie up some loose ends and celebrate a little. We were congratulating each other and looking forward to getting home at a reasonable hour for some unbroken sleep at last. Suddenly, there was a telephone call from one of the Haganah boys: "There's trouble. I'm coming right over."

I returned to the gathering and asked the members of the crisis committee not to go home; we were about to receive a visitor with a problem. Very soon, Yehuda Arazi walked in.

He had bought more dynamite at Watervliet and arranged for a truck to carry it the 200 or so miles from the arsenal near Albany to the Resnick farm near Lakewood. In those days, before the Interstate Highways were built, this was a long, hard drive. Arazi's truckman had trouble finding the Resnick place and somehow wound up in Asbury Park. Exhausted, he parked outside a movie house and went inside to take a nap.

Local police in a patrol car tagged the truck for illegal parking. When the police car came that way again an hour later, the truck, which bore no markings, was still there. Curious, an officer peered under the tarpaulin covering the vehicle's contents and spotted the fatal legend: "T.N.T., U.S. Army, U.S. Arsenal, Watervliet, N.Y."

Within minutes, the entire police forces of Asbury Park and adjacent communities were mobilized. The truck driver, still sleepy-eyed, emerged from the theater and approached his truck, wondering what all the commotion was about. He was arrested and slapped into a detention cell; his truck was seized by the authorities. The press was to have a field day with the story. The least sensational of the next days' headlines would proclaim: "Enough Dynamite to Blow up Asbury Park!"

Our crisis committee was back on the job again. Instead of a free evening, we were confronted by the same old prospect of agonizing about the outcome of what could turn into a major criminal case.

Arazi asked us to arrange bail for the driver. As we sat considering this, another phone call came in: another truck had been apprehended. A few minutes later, there was still another call: a third truck had been stopped by the police. All were traveling the same route toward the same destination.

I slammed down the telephone and turned on Arazi in exasperation: "For God's sake; tell us how many truckloads you have shipped."

"I can't tell you," he answered. "That's classified information."

"Pretty soon," I said bitterly, "you're going to run out of truck drivers. We have to know how much money we need for bail."

Arazi was adamant. He told us nothing more.

In all, four trucks were stopped that night, and their drivers arrested. It took several months of legal proceedings to clean up the mess Arazi had made.

It is ironic that what he did was perfectly legal. It was lawful to buy the explosives which were offered for sale by the United States Government. The infractions of law lay in the method of transportation Arazi chose. The law required that these hazardous materials be transported by truckers licensed to do so, and that the vehicles be plainly marked with signs and red flags of warning. Then, there would have been no trouble at all.

But Arazi tried to economize. Unwilling to pay the high fees charged by the properly licensed truckers, he did what he and his colleagues often did in such situations. He found a friendly trucker who gave him a break in price, but who was not licensed to carry explosives. The outcome was a very troublesome and expensive four months, plus permanent loss of the cargoes confiscated by the authorities.

I can think of one other mishlachat operation that figuratively blew up in our faces. Some of the Haganah people managed to get into operation in

Toronto, Canada, a small plant for assembling sub-machine guns. After the first pistol was put together, a couple of the boys decided to bring it down to a farm in New Jersey where they could stage a demonstration firing for the chief of the mishlachat and members of a special Haganah delegation then in the United States. This would prove both the quality of the weapon and their success in carrying out their assignment.

They disassembled the gun to put it in the automobile for the drive to New York. Experienced in smuggling operations, they slipped the parts of the weapon underneath the front seat. Later, as they approached the International Bridge across the Niagara River between Canada and the United States, they stopped to buy a case of beer so they would have something to declare to U.S. Customs. This was a standard ruse in such situations.

They drove across the bridge, reached the customs station and went through their little charade.

"Anything to declare?", inquired the customs agent.

"Yes, one case of Canadian ale."

"You'll have to get out of the car, go over there and pay the duty to the cashier."

One of the couriers did as instructed, leaving the car's front door open. The customs man looked the vehicle over cursorily, noticed that the front seat was a bit awry, and bent over, apparently to adjust it. As he moved the seat, he must have been surprised to observe a piece of the dismantled machine gun. The couriers were taken into custody, and a telephone inquiry went to Canadian customs at the other end of the bridge: "What's this all about?"

That evening, two Royal Canadian Mounted Police officers rang the bell of a residence in Toronto. The lady of the house, a typical Jewish mother, came to the door. The policemen wanted to know: if a person whose name they gave was her son.

"Yes," she replied. Then alarmed by the sight of their uniforms, she blurted out: "But my son is not a Communist, he's a Zionist!"

The next day, the *Toronto Star* trumpeted the news that the Mounties had uncovered a Zionist arms conspiracy. Word of the mishap swiftly reached Yaacov Dori, who called in Boukstein and me. Boukstein flew to Buffalo immediately. There, he enlisted Judge David Diamond, retired from the New York State Supreme Court bench, and a good Jew, as attorney for the two operatives who had been arrested.

The factory building in Toronto was in Harry Levine's name. He never knew what was going on there until he read about it in his newspaper. Harry was a good soldier and he suffered in a tolerant spirit the trouble the incident brought him.

For us, again there were four months of worry and hard work. This involved, among many other things, a visit by our friend Robert Nathan, the Washington economist, to his friend, the Director of the Federal Bureau of Investigation, J. Edgar Hoover.

"Bob," Hoover asked, "were any Federal laws broken?"

Nathan answered: "I can assure you no laws of the United States were violated."

"Then," Hoover responded, "what the hell are we worrying about? Let's forget it."

In this case, there was the same irony. Transporting that gun into the United States was perfectly legal. Under the U.S. Customs Code, all the couriers had to do was label it as "disassembled machine parts" and declare it as such at the border station. Their attempt to smuggle it in, undeclared, stirred up a rumpus that cost us $50,000 in fees, fines and other expenses.

It would be unjust of me to leave the impression that we were a bunch of bungling amateurs, always making mistakes. All of us were fallible, it is true, and the Palestinians among us tended to be naive and unfamiliar with Americans and American ways of doing things. We were fast learners, however, and soon became competent professionals in a chancy, dangerous business. Working together, we pulled off some tremendous coups.

Our very last consignment, a load of guns purchased at a U.S. supply depot in Hawaii, reached Israel the day before independence was declared and the war began. The rifles were distributed to arriving immigrants as they got off the ship that brought them, to be rushed immediately into the heavy fighting on the Latrun front. The story is well known as one of the legends that truly reflect the glory of Haganah's achievements.

I recall with special pride a mishlachat deal of early 1948, in which I took a hand personally. Weeks before, the United Nations had passed a resolution that Palestine was to be partitioned into a Jewish and an Arab State. All our energies were now concentrated on gearing up for the military struggle we knew would inevitably begin when the British pulled out of Palestine and the Jewish state was declared to be in existence.

That February, Eliezer Kaplan telephoned me about the Israelis' desperate need for facilities for radio communication with the outside world. The British would certainly not leave their radio station behind when they departed. They would either take it with them or destroy it.

Haganah intelligence had learned of American equipment that the U.S. Army had used during World War II and the postwar occupation of Germany, which was then at Frankfurt. It was very modern and very expensive equipment, the most sophisticated available at the time. The Radio Corporation of America had operated it for the Army.

Kaplan urged me to get in touch with General David Sarnoff, then the chairman and dominant figure of RCA, about buying the equipment. I was to work with David Ginsberg, a young Washington attorney, who would coordinate the purchase, which, Kaplan emphasized, was absolutely essential.

I talked to Herbert Bayard Swope about arranging an appointment with David Sarnoff for me. The next day, Ginsberg and I went to Radio City to see the General. My first impression of him was rather a shock. He was considerably smaller than medium size, yet he was sitting deep in a huge swivel chair behind a huge desk. Every time he wanted to lean back in the chair, he had literally to hurl his tiny body against it. Also remarkable was the tremendous size of the cigar he was smoking. It left an observer in no doubt about who was the "big man" in that room.

Briefly, we outlined to Sarnoff the object of our visit. We told him Haganah must get its hands on that equipment in Frankfurt, which was being dismantled for shipment back to Americas.

Sarnoff exploded: "I can't give you that equipment! It doesn't belong to me."

"General," I replied, "we're here to negotiate a purchase. We're not looking to you for any gifts."

That was altogether a different matter. Sarnoff began pressing buttons and making calls on his intercom to put the deal on track. A few days later, we were informed we could buy the equipment but delivery would be made only in Frankfurt and nowhere else. Ginsberg and I answered that we would be happy to take delivery in Frankfurt, and the deal was closed.

I can no longer recollect the cost of that precious communications equipment, but it must have been several million dollars. The Haganah people in Tel Aviv were notified of the acquisition and they dispatched some of their experts to pack and ship the merchandise so it would get through the British blockade.

At the same time, the mishlachat's recruitment section in New York contacted a Dr. Dale Pollack of New London, Connecticut, who was a highly regarded expert in the field of radio communication. He agreed to be in Palestine when the equipment arrived, so he could supervise its reassembly.

Then, we worried for several weeks until word came that the equipment had been successfully gotten out of Germany, and most of it delivered safely at the port of Tel Aviv. A few crates were lost because the crew of the lighter on which they were transferred from ship to shore was careless. The sea was a little rough and the improperly secured crates slid off the barge into ten feet of water off the Tel Aviv sea wall.

However, enough of the equipment was landed and taken to Haganah

headquarters so a functioning radio station was assembled by 14 May. Its signal was barely strong enough to reach Dale Pollack at his private ham station in New London. That became the first direct channel of communication to the United States from the newborn State of Israel.

I got an unexpected telephone call at home on Friday evening, 14 May, the day Israel's independence was declared. It was from Dale Pollack who had a message for me from Israel. The foreign ministry was trying to get news from New York. They had attempted to reach first Abba Eban and then Arthur Lourie and had failed. Both diplomats were out at Flushing Meadow where the United Nations Security Council was debating whether to postpone implementation of the Palestine Partition Resolution. Then, somebody on the Tel Aviv end of the radio link had remembered my name.

The question relayed to me through Dale Pollack was: "Is it true that President Truman has recognized the new State?" It was. Maurice Boukstein and I had heard the marvelous news on the car radio as we drove home to Brooklyn. I instructed Dale to tell the Israelis to whom he was talking in Tel Aviv, whoever they were, that the United States Government was extending *de facto* recognition to their country's Provisional Government.

Within 24 hours, there was a direct hookup between Tel Aviv and New York through Pollack's station in New London. That night, we in New York heard the sound of Arab shells explode in Tel Aviv. This was the line of communication that passed on to us news of the decisions and appointments being made by the Provisional Government of Israel.

When we tried to send our own messages back to Tel Aviv over the same hookup, we received a very curt reply:

"This is an army facility. Please do not bother us, we are very busy. Use the cable."

We knew the Haganah mishlachat's job in New York was finished.

6
Zionist Politics

FROM THE TIME OF THEODORE HERZL, THE BASIC POLICIES AND PROGRAMS of the World Zionist Organization were decided and the Executive charged with carrying them out elected by a democratic process. These decisions were taken by majority vote of the delegates whom the Zionist movement affiliates dispatched in numbers proportionate to their membership in each country, to international congresses held every four years, except when wartime conditions made it impossible.

The Twenty-first Congress was held in 1939 very shortly before World War II broke out, separating the members of the Executive and driving underground the Europeans among them, even as it brought unprecedented catastrophes down upon the Jewish people. Throughout the War, which lasted past the time when a new World Congress should have been held, the Executive members in Palestine and America had to assume responsibility for making, on behalf of the entire Zionist movement, decisions that vitally influenced its future course.

Dominant among these members of the Executive were David Ben-Gurion, as chairman of the Jewish Agency in Jerusalem, and Chaim Weizmann, as president of the World Zionist Organization, who spent much of the war years in New York. It was they who, sometimes individually or by unspoken consent, made the basic decisions that led to the establishment of a permanent Jewish Agency office in New York, then expanded its functions

and turned it into the Jewish Agency-American Section, for which I came to work as comptroller and deputy to Executive Director Meyer Weisgal.

While the Jewish Agency was expanding its presence in the United States, the American Zionist movement was developing its own executive body, also headquartered in New York, the American Zionist Emergency Council, with Rabbis Stephen S. Wise and Abba Hillel Silver as its chairmen. After the 1946 World Zionist Congress, Silver became the sole chairman. The Council's staff was expanded to include such able and energetic professionals as Arthur Lourie, Benjamin Aksin and Harold Manson. Also taking an important part in the Council's leadership was Emanuel Neumann, a member of the Jewish Agency Executive in Jerusalem in the 1930's, who had returned to the United States when World War II broke out.

Although the professionals in the two bodies collaborated well in areas where their functions overlapped, and a number of joint efforts were also carried out successfully, there was a potential for conflict on the leadership level—and there were times when open conflicts broke out.

I had met both Kaplan and Ben-Gurion at the Palestine Pavilion at the World's Fair in 1939. By 1945 or '46, we at the Jewish Agency-American Section regarded the presence of either or both of them in New York as rather a routine event.

Ben-Gurion never was politically or personally close to Kaplan. I doubt whether he developed personal friendships with any of his colleagues on the Executive, and Kaplan's admiration and friendship for Chaim Weizmann would have been enough to sour Ben-Gurion's attitude toward him. However, he had deep respect for Kaplan's *technisheh craft*—his mastery of finance and economics—and he simply turned over to Kaplan all such matters. This was not Ben-Gurion's turf and he would not get involved in it.

Such matters were the substance of my duties as comptroller and, consequently, I often worked closely with Kaplan. I traveled with him extensively when he was in America. He wanted me at his side to provide facts and background information on the people he met with and the subjects they were to talk about. I sat in on his meetings with representatives of the American Zionist parties and others with interests in Palestine.

I remember particularly a session with Numa Torczyner and some of his Belgian associates in the diamond trade, who had fled from Antwerp before the Nazis came. They were interested in reestablishing the industry in Palestine. Numa's son Jacques was to become an important leader in American Zionism, a president of the ZOA and a member of the World Zionist Organization Executive. From that meeting and others, I acquired an understanding of European Zionism that was to prove helpful later.

I came to respect Eliezer Kaplan greatly and to look up to him. There was much a young man like me could learn from him. A warm, friendly relationship grew up between us. I was pleased and honored by the trust he placed in me.

In the 1940s, just sending a simple message by cable from New York to Jerusalem, or the other way around, was quite a problem. There was no direct cable connection; all messages were routed through London and then Cairo. During the war, British censors and intelligence officials in both cities scanned each and every communication. This control of cable traffic to and from Palestine continued after the war as the conflict within the Holy Land intensified. As relations between the Jewish Agency and the Mandatory Power worsened, it became increasingly necessary for us to exercise caution in wording our cables between New York and Jerusalem.

For this purpose, we developed a practice of inventing innocuous code words and inserting them into seemingly normal commercial codes. However, when I needed to send Kaplan such complicated information as how much money we had received from UJA, how much money I had spent, how it was disbursed and what items still awaited payment, the coding process became terribly burdensome and time-consuming.

In July 1946, when he was in New York after the British raid on Jewish Agency headquarters in Jerusalem, Kaplan sat down with me to work out a more expeditious procedure for handling funds and authorizing disbursements. The flow of money from UJA was increasing steadily. Other funds were beginning to come in also as a result of special fund raising for Haganah in the United States and Latin America.

In view of the raid, Kaplan feared that relations with the British authorities would get much worse and soon it would be imprudent for us to communicate by either cable or letter, lest we compromise the Jerusalem Executive. Kaplan decided that, before returning to Palestine, he would give me full power of attorney to act on his behalf.

I was flattered by this expression of his confidence in me, but I realized that it placed a very heavy responsibility on my shoulders. I suggested that a finance committee of the Executive in New York be established to share the burden.

"I think you are borrowing unnecessary trouble," Kaplan said, "but if you feel more comfortable with a committee, then by all means one should be set up. Whom do you suggest as members?"

I mentioned the names of Nahum Goldmann, Rose Halprin, the president of Hadassah, and Hayim Greenberg, the Labor Zionist, as possible candidates.

"These are all nice people," Kaplan smiled, "and members of the Executive, too. But what do they know about finance?" He added, however, that if they were my choices, he would go along.

Kaplan moved on to another subject, disbursement of the funds he and Ben-Gurion hoped would be available for Haganah activities about to be undertaken in the United States. The financing—from the proceeds of the special fund raising for Hagannah and of any Jewish Agency notes I might issue—of what would be largely clandestine purchases would have to be handled by extraordinary procedures. This money was to be disbursed at the specific request of Haganah representatives in the United States, in accordance with general directives Kaplan and Ben-Gurion would issue to me.

Kaplan then suggested that there be an auditing committee of three—myself and two others—to review all expenditures made by the Haganah people. He proposed that we rent a safe deposit box in which to file adding machine tapes of all these expenditures, with the record of each expenditure to be initialled by all three members of the auditing committee. That way, if there was to be a Jewish state some day, representatives of its government would be able to see for themselves how much had been raised and spent in defense of that state.

Whom would I recommend as the other members of the auditing committee? Kaplan asked. When I answered, "Sidney Green," Kaplan held up his hand: "Stop right there. You and Sidney Green are good enough for me. I don't need anybody else."

Sidney Green is a well-known certified public accountant who in those days was working closely with Henry Montor at the United Jewish Appeal. Our work had thrown us together a lot and we were to make a good team.

Following Kaplan's suggestion, Sidney and I did rent a large safe deposit box. Instead of just summary tapes, we retained and filed full invoices, requisitions and memoranda covering the Haganah expenditures. Kaplan's remark about representatives of the government of a Jewish state coming to check on the money proved to be prophetic. In July 1948, an auditor named Kikayon from the ministry of defense of the brand new State of Israel showed up to examine our records. He was very surprised and pleased by what he found in our safe deposit box.

During this period, the handling of the funds required to finance the regular and publicly visible functions of the Jewish Agency-American Section was quite unnecessarily complicated. The source of these funds was the United Jewish Appeal, whose campaign collections were then increasing phenomenally—to $100 million in 1946, $135 million in 1947 and $154 million in 1948.

As always, the United Palestine Appeal was dividing its share of these receipts between the Jewish National Fund and Keren Hayesod, the Jewish Agency's fundraising arm. At that time, however, Keren Hayesod in the United States was merely a standby organization, a shadow corporation, headed by Charles Ress as chairman and Sarah Behrman as executive director. In order to keep clear of British foreign exchange controls and to avoid the possibility of impoundment by the authorities in Palestine, as much as possible of the Jewish Agency's income was routed through New York. Keren Hayesod's only function was to turn the checks it was receiving from UPA over to the Jewish Agency-American Section. Once we got them, I had instructions from Eliezer Kaplan on how to disburse the money.

This was an awkward, cumbersome procedure. We finally ended it by eliminating the middleman. It was arranged for Keren Hayesod to adopt a resolution under which it stepped aside and allowed the checks to go directly from UPA to the Jewish Agency. This arrangement prevailed until after establishment of the State of Israel in 1948, when UPA reorganized in keeping with the new situation.

While I was immersed in the day-to-day details of financing Jewish Agency operations on their several levels, the march of events affecting the Jews in Palestine and in the DP camps was speeding up. By December 1946, when the first postwar World Zionist Congress assembled in Basle, Switzerland, the Palestine problem was in the hands of the United Nations Special Committee on Palestine.

Two things came out of that Congress. One was a determination to establish a Jewish state immediately so the problem of homelessness for the remnant of European Jewry, and eventually of other Jewish refugees, would be solved. The other outcome was a drastic shakeup in the movement's leadership, which was to change some of the people I was working for and with, and some of the conditions under which I worked.

The heart of that Twenty-Second World Zionist Congress was with the militance of David Ben-Gurion, Abba Hillel Silver and their associates rather than the moderation long associated with Chaim Weizmann. After the British jailing of Jewish Agency leaders the preceding summer, few could see any substance in Weizmann's faith that the British Government would eventually be brought around to fulfilling its Mandate to create a Jewish Homeland in Palestine. The issue came to a vote of confidence. Weizmann lost, resigned as president and withdrew from the Congress.

Ben-Gurion was in *de facto* control of the Congress and the World Zionist Organization, and he lost no time in asserting his power symbolically. All the top leaders of the movement were staying at Basle's *Hotel Drei Koeniger*—

the Three Kings—in which the most desirable suites were located off an open corridor on a mezzanine, plainly visible from the hotel lobby. The moment Weizmann vacated his rooms to go home to London, even before the chambermaids had a chance to put things in order, Ben-Gurion and his wife Paula appeared, carrying their clothes and luggage themselves, to take over the suite Wiezmann had left.

Some Americans, followers of Weizmann but aware of the necessity for a change in the movement's leadership at that moment in history, never forgave Ben-Gurion for that unseemly rush to supplant the man who had done so much for Zionism and the whole Jewish people. In fact, 10 years were to elapse before a new President was elected to succeed Weizmann. He was Nahum Goldmann.

Ben-Gurion was again elected Chairman of The Jewish Agency Executive. Silver became the new Chairman of the Agency's American Section. Louis Lipsky and Stephen Wise failed of reelection while Nahum Goldmann barely squeaked through. Goldmann was assigned to the European Executive, located in London, a position he largely ignored. Within a month, he was back in New York where the heavy action was.

The enlarged Executive of the Jewish Agency-American Section consisted of Abba Hillel Silver, Emanuel Neumann, Rose Halprin representing Hadassah, Hayim Greenberg and Baruch Zuckerman representing the Labor Zionists, Rabbi Wolf Gold representing the Religious Zionists, and Leon Gellman, head of the American Mizrachi Organization.

Meyer Weisgal, a Weizmann man to the core, resigned his position in the New York office. He was replaced as executive director by Arthur Lourie. I stayed on as comptroller and Eliezer Kaplan's representative in the United States.

The prime mission of the American Executive in those critical months of 1947–1948 was to conduct the battle for statehood in the United Nations. It was a very difficult and crucial time and, I must say, it is to the everlasting credit of all the members of the American Executive that they put aside all personal considerations and animosities, all political differences, so we could function as a team in dealing with the overriding problem of winning UN approval for the idea of a Jewish state. This unity of the American Executive's members held until the battle was won and the State of Israel became a reality.

The argument over the issue of the state's borders in Palestine—in which Dr. Silver differed with Goldmann and others on the acceptability of a partition of Palestine—made no difference at all as the climactic days of the pre-independence struggle arrived in late April 1948. Moshe Shertok, about

to return to Palestine at David Ben-Gurion's summons because his job in New York was deemed to be done, was urgently called to Washington on Friday, 30 April, to meet with United States Secretary of State George C. Marshall.

The secretary wanted Shertok to convey to the members of the Jewish Agency Executive in New York and Jerusalem the American Government's view that precipitous action to proclaim a Jewish State was dangerous and could lead to disaster. He warned Shertok the Arabs were arming furiously and would invade Palestine the moment the British Mandatory authority pulled out. Marshall's plea to the Jewish Agency through Shertok was: "You Jews have waited 2,000 years for a Jewish state. Can you not wait a few months more and try to negotiate an acceptable solution to this problem?"

To those of us who saw him off at the airport the next night, Moshe appeared to be going home depressed by Secretary Marshall's harangue. Then, a very tense week went by. Suddenly, Chairman Silver summoned the members of the American Executive to an emergency meeting on Saturday morning, 8 May.

It was unprecedented, but his colleagues realized that Rabbi Silver would not ask them to violate the Sabbath by coming to a meeting, unless it was on a matter that truly could not wait. The meeting was called for ten a.m. at the offices of the Jewish Agency at 16 East 66th Street.

In the front parlor of the old town house that morning were all the members of the Executive then in New York, except Emanuel Neumann, who was a strict Sabbath observer. He could not walk the distance to 16 East 66th Street because of a foot crippled in a childhood accident. Rabbi Gold, I remember, walked several miles across town from his daughter's apartment at 97th Street and West End Avenue.

With the elected members of the Executive was Joseph Schechtman, representing the Zionist-Revisionists, who had not participated in the Basle Congress, but were now cooperating with the Jewish Agency as the crisis over Palestine came to a head. Arthur Lourie, as executive director of the Jewish Agency-American Section, was there, and so was I as comptroller. I am now the only survivor of the ten persons who were in that room. I believe the story of what happened that crucial Saturday morning has not been recorded anywhere else.

Dr. Silver opened the meeting with an announcement: "My colleagues, I wish to report to you a cable I have received from Ben-Gurion that brooks no delay."

Silver proceeded to read the message which, in essence, ran as follows: "We have reliable intelligence the British intend to leave Palestine Friday,

14 May, not 15 as publicly announced. We propose to declare an independent Jewish state immediately upon their departure. We ask that members of the Jewish Agency in America cable us their vote on this question."

A hush followed Silver's reading of the cable. We all sat stunned as the realization dawned that the Jewish state we were all fighting for—some for many years, their whole lifetime—was now on the way and would be here in a matter of days.

Silver did not wait for any of us to speak. He rose and said very deliberately: "Friends, there will be no vote. I will not permit it."

Silver then went on to say: "Let us understand that this action on the part of the Jewish Agency, declaring a state, will result in the death of perhaps thousands of our youth, the cream of our population in Palestine. Unless we ourselves, personally, are ready to pledge our own lives and those of our families in this sacred cause, how dare we vote on this matter?"

"I propose," he continued, "that we cable Ben-Gurion and tell him that the only ones who have a right to vote on this issue are those who are resident in Jerusalem, in Palestine, and who are ready to accept the consequences of their act, even if it means death. The American Section of The Jewish Agency, however, unanimously conveys to you our blessings and our assurances that whatever action you and your colleagues take in Jerusalem we will support loyally and to the utmost of our abilities."

No one raised a voice in dissent. The eyes of several of the Executive's members were moist. We all knew the day of reckoning was at hand; what we yearned and struggled for was coming to pass. There was really nothing for us to say. Silver declared the meeting adjourned.

That was, I believe, Abba Hillel Silver's finest hour. A few months later, he resigned from the Agency Executive after a bitter new outbreak of controversy and feuding with Ben-Gurion and with his colleagues in the American Section.

The last time I spoke with Dr. Silver was several years later aboard one of El Al's Bristol Britannia turbojets. He and Mrs. Silver were on their way to Israel for the dedication of Kfar Silver, a settlement named for him. We had not seen each other for a long time and paused for some pleasant conversation.

"Dr. Silver," I said at one point, "I truly regret that the Government of Israel does not see fit to make use of your great abilities in the field of public relations. Really, they could have found a way to employ your tremendous talents in the United States."

Silver smiled wistfully as he replied: "Hammer, you do not understand. You must make the distinction between *medinat Yisrael*—the State of Is-

rael—and *memshelet Yisrael*—the Government of Israel. The state remains, governments come and go. We owe our allegiance, our loyalty, our devotion, to the State of Israel, and we shall always do so."

The wisdom of that remark has stayed with me through all the years since that last talk with Abba Hillel Silver. I feel its relevance when I consider the current tendency on the part of some Jews to indulge in local criticism of Israel's government—a "washing of dirty linen" in public, if you will.

7
High Finance

ANY STRUGGLE FOR NATIONAL LIBERATION IS MUCH MORE THAN A SERIES of military operations. Behind the guerilla warfare and the full scale battles that the world sees lies an infrastructure which supplies the means to carry them out. Underlying the infrastructure is a system of finance to pay for those means. The effort in the 1940s to establish a Jewish state was not different in these essentials from any other fight for a nation's independence.

There was no consciously designed system of finance, however. By the middle of 1946, David Ben-Gurion and his associates in Palestine and Jewish leaders in other communities around the world had come to a common determination that a Jewish state must be established as speedily as possible. Practically no thought was given to how to finance the effort. This was, in Ben-Gurion's phrase, a "technisheh frage"—a technical question which the Jewish Agency's chairman assigned to his treasurer and future finance minister, Eliezer Kaplan.

It was assumed that this annoying problem would be solved, but please don't bother Ben-Gurion or the other political and military leaders with it. They had other more urgent issues to deal with. For Ben-Gurion, it was enough to have a feeling that somehow world Jewry would provide the means for him and his colleagues to wage the struggle for statehood.

Thus, willy-nilly, the responsibility fell upon a small group of us here in the United States. We had to undertake the initiatives necessary to raise funds. For myself, I can say we were certainly not thinking in global terms or

in any systematic way at all. Each day confronted us with a new problem in finding money, and we dealt with these difficulties as they came up. Kaplan had given me a mandate; communication with him was difficult. Therefore, I had to do the best I could.

I did have the small consolation of being able to consult with a finance committee of the Jewish Agency-American Section. Its members were Nahum Goldmann, Rose Halprin, and Hayim Greenberg. They were lovely people every one of them, but they had little understanding of finance—not even Goldmann, a master of politics and diplomacy who was later to negotiate almost singlehandedly one of the most significant economic and financial arrangements in the history of the State of Israel, the payment of massive reparations by the Government of West Germany. In 1946, however, all the members of my committee could do for me was to provide moral encouragement and little, if any, concrete assistance.

Looking back on those days, I see that our principal asset was the good faith and credit of the American Jewish community. This I began to find out as I followed up on a suggestion by Kaplan that we might be needing a lot of money in the near future and ought to establish a connection with a bank where we could discuss such matters.

I turned to an old friend, George Newell, a vice president of the Manufacturers Trust Company, which has since become Manufacturers Hanover. He had been in charge of one of its main branches, located in the Empire State Building where Palestine Exhibits, Inc., had had its office for a while. I had made George's acquaintance during my time with the Palestine Pavilion at the 1939 World's Fair and had kept up the relationship ever since. We used to meet for lunch regularly, usually once a month.

Newell was a decent man, very much interested in Palestine and the Zionist movement. I suppose it was strange that a typical WASP, which George Newell certainly was, should interest himself in such things. At our lunches, I used to bring him up-to-date on the latest developments in the Jewish struggle. George, who in dress and behavior looked exactly the way bankers were supposed to in those days, provided me with an extensive education about the banking profession and its practices. To return the favor, I did what I could to bring business to his bank, which he appreciated very much.

Taking as a command Kaplan's hint about a coming need for money, I approached Newell for a loan of $1 million. We discussed the question of adequate security. I explained how the United Jewish Appeal existed by virtue of a contract between the Joint Distribution Committee and the United Palestine Appeal, and I supplied facts and figures on the amount of

money UJA was raising that year and how much of it was coming to the Jewish Agency through UPA. Apparently, the information was quite satisfactory. Within three days, we had the million dollars.

Shortly thereafter, I heard from Kaplan, who was pleased and complimentary in his comments. He thought we had done well to establish this relationship with a bank.

Early in the summer of 1946, the British Mandatory authorities in Palestine had raided the Jewish Agency's headquarters in Jerusalem and arrested members of the Executive, in an effort to break Jewish resistance inside Palestine. Moshe Sneh, the Executive member in charge of defense matters, asked his colleagues for money to buy arms and equipment for Haganah, the Jewish community's defense force in Palestine. No money was available for this, but Sneh was told that if he wished, he could go to America and talk to some of his fellow General Zionists to see if he could raise the money.

Sneh arrived in New York that fall. The first person he went to see was the leading General Zionist in America and the Chairman of the American Zionist Emergency Council, Rabbi Abba Hillel Silver, who was then heavily preoccupied with political matters. "If it's money you're thinking about," Silver said to Sneh, "go talk to Hammer."

The next day, Sneh appeared at my office, announcing he was there on the advice of the great Abba Hillel Silver. Somewhat flattered that the foremost American Zionist of the time, head of an organization with which the Agency's American Section was often in a state of rivalry, had recommended that Sneh seek me out, I listened attentively to Sneh's explanation of his problem. He needed $2 million. I promised I would see what I could do and let him know very soon. I called George Newell at Manufacturers Trust and we made an appointment.

Before meeting George, I had to clarify in my own mind a basis on which to request this new loan from the bank. It was not easy. As I was leaving my office, I picked up from my desk a pamphlet that had just come in from the United Jewish Appeal. Designed as a fundraising piece, it told the story of how the Jewish Agency had established six new settlements in a single night.

Under Ottoman law, which was the basic legal code prevailing in Palestine at the time, once a house or structure of any kind is erected and a roof placed over it, it can not be torn down. What the Agency's Settlement Department had done was to put up at each of six chosen sites a prefabricated building, added a few huts and thrown a stockade around them. Each little cluster of buildings constituted a settlement. The operation was carried out in the Negev one night in October 1946.

I was struck by its dynamism and drama. I had my story for George

Newell. The loan was requested on the same basis as the first one from Manufacturers Trust. It was to be made for one year to the Jewish Agency-American Section and would be repaid out of funds received from the UJA.

The loan was confirmed to us within 48 hours. Sneh was delighted. He packed his bag and returned home at once.

(In the 1980's, one or two million dollars doesn't seem like very much; in 1946, it meant the difference between having money for arms or doing without.)

There was a sequel to these events. I learned about it a couple of months later at the World Zionist Congress in Basle. There, Eliezer Kaplan and I had several long talks so we could bring each other up-to-date on matters it was unwise to mention in our written and telephonic communications.

"By the way," Kaplan inquired one day, "where did Sneh get his two million dollars?"

Puzzled, I looked at Kaplan. "Sneh got that money from me," I replied. "He came at Silver's suggestion and asked that I get him two million dollars. I went to the bank and got it for him."

"Do you mean it's my money that he borrowed?" Kaplan wanted to know.

"Yes," I said, "it's your money."

Kaplan smiled at me good naturedly, saying, "Never mind. I will settle this with Sneh."

"But it is interesting," he added, "that never once did Sneh mention the fact that you had gotten him the money. According to his report to the Executive, he went to New York and got two million dollars, and that is all that was said about it."

"I will correct this situation," Kaplan declared firmly.

After the Congress adjourned, Kaplan asked me to stay on in Switzerland with him for a few days to take stock of our situation and lay plans for our activities in the months to come. He saw the period ahead as a very trying time, perhaps full of violence and military actions. He believed he and I would have to understand each other especially clearly in order to avoid too much correspondence. Communication in writing might be a bad thing.

Kaplan thought we in the States had been doing a good job and was quite flattering in his appraisal of how I personally was handling things. The start we had made with the banks was excellent, but now we had to plan a great expansion of our borrowing activities in order to meet the grave problems that would confront us in the months and years immediately ahead. We in New York would have to work in coordination with Geneva and Jerusalem to utilize the Jewish Agency's credit to the fullest extent possible.

We devised a code by which I could recognize requests for promissory notes as being valid. In July 1946, we had begun, on an *ad hoc* basis, to give

Jewish Agency notes to individuals for specific purposes. These had been issued upon the authorization of the Treasury of the Jewish Agency, which was confirmed by either cable or letter. Now, they would be signed by the code word "Kabaza," an acronym combining the names of Kaplan himself, Baharal, director general of the treasury, and Zagagi, their accountant.

The promissory notes were usually granted to finance extraordinary purchases or other special requirements. The understanding was these notes were never to be presented for discount at any of our banks, which meant those banks we in New York were dealing with. A good many of these notes found their way to Geneva to be discounted by Swiss speculators. A very active market sprang up as the Jewish Agency's notes became a highly regarded kind of commercial paper. There were times they sold at a premium.

The issuance of this Jewish Agency paper had started while both Ben-Gurion and Kaplan were in New York during the previous summer. The chairman had demanded that the treasurer supply a large sum of money to pay for Haganah purchases. The treasury was then in very straitened circumstances so Kaplan had to refuse the request for cash. The ensuing argument was settled when Kaplan ordered the treasury to issue up to $10 million in promissory notes if Haganah agents in the United States could find people who would advance cash against them. Before long, such notes were in active circulation.

These Jewish Agency treasury notes were different from the notes submitted to the banks for the loans they gave us. The latter were usually obligations of the United Palestine Appeal to be paid from the proceeds of United Jewish Appeal campaigns accruing to UPA. Whether the notes came from the Agency or from the UPA, the real security for both was the same—the good faith and credit of the Jewish people.

I can not stress too strongly how much that backing for these notes meant to my non-Jewish banker friends. They were profoundly impressed by the fund raising records the United Jewish Appeal was setting year after year, and by the intense concern of their Jewish friends and customers over the fate of their fellow Jews in Europe and Palestine. This was to become even more important in the years immediately after Israel achieved statehood, when the sums that had to be borrowed from the banks soared to astronomical heights.

One day in 1947, our good friend George Newell and I discussed the possibilities for future financing. He suggested it would be wise if I were to enlist the interest of a second bank. He felt that the participation of another bank would spread the risk and make it easier for Manufacturers Trust to take the lead in raising the limit on lending to us.

I always took George's advise very seriously. I decided to approach National City Bank. Back in 1941, as comptroller of the Jewish National Fund,

I had established personal relationships with the officials in charge of the branch at 42nd Street and Madison Avenue, one of National City's biggest offices. Over the years, I had also met several officers at the bank's main office downtown and maintained occasional contact with them. I had already started a process of educating the National City people, as I had at Manufacturers Trust.

Such gradual steps from the bottom of the ladder upward were no longer sufficient, however. If we were to do serious business with National City, we needed to apply pressure at the very top. By now it was the autumn of 1947 and Jewish Palestine was very much in the news. We were pleading our case before the United Nations, and every day the newspapers carried reports of violence in the Holy Land. Their pages were also full of stories about Jewish determination, among the surviving remnant of European Jewry and among the Jews in Palestine, to see the issue of Jewish homelessness resolved this time, once and for all.

Through Moshe Shertok, who had spent much of the preceding two years in New York directing in the field the work of the Jewish Agency's political department, I had made the acquaintance of Herbert Bayard Swope, journalist, editor of the famous *New York World* in its 1920s heyday, and prominent man-about-town. His brother, Gerard, was chairman of the General Electric Company. Their family was Jewish, although that was not well known. Nevertheless, the Swopes were friendly and willing to be helpful to the Zionist cause. I telephoned Herbert and asked if he could get me an appointment with the chairman of National City Bank, a Mr. Gordon Rentchler.

Swope's connections worked like magic. I had an appointment within twenty four hours. I visited Mr. Rentchler as he was preparing to depart the next day on a trip to Cuba, where National City had very large sugar interests. It was a journey from which he was not to return. In Cuba, he suffered a fatal heart attack. It was fortuitous that we had our meeting before he left. It went roughly as follows:

"Mr. Rentchler," I said in my opening gambit. "We have been doing business with National City Bank since 1913."

That surprised him. He had not known that our deposits at his bank had begun with an account opened at the Fifth Avenue and Thirteenth Street branch by the Zionist Organization of America. This was followed by a Palestine Foundation Fund account in 1921.

"Up to this moment," I continued, "We had not required much in the way of accommodation from National City, but now we need to know where we stand."

I described our recent achievements in fund raising and pointed to the prospect that we would be raising even larger sums in the years ahead. "Mr.

Rentchler," I asserted. "When you raise a million dollars a year, or even a million and a half, that is charity. When you raise tens of millions of dollars a year, that is big business. I suggest the time has come when this bank ought to regard us as big business."

Rentchler saw my point and agreed readily. Since he was to leave the following day, he called in the executive vice president, a Mr. Howard Shepard. "Howard," he ordered, "I want you to go to school with Hammer. I want you to learn this alphabet soup of his—UJA, UPA, JDC, and all the others. I want you to immerse yourself in the details of his business so that, when he needs our assistance, we will be in a position to consider his requests intelligently."

I left 55 Wall Street walking on air.

Through the decades since that day, we have had a long and sometimes tumultous relationship with National City Bank and its successor, Citibank. I must say, however, that on the whole it has been a satisfactory and gratifying relationship. Citibank officers have been very understanding and helpful many times. Occasionally, when we met someone who made things unnecessarily difficult, we simply confronted the problem and dealt with it as circumstances dictated. The will to help us was always there.

Our borrowings from National City began in 1948. At first, the relationship was a modest one. Loans to the United Palestine Appeal were generally arranged on the basis of two thirds from Manufacturers Trust and one third from National City. After a while, the basis became fifty-fifty.

In the early months of 1948, in the period between the United Nations' adoption of a resolution partitioning Palestine and the declaration of the Jewish state, the Jewish Agency's financial situation became extremely difficult. I was asked, despite the fact that we were already very deeply in debt to banks, to see if I could get a special $10 million loan from Manufacturers Trust.

I went to George Newell and asked for the ten million, then an unheard of sum. George went downtown to talk to his Chairman of the Board, Harvey Gibson, who expressed some reluctance. At that critical time, we simply could not afford to have a bank turn us down, so I began organizing a delegation to pay a personal call on Mr. Gibson. I asked Newell to hold the matter open and to tell his boss we wanted to come down to see him. Our delegation consisted of Henry Morgenthau, Jr., who had recently resigned as United States Secretary of the Treasury and become chairman of the United Jewish Appeal; Henry Montor, UJA's executive vice chairman, and me.

When I set up the meeting, I was unaware that relations between Morgenthau and Gibson were far from cordial. As president of the American Red Cross during World War II, Gibson had had frequent contacts with Morgen-

thau, who had been Treasury Secretary since the early days of the Roosevelt Administration. Morgenthau could at times be very brusque and even impolite. I was horrified to hear from his personal secretary, Henrietta Klotz, that I should not have listened to her boss when he said he wanted to be in the group that called on Harvey Gibson. However, it was too late to do anything about it.

We rode down to Manufacturers Trust headquarters and were ushered into the Chairman's office. Morgenthau paid no attention to Gibson's plainly evident coolness and let out a booming "Hello, Harvey!" Gibson could manage no more than to respond with a curt "Good morning, Mr. Secretary."

Montor and I then sat dumbfounded while Morgenthau took over our presentation. Bluntly, he told Gibson that we needed the ten million and wanted it. Gibson answered that Manufacturers Trust made it a policy not to finance wars and, evidently, a war was going on in Palestine. "Henry," he asked, "can you assure me that these funds will not be used for military purposes?"

Morgenthau looked him straight in the eye as he replied: "I would be telling you less than the truth if I were to deny that these funds were going to be used for military purposes. But we want them, and we are asking you to give them to us."

Gibson swallowed hard; his discomfort was obvious. He said he would take the matter up with his board. But Morgenthau was not going to let him off so easily. Morgenthau said: "Harvey, who is your Board? Has your board ever gone against any of your recommendations?"

Gibson was nonplussed. He answered: "I guess not."

Morgenthau pressed on. "Harvey, how do you feel about the loan? Are you going to give it to us or not?"

There was a short pause before Gibson responded: "Well, I suppose we will make an exception in this case."

In all the years the Jewish Agency has been dealing with Manufacturers Trust and its successor, Manufacturers Hanover, I must say, the relationship has been smooth and fully responsive to our requests. That has been based upon the bank's complete understanding of our objectives and our needs. We have kept them at all times as fully informed of the progress of our fund raising as we were ourselves.

In later years, this policy of keeping our bankers *au courant* with our situation was to lead to the development of bankers' study missions to Israel, of which more elsewhere in these pages. On that spring morning in 1948, Henry Morgenthau's honest, plain dealing with Harvey Gibson enabled us to

take a major step forward. We had a loan of $10 million, a much larger amount than ever before.

In the months that followed, we set about developing additional banking relationships. Of the big New York money market banks of that time, these eventually came to include the Bankers Trust Company, Marine Midland Bank, Chemical Bank and others. There were also a number of smaller, Jewish-owned banks with whom we have maintained relationships over the years. One I particularly remember is the Modern Industrial Bank which later became the National Bank of North America. Through mergers and acquisitions, it grew into a very large institution which is now owned by an international giant, the National Westminster Bank of London.

The officer at the Modern Industrial Bank whom I knew and worked with back in 1947–48 was Jacob Leichtman, then the president and principal stockholder. A modest, soft-spoken man, he was utterly devoted to the Zionist cause. His greatest services to it were rendered in the years immediately after the achievement of statehood, when Israel's faltering economy was operating on desperately short rations.

Our banking relationships over the past four decades have not been limited to the borrowing of money. At times, they have been helpful in solving critical economic problems—for example, early in 1947 when the British Government dropped Palestine from the sterling bloc, thus bringing on a desperate crisis for the Yishuv's economy.

As a World War II measure that was still in effect, Britain had been collecting all the foreign exchange that came to the empire's dominions, colonies and mandates, pooling it with the mother country's own foreign exchange earnings, and allocating it back to each member of the pool as needed to pay for essential imports. The exclusion of Palestine from the sterling pool meant that the British Government, through its currency restrictions, would still take control of the dollars coming into Palestine, mostly in the form of contributions to Jewish institutions and activities, but would deny the Jewish community access to the hard currency it had to have to buy wheat, meat and other necessities of life.

A cable from Eliezer Kaplan, warning about the expulsion of Palestine from the sterling bloc, reached me on 1 March, 1947. Siegfried Hoofien, chairman of the Anglo-Palestine Bank, which handled our remittances to the Jewish Agency in Jerusalem, was then in New York. He was an experienced European banker of the old school, who really knew his business. At that time, he had been with Anglo-Palestine, predecessor of today's Bank Leumi, for 35 years and was the man who ran the institution. There was no mistaking that.

I called Hoofien and we set to work to do something about the expulsion right away. It made no sense to send good, hard dollars to Palestine to be gobbled up by the British, who would give nothing in return. When I explained our problem to George Newell, he called in his expert in overseas banking, Ernest Kuhn, whom everybody called "Fritz."

Kuhn came up with a solution. He suggested we open a special account at Manufacturers Trust in the name of the Anglo-Palestine Bank. Whenever we had remittances for the Agency in Jerusalem, we would deposit the money in this account. The dollars would remain in New York while, against our deposits, Anglo-Palestine would make local currency—Palestine pounds—available to the Agency.

This arrangement worked beautifully and continued right up to the day the State of Israel was born. The special account became the new nation's first foreign exchange reserve, a rather substantial nest egg of fifty million dollars.

The State of Israel declared its independence on 14 May, 1948. On the same day, seven Arab armies began invading the territory which the United Nations plan for partition of Palestine assigned to a Jewish state. Israel's War of Independence was on; the Jews of Palestine were fighting for their lives and the survival of their infant nation. Yet, even under fire in that desperate summer of 1948, the work of establishing the institutions of statehood had to go forward.

In what little time for reflection there was during that hectic period, we at the Jewish Agency began to realize that the Government of Israel would have to assume responsibility for making most of the fundamental decisions and for establishing a legal status in which we would operate. Still, for the first several months of independence, the boundary between the Jewish state and the Jewish Agency was very hard to discern.

This was particularly true in the area of finances. What little money there was, the Jewish Agency had. The State of Israel did not yet have a system of taxation or other sources of revenue. Consequently, while these were being created, Eliezer Kaplan functioned as both the minister of finance of the provisional government and treasurer of the Agency. Kaplan had now been my boss for three years. I regarded him with deep affection as well as great respect, and I was not about to question his authority. The understanding between us was complete and we continued working together very smoothly.

By September, it was clear to everybody involved that the overlapping between Agency and State could be sustained no longer. Arrangements had to be made quickly to conduct the affairs of the Jewish Agency separately from those of the Government of Israel. For months now, our conception of the Jewish Agency and its functions had been changing radically. Before statehood was achieved, the Agency was a government in the making. Its

political department was the equivalent of the Department of State in the United States or the ministry of foreign affairs in other countries. The Agency's treasury was the equivalent of a ministry of finance; its agricultural settlement department of a ministry of agriculture. The Agency supported educational institutions in the manner of a ministry of education, and it directed the Haganah which performed the functions of a ministry of defense.

Once the state was established, all this had to stop. David Ben-Gurion stepped down as chairman of the Jewish Agency Executive to serve only as the Prime Minister of Israel. He was succeeded at the Agency by Berl Locker. Soon, Kaplan was succeeded as agency treasurer by Dr. Israel Goldstein, an American rabbi. Moshe Shertok, once head of the Agency's political department, was now Moshe Sharett, foreign minister of the State of Israel. The political department was to be dropped by the Agency, along with others that duplicated government ministries or whose functions were deemed unnecessary to a reorganized Agency.

But there was still plenty of work for the Agency to do. British White Papers no longer had any effect in Palestine. A deluge of immigration was about to burst upon the Jewish state. Even while the War of Independence raged and its outcome was far from certain, immigrants poured into embattled Israel in numbers far larger than ever before. They came from the displaced persons camps of Europe by the thousands each month. They came by the tens of thousands out of the detention camps on Cyprus, which the British wanted emptied now that they had abandoned Palestine. This massive, modern-day exodus from bondage to the promised land was about to overwhelm the two-tier system of immigration the Agency had been operating—Aliyah Aleph for those entering Palestine "legally" and Haganah's Aliyah Beth for the "illegals."

In 1948 more than 100,000 immigrants reached Israel; in 1949, their number rose to nearly a quarter of a million. All these immigrants had to be transported, received and classified on arrival in the country. They had to be housed in the cities, settled on the land; the able-bodied adults put to work; the sick, handicapped and orphaned cared for; the children sent to school and a good many of the adults taught to speak Hebrew. The Agency departments involved in all these activities were confronted by larger and more pressing problems than they had ever seen before. The pressure to get started on these monumental tasks grew greater every day.

In New York, the Jewish Agency-American Section, headed by Dr. Abba Hillel Silver, was then located at 16 East 66th Street. For the first weeks of independence, the representatives of the Provisional Government of Israel also operated out of that address. Arthur Lourie had been appointed consul

general and others from the Agency staff had taken on subordinate jobs in his office. All of us, government and Agency people, were crowded together under conditions that made efficient work terribly difficult at a time when it was needed most desperately.

After a summer marked by strain and uncertainty, Dr. Silver came to me and gave instructions in absolutely clear language. "Find them a place, find them an office. Get them out of here so we in turn can reorganize and get down to work."

That was all I needed. I asked Abraham Feinberg, a businessman and philanthropist whom I knew through his work for Haganah and the Weizmann Institute of Science, to put me in touch with his friend William Zeckendorf, then the foremost realtor in New York. I explained that we had to obtain quickly an office for the Consulate General of the State of Israel. New York's first post-World War II building boom was barely under way; there simply was no office space to be rented. The alternative was to buy a small residential building on the Upper East Side and equip it as an office.

Zeckendorf understood the problem and promised to help. He assigned one of his executives to canvass the area between 59th and 72nd streets from Fifth Avenue to the East River. A week later, he had a recommendation, the former Vanderbilt Smith mansion on East 70th Street between Fifth and Madison Avenues.

There was, of course, no money to buy the property. We organized a corporation we called the 11 East 70th Street Corporation with Hayim Greenberg as president and me as vice president and treasurer. Then I negotiated for the corporation a first mortgage for $50,000 from the Union Square Savings Bank and arranged for a second mortgage with the Life Membership Fund of the Zionist Organization of America. The head of the Fund, Milton Pollack, a very competent lawyer who later became a Federal Judge, was a tough negotiator. He certainly made us toe the mark in providing security for that mortgage, although he would have gotten it in any event.

The 11 East 70th Street Corporation then took title to the property and rented it to the State of Israel for its Consulate. By paying rent equivalent to the costs of the mortgages, the State of Israel eventually acquired ownership of the building, which was very well located to serve as both the Consulate General and headquarters for the Israeli delegation to the United Nations. After using it for many years, Israel's diplomatic operations were to outgrow 11 East 70th Street and be moved to quarters in an office structure on Second Avenue and 42nd Street, very close to the U.N.

After its purchase was effected, the next problem was equipping 11 East 70th Street. The building was completely empty, without even a chair

inside. Again Dr. Silver came to the rescue. His command was: "Give them anything in our building that they need—desks, chairs, filing cabinets, typewriters. Just get them out of here and into their own quarters so we can go back to work." By October 1948 the reorganization was completed. The Israel Consulate was operating in its own offices, and we were back in business, doing what we had to do. Now that I look back upon it, I wonder how we managed to accomplish the transition in only a month's time and without its costing the Government of Israel a single dollar—a dollar it certainly did not have at that time.

We had a good feeling that slowly but surely we would get all the pieces of the jigsaw puzzle sorted out, when we received shocking news. The Internal Revenue Service of the U.S. Treasury Department was questioning the validity and legality of some of our expenditures in 1948, and our income tax exemption was suspended.

This was a terrible blow, especially when we were engaged in the biggest of all our fund raising drives. What to do? As chairman of the United Jewish Appeal, Henry Morgenthau was very much concerned. If the United Palestine Appeal's exemption remained suspended or was revoked, many thousands of UJA contributors would lose income tax deductions they were counting on. The United Jewish Appeal could be put out of business.

Characteristically, Morgenthau jumped into the situation and took charge. He called in one of the most prominent tax lawyers in New York, Randolph Paul, who had worked for him as assistant secretary of the treasury responsible for taxation and revenue. For the next three or four months, our legal counsel, Maurice Boukstein, and I spent whole days and nights reviewing every aspect of the problem with Paul and his assistant, Caroline Eggers, a young lawyer and wife of Washington attorney Abe Fortas, who was later to become a United States supreme court justice. Actually, Boukstein and I were giving Paul and Eggers a thorough education in the intricacies of the Jewish Agency's structure and operations.

The nub of the difficulty with our tax exemption was that we had used philanthropically contributed funds for quasi-military and military purposes. We had, if you will, helped to fight a war. True, it was a war for a nation's independence and statehood, but the Internal Revenue Code had no provision for that. It was not considered part of the eleemosynary process for which we were entitled to tax exemption.

Eventually, Randolph Paul came up with an answer. He went to call upon some of his old colleagues at the treasury department. To them, he advanced a claim that we had done nothing more than, for instance, a museum that hires security people to protect its premises and its treasures. All the Jewish Agency had done, Paul argued, was to make expenditures for security pur-

poses. What else could we be expected to do in the face of the Arab onslaught on our properties in Palestine?

Of course, Paul was really using this rationalization to work out a deal with the IRS. We provided assurances we would never again use philanthropic funds for purposes other than those specified in the Internal Revenue Code, and they reinstated our tax exemption. David Ben-Gurion's last official act as chairman of the Jewish Agency was to sign a resolution adopted by its Executive in which they solemnly undertook never to violate IRS regulations. The document now rests in the archives, bearing Ben-Gurion's signature, attested to by Shlomo Eisenberg as the Agency's secretary general.

Now that one arm of the United States government had caused so much trouble for those engaged in coping with the new State of Israel's financial difficulties, another reached out to offer a helping hand. The Export-Import Bank made available, beginning in 1949, the first of a series of loans which were of tremendous assistance to the Jewish Agency as well as the Government of Israel. The Bank was a depression-era creation, designed to help American exporters expand the nation's foreign trade and to facilitate the importation of manufactured goods and raw materials required by the U.S. economy. Shortly after Israel declared its independence, negotiations for an Export-Import Bank loan began in Washington. These were carried on largely by David Horowitz, an assistant to Kaplan at the Jewish Agency's treasury who was later to become chairman of Israel's central bank, and by Oscar Gass, a Washington consultant very much involved in the economic planning—to the extent that there was any—of the new Government of Israel.

The first loan turned out to be for $135 million. At the last moment, $35 million was added to an original $100 million, in order to provide for agricultural settlement and development to be administered by the Jewish Agency. The Export-Import Bank people were very impressed by the Agency's record in this field. The Israel Government was eager to accept the additional sum and turn it over to the Agency for its agricultural colonization activities because it knew a competent job would be done. The $35 million was a boon to us at the Agency, helping greatly to ease the strain on our budget. The planning for its expenditure was done by David Stern and Ra'anan Weitz and their respective superiors, the Agency treasurer and the member of the Executive responsible for agricultural matters.

I was assigned to find the most effective and economical short-term financing for the whole operation. The usual procedure was for the borrowing nation, once an Ex-Im commitment was granted, to establish lines of credit at American banks. The borrower then proceeded to negotiate with American suppliers for the materials that were required—in this case, tractors and

other agricultural machinery, water pipes, irrigation pumps, anything useful in equipping modern farms.

Once a deal was made with International Harvester, Massey-Ferguson or any other firms, we would ask our bank to provide a letter of credit. Shipment was to be made under its terms and, after delivery in Israel, the bank would then apply to the Export-Import Bank for payment of the loan funds allocated to that purchase. Of concern to us was how much the bank would charge for opening a letter of credit and what the rate of interest would be for the period when the bank's money was actually being used.

At that time, we had active relationships with Manufacturers Trust, National City and several smaller New York banks. All of them descended on me, seeking our Ex-Im business. How could things possibly go wrong with a United States Government guarantee! It was a time when interest rates were low and banks were on the lookout for loan business. The going rate was one-eighth of a percent to open a letter of credit and two percent annual interest from the date money was drawn under the letter to the date it was repaid.

We were almost ready to close on the basis of two percent when, out of the blue, I had a visitor from the Bankers Trust Company. He was Max Gevers, then an assistant vice president in the bank's international department. Affable, knowledgable and aggressive, Max turned out to be a very interesting fellow who was to become a close friend as we worked together over the years on many banking transactions—he as lender, I as borrower. He came from a wealthy and influential family in Holland and, though not a Roman Catholic, had the distinction of being a godchild of the reigning Pope, Pius XII, who had been Cardinal Pacelli, for many years a Vatican diplomat. Max's father had been in the Dutch diplomatic service and became a close friend of his colleague from Rome. Max's brother was to become the ambassador of Holland to Iran and then Israel.

The first time I saw him, Max bounced into my office and declared: "I hear you're getting an Ex-Im loan. We want the letter of credit business."

Although we were about to close a deal with our two principal banks, something impelled me to inquire: "What are your rates?"

Gevers answered crisply. "One-tenth of one percent to open a letter of credit and one and three-quarters percent interest on all funds extended under the letter of credit."

This was an unheard-of offer, one we could not possibly refuse. Max wanted all of the business, but I demurred. I told him we had long and satisfactory relationships with other banks, and the business would have to be shared. He would get a substantial portion of the business for Bankers Trust, but I could not freeze out the other two banks as long as they matched these terms. Gevers agreed to that.

Next, I contacted my friends at Manufacturers Trust and National City, and explained to them the new situation. They went along, although they were not too happy about it. Still they were not going to stand by idly and watch Bankers Trust take home the whole pie.

That first Export-Import Bank loan set a precedent for other borrowings from the same source which the Government of Israel negotiated in the ensuing five years. Always, provision was made for agricultural activities and the Jewish Agency stepped in to borrow this money from the Israel Government, undertaking to repay it on the same terms as the Ex-Im loan.

This practice became a significant factor in the Agency's over-all financing, but it also imposed new burdens upon us. The Ex-Im credits financed the acquisition of materials and equipment, but all the other programs associated with agricultural settlement were not provided for. In order to utilize the benefits of the Export-Import Bank loans, the Jewish Agency had to match them from its own resources, practically dollar for dollar.

The results, however, were of lasting importance to the people of Israel. Agricultural development was accelerated and the country's entire economy benefited. The growing of essential foodstuffs increased as did the cultivation of flowers, citrus and other cash crops as exports, the income from which helped offset the cost of Israel's imports of grain and beef.

Eventually, in the total picture, a self-sustaining foreign exchange balance was achieved insofar as Israel's food requirements were concerned. This, of course, did not include other sectors of the economy which are not in balance to this day.

The history of the first year of Israel's independence is the stuff from which a people weaves its legends. The desperate improvisations and the selfless valor with which the initial thrusts of the Arab armies were blunted, the bitter siege of Jerusalem, the turning of the tide of war which sent Israeli columns rolling through the Galilee and the Negev, and drove the Arabs to the negotiating table at Rhodes to sign an armistice—all these stories will be told and retold as long as there are Jews to remember them.

Not all the heroism was on the battlefields. Eliezer Kaplan was tearing himself apart, trying to meet the financial needs and demands of all the ministries in the new government. It was an impossible task that was to burn him out and take his life within a very few years. We in the Jewish Agency tried to be as helpful as we could be taking on those responsibilities that an eleemosynary organization could support. Principally, this meant transporting, receiving and absorbing the massive influx of immigrants into Israel.

In those early days, heroic measures were required in this operation, too. I remember one incident in October 1949, when I made my first visit to

Israel. My friend George Newell came along with me. One evening George and I were to drive up to Jerusalem where Kaplan had invited us to dinner.

Before we left Tel Aviv, Kaplan telephoned to ask us to bring along Ruth Gruber, an American journalist who had just been down in Aden, at the southwest corner of the Arabian Peninsula. She, too, was going to have dinner with the Kaplans. "Ask her about the Jews of Yemen," Kaplan told me. "She has an interesting story to tell."

Ruth, as an administrative assistant to Franklin D. Roosevelt's secretary of the interior, Harold Ickes, had been instrumental during World War II in caring for a shipload of Jewish refugees brought from Europe to the United States and held for a year or more in a government facility at Oswego, New York. She had later gotten into the newspaper business and gained a reputation as an adventurous reporter. She had been the first to tell the story of the immigrants aboard the Haganah vessel, *Exodus '47,* whom the British had turned away from Palestine and shipped back to the DP camps in Germany. Ruth was now a correspondent in Israel for the *New York Herald Tribune* and the darling of Mrs. Ogden Reid, the matriarchal publisher of that prestigious newspaper.

Of course, we picked Ruth up and were plunged immediately into the hottest story of the day. She had just observed "Operation Magic Carpet" which was then flying practically the entire Jewish population of Yemen straight out of the Bible, it seemed, into modern Israel. Never had the drive between Tel Aviv and Jerusalem passed more quickly than it did for us that afternoon. George Newell and I were thoroughly fascinated by Ruth's account of the exodus from Yemen.

The migration of the Yemenite Jews was also the major topic of conversation at dinner that evening. Kaplan filled us in on the operation at the Israel end. It involved picking them up at the airport, sheltering them in a nearby camp, providing them with the most rudimentary essentials of modern life, many of which they had never even seen before, such as glass tumblers to drink from. They needed food, clothing, blankets, medical care, everything one could name, before the Agency could even begin to think of permanent settlement and employment for them. Kaplan urged us to visit the camp near the airport to see for ourselves. We promised we would.

At one point, Kaplan took me aside to ask: "Do you have any spare money in New York? Can you do anything? The Agency here is dreadfully short, and we are really at our wits' end trying to pay for airplane charters and other expenses involved."

I looked at George Newell but I knew there was no use in asking him, because he was here in Israel, not in New York. Moreover, we had very recently closed a multimillion dollar loan with his bank.

I glanced at my watch; at this hour, bankers would still be in their offices in New York. Hastily, I said to Kaplan: "Look, you are the minister of finance. Do you have any influence with the telephone exchange here in Israel? Can you get a call put through to New York for me right away? If I ask for a number, it will be at least a day, maybe two, before I get through."

Using Kaplan's telephone, I asked the operator to get me Mr. Harry Metzger and Mr. Harold Rasmussen at the Marine Midland Bank in New York City. Metzger headed the foreign department and Rasmussen handled our account. In half an hour, I was connected with them and saying, "Gentlemen, I need some money—and it's urgent!"

"I know what I'm asking of you is unusual, but could you put one million dollars on the books and transmit it to the Jewish Agency here in Jerusalem at once? I will cable my office and they will provide you with a promissory note when their office opens tomorrow morning. But, please, don't wait until you receive it."

"Do this on my word," I pleaded. "Just send the money out now."

Well, believe it or not, they did accommodate me. It is something I shall never forget. Bankers do have hearts.

We were to witness other such instances of helpfulness and understanding as we grappled with a financial situation which, for both the Government of Israel and the Jewish Agency, became steadily more difficult and dangerous during 1949. Each day was a struggle to keep Israel's financial ship afloat in the face of the tidal waves of immigration breaking upon the country's shores.

That year, the financial affairs of the Government of Israel in New York were under the stewardship of three men. One was Dr. Martin Rosenbluth, who was acting as the Israel Government treasury's representative in the entire Western Hemisphere, having been before statehood an official of the United Palestine Appeal. Serving as a financial adviser to the government and consultant to Rosenbluth was Sidney Green, a first-rate accountant and expert in administration. The third member of the group was the Israeli Minister to the United States for Economic Affairs, at that time Meir Sherman. Rosenbluth was responsible for the day-to-day disbursement of the funds available for payment to banks to settle debts on Israel's imports of essential commodities as well as other obligations of the Government.

The Israel Government's reserve of foreign exchange consisted largely of the dollars which the United Palestine Appeal received from the United Jewish Appeal and transmitted to the Jewish Agency. The dollars stayed in bank accounts in New York and the equivalent in Israel pounds was paid out to recipient organizations operating in Israel. This procedure also was followed by all the eleemosynary groups then working for Israel in the United States—Hadassah, Pioneer Women, Mizrachi Women, and the others.

Another potential source of hard currency operating in New York was AMPAL, only recently established but beginning to develop considerable financial strength. The Israeli banks had not yet appeared on the scene, although Bank Leumi had opened a representative's office in New York and was beginning to think about establishing a branch.

The dollars held in reserve in New York dwindled steadily from the initial $50 million which the Anglo-Palestine Bank had accumulated by our deposits to their special account. Eventually, things got so tight that each day a desperate Rosenbluth would have to telephone around to see if any of the organizations had cash available to help meet the most pressing obligations.

For Martin, it was an unbearable situation. He was a cultivated man with a doctorate from a university in his native Germany. His was a prominent Zionist family and his brother was a leader of the General Zionist Party in Israel and the first minister of justice in the new government. When Martin escaped to America just before World War II broke out, he was hired by UPA because of his background in and profound knowledge of Zionism. Martin's experience was in public relations rather than finance, but for reasons best known to themselves, the people who set up Israel's Provisional Government picked him to manage the treasury's activities in the United States.

Rosenbluth knew his own shortcomings and never hesitated to ask for help. He never attempted to pass himself off as a financial expert, relied heavily on Meir Sherman and Sidney Green, and kept on doing his duty the best way he could.

At last, there came a time when Martin recognized that Israel's dollar gap was becoming so huge and the crisis so acute that he could no longer carry the burden by himself. The need for a committee that could pool all the potential sources of dollars and coordinate efforts to deal with the crisis was obvious. One was formed in mid-1949. Rosenbluth asked Rose Halprin to act as chairman—a recognition of her position as a member of the Jewish Agency Executive and as former president of Hadassah, then a very significant source of financing for the young State of Israel.

The other regular members of this *ad hoc* group were Rosenbluth, Green, Sherman, AMPAL President Abe Dickenstein, and I. From time to time, we were joined by a number of other professionals, especially Gideon Strauss, then completing a year as a consul of Israel and returning to his first love, Bank Leumi, to direct its New York office. Henry Montor, UJA's executive vice chairman, and Joseph J. Schwartz, JDC's executive vice chairman, also helped out. At times when the chronic crisis became particularly grave, we would call on influential Jewish community leaders, like JDC Chairman Edward M. M. Warburg, to help us make the telephone calls for cash.

The standing committee started out with weekly meetings, but it soon

became clear that if we were to function at all effectively, we would have to meet more frequently, as often as three or four times a week. We would convene early in the morning because we usually had to reach conclusions about that day's needs and take the necessary actions before the banks closed at 3 p.m.

The agenda of a typical meeting would run something like this:

Martin Rosenbluth or Sidney Green would open by presenting the Government of Israel's financial position in New York exactly as it was at that moment—what checks had been issued and had to be covered, what drafts for cargoes in shipment to Israel had to be paid. These amounts would be totalled up and then we would look around to see what funds were available. We would start with the government's bank balances. These were usually almost non-existent.

Next, we would try to get an idea of how much cash the community campaigns around the country would be remitting to UJA that week. The next questions were: How quickly could UJA distribute the money to its beneficiary agencies? How quickly could UPA transmit its share to the Jewish Agency? Would we have to borrow in anticipation of arrival of the funds? If so, where? In what position would the actions taken on this day leave us for tomorrow?

There seldom was a chance to consider the day after tomorrow, so urgent and overwhelming were the more immediate problems. We were to live this way for the next three to four years. It was practically impossible to do even short term—let alone long term—planning. We were always scrambling to avert default by the State of Israel on one or another of its financial obligations. Were it not for the understanding and cooperation of Jacob Leichtman, who was a very knowledgeable and astute banker, Israel would have been in very serious trouble more than once.

The members of our little committee, representing organizations with different aims and interests, kept plugging away at our common daily task and, after a while, there was no longer any feeling of "we" and "they." We were all involved in the same problems and in finding ways to solve them. We tried to help each other in raising funds that were needed so desperately.

Sometimes, resolution of a particular difficulty lay in tendering a Jewish Agency note to AMPAL which could discount it at one of its banks. Dickenstein, of course, loved this procedure; Hammer hated it. It gave AMPAL an opportunity to earn a few dollars, but I always worried about whether the Agency's indebtedness was growing to unmanageable proportions. Yet, all too frequently, there was absolutely no alternative; we were compelled to resort to gross measures. A default was sometimes averted at five minutes to three o'clock, or perhaps later if we could persuade the bank that was

involved to stay open an extra fifteen minutes while our messenger found his way there.

There were times when it was better for the messenger to dawdle on his way. He would be instructed to stop off for a soda or do something else that would delay his arrival at the bank. If the check he carried was deposited on the current date, it might bounce. If the deposit were entered as part of the next day's business, all would be well.

Does one call that "kiting a check?" Of course, it was. We all knew it was a dangerous practice, and we resorted to it only when there was assurance we would be able to cover the check and meet the need we were trying to fill. Those were extremely perilous times and sometimes everything depended on our ability to improvise.

We all realized things could not go on that way forever. In the winter of 1949–50, Oscar Gass prevailed upon Eliezer Kaplan to set aside a week end during which a select group would get together to discuss very thoroughly Israel's financial condition and policies. Gass arranged with Abraham Spanel, the chairman of International Latex, for the use of his lovely home in Princeton, New Jersey, as a meeting place. Mrs. Spanel was the former Peggy Lieberson who, in the days before Statehood, had worked for the Jewish Agency in Washington.

On a Friday in February 1950, the group gathered in a small conference building on the Spanel estate. In addition to Kaplan and Gass, those present were the noted Washington economist, Robert Nathan, a promient Washington attorney, David Ginsberg, Meyer Weisgal, Maurice Boukstein and I.

Gass opened the session by presenting a program he described as a "four-legged table" on which Israel's financial stability must rest. He argued that if the new state was to survive, it had to have a rational, balanced system of financing. The current practice of trying to cope with problems on a day-to-day basis could not endure much longer, he asserted. No one there was ready to disagree.

The four points of Gass's proposal were:

1. Continued and expanded philanthropic fund raising, based on an intensification of the United Jewish Appeal. This would supply the Jewish Agency with the money required for Israel's unprecedented task of receiving and absorbing massive immigration, which governments do not usually have to face.

2. A program of intergovernmental assistance. He mentioned various possibilities then available in the United States, such as the Export-Import Bank loans. He also suggested that Israel's diplomats be asked to explore such possibilities in other countries.

3. Private investment. The Government of Israel, Gass believed, ought to

begin thinking in terms of an expanding economy, to be financed by individuals and corporations from abroad who would be interested in utilizing the pool of skilled manpower and technical know-how that immigration was bringing to Israel.

4. Last but not least, long term borrowing from individual Americans by the Government of Israel. This idea was the germ of the Israel Bond drive that started about a year later.

Using copies of a memorandum Gass had prepared, we entered into a thorough discussion of his four points. No one quarreled with his thesis. The only questions were about implementation. There were differences of opinion about some of the details. There were none about the basic approach to the problem.

Meyer Weisgal, for example, raised one of the questions. "Would an Israel government bond issue or borrowing in the United States interfere with the United Jewish Appeal? Perhaps the job of raising funds for the government on a borrowed basis ought to be entrusted to UJA?" The arguments bounced back and forth as we tried to stimulate our own thinking and provide Kaplan with the information and arguments he would need when he went home to try to bring order to the conduct of Israel's financial affairs.

These intensive discussions were recessed only for meals, which were taken in the main house with our very gracious and understanding host and hostess. Otherwise, the Spanels left us entirely on our own and we worked very hard until Sunday noon, when the group dispersed.

Thirty four years later, it is difficult to recollect all of the dialogues, debates and conversations during that week end, but there is one that stands out in my mind. Friday evening, after we had ended the formal session and were relaxing, Eliezer Kaplan talked about the world political situation in which Israel found itself, and about his own dreams and aspirations for the young state of which he was a founding father.

His hope was that Israel would find it possible to assume a neutral stance between the two rival superpowers, the United States and the Soviet Union. He envisioned a situation in which the Jewish State would be the Switzerland of the Middle East, at peace with its neighbors and productive for them as well as its own people.

Kaplan's fear was that, by embarking upon a program of financing that rested on Gass' "four-legged table" and depended so heavily on American resources, Israel would risk alienating the Russians, who thus far had been supportive politically and militarily. He foresaw that Israel would gradually drift into the American sphere of influence.

Kaplan recognized that perhaps Israel had no choice in the matter. He expressed these thoughts to us rather wistfully.

Now, Eliezer Kaplan is long gone; he died of overwork in 1952, still in his early fifties. It may be unfortunate for the people of Israel that the historical developments he was worried about more than three decades ago have come to pass.

After a quiet, almost relaxing weekend at the Spanels' estate in Princeton, brainstorming ideas for Israel's financial future, we returned on Monday to the harsh realities that confronted the young state in that bleak February of 1950. Our little "money committee" was now gathering in Martin Rosenbluth's office almost daily to grapple with the new emergencies that arose one after another.

A spirit of desperation began to pervade our meetings. The crises were constantly growing larger in scale. Before statehood, when the Jewish Agency was the responsible entity, we used to worry, for instance, about finding a million dollars every two or three weeks to pay for a shipment of 10,000 tons of wheat so the Jews of Palestine would not go hungry. Now, the population of Israel was about half again as large as it had been when independence was declared less than two years before, and it was increasing by the thousands each month. The need for imports of wheat was growing proportionately, and so were the requirements for other essential commodities. The shipments were much larger, and so were the debts we were trying to find the wherewithal to pay or to stave off somehow.

The ultimate responsibility for meeting this steadily mounting accumulation of obligations now rested, of course, on the Government of Israel. Still, in the process of advising Rosenbluth and his Israel treasury associates, we on the "money committee" came to feel that responsibility as keenly as the Israelis. The enormity of the problem weighed heavily on us all; everybody felt the situation was becoming intolerable. The muddling through had to stop. We had to move toward a lasting solution by starting to attack the basic core of the problem.

In the course of resolving its financial difficulties on a day-to-day basis over the preceding two years, the Government of Israel had issued lots of short-term notes. Some of these were always coming due, and almost every day we had to scramble for the money to make the payments or to refinance the notes in some manner. Then, one day, the members of the "money committee" reached a concensus on what to do about these extremely bothersome short-term obligations. Why not consolidate them all into a single, longer-term debt?

At that time, the early 1950's, there was no chance this idea could be brought to realization on the basis of a creditworthiness which the Government of Israel had yet to establish. The good faith and credit of the American

Jewish community would have to be brought into play, as it had been a few years earlier in the financing of the struggle for independence.

Our suggestion was that the Jewish communities in cities all across the United States obtain loans from local banks and remit the proceeds to the United Jewish Appeal. UJA would then transmit the funds to the Jewish Agency. In the process, Israel's dollar reserve held in New York would be increased enough to clean up all the pesky short-term notes and give its treasury a breather.

UJA's lawyers checked informally with the Internal Revenue Service to see whether participation in such an operation could affect UJA's tax status. Word eventually came back that this kind of activity by UJA would not be considered a violation of the Internal Revenue Code, and there would be no jeopardy for UJA as long as the funds generated in Israel by the operation were used by the Jewish Agency for eleemosynary purposes.

We had the signal to go ahead and began to plan our attack. I had already been talking to my friends at the Manufacturers Trust Company about the possibility of a multi-bank loan in New York when I received an unexpected telephone call from Eddie Warburg, then chairman of both the Joint Distribution Committee and the United Jewish Appeal. "Got," he told me, "cease and desist from all borrowing activities. Paul Baerwald is going to talk to the Chase National Bank."

I was dumbfounded. I knew Chase National was so pro-Arab at the time that they would never consider participating in a loan like the one we wanted. But who was I to argue with Eddie Warburg? I consulted Henry Bernstein, the executive vice president of the United Jewish Appeal of Greater New York, who had worked closely with Warburg for years. Henry's advice was to take it easy and not get excited. He agreed that the approach to Chase National was not the most promising one, but pointed out there was no way for me to oppose it.

After all, Paul Baerwald, Eddie Warburg's predecessor as JDC chairman, was a respected elder statesman of the Jewish community. As a senior partner of the famous Kuhn Loeb investment banking house for many years, he was also looked up to as one of the most important men in Wall Street. His connections at the banks were unmatched. He could call on anyone and find the door open. Who was I, therefore, to quarrel with the idea that Paul Baerwald could do better with the banks than I could?

I spent an agonizing month watching the negotiations go on. At last the day came when Baerwald took a high powered delegation to see Horace Schmidlapp, the president of the Chase National Bank. In the group were Dr. Joseph J. Schwartz, executive vice chairman of the national United Jewish Appeal, whose wartime achievements as director of JDC operations in

Europe were legendary; Louis Broido, a past chairman of JDC and, as head of Gimbel's, one of New York's leading merchants; and Samuel D. Leidesdorf, the treasurer of New York UJA and the head of one of the nation's largest and most respected accounting firms.

Chase National, Mr. Schmidlapp informed them, had decided to grant a loan, but not for the five-year term Mr. Baerwald had requested. It would be a one-year loan in which six banks would participate. At the end of the year, one of the banks would drop out of the syndicate and the other five would continue in it. After the second year, the banks would review the situation and another one would drop out to lie fallow for a year. This would go on from year to year, with the six banks participating but only five of them active in any given year. This was a far cry from the five-year commitment we needed in order to attempt to reduce Israel's short-term debts on an orderly basis. We would be in practically continuous negotiations for the annual renewals.

That day, I was having lunch at the Sulgrave Hotel when I received an urgent phone call from Sam Leidesdorf's secretary. "The boss wants to see you right away," she said. "Drop everything and come right over here." I rushed down to Leidesdorf's office at 42nd Street and Park Avenue. In his sitting room, I found Louis Broido and several others.

Broido began by putting a question to me. "Hammer, if you were to undertake to raise a loan, whom would you approach and how would you go about it?" Taken by surprise, I was marshalling my thoughts to reply when Leidesdorf walked in.

"Louis," he commanded, "stop it! Why don't you just tell Hammer that the Chase Bank has turned us down? Now, if all of you will leave me alone with Hammer, we'll try to do something about it. Good day, gentlemen." Then, unceremoniously, he ushered them out of the room.

I sat there, nonplussed. Leidesdorf returned, sat down facing me, smiled, and then declared: "You were right. Chase was the wrong bank to start with, but one does not argue with a Baerwald. Tell me, Admiral, what do you think we ought to do?"

Addressing me as "Admiral" was a joking reference to the position of president of the American-Israeli Shipping Company which I had recently accepted in order to look after the growing financial needs in the United States of the Zim Lines, the maritime fleet of the State of Israel. Mr. Leidesdorf was fond of kidding me about it.

I answered his request for my opinion with a brief analysis of the fundamentals of the situation: "What we need is about $60 million to cope with the short-term debt problem. If that total is to be a project of the whole American Jewish community, then we have to raise at least forty percent—

let's say $25 million—here in New York. This ought to be a multi-bank operation with at least five or six participants, and I'm ready to start with the Manufacturers Trust Company."

Leidesdorf, who as New York UJA's treasurer would naturally be a key figure in the negotiations, said, "That sounds good to me. Go ahead." I told him I would do so only on one condition: that I have his full support and ready access to him personally in order to consult, to report on how I was doing and, if necessary, to solicit his assistance.

Sam Leidesdorf's standing with the New York banks was legendary. The story was that, as a young accountant, he had recommended one of his clients to the National City Bank for a loan of $50,000. The loan went bad. One morning shortly afterward, Leidesdorf marched in to the bank and announced: "I recommended a loan to you and the thing is in default. I will give you my check. Let me have the note."

The bank vice president stared at him, thoroughly surprised, even shocked. This had never happened before. "You don't have to do this," he told Leidesdorf. "We expect a certain number of bad loans."

"I will never recommend anything to you that will result in a loss," Leidesdorf replied. "Let me have the note." What the banker did not know was that the youthful accountant had stripped himself of everything he possessed, plus all he could borrow, in order to make the gesture.

It was to pay off many hundredfold over the years. Sam Leidesdorf acquired an unparallelled reputation throughout the banking community and he was flooded with all sorts of business from them. Often when banks had a problem loan, or any kind of situation that required especially careful auditing, Leidesdorf was called in to do the job.

I had all this in mind when I asked him for such close personal support. Again, Leidesdorf gave me that avuncular smile. "I shall be delighted to work with you. Go to it! Where are you going first?"

"Manufacturers Trust," I replied.

"Good luck," he said.

I then proceeded to negotiate, bank by bank, step by step. A month later, we had $25 million from a group of banks led by Manufacturers Trust and National City. Others in the syndicate were Chemical, Bankers Trust, Marine Midland—all top banks in the New York market. We did not even approach the Chase Bank; it was left completely out of the picture.

I happily reported the successful culmination of our effort to Leidesdorf at a meeting in his office. No sooner had I returned to my own office, when there was a phone call from him. "We've got a problem," he said. "Come on back; we have to talk about it."

I groaned inwardly. "Never a dull moment. Now what?"

Upon returning to Leidesdorf's office minutes later, I found him all smiles. "The problem is I have just had a call from Chester Gersten," he said. "He is raging about being left out of our consortium of banks."

I laughed, mostly out of relief. Here was a surfeit of riches. Chester Gersten, a Jew who had converted to Christianity, was the longtime president of the Public National Bank, a multi-branch institution catering largely to Jewish customers on Manhattan's Lower East Side and in Jewish neighborhoods of Brooklyn and the Bronx. As banks were rated at the time, Public National was of medium size and in a year or two would be merged into the Bankers Trust Company.

That was in the future. Confronting us was a tricky situation in public relations. A bank president of Jewish origin, though not known especially for sympathy to our cause, was coming to complain that he had not been included in a loan benefiting the State of Israel, and he wanted in.

"He'll be here in a few minutes to talk to us," Leidesdorf continued. "I want you here when he comes."

Chester Gersten did arrive like a raging bull. His first demand was for me to leave him alone with Mr. Leidesdorf, which, of course, I did. The second the door closed, I heard him start screaming. After he had vented his anger on poor Sam Leidesdorf, I was recalled. The atmosphere was much calmer.

Leidesdorf asked, "Do you think you can do something about reopening this deal to give Public National a participation?"

"How much?" I wanted to know.

"Two million!" Gersten snapped.

"I don't think so," I said, "but perhaps I can work out one million." It would take a little time to see what I could do. Thus ended that day's conversation.

The next day, I went to work on the new problem. I called my friends at Manufacturers Trust and explained my dilemma. Would they agree to include the Public National Bank in the syndicate? Would they also be willing to give up a quarter of a million dollars of their participation so Public National could have a small piece of the loan? The Manufacturers Trust people were very reluctant. It took several days to clear this unusual request with the bank's senior officers. When a favorable response did come, I followed the same procedure with three of the other banks. At the end of a week, I had the million for Public National.

Our relationship with the New York banks was taking an interesting turn. We had just had to deal with one bank president who believed his institution, merely as a matter of good business, could not afford to stay out of a loan floated to help the State of Israel. Soon, we would hear more.

The next of Leidesdorf's "problems" arose a few months later, so urgently

that he called me at home. Hugo Scheurmann, executive vice president of the Chase National Bank, wanted to talk to us about possibilities for loans his bank might make to Israel and Israel-oriented institutions. I could not refrain from laughing a little. However, I assured Leidesdorf I would meet with Mr. Scheurmann and see what I could do.

At the appointed time several days later, I arrived at Scheurmann's office. He was a very kindly looking gentleman whom I took to be in his middle sixties, about ready for retirement. He had charge of the Chase National Bank's entire loan portfolio. With him was a vice president, Joseph Walsh, who managed the bank's Rockefeller Center office. Joe was to become a very good friend of mine and travel with me on one of my bankers' study missions to Israel. On that day in 1953, he was there at Hugo Scheurmann's summons to see what new business could be generated for the bank.

Scheurmann began with a frank admission. "We made a mistake. We should have been in on that loan you put together."

"That's very kind of you," I said. "What can I do for you now?"

"I want you to tell us how we can lend you some money. We would like to be in that group."

"It is not possible to reopen the loan six months after the fact," I pointed out. "However, at the next go-round, in a year and a half, perhaps I can offer you a participation, if the other banks agree."

"What can we do for you in the meantime?" Scheurmann insisted. "We must put a loan on the books."

An idea came to me. "That loan was made to the United Jewish Appeal of Greater New York," I explained. "You cannot under terms of the existing $25 million loan have a New York UJA obligation. Still, if you really do want to make a loan, I am ready to give you a Jewish Agency note for a year." I followed up with my standard half-hour dissertation on the "alphabet soup" comprising UJA, UPA, and so on and so forth.

At the end of my explanation, Scheurmann said, "Good! I will make you a loan of $1 million. Can you collateralize it?"

"Yes. I'll give you as collateral a stock certificate for shares the Jewish Agency holds in the Israel Electric Corporation!" There followed another fifteen minutes of discussion about the nature of the Jewish Agency and the status of the Israel Electric Corporation. The talk went on and on until I decided to bring the matter to a head.

"Look," I said to Scheurmann, "you want this loan for cosmetic reasons. I will give you the stock certificate as collateral. You're going to be paid in any event; make no mistake about that. If you want this loan, fine. Otherwise, you will have to wait."

Scheurmann looked at me, then smiled and conceded. "O.K., Hammer,

you win." To Joe Walsh, he said: "Put it on the books, as fast as you can. I'm getting an awful lot of flak."

Walsh and I walked out of the office past a line of bank executives, each holding in his hand papers on pending matters about which they had to see Mr. Scheurmann. We had been inside for over an hour and they must have been wondering what was so important that it tied up Scheurmann for so long, with no interruptions permitted. I wonder if any of them ever found out it was a loan for a mere one million dollars.

Relatively small as it was, that loan established a new standing for us at the Chase National Bank. It was paid off in due course and, at renewal of the big $25 million loan, Chase was included in the syndicate. They wished to be in on the loan but not to become a lead bank. This enabled them to deal a little more comfortably with their many Jewish customers.

Relations with the Jewish community became a much bigger problem for the Chase people a short time later when they merged with the Bank of the Manhattan Company to create the Chase Manhattan Bank, which had one of the most extensive branch networks in New York. They found themselves serving a very large Jewish clientele in addition to the huge Arab oil market they held as a result of Chase's traditional association with the Rockefeller interests and Standard Oil.

I had many talks with the younger people at Chase Manhattan and we came to understand each other very well. I never pressed them, but they did have to make up their minds that they were part of New York and would have to go along with the deals the banking community arranged with us. In the groups of bankers I was organizing to travel to Israel to see for themselves, I made a point of always including Chase Manhattan people. They did ask that we go easy on publicizing these missions, and that I was able to promise them.

I remember a lunch I had with Willard Butcher, Chase Manhattan's current chairman, when he was an assistant vice president. We met to talk about a public relations problem for Chase Manhattan which had cropped up that morning. The Arabs had seized a freighter loaded with arms for Israel as it transited the Suez Canal, and the story was the sensation of that day's newspapers. The vessel was, as was usual in such cases, of Panamanian registry and Greek ownership. The Chase Manhattan Bank had financed the deal and was embarrassed by the publicity. Butcher was seeking my advice, as a friend, on how to deal with it.

One bit of the advice I offered was in a slightly humorous vein. "Tell your Arab friends you also have Arab customers at home, except that in New York City, the Arabs are called Jews." As a practical matter, I noted, Chase Manhattan is an international bank dealing with all kinds of people. If the

bank took the position that it does not get involved in the politics of its customers, I counseled, all would be well.

Butcher thanked me for the advice. I have reason to suspect that, probably to this day, Chase Manhattan takes it into account in setting policy. No one has told me so directly, but on occasion through the years various Chase Manhattan people, who apparently did not know its source, have quoted to me my own feeble witticism: "After all, we do have Arab customers in New York, except that here they are called Jews."

Whatever collateral is given as security, my experience has been that loans and other major financial deals are really made on the basis of intangible factors—chief among them the borrower's reputation and the lender's understanding of his needs. The two go hand in hand.

The experience in 1953 of negotiating $60 million in loans from banks all across the United States to consolidate Israel's short-term indebtedness provided solid evidence that Israel, having the backing of the American Jewish community, was deemed by bankers to be a responsible debtor, a good credit risk. The next step was to enhance that reputation by spreading in the banking fraternity an understanding of the motives of American Jews in giving unprecedented sums to the United Jewish Appeal, and by increasing the bankers' knowledge of Israel's resources as well as its needs. 1953 was the year I organized the first formal group of bankers who visited Israel and studied conditions there first-hand.

Not that it was all as coherently thought out as indicated in this analysis, written with the benefit of thirty years' hindsight. The bankers study mission of 1953 was, more than anything else, an outgrowth of the personal experience of my own first visit to Israel four years earlier in the company of George Newell, my friend at the Manufacturers Trust Company.

In the autumn of 1949, the country was just beginning to recover from the War of Independence. The roadside between Lydda Airport and Jerusalem was still littered with the wrecks of bombed and burnt-out trucks, armored cars and tanks. Some of them are still there to this day, but only as memorials to the men and women who sacrificed their lives to assure the survival of the reborn Jewish state and gain for it a safe land passage between its major modern city and its historic capital.

On the drive up to Jerusalem from the airport, as our car negotiated an extremely narrow strip of road through an area of rock-strewn hills called The Seven Sisters, George stopped staring out the window long enough to turn to me and say, "Who would want this godforsaken desert? Is this what you Zionists have been fighting so hard for all this time?"

I confess I was rather shaken. At six o'clock in the morning, after an all-night flight from Paris without any sleep, I found that a difficult question to answer.

In Jerusalem, George and I took a room at the Eden Hotel, a second-rate hotel which exists no longer. We just did not seek out the comparative luxury of the King David Hotel. Back in 1949, in a city newly divided into Arab and Jewish sectors, where austerity—"tzeneh" was the Hebrew word—was the order of the day, the King David seemed to us to be out of bounds.

Since this was my first visit to the country, it was to be as much of a learning experience for me as it was for George. Ever afterward, I have been profoundly grateful to George for enabling me to see through his eyes as well as my own. It gave me a certain objectivity that I needed if I was going to be effective with bankers who were not Jewish.

We had meetings with leaders of the Government and, of course, the Jewish Agency. Berl Locker, the Agency's chairman, and Shlomo Eisenberg, the secretary general, were very helpful. George and I traveled the length and breadth of the land, spending much time in the port city of Haifa and in Tel Aviv, which was even then showing signs of becoming a major metropolis.

The initial impression of a "godforsaken desert" soon dissipated as we saw what Jewish labor and initiative were accomplishing in the reclamation of desert areas which were being turned into flourishing agricultural settlements. We began to understand the Zionist motivation. By the time we had to go home, we were both convinced that the cause of revitalizing the Holy Land warranted full support from Jews and Gentiles alike.

During my time at the Jewish Agency, bankers study missions went to Israel in 1953, 1955, 1956, 1962, 1965, 1968 and 1970. Each time we were fortunate in the quality of the participants in those missions. Our process of selecting and inviting them concentrated on younger people who would be around for a long time to come. We looked for bright young men with a future, who might one day be the chairmen, presidents and executive vice presidents of their institutions.

Those bankers' study missions certainly were not junkets. They were what the name we gave to them said they were: Attempts to learn something about what "those crazy Jews" were doing in Israel, and to understand why their fellow Jews in communities all over the world, by and large, gave them such wholehearted backing.

The learning process usually started in Europe, where we would meet with Jewish Agency representatives in Geneva or Paris or Vienna. The choice most often depended on the current flow of immigration to Israel. There was nothing to equal the experience of meeting immigrants fresh off the plane or

train from whatever country in Eastern Europe, North Africa or Asia Jews were then fleeing, and of hearing from their mouths the reasons they were going to Israel.

Several times, bankers' study missions in Austria stopped off at the concentration camp the Nazis had operated at Mauthausen. After my third visit, I stopped going; I could not take it any more. After a visit or two, the emotional impact becomes just too powerful for anyone to bear.

For the non-Jewish bankers on those missions, however, the experience was a revelation. To have someone like Simon Wiesenthal, a one-time inmate of Mauthausen now becoming internationally known as an expert on and nemesis of the war criminals who had run the death camps, tell of his personal experiences and explain the workings of the gas chambers, the ovens, the torture chambers—all the horrors one hears about the camps but never quite comprehends—this was bound to have a tremendous effect on any decent human being. After such a visit, mission participants, practically without exception, would say to me something like: "We understand what you have been talking about. Now, let's go to Israel."

That was one of the signs by which I would know that a mission was succeeding in its fundamental purpose of educating bankers with whom we were developing relationships. We needed to have them really understand what we were talking about, what motivated us, when we came to them to discuss financing and loans or to seek advice and assistance. Those missions and the resultant spread of knowledge about us in the participants' banks made our task much easier.

The last mission in which I was involved personally took place in 1970, but it has been a comfort to see that my successors, Irving Kessler and Harold Goldberg, have continued the practice since taking over in 1974. They are giving upcoming generations of bankers the opportunity to visit Israel and learn about the Jewish Agency's work from direct experience.

This is not simple or easy to accomplish. Running a mission is a highly complex operation, requiring technical and logistical support of many kinds at every step of the way from New York to Israel and back. It is never a one-person operation, and I hope Irving and Harold are as fortunate in the people who work with them as I was for so many years.

One was Sidney Rubenfeld whose Field Travel Service handled our international travel arrangements. A very able fellow, Sidney grasped our special needs well and worked very hard to assure our missions of smooth and efficient movement from place to place. Sometimes, he accompanied us to Europe and Israel to make sure personally that transfers between El Al and other airlines or arrivals in certain cities went off without a hitch, or that our accommodations were exactly what they were supposed to be.

In Israel, the logistical arrangements were the responsibility of Chaim Vinitsky of the Jewish Agency's head office. Today as the United Jewish Appeal's director general in Israel, he still performs daily miracles in the reception and movement of thousands of UJA-sponsored visitors to Israel each year. Chaim laid out the itineraries for all the missions I brought there. Never was there a snafu, an undue delay or a misunderstanding about an appointment with the very busy people we were there to meet.

Elsewhere overseas, especially in Europe, we had the full cooperation of the Jewish Agency's representatives and their staffs. This was due very largely to the wisdom and the understanding of Eran Laor, for many years director of the Agency's activities in Europe, and to the efforts of his longtime assistant, Joseph Harmatz. These days, Laor is enjoying his retirement in Jerusalem while Harmatz is director general of the World ORT Union.

The cooperation of all these Agency people and others made our study missions appealing to banker friends as models of efficient, interesting and enlightening travel. They always returned home with a feeling that they had been well treated and that the Israelis really knew how to "put on a show." We went to great lengths to encourage that feeling from the very first steps in organizing each mission.

Everybody in the Agency's United States office was aware of the great importance of these missions and of the myriad of details that went into servicing these big groups of Very Important People who traveled as our guests. In this connection, I can not say enough about my longtime secretary and administrative assistant, Marcella Kaplan. With her unique sense of humor and her charm, she always kept things moving on track as the missions were prepared and sent on their way, and then while we were gone, Marcella was the one who kept the home fires burning.

The success of the bankers' study missions owed a great deal to the backing and cooperation of many of Israel's most important leaders. Prime ministers, foreign ministers, ministers of finance and defense, chairmen, treasurers and department heads of the Jewish Agency, all readily made themselves available for breakfasts, lunches, dinners, meetings at almost any hour. They did not just make speeches; they subjected themselves to direct and intensive questioning on all sorts of issues of common concern to Israelis and Americans. Among the most outstanding in this regard were men like Levi Eshkol, Moshe Sharett, Pinchas Sapir and Abba Eban.

Such direct personal communication with our banker guests was not confined to officially scheduled occasions. I well remember being with a group that came upon David and Paula Ben-Gurion on vacation in Tibereas. Graciously, the former Prime Minister agreed to receive us for half an hour. It turned out to be two and a half hours of lively conversation, highlighted

by a brisk lecture from Ben-Gurion on why American Jews should come to Israel on *aliyah*.

And, there was Teddy Kollek, the modest "farmer from Ein Gev," as he once called himself, who became the Mayor of reunited Jerusalem. He never failed to impress the members of the missions that visited him with his personal charm and the warmth of his welcome to his city.

When our banker friends brought along their wives, we often had to organize special activities for the ladies while their husbands were away on day trips deemed too arduous or too dull. The responsibility for these, in effect, separate missions especially suited to the interests of women was handled over the years by Ruth Bach and Judith Herrmann.

I first met Ruth when she was an aide to Moshe Sharett, performing various public relations chores. She went on to become the director of Mishkanot Shaanim, Israel's official guest house for distinguished artists and cultural personalities visiting the country. Judith had served in the woman's branch of Israel's navy during the early days of Israel's independence and then, in various capacities, had made significant contributions to the development of the tourist industry. Their role in my bankers' study missions was to preserve domestic harmony and help make interest in Israel a family concern of the participants.

The most important outcome of the bankers' study missions has been the generation in the non-Jewish banking community of a desire to keep up with developments in Israel, because so many of its members have been there personally. By now, bankers the world over have come to look upon Israel as an excellent credit risk and to have high regard for its ultimate backing, the good faith and credit of the Jewish people everywhere, especially in the United States of America.

There never has been a default on a loan to Israel and if the bankers understand why this is so, there may never be one.

The day in the spring of 1953 when the papers were signed for a loan of $25 million to the United Jewish Appeal of Greater New York by a syndicate of banks, we on the "money committee" knew we had made our breakthough. The pattern was set for any Jewish community in the country to borrow against UJA campaign proceeds in order to help resolve the financial difficulties besetting the Government of Israel.

We set out to round up support from coast to coast. Aryeh Manor, an Israeli diplomat and economist who served in New York and Washington for many years and was soon to succeed Meir Sherman as Israel's minister to the United States for economic affairs, spent a great deal of time on the road,

visiting city after city and persuading the leaders of their Jewish communities to join in what became known as the Consolidation Loan.

The bankers in other cities had seen the bellwether institutions in New York make their funds available for the project, and they knew they would be dealing with local people they regarded as responsible businessmen and civic leaders. Before long, the full $60 milliion we sought was committed.

As the actual proceeds came in, we soon put together sufficient cash to dispose of the annoying and dangerous short-term debts, to begin managing day-to-day financial operations on a rational basis and thus ease the Government of Israel's financial burdens. The "money committee" was able to relax and then to dissolve. Its job was done.

Things went pretty smoothly for a while, until we realized that, in designing the loan program, we had built into it a kind of boomerang. The pattern of repayment of the local loans was very uneven across the country. In some cities, the Jewish federations and their principal officers harbored an intense dislike for borrowing. They felt that to owe money was somehow a reflection on their character, on their stewardship of the federation's finances, on the good name of their community. Consequently, they used the proceeds of their next UJA campaigns to pay off their loans before the scheduled dates.

This was, of course, completely at odds with what we had tried to accomplish. Repayment of the local loans was usually done at the expense of the communities' remittances to the national United Jewish Appeal. The Jewish Agency's income from UJA fell drastically and we could not adequately support our current operations in Israel. The trend of unstable and declining income reached its low in the late 1950's, when Dov Joseph was the Agency treasurer. There came a year when the United Israel Appeal was able to transmit to Jerusalem only $8 million cash during the whole twelve months.

This was a disaster. Dr. Joseph was beside himself. How could he possibly manage the Jewish Agency's budget or meet immigration and initial absorption expenses, which had to be paid in cash, on a pittance of only $8 million a year from the wealthiest Jewish community in the world? He implored UJA's leadership to do something about the crisis in the Agency's finances.

This problem was not susceptible to the kind of heroic measures which a few years earlier had staved off default by the Government of Israel, or to a bold, innovative device of the kind that finally resolved that crisis. It required careful and patient negotiation with community after community. It was solved step by step over many months.

Our objective was to persuade the communities to let the United Israel Appeal negotiate the borrowings centrally, with support and assistance from the communities. The justification and rationale for a single, unified loan or

borrowing program soon became apparent to all. The terms of the local loans across the country would be uniform and the repayment schedule could be worked out so it never exceeded fifteen or twenty per cent of the Agency's anticipated income in any year. The result would be more stable financing and more realistic budgeting of the Agency's operations.

We started, as usual, in New York City with a renegotiation of the $20- or $25 million loan still outstanding there. Boston was also a bellwether in the nationwide effort, largely because of the high esteem with which UIA Chairman Dewey Stone was regarded in his hometown. The First National Bank of Boston, I had occasion to note in a report I wrote at that time, would never say "no" to a Dewey.

Then, it was on to Baltimore where the Federation's executive director, Bob Hiller, made three or four phone calls to key lay leaders and the rest was a formality. When they knew the Meyerhoffs and the Hoffbergers were backing us, the four major Baltimore banks readily acquiesced to the loan requests we made of them.

In Chicago, Ray Epstein and Philip Klutznick cleared the way for us. In St. Louis, this was done by Melvin Dubinsky, and in Los Angeles by Victor Carter and Bram Goldsmith. Philip Zinman was especially helpful in Philadelphia. In Detroit, Max Fisher's unparalleled reputation, not only in Jewish affairs but in the city's business life, was practically an automatic signal to the bankers to lend us money in accordance with the national pattern.

It was not as easy in every city as these highlights of the negotiating process would indicate, but our effort did succeed. That was a tribute to UJA and its fund raising record—which was really a reflection of the marvelous achievements of the individual communities—and to the reputation for integrity of Jewish community leaderships in the cities where we approached bankers. The personal knowledge and understanding of Israel and the Jewish Agency which quite a few bankers had by now gained through participation in our bankers' study missions, combined with the local backing with which we came to them, convinced bankers there was no question about our ability to carry the loans we sought. The only provisos they made were that the terms and conditions be reasonable and in keeping with standard banking practices.

This procedure of bank financing was to prevail through the late 1950's and early 1960's. UJA had reached a plateau in fund raising and the Jewish Agency was, therefore, stuck on a plateau in the amounts it could borrow. Our loans were of relatively short duration, three years or five years at the longest, but at least they provided substantial amounts of cash, usually about

$50 million a year, to bridge the gap between current income from fund raising and the level of operations required of the Agency.

By 1962, we were beginning to explore a new potential avenue to additional financing, the big insurance companies. This was on my mind as I lunched one day with William S. Renchard, who was to become chairman of the Chemical Bank, and Pierce Onthank, a senior vice president of Chemical. Incidentally, both men were bankers' study mission "alumni."

We were talking in a very general way about UIA and Jewish Agency affairs. "What's new?" Renchard asked.

"Everything would be lovely," I replied, "but what in the world does it take to break through with the insurance companies? It seems those people are the most secretive and the most uncommunicative group I have ever run into. It's very frustrating."

"Pete," Renchard said to Onthank, "I want you to go back to Got's office after lunch and see what papers and material he has available. If you think he has enough for a presentation, put him in touch with Charlie Leggett."

After lunch, we did exactly as Renchard had suggested. Pete Onthank was an old friend. After reviewing what I had, he said there was no reason we should not at least get a hearing. There and then, he telephoned Charles Leggett and asked him to come to see me.

Charlie Leggett was a retired officer of the John Hancock Mutual Life Insurance Company in Boston. He and his wife Dorothy were to become very close friends whom my wife and I still try to see as often as we possibly can. Charlie lives in Stow, a small town near Boston, where he has a farm that has been in his family for generations. He was also a first-class insurance credit man.

Charlie had resigned from John Hancock Life when he realized that no matter how long he stayed with the company, even to retirement age, he would never reach the very top echelon. There were just too many competent people ahead of him, already placed in advantageous spots. In the normal course of things, all the choice senior positions would already be filled when Leggett got to the proper age for them. So, Leggett did the next best thing; he became an independent broker. His knowledge of the insurance industry was encyclopedic. He knew the people and how they would react. He really understood how a presentation should be made.

The insurance business was different from banking. It was much less frenetic and there was less pressure on the lending officers. Their job was to see that the company's money was lent out safely and at reasonable rates. They were very much afraid of what is called "spiking" performance—that is, a big upward surge in income one year followed by a sharp dip the next.

Insurance companies, especially mutual companies, wanted orderly and level performance, with no problems.

Consequently, they took all the time in the world to review a loan application and to reach a decision about whether to make the long-term commitments they were interested in. Usually, if a matter had to be decided by a committee, a favorable vote had to be unanimous or the whole thing was discarded. No single deal was important enough to warrant a risk of upsetting the company's routine or of creating any dissension within the organization.

That's the way things were done in 1962; today they are very different. In the intervening decades, there have been great changes in the economy and in the attitudes of Americans toward insurance as a personal investment and insurance company loans as a method of financing.

On the day Charlie Leggett came to see me, he reviewed the material I had prepared and said, "We might be able to do something. Let me make a few contacts."

What I was looking for was a breakthrough in the form of an insurance company loan to finance the provision of decent housing for new immigrants in Israel. Up to that time, the need for housing had been met largely with abandoned Arab houses during the earliest years of statehood and then with jerrybuilt apartment blocks and individual units that were hastily thrown up. These were erected with the scanty financing that was all Israel Government grants and the Jewish Agency's current income from fund raising could provide.

The nature of the housing industry in Israel did not encourage private investment. The Israelis had no conception of the American system of long term, low interest mortgage financing that made it possible for working class people to purchase solidly built homes of their own. The country had no sources of low cost money for such a purpose. Yet, the custom was for families to buy the quarters they lived in; reasonably priced rental housing was almost non-existent.

Our aim was to set up an American company which would obtain a fifteen year loan from an insurance company or companies. The loan would be repaid out of the budgetary allocations which the United Israel Appeal normally made to the Jewish Agency for its housing programs. The substantial pool of funds generated by the loan would be used to accelerate construction and thus provide a larger volume of housing much sooner. The loan would be guaranteed by the United Israel Appeal which, of course, in the last analysis meant the good faith and credit of the American Jewish community.

Charlie Leggett went right to work on the project. He is shrewd in the

tradition of the old New England traders and possesses the native Yankee talent for understatement, so his peers in the insurance business had the utmost confidence in anything he told them. He made a number of contacts on his home grounds in New England, specifically at the Massachusetts Mutual Life Insurance Company in Springfield and the New England Mutual Life Insurance Company in Boston. After a week, Leggett called to set up an appointment for representatives of the two companies to visit me in New York. They wanted to hear what our proposition was all about and see what we looked like.

I agreed readily and set about provisionally organizing the American housing company. In this, I was ably assisted by the Jewish Agency's legal counsel, Maurice Boukstein. He took care of the legal technicalities and, as always, acted as the "Father Confessor" to whom I could confide not only my hopes and aspirations for a project but also the misgivings I had sometimes.

I got in touch with Jack Weiler and explained what I was trying to accomplish. He thought it was a wonderful idea and consented to serve as chairman of the American company. We named it American Associates, Inc. Jack agreed to call a group of his fellow real estate entrepreneurs together to discuss the project and get it started.

More than twenty years have passed, but I still remember vividly the scene in Weiler's office, then at 711 Third Avenue, Manhattan, in the booming East Side office district which men present at the meeting had been instrumental in creating. In the group were Laurence Tisch, Samuel Lemberg, and Irwin Chanin, among others.

Jack opened the meeting by announcing with his customary directness and enthusiasm, "Fellows, I've got a real estate deal here that is not only a good deal but also something that will be helpful to Israel. If anyone here is not interested, he may leave right now. Otherwise, Got, tell them what this is all about."

I proceeded to spell out how the deal was to be structured and what we hoped to get from the insurance companies. We were starting with a pilot project for which we would solicit $1 million from private investors like the people at the meeting and $5 million from insurance companies. This $6 million would be used to purchase already existing, recently completed housing in Israel. The Government of Israel or the Jewish Agency would then be asked to put up $6 million more, also in the form of existing housing. Thus, a total of $12 million in housing properties would be available to serve as collateral for the insurance company loan. This meant $6 million would be available to build housing without the difficulties and complexities involved in getting direct loans for the new construction.

The existing properties to be used in the program would all be immigrant

housing on which the rent would be paid by the United Israel Appeal in the form of service payments to the insurance companies for their loan. The interest rate was to be six per cent per annum and amortization would be on a fifteen-year basis. By the standards of the 1980's, these would be remarkably favorable terms for a long term loan. Back in 1962, the deal was an eminently fair arrangement that provided new money to build housing without requiring quick repayment from current income or diverting funds from other pressing needs the Jewish Agency had to provide for in its yearly budgets.

When my presentation was done, Weiler called on Boukstein, "Bouky, tell the boys where this stands legally." Boukstein spoke his piece and in a few minutes it would all be over.

Jack looked around the group and stated, "I'm putting in $200,000." Then he turned to one person after another in the semicircle of men around the table with a question, "What do you want to do?" One after another, they responded.

One man, who shall remain nameless, started to ask a question, "Jack, can I—?" Weiler cut him off: "No, you can't. You're out."

The man flushed deep red. "Jack, what did I say?"

"In this deal," Weiler answered, "you can not use Israel Bonds. It's cash only. I know what you wanted to say." The fellow did not take part in this particular deal only because Weiler had said he could not.

All this was done in good spirit and great friendship. Within five minutes, we had our subscription of $1 million, with no individual taking a share of less than $100,000. The number of investors was less than the number which would have required registration with the Securities and Exchange Commission and the issuance of stock certificates. We were in business without that headache.

The following week, I was visited by Homer Chapin, then the executive vice president of Massachusetts Mutual, and Corning Kenley, an assistant vice president of New England Life. Both were to become close personal friends of mine. Kenley eventually became executive vice president before retiring from his company. Chapin, though long retired from his firm, is still quite active as a consultant and broker.

When the initial pleasantries were over the morning we met, I went into my well rehearsed routine of explaining the structure of the American Jewish community and the "alphabet soup" of its agencies. We spent three hours discussing UJA, UIA, the Jewish Agency and their affiliations and their need for money. Then we went to Jack Weiler's office for luncheon with him and some of the other investors in American Associates, Inc.

Chapin and Kenley knew Weiler by reputation at least, and had met

others of these New York real estate men over the years in the course of business. There was a lot of pleasant conversation; almost no questions were asked. As the group was breaking up and we were taking leave of our host, Homer Chapin said to him.

"Jack, Hammer has spent hours trying to tell us what this is all about. I don't know much more than I did when I came here this morning. It is not something which is easily absorbed and done within a few hours. But I do know one thing: if you and your associates are prepared to put your money up front, I am prepared to make you a loan along the lines Hammer requested."

That was the breakthrough we had been seeking. It was the forerunner of several other "Associates" loans for immigrant housing negotiated between 1962 and 1964.

In all, these totalled $70 million in insurance company funds, capital provided by individual investors and the value of the housing put up as collateral. We avoided giving direct mortgages on the properties. The mortgaging process in Israel was much too complicated, and we were fearful of running into difficulty because of peculiarities of Ottoman law, the Mandatory law which succeeded it, and Israeli law which replaced them both.

We stopped this kind of borrowing in 1964, not because it was no longer available. We had other priorities in mind. Immigration had slacked considerably and the need for housing was not as urgent as it had been. The $70 million had generated enough funds for more than 17,000 houses and apartments, reducing Israel's housing shortage to proportions that were manageable by other means.

Another reason for not continuing the "Associates" method of borrowing beyond 1964 was that we were becoming a little apprehensive about our bank loans. We had been carrying them for a dozen years now and they were always for relatively short terms. Arranging a single long term loan to consolidate our debts would, we came to believe, provide an orderly method of liquidating our indebtedness altogether and would make possible more comprehensive budgeting each year, more closely suited to the current needs of the Jewish Agency's programs.

My personal belief was that the American economy was heading into a period of tight money when it would become much more difficult and costly to maintain bank loans. The course of wisdom, it seemed to me, would be to get out from under our obligations to the banks as soon as we could. Terminating those obligations amicably and on our own initiative would also enhance our credit standing should we ever have to go back to the banks at some time in the future.

To this end, I began negotiations with the insurance companies in 1965. The earlier loans for housing had come from only four companies. Now it

was time to expand greatly our base in the insurance field. It took several months of very arduous but most rewarding effort. We ended up with $50 million from eleven companies. The understanding of our board of directors was that these funds would be used to consolidate our outstanding debts, which is what we did.

I particularly remember one negotiating session that took place just before we finally closed the big insurance company loan. At the time, we were paying the banks five or five and a half per cent, half a point above the prime rate. Insurance companies were getting a quarter of a per cent more than we were paying the banks. One day, I got a call from Peter Russell, vice president of the huge Aetna Life Insurance Company. He wished to come over to talk with me.

I had Maurice Boukstein sit with me; Russell brought along several colleagues from Aetna. They indicated a willingness to participate in the projected loan, which was to be made to the United Israel Appeal and thus, as always, would be based on the good faith and credit of the American Jewish community.

There were public relations advantages in making this loan that were not lost upon the lending companies. The Jewish community was a very fertile market for life insurance sales. The Arab community represented no market at all for this type of investment. For one of the few times I can remember, we were in a psychologically strong position to negotiate terms with a lender.

Aetna was satisfied with the presentation we had made, Russell said, and was prepared to take a major position in the $50 million loan. "What did "major" mean?" I inquired. The answer was $12 million. That was fine with me. Aetna, however, wanted six percent interest instead of the five and a half I was ready to pay.

We got into a lengthy discussion about interest rates, but I remained adamant, arguing vehemently for five and a half per cent. We simply could not make a special deal with Aetna. If we agreed to six percent, it meant the same rate for all the other companies, even though they had already accepted five and a half.

It became a very trying half hour for me, but I was absolutely determined to hold out. Should I keep on doing so and perhaps lose Aetna's participation? It was a calculated risk and a big one; almost twenty-five per cent of the total amount we wanted was at stake. At long last it was Russell who yielded. He smiled and said those lovely words, "You win!"

When they had gone, Boukstein and I went into my office to have a drink. I was sweating profusely. "I don't know where you got the nerve to stand up to them," Boukstein said, "but all's well that ends well."

That $50 million loan from the insurance companies was a landmark in the financing of humanitarian programs in Israel. We set up an elaborate signing ceremony in New York, with a press conference and luncheon to follow. We wanted to make certain the Jewish community was aware we were taking the loan and knew the reasons for it. The moral obligation to repay it, which UIA was entering into on behalf of the whole of American Jewry, had to be understood. The phrase, "good faith and credit of the American Jewish community," had to be trumpeted throughout the land.

The meeting with the press was handled by Max Fisher, then UIA's treasurer, and Dewey Stone, our chairman. The insurance company representatives entered into the spirit of the occasion. They stated unreservedly that their reason for making the loan was their faith and confidence in the American Jewish community. The message was reinforced by the presence at the press conference of leaders of the United Jewish Appeal.

Truly, it was a gala occasion. The loan stayed on the insurance companies' books for fifteen years, amortized annually in equal installments at a fixed interest rate of five and a half per cent. By the time the final payment was made in 1980, that rate shone like a beacon of light in a darkening world of double digit inflation, which was to put the prime interest rate above twenty per cent before the fever broke.

With the closing in 1965 of a $50 million loan granted by eleven insurance companies, it appeared to the leadership of the United Israel Appeal that at last we were on the way to becoming debt free.

Our bank loans were paid off by the proceeds of the borrowing from the insurance companies, which provided for an orderly liquidation of UIA's entire indebtedness within fifteen years. As never before, we could focus our attention on UIA's humanitarian and eleemosynary activities without distraction by multi-million-dollar financial obligations.

Then, the Six Day War struck like a bolt from the blue. An imminent threat of war first appeared in mid-May 1967 when Gamal Nasser, Egypt's dictator, began concentrating his army in Gaza and Sinai. The war itself was over by the eleventh of June, but the changes it wrought were no less drastic for having occurred so swiftly. The Government of Israel and the Jewish Agency, each in its separate sphere, found themselves confronted by vastly enlarged responsibilities and opportunities.

Jerusalem was no longer divided by the armistice line and whole sections of the city, like the Jewish Quarter of the Old City which had lain in ruins since the fighting of 1948, could now be rehabilitated. Much had to be done to repair the devastation of war and restore normal life in the "administered territories" of the West Bank. The opening up of new territories and the

relief of the Negev and other border areas from the threat of infiltration and terrorism greatly increased the need and the opportunity for agricultural development. The improved security situation of the whole country was encouraging a new surge of immigration.

American Jews responded to the new situation by raising to unprecedented heights their giving to the United Jewish Appeal. But UIA's need for funds was outstripping the capacities of even the much expanded UJA campaign. It was soon apparent that we needed additional financing urgently. We would have to go back to our friends at the banks much sooner than we had anticipated.

Max Fisher, by then the leading figure in the United Israel Appeal, took the position that before approaching the bankers, we must consult the communities. This was done at an all-day session at 515 Park Avenue with community leaders from all over the United States.

Our proposal called for a single loan to be negotiated on a nationwide basis by the United Israel Appeal. We would need the cooperation of the local Jewish community leadership in dealing with the banks in each city, but the obligation to repay must remain with the United Israel Appeal. We insisted on this condition in order to maintain uniformity of terms. We had no desire to risk a repetition of the experience of fourteen years earlier, when some communities paid off their shares of the original consolidation loan sooner than scheduled with campaign proceeds desperately needed to support current Jewish Agency operations. That kind of borrowing activity would be useless. What UIA had to have was medium term financing for five years or so, under conditions we knew we could handle comfortably.

The $65 million that we estimated was required from the banks would be in addition to the 83 per cent of the $50 million loan from the insurance companies that still remained to be paid.

In retrospect, I must say that Max Fisher was absolutely correct in his judgment. At the meeting of community leaders, there was a great deal of debate and much soul searching. When the resolution was finally put to American Jewry's assembled leadership the affirmative vote was unanimous. There was no question about our having the full backing of the entire organized American Jewish community.

We then proceeded to enter into negotiations with the banks; $65 million was the largest amount we had ever attempted up to that time to borrow in one lump. We divided it into roughly forty per cent from New York and sixty per cent from the rest of the country. The $25 million we asked for in New York represented no great problem. The bankers knew us well, had been lending us money for many years and understood what we were trying to do.

Moreover, their respect for us had grown as a result of the insurance

company loan, which had enabled us to pay off all our obligations to banks and to remain free of such debt for almost three years. Bankers usually have an appetite to make loans when you don't need them. You rise higher in their esteem when you can afford to stay away from them for awhile. In New York, we were welcomed back with open arms.

Bankers all over America were well aware of the situation in the Middle East. Bankers' study missions, which included representation from the insurance companies, went to Israel in 1965 and 1968. Now, as we made the rounds in city after city, there was no doubt about the outcome.

We started in Boston at the First National Bank. Dewey Stone accompanied us when we went in to discuss our request. The matter was settled within half an hour. Next was Baltimore, where the character and stature of the Jewish community's leaders have always been so impressive that the banks' response was a foregone conclusion. Then, it was on to Philadelphia and Washington, D.C., with the same results.

Chicago was the next stop. There, too, with Ray Epstein and Phil Klutznick helping us, we had no problem. In Detroit, where Max Fisher and other local leaders set up the meetings with bankers, it was like a triumphal march. It went on that way from one coast to the other. The faith bankers everywhere had in the American Jewish community made one feel proud. It was obvious we Jews stood taller than ever before in the eyes of our fellow Americans.

After 1968, we did manage to borrow for special purposes from time to time. However, bank interest rates were rising steadily and financing from insurance companies on a long term basis was becoming almost impossible to arrange. The price of money was going so high that any proposition that was practical would impose an unacceptable burden on us. I realized that in any crisis requiring substantial additional financing, UIA would have to find new sources of assistance.

I did not spend much time worrying about that. I was fully occupied with the myriad of financial dealings and other matters flooding across my desk. It was 1973 before I finally got the help I needed desperately. We engaged Harold Goldberg as controller of the United Israel Appeal.

For years, I had been complaining to my board about my lack of an assistant highly qualified to deal with financial matters. I felt it was just not right. If anything were to happen to me, UIA would immediately find itself in difficulty because we were handling our finances pretty much as a one-man show. Jack Weiler backed my requests for help and urged me to find someone, but most other lay leaders thought it was unnecessary and would be a waste of time and money. Eventually, they did give in and Hal Goldberg came to work at UIA.

He had been recommended to me by Dr. Isador Lubin, then our consul-

tant on overseas services. Hal had been controller of the Twentieth Century Fund. He was young, personable and well equipped by education and experience for the position we offered. I began to feel much more comfortable when he joined our staff.

I soon introduced Hal to all the processes of financing we were then engaged in—the bank loans, the insurance company loans and a new element, United States Government grants for the resettlement of Russian immigrants in Israel. That was eleven years ago. Since then, there have been many financial problems; there have been bank borrowings and bankers' study missions. Hal has maintained our banking relationships and dealt with the problems and emergencies as they came up—all with the highest degree of competence and efficiency.

It was not long after Hal's arrival that I began to believe in good conscience that I could leave UIA and the Agency and there would be continuity. I was looking back on thirty-five years on the job. Always exciting, sometimes agonizing, the years I had the privilege of working for the United Israel Appeal and its predecessors will always seem glorious to me. But now, I felt I was entitled to a respite.

I tendered my resignation in February 1974, knowing that I had served as well as I possibly could for all those years, and that I was leaving UIA's financial affairs in good hands.



Jewish Palestine Pavilion, dedication at New York World's Fair, May 1939



Golda Meir and Gottlieb Hammer at Idlewild (now JFK) Airport, September 1948, prior to her return to Israel.



Prof. Albert Einstein arrives at Union Station, Washington, D.C. to testify before Anglo-American Commission on Palestine, January 1946. *Left to right:* Gottlieb Hammer, Meyer Weisgal, Dr. Einstein, Helen Dukas (Einstein's secretary)



Jewish Agency-American Section Executive, March 1949. *Left to right:* Arthur Lourie, *(second from left)* Rose Halprin, Hayim Greenberg, Gottlieb Hammer, Nahum Goldman, Israel Goldstein, David Horowitz, Joseph Schechtman, Baruch Zuckerman, Zvi Lurie

Left to right: Gottlieb Hammer, Meyer Weisgal, Maurice Boukstein, at the Jerusalem Economic Conference, September 1950, which decided to launch the Israel Bond Drive.





First meeting of the entire Jewish Agency Executive held in America, October 1950. *Left to right:* Y. Greenbaum, Y. Braginsky, Y. Raphael, Leon Gellman, B. Zuckerman, Zvi Herman, Rose Halprin, Hayim Greenberg, Meir Grossman, Z. Shragai, Israel Goldstein, Martin Rosenbluth, Eliezer Kaplan, Gottlieb Hammer, Robert R. Nathan, Maurice Boukstein, Wolf Gold, Eliahu Dobkin, Berl Locker, Ben Browdy, Nahum Goldmann, Levi Eshkol, Moshe Kol, Zvi Lurie, Shlomo Eisenberg.



Signing of first $25 million bank loan to UJA of New York, 1953. *Left to right: sitting:* Gottlieb Hammer, Joseph Schwartz, Edward M. M. Warburg, Samuel C. Leidesdorf, plus 3 bankers. *Standing:* Various bankers, lawyers and UJA representatives.



Arrival of the first Zim ship obtained through German reparations, M/S *Dagan* on its maiden voyage to New York.

Vincent O'Conner, NYC Commissioner of Marine and Aviation greeting Capt. Golanski, skipper of the M/S *Dagan* on its maiden voyage to New York, while Hammer looks on.





Dinner in honor of Nahum Goldmann's 60th birthday, 1953, Sert Room at the Waldorf Astoria. *Left to right:* Rose Halprin, Nahum Goldmann, Levi Eshkol, Edward M. M. Warburg, Louis Lipsky, Gottlieb Hammer.

1954 Annual Dinner of the American Committee of the Weizmann Institute of Science. *Left to right:* Leonard Bernstein, Harry Levine, Dr. Benjamin Bloch, Abraham Feinberg, Maurice Boukstein, Dewey Stone, Gottlieb Hammer, Meyer Weisgal.





Left to right: Herbert A. Friedman, David Ben Gurion, Gottlieb Hammer

Left to right: Levi Eshkol, Gottlieb Hammer





February 1959 Bank Loan. *Seated Left to right:* Herbert A. Friedman, Samuel D. Leidesdorf, Gottlieb Hammer, *Standing:* Henry Bernstein, Maurice Boukstein



Reorganized Jewish Agency-American Section Executive 1961. *Seated Left to right:* Albert Levin, Philip M. Klutznick, Jack D. Weiler, Morris Berinstein, Gottlieb Hammer, Joseph Meyerhoff, Dewey D. Stone, Rose Halprin, Louis Segal, Emanuel Neumann, Abraham Goodman, Maurice Boukstein, *Standing Left to right:* Max Fisher, Max Kirshblum, Philip Stollman, Sam Daroff, Melvin Dubinsky, Isidore Breslau, Israel Goldstein



Signing the first Insurance Companies Housing Loan, 1962. *Seated Left to right:* Homer Chapin, Massachusetts Mutual Life Insurance Co.; Jack D. Weiler, Corning Kenley, New England Mutual Life Insurance Co. *Standing Left to right:* Maurice Boukstein, Gottlieb Hammer

Gottlieb Hammer examining the building plans for American Associates, on the site at Ashdod, Israel. With him are a Jewish Agency housing engineer and Debby Offenbach, a United Israel Appeal staffer





Welcoming the S.S. *Shalom* on its maiden voyage to New York in 1964 are, *Left to right:* New York City Commissioner Brown of the Department of Marine and Aviation, Captain Freudenberg, Gottlieb Hammer

1968 negotiations leading to the formal talks preceding Reconstitution of the Jewish Agency. *Left to right:* Gottlieb Hammer, Aryeh Leon Dulzin, Dewey Stone, Louis Pincus, Max Fisher





Redemption of a Sefer Torah. *Left to right:* Edmund Ebert, Senior Vice President, Bankers Trust Co., Dr. Louis Finkelstein, chancellor of the Jewish Theological Seminary; Gottlieb Hammer, John Kubach, vice president of Bankers Trust Co.



Mauthausen Concentration Camp near Linz, Austria. Gottlieb Hammer assisted by John H. Hooper, vice chairman of the Chase Manhattan Bank, laying a wreath at the monument to the Jewish victims of the Nazi Holocaust who perished in Mauthausen



The first working session of the Executive of the reconstituted Jewish Agency, August 1970. *Left to right:* Maurice Boukstein, Gottlieb Hammer, Max Fisher, Louis Pincus, Moshe Rivlin



The signing of the Russian Immigrant Resettlement Agreement covering the $50 million grant between the U.S. State Department, the United Israel Appeal and the Jewish Agency in the Thomas Jefferson Room of the State Department, April 3, 1973. *Left to right:* Gottlieb Hammer, Melvin Dubinsky, Joseph Sisco, assistant secretary of state, Francis Kellogg, special assistant to the secretary, Max Fisher, Sen. Edmund Muskie, Congressman Jonathan Bingham, Congressman (later President) Gerald R. Ford, Ambassador Simcha Dinitz, Zev Scher, Morris Levinson, Larry Goldberg, Mrs. Charlotte Jacobson, Albert Adelman and Eran Laor

8
The Jewish Agency, Inc.

THERE WAS A TIME, IN THE 1920S AND EARLY 30S, WHEN MANY AMERICAN Jews thought the Jewish Agency was an employment office one could call for Jewish domestic help. Those who knew what the Agency was and had some understanding of its functions were among the relatively small number who were Zionists and paid their shekels in order to participate in the election of delegates to the World Zionist Congresses that set the policies the Agency carried out in Palestine.

By the time I came to work for the Palestine Pavilion at the 1939 New York World's Fair, the situation had already changed a great deal. The hundreds of people who called out greetings to "*Chaver* Ben-Gurion" the day I took the Jewish Agency's chairman on a tour of the fair certainly knew he was the leader of Palestine's Jewish community, even if they might not have understood the purpose and the workings of the Agency Executive he headed in Jerusalem. Surely, they were not all duespaying Zionists.

The period from 1939 to 1947 saw a steady growth in understanding by Americans of the unparallelled extent of Jewish suffering abroad as well as increasing respect for the Agency and the organizations affiliated with it. As the Jewish Agency developed as a force to help meet the needs of Jews overseas, and as the struggle for a Jewish state grew in intensity, the American Jewish community became ever more keenly aware of our existence and our role in the exciting events of that time.

When the Haganah mishlachat in New York began recruiting crews for

the immigrant transports of Aliyah Beth, raising funds and scouting America for technical assistance and equipment, more and more American Jews became directly involved in activities administered and financed by the Jewish Agency. Naturally, they wanted to learn more about the organization they were working for—how it had started, who manned it, who controlled it.

While many individual American Jews were gaining first-hand experience with the Jewish Agency's aims and operations, the organized Jewish community in the United States tended—initially, at least—to look upon the Agency with distrust, even with some disdain. What was this foreign body, over which the Jews of America apparently had no control, that was spending hundreds of millions of dollars—most of it raised from American Jewry—without reporting to anybody about it?

As long as the effort to succor the remnant of European Jewry and the struggle for an independent state in Palestine went on, the exigencies of the moment overrode all other considerations and there was little need to deal in a serious way with such questions. Once Israel became a state, however, a new situation existed. The need to define the relationship between the Jews of America and the new State of Israel became urgent. Some of us at the Agency's American Section saw that it was necessary, even vital, to embark on a process of education.

Before that process could be initiated, events over which we had no control took matters out of our hands. David Ben-Gurion, now the prime minister of Israel, decided to "put his house in order." American citizens would not be eligible for jobs with the Government of Israel. As soon as the Jewish Agency's office in Washington was converted into a legation of the new state (later to become an embassy), the Americans working there were replaced.

At the Agency's office in New York, we had plenty of other problems during the first months of Israel's independence. Now that the battle to establish the state was over, the unity it had generated was breaking down. Already, the American Section's chairman, Abba Hillel Silver, was quarrelling with the Jerusalem Executive, now headed by Berl Locker, an old time Labor Zionist. Within the American Executive, Silver had the support of Emanuel Neumann, but Hadassah, represented by Rose Halprin, and the Labor Zionist members were backing Locker, who came from eastern Europe but had spent much time at the Jewish Agency's London office.

Locker, accompanied by Shlomo Eisenberg, then secretary-general of the Agency Executive, came to New York at a time when Silver, who was also chairman of the United Palestinian Appeal, was bringing pressure to bear on the Jerusalem Executive by exerting his authority over the flow of funds. How could this tug of war be resolved? It was certain that we could not

tolerate the situation for very long. The impasse created by Silver and an unfriendly UPA administration was slowing down everything we at the Agency's office in New York were trying to accomplish for the infant Jewish state.

The problem was solved through the skill and wisdom of Maurice Boukstein, our legal counsel. There was, I must say, no love lost between Silver and Boukstein, who had come up in the movement as one of a group of "Young Turks" in the Zionist Organization of America. This wing of the ZOA had lost out to Silver's ultra-conservative faction in 1945 (in the controversy over partition of Palestine).

Since the United Jewish Appeal consisted of two constituent partners—the Joint Distribution Committee and the United Palestine appeal—the solution, Boukstein perceived, lay in eliminating UPA's role as the organization that transmitted funds from UJA to the Jewish Agency. This would wrest from Silver's hands the principal source of his power.

Boukstein's bright idea was to incorporate the Agency's New York office as an entirely new organization, to be called The Jewish Agency, Inc. We would then ask UJA's executive vice chairman, Henry Montor, to prevail upon his volunteer leadership to bypass the UPA and instead recognize The Jewish Agency, Inc., as the recipient of funds intended for use in Israel.

We at the Agency were already accustomed to dealing directly with Montor. After all, the UPA was essentially no more than an intermediary in the flow of funds to the Jewish Agency, and Montor was never one to bother with intermediaries. He had a job to do and he believed he could do it best by dealing directly with the people who were in the forefront of the battle. For this reason, he came to Ben-Gurion and especially to Eliezer Kaplan for any information, advice and guidance he felt he needed. Through our frequent consultations with each other in this connection, I had come to know Henry Montor quite well.

Were we really on the right track in seeking to circumvent Abba Hillel Silver by creating The Jewish Agency, Inc.? We had to be sure. Boukstein, Locker and I consulted Rose Halprin. In order to put our plan into operation, we explained, we would have to have at least the tacit approval of the UJA leadership. Rose saw our point and agreed with it. She set up a meeting with Henry Morgenthau, Jr., who was now serving as general chairman of the nationwide UJA campaign.

Morgenthau was attending a UJA conference in New Orleans. Quietly, Rose Halprin boarded a plane to fly down there and confer with him. Nobody knew she was making the trip. When she returned to New York, she brought good news: Morgenthau and Montor had agreed to our proposal.

What made it so easy for us to win that battle was the fact that for several

years Silver had not been ingratiating himself with his colleagues in the American Jewish community's leadership. He and Rose Halprin had often quarrelled at the Jewish Agency Executive's meetings. Neither Morgenthau nor Montor had much use for him anymore. They resented his overbearing manner, his determination to dominate, to control every situation.

In this clash of strong-willed personalities, with so many important people already disenchanted with Silver it was not hard to dethrone him. Twenty-four hours after formal incorporation of The Jewish Agency, Inc., he resigned both his positions and the crisis was over. That was the swiftest conclusion of an internal political upheaval I have ever witnessed.

I look back on it now with regret that such a method became necessary. Abba Hillel Silver was a profound thinker and a great orator; his disappearance from the political scene was a serious loss to the Zionist movement. From an organizational point of view, nevertheless, the move to eliminate his involvement was a sound one. From then on, our financial affairs went much more smoothly. Funds flowed directly and promptly from the United Jewish Appeal to its new constituent, The Jewish Agency, Inc. No longer did politically-inspired, bureaucratic roadblocks and detours arise to thwart us.

The Jewish State had been reborn as a fully sovereign nation.

The exercise of that nation's sovereignty would not be dictated, or modified in any way, by any institutions other than the parliament and government elected by its people—the Jews and the minority groups living within its borders.

These fundamental lessons became plain for all to see with the resignation of Silver as chairman of the Jewish Agency-American Section.

Since the State of Israel was intended as a homeland for the Jewish people and a refuge for all Jews in need, one of the first acts by Israel's Knesset was the Law of Return, under which any Jew obtained citizenship merely by the act of immigrating to Israel. The World Zionist Organization and the Jewish Agency, by tradition and history, as agents of the Jewish people, were responsible for bringing immigrants to the Jewish homeland and providing for their resettlement there. Thus, another of the basic laws passed by the Knesset, after negotiation with the leadership of the Zionist movement, recognized that historic responsibility and codified the basis on which the WZO and the Agency would continue to fulfill it.

In addition to this specific mandate, the Jewish Agency in New York had another vital job to do. No act in the Knesset nor all the Zionist idealism and passion on earth could substitute for the hard currency required in nourishing the new state and maintaining its viability. In the first years of Israel's independence, because of the magnitude of Agency-financed activities in

Israel and our status as the channel through which the huge sums raised by the United Jewish Appeal reached the Jewish state, our office continued to be the principal source of the foreign exchange the Jews of Israel had to have to pay for their imports, without which they could not live.

As the parameters of the Agency's relations with the State of Israel were thus defined, the financial operations in which I was engaged, as the Agency's comptroller and soon-to-be executive director in New York, remained essentially unchanged. The Jewish Agency Executive still decided how the money we received would be spent, and the Agency's treasurer continued to be the individual who issued instructions to me regarding disposition of the funds available to us. With the corporation as a vehicle, managing our financial affairs was much less complicated for me than it had been. This arrangement was to prevail until reorganization and revitalization of the United Israel Appeal (once the United Palestine Appeal) in 1966.

While clarification of the Jewish Agency's status in the State of Israel was accomplished in a matter of months, an equivalent process affecting our position in the American Jewish community was to go on for many years, bringing troubles and difficulties, and eventually understanding, cooperation and unity in serving the vital needs of the Jewish people.

The ultimate sources of the funds that came to The Jewish Agency, Inc., through the United Jewish Appeal were the Jewish communities in every city and town of the United States with a Jewish population of any significance. Over the decades, most of these communities had developed their own welfare funds or federations to operate their social services—hospitals, old-age homes, settlement houses and the like—and to finance them through yearly fund raising drives. With the advent of the UJA in 1939, these campaigns for local needs were expanded to provide for the needs of Jews in Palestine, Europe and elsewhere overseas. Campaign goals were set higher and a share of the increased proceeds was allocated to UJA.

A natural outgrowth of the development of local federations was the establishment of a nationwide body, the Council of Jewish Federations and Welfare Funds, to serve as an umbrella organization, a kind of trade association providing an exchange of information among the many federations and the representation they required on the national level. For an American Jewish community of five or six million spreading from coast to coast, the CJFWF filled an important need. Even Jewish federations in Canada affiliated themselves with the Council.

In the 1930's and 1940's, when organizations like UPA and UJA sprang up to appeal to the conscience of American Jewry on behalf of Jews overseas, particularly in Palestine, and to proclaim the awesome dimensions of their need, I suppose it was natural for the CJFWF's volunteer and professional

leaders to regard us as competitors, as interlopers in the community, as "foreigners" bent on siphoning off their financial resources. That feeling was surely reinforced for many of them when Israel became an independent nation and accorded the Jewish Agency a special status by law.

Certainly, we were unique in the way we operated, which was unlike the procedures of other nationwide organizations that were reporting their budgets and programs to the Council for dissemination to the local federations. Our ultimate responsibility was, after all, the world Jewish community and the Zionist movement. Still, CJFWF's leadership believed it had an obligation and a right to know what we were doing, and why and how.

The situation erupted into an open controversy early in 1951 as a result of a report by two CJFWF consultants, Harry Dexter White and Harold Glasser, to Executive Vice President Harry Lurie and his board. White and Glasser were old New Dealers, highly regarded for work they had done in the U.S. Treasury during the Roosevelt Administration. White had been an assistant secretary of the treasury.

The main question they raised was: What was the Jewish Agency doing with the tremendous amounts of money transmitted to it by the United Jewish Appeal? They asserted that the general American public as well as the Jewish community had a right to know. They implied that the Jewish Agency was not being forthright in its public reports, that we were keeping things "close to the vest," that our auditing procedures were either inadequate or non-existent, and that we were not conducting our financial affairs in a manner proper for a non-profit, eleemosynary organization.

I decided to meet the challenge head on. I went to see Samuel D. Leidesdorf, who was serving as Treasurer of the United Jewish Appeal of Greater New York. He was a man of impeccable reputation, one of New York's leading citizens, head of his own accounting firm, one of the biggest and most respected in the country. Mr. Leidesdorf was generous with both his time and his advice. He inquired about me from some of the bankers around town, with whom he was very close, and received favorable reports on my character and methods of operation. As we worked together on a number of projects during the ensuing years, he was to develop an affectionate regard for me; and I, a great respect for him.

To resolve the dispute that had arisen between CJFWF and the Agency, I asked Mr. Leidesdorf to help me enlist some leading members of the accounting profession to go to Israel. Their mission would be to examine thoroughly Jewish Agency practices and procedures in order to assure that expenditures were being reported accurately and audited properly.

When I broached my idea for an accountants' mission to my boss, Levi Eshkol, then the Jewish Agency treasurer, he was a little hesitant at first.

After I explained how important the mission would be from the standpoint of public relations, he gave his consent.

A three-man mission left New York for Israel soon afterward. Its members were Theodore R. Racoosin, a leader in the accountants division of the New York UJA campaign, whose gentle manner belied his accountant's sharpness; Sidney B. Becker, an accountant by profession, now executive vice president of Schenley Industries, and the friend from my high school days who had been instrumental in my being hired by Meyer Weisgal at the Palestine Pavilion; and Louis Simonoff, head of the prestigious accounting firm of Simonoff, Peyser and Citrin.

I accompanied the mission as did my longtime secretary and administrative assistant, Marcella Kaplan, who thoroughly understood both the Agency's workings and the mission's purpose. On June 30, 1951, the five of us boarded the Cunard liner *Queen Mary* with Paris as our initial destination.

We had arranged for the group to travel by ship so we could have for several days their concentrated attention and could prepare them for the work that lay ahead in Europe and Israel. Although all three mission members were expert practitioners of accounting and auditing, with impressive experience in both business and philanthropy, they really knew very little about the Jewish Agency and its practices, problems and operations. The time aboard ship was well spent as these master accountants reviewed the Agency's auditing procedures and reports, and questioned me at length about its workings as a business.

Several of the Agency's European representatives were waiting for us when we arrived in Paris. Through discussions with them, we came to see clearly the problems they faced in caring for and transporting immigrants to Israel. We also reviewed the way their expenditures were budgeted. By the time we departed for Israel after several days of these talks, the mission's members had a sound grasp of the Agency's European operations and were ready to turn their attention to the basic issues confronting us.

The first meeting in Israel was with Eshkol. He spent almost a whole day briefing us. Then we met with the executives on his staff to study in detail the administrative procedures and accounting practices they followed. The mission's members started to comprehend the wide scope of the Agency's work. It required an annual budget of several hundred million dollars as well as several thousand employees.

It was becoming clear to us that the Jewish Agency was by nature an international, not an American organization, and that its staff reflected European training and methods rather than the administrative and educational approaches we were accustomed to in the United States. Our experts made allowances for this fundamental fact and proceeded to the main ques-

tions they had to answer: Were the funds being handled prudently? Were the accounting procedures adequate to allow them to attest to the Agency's integrity?

Having spent a full week at Jewish Agency headquarters in Jerusalem, we went out into the field to inspect warehouses, agricultural settlements, even the most remote of the Agency's installations. Every situation in which the Agency might have to operate came under searching review by the mission.

After three weeks in Israel, we felt ready to write our report. We secluded ourselves and, with Marcella Kaplan acting as secretary and stenographer, began to fashion the document. It was completed and ready for duplication and distribution by the time we got back to New York.

The reaction to the report was highly favorable. Harold Glasser's response was especially gratifying. He conceded bluntly that we had licked him on the issues he had raised. As far as the Council of Jewish Federations was concerned, he said, it need never be brought up again.

Looking back, I now see that journey overseas and the report that came out of it as a landmark. It was influential in guiding the conduct of the Agency's financial affairs for years afterward. The mass of information we had gathered and collated created a basis for mutual understanding and confidence between the Agency on one hand and, on the other, the various organizations and individuals with whom we had to deal.

Until that time, there was suspicion of the Agency as a foreign body, the nature of which was not at all understood in the United States. Now, we had taken the first in a series of measures to bring about better understanding of the Agency and more cordial relationships with the American Jewish community. This included its fund raising agencies, its defense agencies, the local federations and welfare funds across the country, and their umbrella institution, the Council of Jewish Federations.

Nahum Goldmann, now the chairman of the Jewish Agency-American Section and always one to see the big picture, was the man who made clear to his colleagues on the Executive the necessity for increasing our cooperation and expanding our relationships with those outside groups. He pointed out that we could not perform by ourselves the monumental tasks confronting the Agency. He warned his colleagues to look beyond the sectarian interests of their Zionist parties and to concentrate on the broader aspects of what we were trying to accomplish.

Nurturing in the community this new awareness and support of the Agency required other revolutionary steps as well. One of these involved the Jewish Telegraphic Agency.

The JTA, as it is still called today, had been started in 1936 by a

journalist named Jacob Landau. His idea was that a wire service furnishing news on Jewish activities all over the world would be welcomed by both the Jewish press and the general news media. Unfortunately, things did not quite work out that way and, by 1947, the JTA was engaged in a desperate struggle for survival; it had all it could do just to meet its daily expenses.

That was the year the Jewish Agency was most deeply involved in the great effort to persuade the United Nations to create a Jewish homeland. Obviously, the existence of a news service specializing in transmitting information on Jewish affairs to the Anglo-Jewish press as well as the daily newspapers and broadcast media was of immense value. We realized that if JTA was to go on transmitting the news, it would require our assistance.

The Council of Jewish Federations was uneasy about our providing this financial help, lest it seem that the Jewish Agency was controlling the Jewish Telegraphic Agency. We sought to allay their fears. We were extremely careful not to compromise the JTA by putting any pressure on them as to how the news was disseminated. Indeed, we leaned over backwards to avoid the slightest suspicion of unfairness to other groups or favoritism to ourselves. But even this was not enough for many welfare funds. On the ground that the news agency was not serving the entire Jewish community, they began to withhold financial support they had been giving the JTA. We at the Jewish Agency believed that JTA was truly serving the interests of the Jewish community as a whole, and we stood our ground.

One day in the early 1950s, Philip Bernstein, who had just been named executive vice president of the CJF, telephoned me to make a date to discuss the problem of the JTA. Over lunch, I could see he was surprised when I told him that we at the Agency had no desire to control the JTA; that, on the contrary, we would welcome a broadly based organizational setup to keep it alive. My conversations with Phil Bernstein on this matter continued for weeks as we worked out a plan to create an independent board and transfer the stock the Jewish Agency owned in the JTA to the new board.

When I put this proposal before the Executive of the Jewish Agency in New York, Nahum Goldmann asked: "How can we be assured that the communities will continue to support the JTA after we transfer our ownership interest?" This was, of course, the key question, and Phil Bernstein and I had gone into it thoroughly in our talks.

Bernstein had told me that he could not commit the Council's member federations to our proposal. He said we would have to accept such assurances on faith, taking a risk that well meaning leaders of the federations would support our agreement. Soon afterwards, the Jewish Agency transferred its JTA stock to the new board. Subsequent events proved it was a wise move.

Today, the JTA is still in business, a lively news organization serving the purposes for which it was originally founded and enjoying the respect and support of Jewish communities overseas as well as in the United States.

All those conversations between Phil Bernstein and me also had a beneficial side effect. We became good friends and, many times in the years to come, were able to solve other problems in a quiet, rational fashion.

In 1939, when the United Jewish Appeal started to raise money for overseas needs on a nationwide basis, those in charge of the operation had to make a choice. The national organization could try to go into every Jewish community from coast to coast to run its own campaigns, or it could work out a deal with the local federation in each community to conduct a joint campaign that would provide for both local and overseas needs.

It made sense to assume that the federations, which already knew who the prospective contributors were and had in place an organization that could reach them, would raise the money more efficiently and economically, so joint campaigning became the preferred method. Before long, it was universal throughout the nation except in New York, that colossus among the world's Jewish communities, where special considerations applied. New York's UJA and Federation ran separate campaigns there until 1973 when the outbreak of the Yom Kippur War precipitated a merger of their fund raising drives.

Not only did joint campaigning prevent wasteful competition and conflict, it gave the leaders of Jewish communities everywhere in America a sense of participation in shaping historic events that were changing Jewish life. In 1946, the total raised for the United Jewish Appeal by the local campaigns across the country added up to more than $100 million and in the succeeding years it rose even higher. At the same time, these campaigns were increasing the amounts of money available to meet needs within the local communities.

The true scope of American Jewry's financial resources was becoming apparent. As their campaigns expanded, the program committees of the individual federations began developing new projects to be realized at home. Social service agencies were strengthened and Jewish education took on a whole new aspect as the federations began allocating funds to day schools and religious institutions.

The Council of Jewish Federations and Welfare Funds played a key role in this process. The story of the Council's development warrants a book of its own, which my friend Phil Bernstein has written. The relationship between the Council and the Jewish Agency had a significant effect on how the funds

for Jewish needs overseas are raised, and that story is important in these memoirs.

During the 1950's relations between the CJFWF and the Agency were not always friendly. That our conflicts were resolved as they cropped up may be attributed, with all due modesty, to the fact that two professionals, Phil Bernstein and I, believed that the interests of the American Jewish community were better served by mutual understanding and cooperation than by irrational competition and battling for power.

Right from the start, the question of the Agency's budget was a contentious one. The Council had, and still has, a department known as the Larger Cities Budget Commission (LCBC). Under its auspices, delegates of the larger Jewish communities in the country meet with representatives of the national Jewish service agencies each year to review their budgets. The idea is to spare the organizations from having to go through multiple budget presentations in every city. Once the LCBC approves a campaign or a program, the individual federations are deemed to have enough information on its budget to decide the amount of financial support they wish to contribute.

Pete Goldberg, who in those years was the Council professional serving the LCBC, called at our office one day to obtain copies of the Agency's budget and whatever background information we could provide. At first, we were reluctant to comply; his requests sounded to us too much like demands. Nor did we have a basic inclination to participate in this kind of procedure. We did not feel that the United Jewish Appeal and the Jewish Agency should be put into the same category or treated in the same manner as the Council dealt with much smaller organizations. After all, the Jewish Agency's budget was bigger than those of all the other campaigns put together!

Phil Bernstein and I had a long series of discussions about the relationship between the Council and local federations on the one hand and UJA and its constituents, the Agency and JDC, on the other. In the end, I agreed to a procedure that was to change the whole course of that relationship from that time on.

I told Bernstein I would have no objection to discussing the Jewish Agency's budget with the CJF board of directors in a manner that would supply them with information, but I could not accept any requirement that they approve it. He countered with a suggestion that the CJF set up a special committee to hear my presentation. It was his feeling such a committee would encompass more cities than the CJF Board. And so, on June 12, 1961, I met by invitation with the Council's newly formed committee on overseas services. The chairman was Irving Kane of Cleveland.

What I gave them that day was a lesson in history. I can still remember

the puzzled look on their faces as I started by going back to 1906. In that year, the "Palestiner Amt" was set up by the World Zionist Organization under the direction of Arthur Ruppin and became the office that developed into what is now known as the Jewish Agency for Israel.

The Agency was basically staffed by Europeans, with few Americans if any at all, and their approach to social welfare problems was culturally different from ours. This did not mean, I explained, that the Jewish Agency's staff abroad was less effective or less able than we were in America. In fact, I told the committee, the staff members were by and large more devoted and efficient, more competent to do the job overseas than Americans could be. This was an eye-opener to them as it also was to most American Jews who, I later came to realize, were completely unfamiliar with an organization that was spending hundreds of millions of dollars each year, most of it raised in their own communities.

In talking with Phil Bernstein and then making a presentation to the committee on overseas services, I was, of course, not acting on my own initiative alone, without consulting the Executive of the Jewish Agency-American Section. I kept them fully informed. Nahum Goldmann gave me full backing as did Rose Halprin, who succeeded him as chairperson. Some members of the Executive were doubtful about what I was doing—Louis Segal for one and, to some extent, Max Kirshblum. Yet, despite their natural reluctance to dilute in any way their authority and responsibility, most Executive members approved of my actions.

However, several of our friends at JDC and UJA were not entirely happy with me when I appeared before the committee on overseas services. This was especially true of Moses Leavitt, then the executive vice chairman of the JDC, and Rabbi Herbert Friedman, who became national UJA's executive vice chairman in 1954.

Leavitt was aghast when he heard I had agreed to discuss the Jewish Agency's budget with the CJF committee. I must emphasize the word "discuss" because our agreement was to give information, not to seek approval or accept disapproval; the representatives of the federations were to be there to listen, not express opinions. Still, Leavitt pointed out in a friendly enough way that I had put him in a position where he had no choice but to do the same. Herb Friedman also saw that, after a long period of aversion on the part of UJA to the Council and its activities, he too would have to give in and discuss budget with them.

The way things turned out, this reluctance on the part of our partners soon faded away. The CJF's first session with UJA, which took place in the old UJA headquarters at 165 West 46th Street, just off Times Square, was rather

restrained and cold except when a few outbreaks of the old friction heated it up. Ultimately, wisdom and forbearance prevailed and the participants began treating each other as colleagues rather than rivals or adversaries.

Today, the Council of Federations and the United Jewish Appeal coordinate their efforts so closely that the conflicts of the past are virtually unknown. I believe this happy state of affairs can be traced to a day early in 1960 when I received a telephone call from Sam Goldsmith, then the executive director of the Federation in Chicago and regarded as one of the top executives in the field. "A group of us would like to visit with you," Goldsmith told me.

A few days later, in the new Jewish Agency headquarters at 515 Park Avenue, I welcomed for the first time five men whose efforts were to go far in improving the Jewish Agency-CJF relationship. One was Goldsmith. Others were Isidore Sobeloff, Henry Zucker and Herman Pekarsky executive directors of the federations in Detroit, Cleveland, and Newark respectively. Accompanying them was Phil Bernstein.

Goldsmith acted as spokesman. "We have been fighting around long enough," he stated. "We think it's high time we got to know each other better and to work in harmonious fashion. What do you say?"

He got no argument from me. I agreed wholeheartedly that no purpose was served by "fighting around," as Goldsmith had put it. It was in the best interests of all of us to try to find common ground.

We talked that day about representation for the federations on the board of The Jewish Agency, Inc. It then had fourteen members, mostly nominated by the various Zionist parties. The arrangement suited us just fine, but now the federations were asking to participate in running The Jewish Agency, Inc.—and this raised a lot of problems.

We discussed the matter at considerable length during that initial meeting but adjourned without reaching any conclusions. I pointed out that I was not in a position to make any commitments on behalf of the Jewish Agency; all I could do was express my personal opinion. I told my visitors I thought The Jewish Agency, Inc., would welcome participation in its affairs by American Jewish community leaders. I made it clear these leaders would have to be elected to its board as individuals, not as representatives of the CJF or any of the local federations. Since it was the policy of the Jewish Agency Executive to try to broaden our base of support in the American Jewish community, we were certainly prepared to hear the views of all the interested parties.

To understand the attitude of the Jewish Agency's leadership that I was explaining to my visitors from the Council of Jewish Federations, it is

necessary to look at some coincidental events that had begun in the previous year. During 1959, I had been invited to Washington to see the undersecretary of the treasury of the United States. When I arrived, I found that a number of other Jewish communal professionals had been invited also. On hand were representatives of B'nai B'rith, the Anti-Defamation League and several others.

What was it all about? It seemed that, a while earlier, some friends and admirers of Winston Churchill, the wartime British prime minister, had organized a voluntary association they named "Friends of Churchill College." The College was located in England and the Friends wished to raise funds to help in its academic endeavors. On their behalf, a prestigious Boston law firm had applied to the Internal Revenue Service for tax exemption for contributions to the new organization—which, of course, would be very helpful to their effort to raise money. After some time, the IRS ruling was handed down. It was negative: No tax exemption for the Friends of Churchill College.

The reason given for the refusal was that the new group was merely a "conduit" for the funds that were to be raised. The real beneficiary of these funds, Churchill College in England, was under the control of a foreign entity and, therefore, not entitled to claim exemption from United States income taxes.

This interpretation of the tax code had prompted Undersecretary Stebbins to call us all in. The new IRS ruling, he pointed out, put into question the tax deductibility of contributions to many organizations—Catholic, Protestant, Jewish, non-sectarian—that were working overseas. For us, it was a terribly serious problem. Practically all of the organizations and institutions raising funds for activities in Israel could be described as "conduits."

How could we cope with this problem? As soon as I returned to New York, I called in Maurice Boukstein and talked it over with him. The next time I went to Washington, he was with me. We went into the matter with the treasury people more deeply.

"Suppose," ran one argument I presented, "we were raising funds for the relief of hungry children in China, and suppose we could find a suitable soup kitchen in the area which could feed these starving human beings. Does the undersecretary really mean that, under the new interpretation, we would have to establish our own soup kitchen, send our own people over from the United States and run it ourselves in order to be in compliance with the Internal Revenue Code?"

Mr. Stebbins replied in the affirmative. He said that was how the law was interpreted and, even though it required a most uneconomical and inefficient mode of operation, that was the way it had to be.

We asked for time to study the matter before coming forward with suggestions. Months passed in very difficult and heart-searching discussions among ourselves. Our friends in Israel simply could not understand what we were trying to accomplish. Some of them even thought it might be better for us to go out of business and turn our responsibilities over to an American organization like the Joint Distribution Committee. We were in the midst of these deliberations at the time the five visitors from the Council of Jewish Federations came to see me.

Boukstein was not to be deterred by the doubts expressed by any of our colleagues, whether in America or Israel. He did a study of all the American organizations doing work in Israel and of their varying degrees of control of policy and actual operations. They ranged from Hadassah, which ran its own hospital and other institutions in Israel and was thus completely in the clear under the new ruling, to others like the American Friends of the Hebrew University, which were wholly "conduits." The Jewish Agency for Israel, Inc., was placed somewhere in the middle.

After months of thorough study, hard work and difficult negotiations with our Israeli associates, Boukstein formulated a compromise proposal. We called it "Plan 3-A." It was accepted by the treasury department. All we had to do was sell it to our friends in Israel, and this was much more difficult.

Under "3-A," the Jewish Agency for Israel, Inc., would become the "principal," the responsible entity, both in raising money in the United States and in spending it in Israel. The Jewish Agency would become our "agent" in Israel. The procedure would be for the treasurer of the Jewish Agency to come to the United States, present his budget to the board of directors of The Jewish Agency for Israel, Inc., and ask for approval. The Board would review his budget, decide which items it wished to support and vote a budget of its own, which it would transmit to Israel along with the funds for its implementation.

For the plan to work, there had to be a very strict accounting by the Jewish Agency-Jerusalem to The Jewish Agency, Inc., in New York that the funds were expended in accordance with the budget sent by the American organization. To this end, The Jewish Agency, Inc., would establish an office in Israel for a representative who would be in permanent residence there.

This arrangement was a huge and very bitter pill for our friends in Israel to swallow. They did it only after we convinced them there was absolutely no other choice. Thus, we managed to conform to the tough new interpretation of the Internal Revenue Code and preserve our tax exemption without disrupting the Agency's ability to perform its functions efficiently and effectively.

At the same time, on the impetus of the change in budgeting and financing procedure, we carried out a structural reorganization of The Jewish Agency for Israel, Inc. We separated its administration from that of the American Section of the World Zionist Organization. Until this time, the latter body had been regarded as part of the Jewish Agency in America and, in fact, I was serving as the executive director of both entities.

Under the new setup, the American Section of the WZO had its own board of directors in the persons of the American Zionist members of the Jewish Agency Executive. Isadore Hamlin, who had been my assistant, was named executive director. I remained the professional head of The Jewish Agency for Israel, Inc., which was soon to have a new and expanded board of directors.

One effect of the reorganization was to erect a wall that clearly divided the financing and administration of World Zionist Organization activities—public relations, political action, Zionist education, recruitment of Americans to go on *aliyah* to Israel, and so forth—from the philanthropically supported humanitarian and social services provided in Israel by The Jewish Agency for Israel, Inc., for which exemption from United States income tax was absolutely vital.

One person who welcomed our reorganization plan was Nahum Goldmann. He felt that he had had enough as chairman of the American Section and was happy to take this opportunity to be relieved of that heavy responsibility. Negotiations to put the reorganization into effect were carried out by the Agency Executive in America, headed by Goldmann, and a team representing the United Jewish Appeal, which included President Max Fisher, Campaign Chairman Morris Berinstein and Honorary Chairman William Rosenwald.

They soon reached an agreement to set up for The Jewish Agency for Israel, Inc., a new board of directors somewhat along the lines I had indicated months earlier in talking to Sam Goldsmith and the three other CJF representatives. It had twenty six members, thirteen nominated by various American Zionist groups and thirteen representatives of the United Jewish Appeal and the community welfare funds. They were to serve, not in their organizational roles, but in their personal capacities. We did not agree to any formal designation of Board members by either the Council of Jewish Federations or any individual federation or welfare fund. We agreed to consult such bodies, nothing more.

The next question to be settled was naming the officers of the new board. Dewey Stone, who commanded respect that made him acceptable to all elements, became chairman by unanimous agreement. He served for eight years until he retired for reasons of health in 1968. If I remember correctly,

the other officers included Rose Halprin as vice chairman, Max Fisher as treasurer and Abraham Goodman as secretary.

Several events connected with that period do stand out in my memory. I recall, for one, a meeting with the new officers to review the financial position of The Jewish Agency for Israel, Inc., and to get from them some sense of how the organization was now to be conducted. After I had presented the audited financial statement and given detailed explanations of every item, I found myself undergoing a grueling cross-examination. The officers really wanted to know what they were getting into.

As they began to comprehend the depth and complexity of our obligations to the banks, and to realize that it was I who, with the knowledge and consent of the treasurer of the Jewish Agency, had initiated these transactions, they grew rather concerned and regarded me with considerable suspicion. With the passage of time, however, this attitude toward me changed. Indeed, as we worked together for a common goal, it became one of respect and, at least in some cases, what I can describe as affection.

I think, too, that these drastic changes in the Jewish Agency in America, and the significant role I played in bringing them about, must have aroused some suspicion in Israel. It all took place in 1960, the year Dov Joseph became treasurer of the Agency after having held more cabinet portfolios than any Israeli up to that time.

One day, I received a telephone call from Joseph in Jerusalem. He wanted to know if my loyalties would be affected by the recent changes in the administration of the Jewish Agency. I replied that my loyalties both to Israel and to the Agency would not change at all. In view of my position and responsibilities as executive director, I pointed out, what choice had I but to accept the change in the corporate structure and to look to the new board of directors for guidance and approval?

My answer was as frank and honest as I could make it. It was not what Joseph wanted to hear. He reacted with astonishment and outrage. As far as he was concerned, the change in corporate structure was no more than a necessary evil occasioned by an action of the Internal Revenue Service in Washington. He considered all the new arrangements that had been worked out to be mere technicalities, and made it plain he expected me to continue to look only to him for guidance. I told him that would be impossible.

"Then, I will send my own man to New York," Joseph shot back. He could do whatever he pleased, I said, but I could not imagine what there would be for his man to do in New York. Certainly, he would be unable to negotiate any loans without personal access to the sources of funding.

Dov Joseph simply ignored my last statement. Soon afterward, a Mr. Isaac Moyal arrived in New York to represent the treasurer of the Jewish Agency. I

had known him as one of the treasury's officials in Jerusalem. I acted as quickly and decisively as I could to keep him from establishing contact with banks or bankers. He seemed to have gotten it into his head that he had been sent to New York to replace Hammer, but I soon disabused him of that notion.

While this was going on, the new board of The Jewish Agency, Inc., began its consideration of a request by the Council of Jewish Federations for formal representation of the Federations in the board's membership. Already on the board was a strong, influential contingent of leaders from some of the major communities—men like Albert Levin of Cleveland, Joseph Meyerhoff of Baltimore, Max Fisher and Philip Stollman of Detroit and, of course, our chairman, Dewey Stone of Boston.

Whatever the outcome of the board's deliberations on the CJF's request, the fact was that our relationship to the communities was already becoming close and deep, and very helpful in dealing with our financial problems. When it became clear in the mid-1960s that the Jewish Agency would have to negotiate a nationwide bank loan of some $65 million, Max Fisher insisted that we consult the communities before launching the project.

This we did at an all-day session at 515 Park Avenue with community leaders from all over the country. They heard us out and responded with a unanimous endorsement of the loan effort and with personal commitments to help in approaching banks in their home towns.

These were not idle words. As I traveled from city to city to negotiate with local banks, time after time I found the red carpet rolled out and leading right to the office of the President.

9
Reconstituting the Jewish Agency

THESE DAYS, WE TEND TO REMEMBER THE 1960S AS A DECADE OF TURBULence and strife—and so they were in a great many aspects of American life. In the Jewish community, however, those years became a time of relative harmony and cooperation among forces that had once contended for influence and power.

Zionists and non-Zionists were working together in the governance of The Jewish Agency for Israel, Inc., which was financing a vast complex of programs on a larger scale than ever before. Huge numbers of immigrants were brought to Israel and helped to build new lives and find productive places in the modern industrial society that was burgeoning there.

By this time, our very name had become a confusing, even misleading term for describing who we were and what we were doing. It took no account either of the leading role representatives of Jewish communities all across the United States were playing in our activities or of the change years before in the nature of our primary functions from political and economic to humanitarian and eleemosynary. We had thought several times about changing our name but had deferred the decision because of complications it would introduce into our banking relationships. In this, I was backed by Sam Leidesdorf, who until his death continued to be my mentor in these matters.

In 1966, however, the possibility of problems with our bankers concerned us no longer, so we went through with the change. The Jewish Agency for

Israel, Inc., was merged into the United Israel Appeal, the corporate successor to the United Palestine Appeal founded in 1926. Although its existence had never been terminated, UIA had been dormant for nearly two decades, ever since its chairman, Abba Hillel Silver, had been outmaneuvered in a power struggle immediately after the achievement of Israel's independence.

Whatever the name we used, it now seems to me that the American Jewish community, at least, had in practical effect achieved the goal sought by Chaim Weizmann and Louis Marshall in 1929, when they signed their agreement about how the Jewish Agency was to be constituted originally. Zionists and non-Zionists were participating jointly, without regard to their ideological differences, in an organization whose purpose was to resettle homeless and uprooted Jews in Israel. We had come to this point by a long and difficult road, but the fact was we were there.

What concerned me in the late 1960's, however, was the relationship between the rejuvenated United Israel Appeal and the Jewish Agency in Jerusalem, which was acting as our agent in conducting the programs UIA supported in Israel. The need for closer ties and better understanding between the two organizations was becoming more and more evident if we were going to continue raising adequate funds for our work in Israel.

Max Fisher succeeded Dewey Stone as UIA's Chairman in 1968. I had now been associated with Max for many years so the change in leadership did not affect our relationship or our work together. One of my early communications to him as chairman was a memorandum suggesting that he propose a reorganization of the Jewish Agency in order to bring that entity closer to the concept envisioned by Weizmann and Marshall back in 1929.

Fisher's response was affirmative, even enthusiastic in a guarded way. He urged, however, that I consult with Phil Bernstein on my proposal so that Bernstein's signature could also be on the memorandum. Feeling no great pride of authorship, I acquiesced. Phil made one or two changes in the language of the memorandum and added his signature to mine. Thus, we had a piece of paper which would provide a basis for united action by the United Israel Appeal and the Council of Jewish Federations on behalf of the local American Jewish communities that were providing the Jewish Agency with the bulk of its funding, but were shut out of its decision-making processes.

There followed a series of discussions with our friends in Jerusalem. Louis Pincus was now chairman of the Agency and Leon Dulzin the treasurer. Our Israeli associates were reserved and reluctant at first about the idea of reconstituting the Jewish Agency. To them, the Agency as it was then set up represented the last bastion of Zionist activity in the State of Israel. This gave them a reason for being and a sense of accomplishment. Now we were asking

them to change the nature of the Agency in accordance with a dream everybody thought had died with Louis Marshall forty years earlier.

The first impulse at the Jerusalem Executive was to quash the whole idea. But the matter did not rest there. Through talks with him during his frequent visits to New York, we were able to make Pincus, who was the first Agency chairman not raised in eastern Europe and thus more pragmatic than his colleagues, see the need for some degree of reorganization. He recognized that change would probably bring about improved relations with those raising the Agency's funds in America and result in more efficient operating procedures in Israel. At last, in one of these talks, he and I resolved we would formally present the issue to the Agency Executive in Jerusalem.

When Pincus got home, he did not wait for my arrival but went ahead alone and discussed the matter with the members of the Executive. The following Thursday, he telephoned me to say the whole thing had been voted down. I asked why he had jumped the gun and raised the question before I got there, and whether there was any point at all in my coming to Jerusalem now. "Come along anyway," he said. "Let's see what we can do."

Hastily, I boarded a plane that arrived in Israel Friday afternoon so I would have some time to recover from the inevitable jet lag before going to see Pincus Saturday evening at his home in Kfar Shmaryahu. There, we went over everything once again in order to prepare ourselves for the session when the Executive reconvened the next day. We had quite an argument before I persuaded him to have the question reopened so I could put our case before the Executive.

In the meeting room Sunday morning, facing so many old friends, I still felt as though I were confronting a bunch of what I call "Kentucky Colonels" who had an open mind on almost anything but were damned curious to see how this *chacham*—Hammer, was going to make them change it.

I was invited to state my case at the start of the meeting, but said I would prefer to speak after the members of the Executive had expressed their views. I had no intention of letting them tear my arguments apart and box me in because I had spoken first. There were smiles around the table and nods of agreement. Then came an airing of reservations and fears about what would happen if the Jewish Agency were reconstituted and reorganized. The Agency could not sublimate its Zionist purpose and identity, they maintained. It could not be run like an American relief organization.

When my chance to speak came, I took up each of their doubts and fears in turn and pleaded for understanding. I said I was not there to demand a reorganization but to beg for it. It was vital that the fund raising elements which provided the Agency with its financial resources have some voice in deciding the policies under which the money was spent. I assured them I was

convinced that reconstitution along the lines I had proposed would result in a stronger Agency. It would command more credibility and respect in Jewish communities throughout the world and, consequently, from the Government of Israel.

The arguments and the parliamentary maneuvering dragged on through the morning while I waited anxiously. There was one heartening moment, I remember. Raanan Weitz, who was sitting opposite me, passed across the table a note he had written: "Don't worry. You have made your point and you have won. You can rest easy." It was indeed a friendly act, and I have never forgotten it.

In the end, a vote was taken and the decision was for a conditional acquiescence. This gave Chairman Pincus power to continue negotiating.

But it was only a beginning. In the year that followed, it required innumerable conversations, endless negotiations and hard work to achieve reorganization of the Jewish Agency as I had proposed. Many participated but two men deserve most of the credit for bringing it about—Max Fisher and Louis Pincus. They labored tirelessly to overcome every conceivable objection and obstacle. The culmination of their effort came on a plane ride from New York to Boston, where both were headed to attend the general assembly of the Council of Jewish Federations in November 1969. During the short flight, they agreed on a final proposal which they explained to a group of us in a Boston hotel room.

In essence, the agreement called for a three-tiered governance of the reconstituted Jewish Agency—an assembly, a board of governors, and an executive. The World Zionist Organization and its constituent organizations would have fifty per cent control of the assembly and the board of governors; the other fifty per cent would be allocated to the United Israel Appeal to cover the non-Zionist American representation—thirty per cent—and the remaining twenty per cent to the Keren Hayesod for distribution to all countries outside Israel and the United States.

Detailed numbers and the composition of the executive and professional staff were left for determination at a later date.

Fisher and Pincus told us their negotiations were now completed. They had reached a meeting of minds on this proposal and were ready to act as one in getting the issue resolved. Yet, it took months of further clarifications, nit-picking alterations, and still more negotiations before it was all settled.

The questions to be answered, the pitfalls to be avoided, were many. What would the Jewish Agency look like if the changes went through? Who would be the members of the executive and the board of governors? Who would be the chairman of each of these bodies? How would they conduct their operations? Some of these questions had to be left to time to work out.

Others were resolved by good will and the desire, on the part of everyone involved, to make it all work.

One snag in which I was particularly involved, developed a month or two before formal signing of the final documents was planned, over the question of membership in the various governing bodies. When Louis Pincus discussed the reorganization with Prime Minister Golda Meir, there was a decision to go along with the idea of reconstituting the Jewish Agency Executive but not to allow any American professionals to be included in its membership.

This decision surprised and disappointed me. I had been led to believe I would be nominated for the Agency Executive. I had worked very hard for the success of the plan and had been told that my services would be needed in the operational activities of the Agency, since I enjoyed the confidence and friendship of the Executive's members. Their memories of my contribution went, in some cases, all the way back to the time of Eliezer Kaplan. Now, without being told why, I was abruptly informed that I could not be a member of the Executive.

For once, I lost my temper. I clashed openly with Pincus. I told him I had had enough; the Jewish Agency and the United Israel Appeal would have to get along without me.

I went home that evening disheartened and horribly depressed. I stayed home the next day, absenting myself from a meeting of UIA's Board. About noon, my telephone rang. It was Aryeh Dulzin, the successor to Louis Pincus as the Agency's treasurer, who was eventually to follow him as chairman. Dulzin asked me if he could come to see me at home. When he arrived, he began by telling me he was there at the request of Pincus to explain what had happened.

When Pincus talked with the Prime Minister about the changes to be made in the Agency, Mrs. Meir expressed some concern that certain brash professionals she had met would wind up getting elected to the Executive. She would rather not have to deal with such aggressive individuals—for instance, Rabbi Herbert Friedman, then the executive vice chairman of the United Jewish Appeal—as full members of the Executive. This attitude was not altogether fair, particularly to Friedman. He was doing his job as aggressively as he could; gentleness and forbearance never resulted in successful fund raising! Out of loyalty to Golda, Pincus had not confided her feelings to me. Now, through Dulzin, he was telling me there was, of course, no lack of confidence in me personally.

In order to resolve the problem, a compromise was being offered. Maurice Boukstein had thought it up as a means of ending the impasse as far as Hammer was concerned. His idea was to create a position on the Executive to

be known as "associate member." There would be three associates, of whom I would be one. The second position would rotate between the executive vice president of the Council of Jewish Federations, at the time Philip Bernstein, and the executive vice chairman of the United Jewish Appeal, Rabbi Friedman, or his successor, Irving Bernstein. The third associate membership would be reserved for the director of the Keren Hayesod in Jerusalem, Shimon Kreutner. Keren Hayesod was responsible for all fund raising on the Agency's behalf everywhere in the world outside the United States.

Dulzin urged me to accept this compromise. We had come too far, he pleaded, to let any personal consideration stand in our way now.

I was in a dilemma. It was not form that concerned me, but substance. I had worked so hard and long for this reform in the governance of the Jewish Agency, I wanted to be there to see the changes realized. Dulzin assured me I would have that opportunity. In the end, I accepted the compromise.

There were other snags, too. Our American friends were worried about who the director-general of the reconstituted Agency would be. When Pincus nominated Moshe Rivlin, they demurred. Rivlin, they felt, was too much a politician to be in that position. When Pincus and the other members of the Jerusalem Executive insisted on Rivlin, I was able to prevail upon Phil Bernstein to persuade his leadership at the CJF to go along. Later, when they had seen the fine work Rivlin did in getting the reconstituted Agency off the ground, their attitude toward him changed. It was conceded that he was the best man for the job. Rivlin was deeply hurt by the early feeling against him. Now, however, as world chairman of the Jewish National Fund (Keren Kayemeth), he is, fortunately, above such politically inspired annoyances.

At last, on August 27, 1970, at the residence of the President of the State of Israel, the historic agreement on the reconstitution of the Jewish Agency was signed, and a new era began.

Looking back over the years since then, I realize that reconstitution has succeeded far beyond our most optimistic expectations. The Jewish Agency has been able to enlist and unify Jews the world over in support of its work. Through the Jewish Agency assembly, the board of governors and the executive, it has been possible for Jews everywhere to be represented, to be involved, to come to grips with some of the most fundamental and difficult issues that have confronted the people of Israel and World Jewry.

Moreover, through these bodies, the Agency has the means of scrutinizing its own operations and policies without fear of arousing public mistrust of its work and of itself as an institution. With a budget running into the hundreds of millions of dollars annually, the Agency now performs in behalf of

Jews all over the world in ways that are truly creative and exemplary, inspiring and trustworthy.

This is illustrated by the work of the commissions that were established, once the reconstitution took effect, to find ways of dealing with a number of specific problems, some of very long standing. These commissions were run by members of the board of governors with the help of professional aides assigned to them. American governors were especially keen about serving on the commissions and thus demonstrating the sincerity of their interest in the Agency's affairs. This enthusiasm soon communicated itself to their Israeli colleagues.

One of the commissions was the technical advisory committee on housing (TACH), of which New York realtor and philanthropist, Jack Weiler, was named chairman. Jack and I had worked together so long and so well that he asked me to serve as vice chairman. The Committee's purpose was not just to assist in financing new housing in Israel but also to help improve building methods so a better housing product could be supplied to shelter immigrants coming into the country.

Israel's construction industry was sadly lacking in modern technology. Moreover, a proliferation of national and local building codes was impeding housing projects, which were taking as long as three years to complete. Such delays were intolerable in view of the desperate need for housing. There was also a lack of motivation to improve building procedures. The contractors were working on a cost-plus basis and, if the bureaucracy delayed things, their feeling was, so be it. The builders were not going to take the initiative in adopting new construction techniques that were springing up all over the world to meet a universal housing shortage. They were making money, and that was enough for them.

Serving with Jack Weiler and me on the housing commission were several American community leaders with a good deal of experience in the construction industry. Prominent among them were Albert Ratner of Cleveland, Robert Russell of Miami, Raymond Epstein of Chicago, Harvey Meyerhoff of Baltimore, and two talented construction executives, Irwin Miller of the Diesel Construction Company and Joseph H. Newman of the Tishman Construction Company. Michael Sacher of London suggested that we coopt the services of a man named Alan Ellett, even though he was not Jewish. Ellett turned out to be one of the foremost experts on building technology and housing construction. He is now president of one of Albert Ratner's companies in Cleveland, doing work in the field of prefabricated construction.

The first thing our commission did was to make a survey of the housing industry in Israel. It did not take us long, nor did we have to probe deeply,

to figure out what was wrong. We then asked a dozen contractors from the private, cooperative and government sectors to come to the United States as an Israeli committee on housing.

We traveled with them all over America, examining every kind of housing construction technique as we pondered which methods would serve Israel's housing needs best. We covered every aspect of the American building industry from the manufacture of mobile and prefabricated small homes to the erection of mass housing complexes. We toured Los Angeles and its environs, then went on to Phoenix, Chicago, northern Michigan, Miami, and back to the New York area. We had the cooperation and assistance of the Levitt Organization in several of these places; in Florida we had help from Sam Adler, Hap Levy and Bob Russell.

How much did this housing commission accomplish? There is no way to formulate a quantitative answer, but I do know that for some years after the study mission took place in 1973, the Israeli members kept turning to their American colleagues for advice and technical assistance. They had come to realize that we Americans had something more to offer than money. At the same time, our American friends learned that their skills and knowledge are also needed and are very much appreciated.

Since the Jewish Agency's reconstitution, the Council of Jewish Federations, the United Israel Appeal and the Agency itself have been working together ever more closely. Organizational cooperation has been expanding and personal relationships deepening. The CJF's chairmen are automatically elected to the board of the United Israel Appeal and soon find themselves serving in turn on the Agency's board of governors. Other Council representatives, usually because of their personal status in the community, also become members of the governing bodies of the United Israel Appeal and the Jewish Agency.

Increasingly, there is joint consultation and more frequent exchange of ideas. The old suspicion of each other has practically disappeared. This is not to say that there are not still differences of opinion, between the more ardent Zionists and those we—for lack of a better term—call "community leaders," when it comes to the question of how much support should be extended to work in Israel. These, however, are not differences in principle—only substantive variations.

Underlying the structure of these relationships is a mutual tolerance between two sets of values—which have been left largely unspoken—having to do with what constitutes a proper Jewish life. Israelis, after all, have their own ideas of what an acceptable Jewish society ought to be. Some of them feel that it just is not possible to maintain a truly fulfilling Jewish life

anywhere in the diaspora. American Jews tend to feel differently, that a Jew who identifies himself or herself with Jewish aspirations can find fulfillment, even in the American Jewish community.

Who is right and who is wrong? Surely, there is merit in both points of view.

In the years since 1973, the problems confronting the Jewish Agency have changed somewhat in their nature. Except for a spurt from the Soviet Union that lasted several years, immigration has slowed down. The emphasis now is on intensifying services and helping the new immigrants become fully productive members of Israeli society rather than just on receiving them into the country.

From time to time, the Agency and its board of governors have appointed study commissions to examine the Agency's current goals and programs, to study actual performance, to find out whether we are getting all we should from huge expenditures of the money contributed from all over the world, especially the United States.

This is a rather startling innovation for those members of the Agency Executive who are Zionists of the old school. For years, they had met their responsibility by formulating policies and programs in consultation with the Government of Israel. The idea of looking not just to the Government but beyond it, too, for consultation and expert advice represents something new and different. Today, the Agency takes a more searching approach than ever before to finding solutions to the problems it faces, even though this may mean departing radically from traditional methods.

In the final analysis, the direction the Agency has to take in performing its functions is decided by events and developments beyond its own control. The condition of Jews in many countries changes constantly. Right now, hundreds of thousands of our people in Latin America are sitting on a powder keg. The Jews still left in Arab lands live precariously and may need rescue and rehabilitation at any time. And, no one can foretell what events on the world scene may prompt resumption of large-scale Jewish emigration from the Soviet Union.

I have confidence that the Jewish Agency, as we reconstituted it, has a structure that will enable it to accomplish whatever history demands of it. I am also convinced that, as the years and decades pass, new leaders will emerge in each generation to guide the Agency and mobilize the human and financial resources needed to solve the problems that will confront it. I have seen that happen so often in my personal experience, as well as in my reading of the long history of the Jewish people, that I must believe it will happen again.

10
U.S. Government Resettlement Aid to Russian Immigrants

AMONG THE LAST OF THE GREAT HISTORIC EVENTS WITH WHOSE CONSEquences I had to deal as executive vice chairman of the United Israel Appeal was the large-scale emigration of Jews from the Soviet Union that began in the early 1970's.

That the exodus occurred at all was regarded by many Jews as a modern-day miracle in the Biblical mold. Others of a more worldly turn of mind viewed it as the result of more prosaic factors.

One was the devoted and persistent activism of young Jews, mostly students, who took to the streets of New York and other major cities of the western world and made Soviet oppression of Jews such a hot public issue that politicians and diplomats were compelled to deal with it. Another was the toughness and courage of a small coterie of Russian Jews who by their persistence persuaded the masters of the Soviet Union that it might be useful to let Jews leave in substantial numbers.

The first ones allowed to emigrate came from a group of activists who had the temerity to sit in at the Supreme Soviet, the Soviet Union's equivalent of a parliament. They publicly confronted the ruling elite with the contradiction between the high-flown words of the Soviet Constitution, pledging equality and freedom for all of the nation's ethnic groups, and the truth.

The Politburo was trying expulsion as a method of dealing with growing dissidence in Soviet society, and Jews were among the beneficiaries. At first, they numbered in the scores, then in the hundreds, and eventually in the

thousands each month. Their exit permits stated that they were bound for Israel, although there had been no official contact between the Soviet and Israeli Governments since the Soviet Union withdrew its recognition of the State of Israel in 1967 as a result of the Six-Day War. Travel documents for the emigrants were provided, as a humanitarian gesture, by the Embassy of Holland in Moscow.

Another government concerned about Jewish emigration from the Soviet Union was the United States of America. This led to the telephone call I received one day in the winter of 1972 from Ambassador Francis Kellogg, then special assistant to the secretary of state for migration and refugee affairs.

Would I come to Washington, Ambassador Kellogg wanted to know, to discuss Russian immigration to Israel with him and some of his aides? I said I would be delighted to do so at the first convenient opportunity.

I immediately put in a call to the chairman of the United Israel Appeal, Max Fisher, to ask his advice on what I ought to do. He was very close to some of the leading figures in the White House during the Nixon Administration, and I had no wish or intention of getting involved in anything having to do with the administration without his prior knowledge and consent. Fisher was pleased to hear of Kellogg's call and encouraged me to give the state department people full cooperation on this matter.

I was aware that over the years a number of my colleagues in the voluntary relief organizations had regularly made visits to Washington, to the state department and other agencies, in search of government assistance in the form of monetary grants or foodstuffs that would be helpful in their work. I had made a practice of staying away from that part of the Washington scene.

Just once, I had appeared before an advisory group to the department of state, the American Council of Voluntary Agencies, which had representation from the relief agencies of all three major denominations—Catholic, Protestant and Jewish—as well as secular and non-sectarian agencies. Its chairman for many years was Charles P. Taft, of the distinguished Ohio political family, and its membership included the bitterly anti-Zionist Council for Judaism, represented by Lessing Rosenwald.

Not until 1967, however, were we persuaded to apply for membership in the Council of Voluntary Agencies on behalf of the United Israel Appeal. We did so when it became clear to us that no agency's application for a grant under Public Law 480 or any other federal legislation would even be entertained if the agency did not belong to this officially recognized body.

Through Public Law 480, Congress had authorized the sale of surplus American agricultural products and other commodities to foreign countries, which could make payment in their own currencies. The United States

Government would then expend these pools of local currencies for eleemosynary purposes within the receiving countries. These funds, made available by the department of state to American voluntary agencies, had been helpful in their overseas activities. There might come a time, we thought, when participation in this program, or other forms of U.S. Government aid, might also prove helpful to the United Israel Appeal or the Jewish Agency.

In the summer of 1967, I paid a call on Albert Atherton, then the head of the state department's Near East and South Asia desk, to brief him on a visit I had just made to Israel, particularly a tour of the Golan Heights, which Israel had recently taken from Syria in the Six-Day War. I was one of the few Americans who had gone to Israel at the outbreak of war, and I accompanied some of my Israeli friends on an inspection of the newly conquered Golan Heights. I went to see Atherton at the suggestion of Si Kenen, who headed the American-Israel Public Affairs Committee.

Atherton told me the Syrians had never allowed any American diplomat into the heavily militarized zone atop the Golan massif, which had been a menace to the northern area of Israel for nearly two decades. Atherton was very interested in my report. He was so pleased he offered assistance in any effort the United Israel Appeal might make to become a member of the American Council of Voluntary Agencies. I said that as long as the Council for Judaism and Lessing Rosenwald sat in that body, we would not risk having our application blackballed at their instigation. Atherton thought that the United Israel Appeal, as the biggest overseas aid organization around, should be on the Council. He urged me to apply and not to worry.

I did make application shortly thereafter, following consultation with UIA's officers and executive committee. The consensus was that membership in the Council of Voluntary Agencies might prove to be useful. As Atherton had said, there was nothing to worry about; our application was accepted.

Now, nearly five years later, as a member of the Council, we were being invited to talk with the state department about Russian immigration to Israel. By this time, in early 1972, the exodus from the Soviet Union was already a major factor in the Jewish Agency's operations. Other agencies were engaged in political and humanitarian activities that helped make emigration possible. We were involved with the migrants from the moment they set foot in the free world through the difficult and expensive process of resettling them in Israel.

All this was having a major impact on the United Israel Appeal's finances and budget. The time I had feared, when we would have to cast about for new sources of funds, was at hand. However, the way things were going, it appeared to Maurice Boukstein and me that this problem might contain the

seeds of its own solution: we had to cultivate those seeds as diligently, as gently, and as unobtrusively as we could.

I remember that first visit to Frank Kellogg's office very well. My meeting with him and his associates was scheduled for one hour but lasted four. They asked question after question, as if they would never get all the information they needed. Kellogg was quite complimentary. Friends from other organizations had been there to discuss this migration, he said, but none had brought such a wealth of facts. My visit provided his office's first chance to get the full story.

There was another reason Kellogg was so pleased. He was constantly getting inquiries on this subject from his boss, the secretary of state, from congressmen and senators, and from the other executive departments, from the White House down. The influx of Russian Jews into Israel was becoming big news; their number already ran into the tens of thousands. The Nixon Administration, which had been helpful in getting the Soviet Government to relax restrictions and allow the emigration, wanted very much to know how well it was progressing.

The policy of the Government of Israel and of our friends at the Jewish Agency was to treat the whole subject with the utmost secrecy. They feared publicity might cause the Soviet authority to stop issuing exit permits. This could not go on for very long, however. The number of immigrants involved was too great for it not to become public knowledge.

By now, a steady flow of the emigrants was reaching the west almost every day. Most were traveling from Moscow to Vienna by train or, in the case of a luckier few, by plane. On arrival, they were met by representatives of the Jewish Agency. During a visit I made to Vienna, I quickly came to appreciate the problems confronting our people there as they strove to keep up with what had become a mass exodus.

The Agency had rented Schloss Schönau, a spacious mansion on the outskirts of the city. It had been constructed in the nineteenth century and used by its owners as a hunting lodge. It had been way out in the country when it was built. Now, its seclusion made it especially suitable for an operation the Agency wished to conduct very quietly. It was surrounded by a high fence that made it easy to keep the reception facility secure from intrusion. Buses brought the newly arrived immigrants directly from the rail station or the airport to Schloss Schönau.

The Jewish Agency director in Vienna at the time was an experienced veteran and an old friend of mine, Zvi Garcy from Haifa. He took me to the railroad station so I could understand how things were done.

"Zvi," I asked, "how do you know who the Jews are?"

"Wait," he replied. "You will see for yourself. You will know in an instant how we are able to distinguish the Jews from Russia from all the other passengers coming off this train."

I did not have long to wait. The train from the east pulled in and its passengers began debarking. The non-Jews, coming from Poland and other Soviet-bloc countries, stepped off purposefully and walked briskly through the terminal to catch transportation into town. The Jews came off the train more slowly, hesitant, seeming to drag their feet. All one had to do was look down and see the distinctive shuffling gait of the immigrants leaving the train. It betrayed their uncertainty about where they were to go and how to get there.

Even I could see immediately what had to be done. Our people went to them swiftly, addressed them in Yiddish or Hebrew, or Russian if that was the only language they understood, and quickly determined whether they were looking for "Sochnut," the Jewish Agency. The Agency people knew how many Jews to look for because of a phone call received only an hour earlier. It came every day from an agent at the border station where the train's passengers went through Austrian customs. The message was just a number . . . "46," "89," "120."

Thus, each day's arrivals were collected rapidly and escorted to the buses. If they came by plane, their passage through customs and immigration at the airport was purely perfunctory, thanks to a friendly relationship between the Jewish Agency people and the Austrian authorities.

I must say the Austrians behaved very well. They were cooperative because they prized their country's reputation as a haven for refugees. On the other hand, they also valued Austria's neutrality and wanted the refugees not to be an embarassment in its relations with the Soviet Union. The Jewish Agency, for its part, was anxious to accommodate the Austrians in this regard. Transit of the emigrants through Austria was handled with dispatch and without fuss or fanfare. They were picked up at the station or the airport efficiently and unobtrusively, and taken quickly to Schloss Schönau where they were inaccessible to the press. Within a day or two, they were on their way out of Austria, either to transit facilities in Italy or directly to Israel.

Information about the process and the numbers involved in the emigration of Jews from the Soviet Union was still very closely held at the time Frank Kellogg invited me down to Washington to talk with him and his aides. The facts and figures I brought were a revelation not only to Kellogg and his staff but to others high in the Nixon administration. They were getting set for a reelection campaign and were very interested in any information that might be helpful.

1972 was a presidential election year. The early front runner in the contest

for the Democratic nomination, Senator Edmund Muskie of Maine, announced he was going to introduce a bill that would authorize a grant of $250 million to aid Russian Jews seeking to settle in Israel. The amount must have been plucked out of thin air; there was no consultation with the Jewish Agency, the United Israel Appeal, or any other Jewish organization.

Consequently, we were all surprised and made no comment, on or off the record, about the sum proposed by Senator Muskie. Of course, we all applauded the expression of his feeling that the United States should assist in resettling the Russian emigrants in a free democracy. The fact was that UIA was having a very difficult time trying to meet the problem with limited resources. Assistance on an intergovernmental basis would be most welcome.

Kellogg's office was now deluged with demands from both the legislative and executive branches for information about the migration. United States senators and White House officials alike wanted to know what was going on because it now appeared they would have to deal with the issue seriously. After my initial visit, Kellogg asked me to make a practice of seeing him and his staff at least once a month to keep them posted. They were also very interested in the day-by-day flow of the migration and frequently telephoned me for the latest figures.

Throughout 1972 and into the early part of 1973, I was in constant contact with the office of migration and refugee affairs. A pleasant and cooperative relationship developed. In the course of it, I met James Carlin, the American delegate to the intergovernmental committee on European migration and the senior American official in Europe concerned with refugee affairs. His headquarters was in Geneva and he was well acquainted with the Jewish organizations active in this field and the representatives they had working in Europe. I also had occasion to meet John Thomas, executive director of the intergovernmental committee, who was very cordial and helpful.

During this period, I also had the privilege and honor of coming to know Congressman Jonathan Bingham of the Bronx. Early in 1973, I learned that a delegation of members of the House Foreign Affairs Committee was interested in observing our migration and resettlement operations in Vienna and Israel. The subcommittee was to include Representative Bingham, a Democrat; Representative John Buchanan of Alabama, also a Democrat; and Representative Seymour Halpern of Queens, New York, a Republican.

Would I, the state department requested, suggest an agenda and itinerary for their trip? When Mr. Buchanan had to forego the journey because of other commitments, the two New York Representatives sought my advice directly. I volunteered my services as guide and the state department was happy to have me accompany them overseas.

Our first stop was Vienna. It was during Passover and the congressmen and I were guests of honor at a luncheon in Schloss Schönau with the Jews stopping there during their own exodus from bondage. As the immigrants came to understand who the congressmen were, there were many expressions of their happiness and gratitude for what the American people and Congress were doing to help them. In Israel, we toured installations which the Jewish Agency's immigration and absorption departments had set up to serve the Russian immigrants—special absorption centers, temporary and permanent housing, *ulpanim* where adults were taught elementary Hebrew and useful vocational skills.

The reactions of the two congressmen to their exploration of the problems of Russian refugee resettlement were very appealing to me. Seymour Halpern, I learned later, was a lame duck, having already decided not to run for reelection. For him, the trip must have been like other congressional junkets. For Jonathan Bingham, however, it was an entirely different matter.

He and his wife, June, were profoundly affected by what they witnessed. They became deeply committed to the proposition that the resettlement in Israel of Jews emigrating from the USSR was something which demanded the support of the United States Government. To them, this was a way of furthering American principles of individual freedom and human liberty.

That journey was the beginning of a friendship with Jonathan Bingham that for me and my successor at the United Israel Appeal lasts to this day. His retirement from Congress in 1982 after eighteen years of exemplary service was indeed a loss, to the nation as well as the causes he supported.

The congressional visit to the Jewish Agency's installations had a most satisfactory outcome for us. There was a more positive attitude in Congress toward the grant for Russian Jewish immigration then under consideration, and a recognition that it was probably a forerunner of others in the future. In early 1973, Congress passed a bill that authorized a grant of $50 million and designated the secretary of state to administer this assistance and report its results to Congress.

A few days later, I received another phone call from Frank Kellogg. "Gottlieb, would you be prepared to administer this $50 million grant on behalf of the department of state?" For a moment, I allowed myself the luxury of feeling highly flattered. Of course, Kellogg meant the United Israel Appeal and the Jewish Agency, not me personally. I was careful to point out that I must consult UIA's leadership, but I thought it could be worked out, and we would be delighted to cooperate with the department.

I called Max Fisher right away. He was very pleased and said we should inform the department of state forthwith that the United Israel Appeal

would be happy to act on the department's behalf in administering the grant. At least a dozen other organizations, all of them much smaller than UIA, most of them Jewish but some of them anti-Israel, had already called the state department to apply for portions of the grant. We had not been among the groups soliciting such allocations, but now the department was recognizing UIA's position as the voluntary agency with the most experience and the greatest expertise in dealing with the Russian emigration, and was offering us effective control of the entire $50 million.

By the following day, I was able to inform Ambassador Kellogg that a telephone poll of our board of directors indicated they were willing to accept the responsibility. That was enough for Kellogg. He asked me to come to Washington as quickly as possible to discuss a budget with him and his staff. Two days later, I was there with a draft budget in my pocket. I had spent the intervening time on the telephone with our people in Jerusalem and Vienna, collecting the information required to prepare it.

Within an hour of my arrival, the department had accepted my proposed budget with a few minor modifications. Kellogg was absolutely delighted and we celebrated with a very pleasant lunch at a Washington club.

By the time I got back to New York that evening, however, I had begun to realize how very difficult and delicate was the assignment we had undertaken. This grant was bound to be subjected to very careful monitoring by Congress and to intense scrutiny by public-interest groups, some of them pro-Arab or unfriendly to us for other reasons. The United States Government's experience with similar grants to foreign entities had not always been pleasant. In some countries, the original purposes of grants had been disregarded, and the money and materials that were sent in had been misdirected or misused.

I consulted Max Fisher. I confided my fears and told him we must take extraordinary measures to insure that we would never be open to criticism for failing to carry out to the letter the purposes of this grant for refugee aid. As usual Max backed me to the hilt. He said flatly that he would go all-out to make sure we could withstand any pressures from the Israelis regarding transmission and use of these funds.

Our conversation was still somewhat premature, however. Congress had passed the bill, the President had signed it and the state department had chosen us as the administering agent, but no funds had been made available yet. The standard procedure in Washington is for Congress to pass legislation authorizing funds and then to pass another bill containing the actual appropriation. This, of course, meant a delay of some weeks and, when the appropriation was finally cleared, we ran into a new snag. The office of

management and budget in the White House, which had to allocate the money to the department of state once the appropriation was approved by Congress and the President, was dragging its feet.

Kellogg was as anxious as we were to get the money to us so we could get started. He and I were in daily contact by telephone. I was beginning to get really worried about the effects of the delay when Kellogg asked one day if I could have some of our people intercede with the Administration. I said I had tried to reach Fisher on another matter earlier in the day and had been told he had left his office in Detroit and was going to the White House. Kellogg seized upon that statement, though not, I realized later, in the way the words were intended. He told me he would get right back to me.

He called somebody at the OMB and reported that Mr. Fisher was on the way to the White House. Perhaps, he hinted, they ought to get going on the release of those funds for Russian refugee resettlement. Within an hour, Kellogg called me back to say his ploy had worked. The release had come through and we were in business.

Fisher and I were to have a good laugh about that incident. His reason for visiting the White House was to consult with some of the staff there on an entirely different matter. He was acting as an advisor to Housing and Urban Development Secretary George Romney, a former governor of Fisher's home state, Michigan, in setting up the newly created department. Kellogg, quite shrewdly, had merely told the OMB people that Fisher was coming to the White House. Kellogg did not know why and he did not care, but he managed to convey the impression Fisher was angry enough to complain about the way they were holding up the refugee resettlement grant. Nothing could have been further from the truth, but Kellogg had no way of knowing that we had decided to maintain a low profile and would not apply any pressure at all to hasten the bureaucratic process.

Now that we had word from Kellogg to go ahead, I began working out implementation procedures with the help of Hal Goldberg, then newly hired as my assistant and as comptroller of the United Israel Appeal. I sat down with him and Zelig Chinitz, UIA's resident representative in Israel, to explain the considerations involved.

The normal fiscal controls under which we made funds available to the Jewish Agency treasury in Jerusalem called for them to report expenditures to us on a quarterly basis. These United States Government funds must be handled quite differently, I ordered. They were not to be commingled with other UIA funds. They could be paid out only after presentation of proper vouchers, supported by invoices or other certification. We even went to the length of opening a separate dollar account at Bank Leumi in Jerusalem to hold the U.S. Government money.

This special new procedure required that we send to our colleagues at the Jewish Agency treasury a written instruction to "submit vouchers only for items in the budget which has been previously approved by the department of state and for which you have already incurred expenditures."

Back from Jerusalem came a thundering blast. "What the hell is going on?" my Israeli friends wanted to know. Could they not be relied upon to carry out the desires and wishes of the state department, as relayed to them through the UIA?

Of course, I assured them, "you are still regarded as thoroughly trustworthy, but this U.S. Government money just has to be handled differently." With Fisher supporting my position all the way, I never did yield on that point.

In our New York office, we set up a filing system in which every scrap of paper dealing with the Russian refugee resettlement grant, every communication between New York and Jerusalem and Vienna, every telephone call, every memorandum, was recorded and preserved. A month after we got started, I invited members of Kellogg's staff to come to New York to see what we were doing. Robert V. Carey, budget and fiscal officer, and Fitzhugh Turner, a special assistant to Ambassador Kellogg, examined the procedures. They were surprised and pleased by the measures we had taken to safeguard the integrity of the grant. They told me that staff people on Capitol Hill had let them know informally that several congressmen wanted to make personal inspections of their own and plans were already afoot for a group to go overseas for this purpose.

Carey and Turner returned to Washington to report that matters were well in hand. It took some time for our Israeli friends to become accustomed to the new fiscal controls, which were applied only to the U.S. Government funds. Out of our United Jewish Appeal income, UIA supplied working capital with which they built up staff and developed procedures that enabled them to process bills and submit vouchers, which we then reimbursed on a certification basis. The certification was provided by a member of the staff of UIA's Resident Representative in Israel. The certifications received in New York from Jerusalem and Vienna were examined by Harold Goldberg as UIA's comptroller.

Hal, though still new in his job, mastered this crucial responsibility quickly and performed all of his functions most satisfactorily. He has done very well to this day with all of the succession of grants Congress has made for the resettlement of Russian immigrants.

The initial grant of $50 million was formally awarded at a little ceremony held in April 1973 at the state department. Max Fisher, as chairman of its board of governors, a position he held until July 1983, represented the

Jewish Agency. Melvin Dubinsky, as chairman, and I, as executive vice chairman, signed on behalf of the United Israel Appeal. Ambassador Francis Kellogg signed on behalf of the department of state.

The dignitaries in attendance included Senator Edmund Muskie and Senator Jacob K. Javits of New York; the House Minority Leader, Congressman—soon to be Vice President and then President of the United States—Gerald R. Ford; Congressman Jonathan Bingham; a number of high state department officials including Assistant Secretary of State Joseph Sisco and Ambassadors Walter Stoessel, Jr., and Albert Atherton; Israel's Ambassador-designate Simcha Dinitz, newly arrived in Washington; representatives of the leading American Jewish organizations; and senior staff members of the Office of Migration and Refugee Affairs, of several committees of Congress and of the United Israel Appeal. It was a unique gathering of the many people whose efforts and cooperation had made the grant possible.

That first $50 million and the grants that followed proved to be of vital importance as the flow of emigrants from the Soviet Union increased steadily over the next several years before the Soviet authorities began clamping down on it as the 1970's ended. In all, more than 125,000 Jews left the Soviet Union to find new homes in Israel and other free countries.

Throughout the migration, Zelig Chinitz and his associates at the UIA office in Jerusalem played a key role. They were engaged in a constant review of fiscal procedures with the Jewish Agency's staff and in helping them provide acceptable vouchers and invoices for us in New York to submit to the state department in Washington.

The significance of their work was proven early on when the state department sent an auditing mission to Israel to examine and review our procedures on the spot. The two-man inspection team consisted of an accountant from Washington and an accountant from the American Embassy in Morocco. The latter was a Moroccan Jew who felt he had to perform with special vigor to impress upon his superior that the job we were doing was everything we claimed it to be. We survived that extremely tough audit and it set a pattern for others that followed, all conducted in friendly but very firm fashion.

In New York, our work proceeded smoothly and efficiently. We were confident in the knowledge that we were supplying the state department people with the information they required. In May 1973, however, Frank Kellogg decided he ought to observe the situation overseas in person so he would be better able to handle the flood of inquiries that was still descending upon him from all over Washington.

Kellogg thought he would make it a combined business and pleasure trip and decided to take along his new bride, a young Iranian woman, reputedly a

relative of the royal family. I was to join Kellogg on the portions of his journey related to the Russian refugee resettlement program. Not knowing exactly what to expect, I asked my wife to come along so she could help out by keeping Mrs. Kellogg entertained if necessary. Mercedes Kellogg turned out to be charming and beautiful, a highly intelligent person. She was delighted to meet Mrs. Hammer and depended on her for advice and information as the four of us traveled together.

We arranged to meet the Kelloggs in Vienna. The city, it seemed, was going to be teeming with representatives of organizations, Jewish and non-Jewish, who would chase after Frank Kellogg, hoping to obtain some portion of the next state department allocation to the Russian refugee program. They all claimed to be working with the emigrants and felt entitled to some portion of the money.

I decided that the best way to cope with the flood of requests for meetings with Kellogg in Israel and at places all over Europe was to arrange a reception in his honor to which all the European representatives of these organizations were invited. It was to be held at the Imperial Hotel, where we were staying in Vienna, and I asked everybody who thought he should be there to come. About seventy five people did, representing the American Embassy, the Intergovernmental Committee on European Migration, the Jewish Agency, the Joint Distribution Committee, HIAS and a host of others.

They all had a chance to meet and exchange a few words with Ambassador Kellogg. It was quite apparent there was no opportunity for extended conversations with him, but the courtesies had been observed and each representative was in a position to report to his superiors that he had done the best that could be done. Kellogg, too, appreciated the opportunity for this kind of meeting with them all. It took him off the hook with a lot of people and left him free to concentrate on the serious business for which he had come to Vienna. He knew that would be done on the inspection tour we had laid out for him.

It started the next morning at the airport where we witnessed the arrival of a group of emigrants coming by plane. Then we proceeded to Schloss Schönau where the day's arrivals by train had already been brought. In our party were the American consul-general in Vienna and other state department officials, among them James Carlin, the department's most experienced man in refugee and resettlement matters, who had come in from his post in Geneva.

Very soon after we got there, I saw that our guests would never get a true sense of what was going on unless we took a direct hand in seeing that they did. The newly arrived Russians were standing around, obviously feeling

strange and not knowing what was to happen next. The American visitors, unable to communicate with them readily, also seemed not to know what to do. The situation was becoming very awkward.

I took a deep breath and plunged in. I gathered a few of the Russians around Kellogg and me, and tried to strike up a conversation in Yiddish. My mastery of the mother tongue leaves much to be desired. What Yiddish I had learned was acquired from my grandparents, catch-as-catch-can. When I grew up, occasions for using it came infrequently, usually when I met non-English-speaking Jews at the office in New York or during trips to Israel and Europe.

Weak as my Yiddish was, I had to make it do. Unless I kept an exchange going, we would soon lose the interest of both the Russians and our guests. I began interpreting from Yiddish to English and from English back to Yiddish as rapidly as I could, limiting both sides to brief questions and answers. In this manner, I managed to sustain the conversation. It went on for over an hour and I was thoroughly exhausted.

I soon felt well rewarded for the effort. The consul-general who, naturally, was fluent in German, took me aside and said, "I want to congratulate you on the integrity of your translations. At last, we have an accurate picture of how the immigrants feel, what their hopes and aspirations are."

The next day, the Kelloggs left with us for Israel. Because the Austrian authorities were very concerned about our security, our car took us to the plane after it was out on the runway, loaded with all its other passengers, its engines warmed up, ready for takeoff. When we boarded, we found that the passengers included a number of the immigrants we had met the day before at Schloss Schönau. Kellogg was both surprised and pleased to be flying to Israel in their company. He welcomed the opportunity to converse with several who did speak English with some fluency.

During the flight, I warned Ambassador Kellogg that his arrival in Israel would not go unnoticed, and he ought to be prepared to make a statement when the plane landed. The press would be there, I told him, and so would government and Jewish Agency officials coming to welcome both the immigrants and the distinguished American visitor. He asked me to help and, by the time we touched down at Lod, he was ready. Even before we disembarked there were glaring lights and whirring cameras and a pack of reporters firing questions at him. My warning was amply justified, but the Ambassador handled it all with ease.

After the journalists had gobbled up their dose of news and departed, we managed to spend an hour observing the Jewish Agency's processing of the arriving immigrants. The group from our plane had been rushed through

customs and other official formalities to a reception facility on the outskirts of the airport.

There, they were treated to a welcoming ceremony of their own, with music and flowers and refreshments. Personable young Israeli army women, specially chosen for this assignment, circulated among the newcomers, greeting each individually, distributing little bouquets, cold drinks and candy for the children. One of the Jewish Agency officials delivered a brief speech of greeting and orientation.

Then, as we watched, they were checked in, given identification papers and a modest sum of Israeli currency, and assigned to the buses which would carry them away from the airport. Some would go to absorption centers for further processing, while others who were deemed ready to cope with life in Israel would go directly to their own apartments in the country's development towns.

Departure from the airport put them on the final leg of a journey which on the surface appeared relatively quick and routine, but which in reality was a crossing by desperate human beings, burdened with normal doubts and fears, of the great political chasm that has split Europe since World War II. These travelers had abandoned what little security and comfort they possessed and staked their futures on a risky venture into a new and unknown land.

Our party had been watching the Jewish Agency staff guide them through the difficult journey with remarkable professionalism and compassion. Whether the immigrants were in the care of European Director Eran Laor's people in Vienna or of Immigration Department Director Yehuda Dominitz's people in Israel, the attitude was the same—sympathetic and understanding of the human factors involved in the migration process. The outstanding characteristic of the whole operation was the minimum of bureaucratic delay and the great efficiency with which it was carried out. I had tried to view everything we saw through the eyes of our state department guests and I must confess that I was as profoundly impressed as they seemed to be.

Our time in Israel was taken up by a heavy schedule of meetings with Agency and government officials and visits to various installations around the country, not all of which were related only to the Russian immigration.

A rather literal view of the terms of the Congressional grant of funds for refugee resettlement led the state department to favor spending all of the money on current operations, on the costs of transportation, immediate absorption activities, medical care and the like. However, the tremendous size of the immigration was confronting us with an urgent need for certain

capital improvements that were expensive and not provided for in the original budget for spending the grant. One of our aims in taking our guests on trips around the country was to convince them of the necessity for including capital expenditures in the grant program.

The first stop was Rambam Hospital in Haifa, an institution just being opened and expected to develop into a full service medical center for the northern region of Israel. It was already being used to accommodate the new Russian immigrants in the region, both as patients and as medical personnel. Among the newcomers from the Soviet Union were many who claimed credentials as physicians, nurses, dentists and other professionals. This was a frequent cause of difficulty and embarrassment for them as, all too often, their actual training and qualifications did not measure up to standards in Israel or, for that matter, any western country. Still, in most cases, their skills were at least adequate to enable them to fill some sort of related job immediately and to start being useful and productive citizens, earning their own way.

At Rambam, we met a number of such people, from doctors to orderlies, who were in training to upgrade their medical qualifications. We also met many immigrant patients who were now receiving adequate medical attention for the first time in years. Some had come to Israel with chronic illnesses that had never received proper treatment in the USSR. As we surveyed the hospital's facilities, its operations and the services it was providing, Frank Kellogg quickly grasped how intimately Rambam was integrated into the long-term process of resettling the Russian immigrants. He appreciated the need for capital funds from the resettlement grant to overcome obvious difficulties and problems which we both had noticed during our inspection.

Kellogg and I put our heads together and devised a solution on the spot. We requested that an entire floor of the institution be set aside to implement our idea. This section of the hospital would be marked with an appropriately inscribed plaque, indicating it had been paid for with funds granted by the United States Government. We believed this would fulfill the Congressional mandate, and my Israeli friends were able to arrange it without great difficulty.

Subsequently, we inspected Shaare Zedek Hospital, then being built in Jerusalem. There, we were able to have a whole wing set aside in a similar manner. It would not only care for Russian immigrants but would be available to all residents of Jerusalem, who would know from a plaque at the entrance that it had been paid for with Russian resettlement grant funds provided by the American people.

Another purpose for which capital funds were desperately needed was housing of the Russian immigrants. It was clearly apparent that the massive

influx required a substantial expansion of the housing program. Kellogg and I agreed that a large housing project in a community heavily populated by Russian newcomers would be nominated to receive grant funds even though its occupants might not all be Russians. Thus there were some of the major problems confronting us solved by sympathetic consideration and mutual understanding.

After returning to the United States, Frank Kellogg was able to report, to his superiors at the state department and to inquiring members of Congress, in very enthusiastic terms about what he had seen and learned in Vienna and Israel. He had high praise for the scrupulously careful manner in which the United Israel Appeal and the Jewish Agency were handling the funds appropriated by Congress. His expert opinion was that, of all the United States Government's foreign grant and humanitarian aid projects, the Russian refugee resettlement program was the most effective and the most efficiently administered.

Kellogg's favorable report was instrumental in establishing firmly the principle of American governmental assistance in the resettlement in Israel, as well as the United States, of Jews emigrating from the Soviet Union. A second grant was soon provided in the department of state's regular appropriation from Congress. The migration continued on a large scale for eight years during which Congressional grants of assistance totalled $225 million. All of this was expended in accordance with the procedures which I established with the help of my colleagues in New York and Jerusalem and which Frank Kellogg and his associates approved.

These expenditures are all in the public record in Washington, easily available to anyone, but there has been no attack on the program that has stood up, no instance of criticism from Arab or anti-Zionist sources that has been taken seriously by Congress or the American people. The confidence of the United States Government, that the administration of its funds by the United Israel Appeal is a job well done, has been maintained. That should be a source of great satisfaction to the American Jewish community, which has been ably represented by the United Israel Appeal.

11
Fulbright Hearings

IN ALL MY YEARS AS AN EXECUTIVE OF THE JEWISH AGENCY AND THE United Israel Appeal, I worked in relative anonymity. In the fields where I labored, public awareness and recognition were usually not prime considerations. The important things were the understanding and trust of the people with whom and for whom I worked most closely. Very often, there was a premium on confidentiality.

I suppose that the closest I ever came to achieving widespread public notice—or, more likely, notoriety—was in connection with an investigation into the affairs of the Jewish Agency which the Foreign Relations Committee of the United States Senate conducted in 1963 under the chairmanship of Senator William Fulbright of Arkansas.

The Fulbright Hearings had their genesis in the operation of the Foreign Agents Registration Act passed by Congress in 1938. It was designed to cope with the Nazi propaganda that was rampant in the United States in the years preceding American entry into World War II. The Act requires all persons or organizations representing foreign powers or interests in this country to register with the Department of Justice, to name the sources of their funds and to file with the Department semi-annual reports of their activities in the United States, together with copies of the literature, press releases and other publications and written materials they had issued. All of these must bear a notice that they come from a source registered with the Justice Department as a foreign agent.

The Jewish Agency-American Section had first registered under the terms of the Act back in the early 1940s. I had been invited to Washington by the assistant attorney general in charge of the Foreign Agents Registration Section, who explained to me the workings of the bureau and the reasons it would be to our advantage to register. Indeed, we had nothing to hide and, by placing our activities on public record in this manner, we would help the authorities deal more effectively with those who were engaged in fascist or communist propaganda and other activities inimical to the interests of the United States.

Upon my return, I consulted with the members of the Agency Executive then resident in New York—Louis Lipsky, Stephen Wise and Nahum Goldmann. My suggestion that we register was strongly seconded by Maurice Boukstein, our legal counsel. It was he who eventually prevailed upon the three elder statesmen to consent. We did register and have maintained our registration from that initial filing four decades ago to the present day. From time to time, it was extended to some of our affiliated organizations and became a routine matter that was to cause no difficulty for twenty years.

When trouble did come, it arrived by a circuitous route. The Philippine islands became an independent nation after World War II in fulfillment of a long-standing American pledge to its people. Consequently, the Islands' principle export, sugar, became subject to tariffs and quotas which the Congress of the United States imposes on foreign agricultural products. The lobbying group maintained in Washington by the Philippine sugar interests had to register as a foreign agent. In 1962, it spent inordinate sums of money in an attempt to influence legislation pending in Congress—enough to worry a good many Senators and Representatives. The Senate Foreign Relations Committee undertook an investigation. As in many such cases, interest in the problem waned and the probe petered out.

The Committee's staff was left with time on its hands and an opportunity to cast about for more exciting fish to fry. Heading the staff was Walter Pincus, a former journalist, who was to prove most unfriendly to us.

The chairmanship of the Foreign Relations Committee is one of the most prestigious and powerful positions in the United States Senate, conferred by that august body upon a member highly qualified by seniority, by expertise in world affairs and by the respect of his peers. From this position, a few years later Senator Fulbright was to wage valiant if largely unavailing battles against the deepening American involvement in Vietnam. At the time of which I write, however, this chairmanship may well have seemed poor consolation for frustration of an ambition to be secretary of state.

Regarded as the Senate's premier intellectual, a former president of the University of Arkansas and a brilliant lawyer, originator of the scholarships

bearing his name, which the United States Government provides to promising graduate students so they can study abroad, William Fulbright certainly was a leading possibility to take over the State Department in the administration John F. Kennedy was organizing after winning the presidency in 1960.

Apparently, Kennedy was not anxious to have Fulbright as his secretary of state. A premature leak of the news that Fulbright was being considered generated the heat and controversy that allowed Kennedy not to make the appointment. The incident was not handled with the usual Kennedy deftness and tact. Fulbright came out of it nursing bruised feelings and, the story went, a conviction that American Jewish leaders were somehow involved in keeping him out of a post where he could really make a mark on history.

The Justice Department records of filings under the Foreign Agents Registration Act are open to the public, of course. Copies are available for a few cents a page. It was a simple matter for Foreign Relations Committee employees to scan the list of registered agents and come upon the name of the United Israel Appeal, which was then spending hundreds of millions of dollars each year in Israel on refugee resettlement. In terms of the amounts of money involved, UIA was probably the largest registrant on the list. To one with the nose for news of Staff Director Pincus, it must have looked like a tempting target for an investigation.

At that time, the Jewish Agency was operating in the United States as the Jewish Agency for Israel, Inc., corporate successor to such predecessors as the United Palestine Appeal, Palestine Foundation Fund (familiarly known as the Keren Hayesod), and one or two others that had been merged into The Jewish Agency, Inc., over the years. Acting on behalf of the United Israel Appeal, which was still maintained as a separate corporation, the Jewish Agency, Inc., was the recipient of funds raised by the United Jewish Appeal, practically all of which were transmitted to the Jewish Agency in Jerusalem to finance immigration and absorption. Through the United Israel Appeal, grants were also made from time to time to organizations in the United States engaged in educational and other activities related to the functions of the UIA and the Jewish Agency. It really was a rather confusing situation, which was rectified a year or two later when the Jewish Agency, Inc., changed its name to the United Israel Appeal.

As executive vice chairman of The Jewish Agency, Inc., I was the official directly responsible for its compliance with the laws of the United States, particularly the Internal Revenue Code, which governed the income tax deductibility of the philanthropic contributions that came to us through UJA, and the Foreign Agents Registration Act.

We were served with a subpoena from the Senate committee early in

1963. It stated the customary requirements for delivery in Washington of all relevant records, documents, correspondence and so forth, and for me to appear before the committee in closed session.

We were worried. Not that there was something to hide. We knew we were not involved in anything insidious or invidious; we were not consciously in violation of any laws or regulations. But we were well aware of how testimony before a Congressional committee could be, and at times in the past had been, exploited and twisted to fit the personal needs and desires of politicians. It was easy, for instance, to visualize me sitting under the glare of television lights in the kind of hot seat occupied from time to time by others who had come under Congressional scrutiny.

Naturally, when I realized I was going to have to testify, I tried to prepare myself with all the information obtainable about committee procedures and the men who would confront me. I learned I had a right to have a legal adviser present, but my lawyer could not address the committee, and I could consult him only with the chairman's permission. What we found out about Senator Fulbright and Staff Director Pincus indicated that our prospects for an easy examination were very dim.

Maurice Boukstein and I set to work to prepare for the session. We reviewed carefully all of the material already submitted to the committee. Endlessly, it seemed to me, we discussed Jewish Agency policies, practices and procedures. We went over financial statements with our own finetooth comb. Hour after hour, Boukstein played devil's advocate, putting me through a crash course in how to behave as a witness under hostile cross-examination.

At last the day came. We flew down to Washington for a morning appearance before the committee, with Senator Fulbright presiding. Other Senators present included John Sparkman of Alabama, Stuart Symington of Missouri, Hubert Humphrey of Minnesota—all of them Democrats—and Bourke Hickenlooper of Iowa, a leader of the Senate's conservative Republicans. The official record may show that others were there, but my memory of them is blank. My attention was focused on the task before me to the exclusion of almost everything else.

After I was sworn in, Senator Fulbright began the questioning. I had been warned never to become belligerent or offensive in manner. At all costs, this was to be avoided, so Mr. Fulbright or any other committee member would not be presented with openings to respond in kind. A closed Senate committee hearing is a star-chamber proceeding. The rights of the witness are almost non-existent; the privileges of the Senators are practically unlimited.

After a while, Senator Fulbright asked me where the American Zionist Council was getting its money. The fact was that the Council was still

receiving allocations of funds from the Jewish Agency, although by 1963 the great struggle for Israel's statehood was long past. The money was spent by the AZC largely on routine public relations activities, since the Jewish Agency had no public relations arm of its own. There was no secret about this. Still, Mr. Fulbright's question might have been leading me onto dangerous ground.

At this point, the Senator from Minnesota, good old Hubert Humphrey, intervened. "Mr. Chairman!" Senator Fulbright turned toward him, somewhat impatiently, it seemed to me.

"Mr. Chairman," the gentleman from Minnesota went on, "I know a friend back in Minneapolis, Minnesota—where I come from—who is Jewish and who is chairman of the Jewish National Fund Committee there, and I know he wouldn't spend any money for anything that was not proper." And Mr. Humphrey rambled on for some ten minutes about his old friends back in Minneapolis. Senatorial courtesy compelled the chairman to hear him out. By the time Humphrey had finished, the original question had long been buried. Mr. Fulbright proceeded to other matters.

A few minutes later, Senator Symington spoke up. "Mr. Chairman, I would like to ask a question."

"Go ahead, Mr. Symington."

"I would like to know, Mr. Chairman, did the Jewish Agency for Israel, or any of its affiliates, or any organization under its influence or control, ever contribute any money to the election campaign of any candidate for federal or state or local office?"

Senator Fulbright glanced over at me. "You heard the question?"

This was a golden opportunity I was not about to let slip by. "Mr. Chairman," I began, "in all the years I have been with the Jewish Agency—going back to 1939—never, never have we contributed one single dollar to the campaign of anyone running for public office. Nor have we ever contributed to any political activity of any sort." I made the answer as emphatic and as categorical as I possibly could.

When I was through, Senator Symington turned to Senator Fulbright and asked, "Mr. Chairman, what is this inquiry all about?"

There was a wrangle among the committee members that lasted about half an hour, while I sat very quietly, minding my own business. The Senators argued about whether the hearing had the legislative purpose committee investigations are supposed to have, whether Senators' time and taxpayers' money were not being wasted. It went on and on.

Eventually, Senator Fulbright managed to rescue the investigation by claiming, "Well, we have developed some other information that we would like to explore." One of the other Senators who had thought the whole

business was much ado about nothing, conceded, "All right, let's hear what you have to say."

The questioning resumed. I was in the witness chair continuously for almost five hours, from about 9:30 in the morning until after two o'clock in the afternoon, without a break. By the time a recess for lunch was called at last, I was wound up tighter than a Swiss watch. It was a terrible experience I never want to go through again. When testifying before a Congressional committee, you must be brief, to the point and extremely careful of what you say. The pressure on a witness who is trying to answer questions fully without volunteering information unnecessarily is tremendous, even traumatic.

When we got back from lunch, Senator Fulbright said, "Well, I don't think we have to continue with Mr. Hammer. We have what we want now, so why don't we go on to the next witness?" That was to be Isadore Hamlin, the executive director of the World Zionist Organization—American Section. I was excused, since I was not permitted to be present during his testimony, as he had been excluded from mine.

Several weeks later, we got a call from the committee asking us down to Washington for another of its meetings. When the session got started, the question under discussion by the members was: should the hearings go public? Normal procedure in a Congressional investigation is to hold private sessions to see what evidence might be developed. If there is none that would justify a public hearing, the books are closed the files put away, the matter forgotten.

When given a chance to speak, we argued, of course, for the investigation to be closed. Public hearings, we maintained, would serve no purpose other than to give anti-Semites and enemies of Israel an opportunity to distort and misrepresent what was said. It would lead to baseless but sensational charges and cause much needless worry and expense.

I remember the response of one Senator, Wayne Morse of Oregon, I believe. "Don't oppose public hearings," he urged. "The fact that there have been private hearings is already well known. If we do not hold public hearings and come out with all the facts that have been uncovered here, it may look like a coverup, and it may cause you more grief than you have ever thought about. I am a friend; take my advice."

"This ought to go to a public hearing," he said at another point, "where we can hear all of the charges, suspicions, thoughts, accusations that your enemies can think up. You have done magnificently so far. Don't be concerned."

Obviously, we had no choice. We could only accept the committee's decision to hold public hearings.

Before leaving that day, Boukstein and I approached Senator Fulbright. "Mr. Chairman," Maurice said. "Mr. Hammer is required to go overseas. He has to go to Israel and Europe in connection with his duties as executive vice chairman. Do you think you are going to need him again?" Fulbright looked inquiringly at Staff Director Pincus before replying: "We have his testimony. We don't think so." To me, he said: "Why don't you go ahead? You've done all right, fine. We won't need you again."

While still abroad weeks later, I got a very carefully worded phone call from Boukstein. He suggested that, instead of coming home as originally scheduled, I ought to proceed to Switzerland to confer with Dr. Goldmann. I needed very little urging. The Paris *Herald Tribune* was reporting on the open hearings which were taking on aspects of a media circus, with the very visible Itzik Hamlin as the principal target. Hamlin, it seems, was taking the brunt of the questioning, but standing up to it quite well.

Senator Fulbright, it seemed, had had second thoughts and was suddenly asking for Gottlieb Hammer, who had testified in private. Hammer, it was reported, was in the Swiss Alps in a town called Vulpera, and was incommunicado, unable to be reached. When I finally did get back a few weeks later, the hearings were over and done with, and well on their way to being forgotten.

What effect, I have occasionally been asked, did the Fulbright Hearings have on the Jewish Agency? On the United Jewish Appeal and other organizations aiding the people of Israel? On the American Jewish community in general? Really, not very much, I answer. Like much Congressional sensation-mongering, this was soon forgotten by all except those with axes to grind, those who use distortions and misrepresentations of fact to fabricate propaganda that serves their purposes.

Out of Moscow, for example, came an anti-Zionist, anti-Semitic tract that misquoted Louis Pincus, Isadore Hamlin and me, taking out of context statements we actually did make, and use all of this to assail the Jewish Agency and the State of Israel. It had been circulated worldwide by Soviet propagandists. I don't know whether to regard it as something harmful or as a compliment to me personally. "If it were not for the honor," to use the words of the fellow in Abe Lincoln's story who was tarred, feathered and ridden out of town on a rail, "I would rather have done without this."

It is far more important that most American Jews simply ignored the whole business. Giving to the United Jewish Appeal is usually an accurate measure of their reaction in cases like this. It continued unabated and even increased.

Professional anti-Semites and others who spend their time trying to stir up

hatred in the American people did attempt to exploit the Fulbright Hearings. Fortunately, the lunatic fringe had a small audience and did not cause much of a problem.

When we at the Jewish Agency reviewed the hearings and their outcome, we concluded that one minor change in our operation was called for. It was decided that grants and any other financial support for the American Zionist Council and its activities, however innocuous they might be, would be discontinued. Means independent of the Agency would have to be found to carry on the AZC's work.

The Fulbright Committee never bothered us again. In the few contacts we did have, they were courteous and quite complimentary about our responses to their requests for information and about the way we had testified at the hearings.

For us, that was the end of the episode.

12
515 Park Avenue

NOW, IN MY POST-UIA YEARS, I SPEND MUCH TIME IN FLORIDA AND DO considerable traveling, but I still have a special feeling about coming home to New York. For all the physical deterioration and squalor that besets it, the city retains its unique qualities—the hugeness, the diversity and the excitement that give this metropolis more than any other in the second half of the twentieth century, the ability to be all things to all men.

As probably no other city has been since the days of ancient Rome or Byzantium, New York is the world capital of commerce, finance, diplomacy, art and culture, all rolled into one. It is also the most populous Jewish city on earth, the mother city of American Jewry, the center of the post-Holocaust Diaspora.

Any organization that purports, as does the Jewish Agency for Israel, to serve the whole Jewish people must have a permanent presence in New York. Jewish history in our time has dictated that as a necessity.

The Jewish Agency has maintained a presence in New York since the blackest days of World War II, when Meyer Weisgal set up the small "Office of the President" for Dr. Chaim Weizmann. More than London, imperial capital of the Mandatory Power, more than any place in the world except on the ground in Palestine itself, New York, as the seat of the United Nations, was to become a central battleground of the political and diplomatic struggle for the Jewish state. As the struggle grew in intensity and scope, the Office

of the President became an office of the Jewish Agency Executive, taking on more and more functions and twice being moved to larger rented quarters.

The British raids on June 29, 1946, when they searched the Jewish Agency's headquarters in Jerusalem and arrested many of the Executive's members, emphasized their vulnerability, as well as their distance from the crucial political arena in New York. One of the things on the minds of David Ben-Gurion and Eliezer Kaplan, when they reached New York after the raids, was the establishment there of an office for the Agency that would be secure and under the Agency's absolute control. To effect such a purchase $25,000 was appropriated.

The city was in the grip of the post-war shortage of housing and office space. The little that was available went at premium prices. Through the good offices of Peter Grimm, the president of William A. White and Sons, one of New York's leading realty firms, we located a five-story residence in a row of brownstones, each with the standard 25-foot front, on East 66th Street. It was a few doors east of Fifth Avenue, around the corner from Temple Emanu-el, the flagship congregation of Reform Jewry in America. We bought 16 East 66th Street for $75,000, using the $25,000 plus a mortgage on the property for the difference.

As the battle in the United Nations over the partition of Palestine proceeded toward its climax, our office space requirements increased drastically. In 1947, we bought the building next door at 14 East 66th for $85,000, financed almost entirely by an additional mortgage on the combined properties. A few years later, on the advice of Jack D. Weiler, surely one of the most perceptive, imaginative and practical of real estate men, we purchased the property on the other side. The building had already been gutted and we never did use it but, as Weiler pointed out, a plot with 75 feet of frontage on so desirable a street made a very salable package. Acquiring 18 East 66th, and thus controlling the use to which it could be put, also protected the value of the investment we had already made.

Our offices at 16 East 66th Street were very uncomfortable and very inefficient but, since better facilities were simply unobtainable, we improvised, doing the best we could. On some of the floors, we broke through the wall between the two buildings so we could move between offices without going out into the street. A lift that could carry no more than two or three persons at a time and creaked its way painfully from the basement to the fourth floor, provided all the elevator service we would muster. The buildings must have been full of violations of the housing code but, fortunately, it was a time when the municipal regulatory authorities were paying little attention to situations like ours.

By 1955, it was apparent that we could not long remain on East 66th Street. Our operations were expanding, scattering all over town and becoming a wasteful administrative nightmare. The Jewish Agency Executive was on East 66th Street, the United Israel Appeal on 42nd Street, the American Zionist Council on Madison Avenue. I put before the Executive of the Jewish Agency-American Section a request that I be authorized to seek a building where all of the New York offices of the Agency departments and affiliated organizations could be housed under one roof. My proposal was very strongly supported by Jack Weiler. He argued that our three brownstones, being used in ways for which they never were intended, were loaded with violations. Furthermore the land on which they stood had become so valuable that its present use did not make economic sense.

The search for new quarters began. We almost closed one or two deals but something came up to spoil them at the last moment. I remember taking Nahum Goldmann, then the chairman of the Agency's American Section, to look at a building I was about to buy on Madison Avenue. It was a combination industrial loft and office structure. Goldmann walked into the lobby, took one look around, turned and strode out. "I have been subjected to many things in my life," he declared, "but I am not going to be in a factory building." And that was that.

Herman Getzoff, who had once been a fund raiser for the Weizmann Institute, was in the real estate business. Hy, as everybody called him, heard we were looking for a building and offered to assist us as a broker. I accepted the offer and Hy soon reported finding a suitable property on Park Avenue at 60th Street, a 13-story apartment house on the southeast corner, about thirty or forty years old at the time.

The location was very close to ideal for us—in midtown with a prestigious Park Avenue address, easily accessible by surface transportation and only one block from a junction of two subway lines that was being redeveloped into one of the key stations in the entire system. The price was reasonable—$850,000.

The holder of the property was the New England Novelty Corporation, about which none of us knew anything. Not until after we had taken title did we learn that New England Novelty was owned by Jakob Michael, a refugee from Nazi Germany and a very devoted and generous contributor to the United Jewish Appeal of Greater New York.

We set about planning for the reorganization of Jewish Agency activities in New York and for the reconstruction of 515 Park Avenue. First, we had to get the building's tenants to vacate their apartments—something easier said than done. One of the tenants turned out to be Farish el-Khoury, the Syrian Ambassador to the United Nations. We anticipated particular trouble with

him. I remember feeling a little like John Hancock as I signed his eviction notice in letters three inches high. He surprised us very pleasantly by moving out within 24 hours.

Getting full possession of the premises took about a year. The time was well spent in planning and design. Jack Weiler, who volunteered to act as our "general contractor," assembled a group of dedicated friends and professional colleagues to advise and assist us. They subjected us to a rigorous process of explaining and justifying the character of the headquarters we desired and the physical changes in the building required to achieve it.

The group, to whom the Jewish Agency will always be deeply indebted, included, besides Jack Weiler, Carl Morse of the Diesel Construction Company, Charles Mayer of the J. H. Taylor Construction Company, David Rose, building of many Manhattan apartment buildings, and William Kaufman. Supervision of the actual construction and renovation was in the hands of Bill Kaufman and his son Melvin. I acted on behalf of the Agency in all matters concerning the acquisition and reconstruction of the building. Everything I did was undertaken only with the authorization of the Executive of the Jewish Agency-American Section. I kept its members fully informed of what I was doing and submitted all contracts signed and actions taken for approval in advance.

There was no unanimity among the Executive's members about this venture. Louis Segal, for one, maintained that we would never be able to complete the renovation within its budget and that we were involving ourselves in something far beyond our capacity. However, a majority led by Nahum Goldmann and Rose Halprin prevailed. We went ahead with the project.

The renovation, as designed by the volunteer committee and Herbert Tannenbaum, an architect experienced in the alteration of New York buildings, was estimated to cost $1.2 million. Including the $850,000 purchase price and anticipating some overrun in costs, we set a total budget of $2.2 million. The actual expenditure was $2.3 million, and that included all of the furniture for the new offices.

All the costs of the new building were covered by the proceeds of the sale of our three buildings on East 66th Street and by a mortgage obtained on very favorable terms from the Massachusetts Mutual Life Insurance Company. When the financing was all arranged, we had prime office space on Park Avenue at a cost no more than a quarter or a third of what comparable quarters were then selling for in other midtown Manhattan buildings.

We also had the inestimable advantage of housing under the same roof, sharing the same facilities, ten major organizations: The Jewish Agency for Israel, Inc., the Jewish Agency-American Section., the United Israel Ap-

peal, Inc., the American Zionist Council, the American Zionist Youth Foundation, The American Committee for the Weizmann Institute of Science, the Zionist Archives and Library, the Theodor Herzl Institute, the Jewish Teachers Seminary, and the Conference of Presidents of Major American Jewish Organizations.

In our planning, the architect, the advisory committee and I all kept in mind a basic premise, that the building's character must be that of a relatively modest workplace, unlikely to be criticized as ostentatious or luxurious. We wanted a building where people could work efficiently and comfortably on the many functions and services we envisaged as belonging under the umbrella of the Jewish Agency.

We realized we would have to utilize every inch of space that could possibly be provided on the thirteen floors. This meant incorporating into these floors open areas that were part of the original apartment house design. An inside courtyard, required by New York City's housing code to supply adequate light and air to every apartment in multiple dwellings without mechanical ventilation or air-conditioning systems, was filled with the new building's elevator shafts, air-conditioning system, emergency stairs, washrooms and utility closets.

A ten-foot-wide alley off Park Avenue was absorbed into the structure itself. A center lobby opening on Park Avenue was eliminated to give the ground floor a broad unobstructed area suitable for many uses. It was reached from a new building entrance which occupied the old alley space at the south end of the building.

Except for the ground floor and the 13th floor penthouse, all the floors had the same basic layout. Each had about 5,400 square feet, 90 feet on Park Avenue and 60 feet on East 60th Street. Private offices were placed along the exterior perimeter and the interior space was dedicated to general office purposes.

Our expert advisers and I had a disagreement about how many elevators to provide. Their experience dictated that two would be ample for a building with these dimensions and this number of floors. "You don't know Jews as I do," I warned. My experience has taught me how peripatetic they are when working with their brains, which would be the principal occupation within this building's walls. We settled the argument with a compromise: Build three elevator shafts but install only two elevators to start with, and see what happens. Within a year, we could not do without the third elevator, people were wasting too much valuable time waiting for elevators.

All the private offices were relatively small. Only the conference rooms and meeting spaces could be regarded as large. My own quarters, on the eleventh floor in the corner facing both Park Avenue and 60th Street, were of modest dimensions and carefully though inexpensively furnished.

I anticipated a lot of complaints from colleagues about the size of the offices assigned to them, but none reached me. I have been told that, shortly after we moved in, some of the senior people came to my office after I was gone for the day and measured its length and width. That seems to have assuaged disappointments and settled arguments without the need for words. If I had so limited myself, how could they complain?

For Nahum Goldmann, who was then our chairman, an office a little larger than mine was provided, and he seemed perfectly content. Though rather modest for the head of an important international organization, its dimensions and furnishings were still satisfactory.

One of the guiding considerations in our planning of the Jewish Agency's new New York headquarters was respect for the character of the neighborhood in which we would be located. Although the south side of East 60th Street is within the northern boundary of a zoning district in which office buildings are permitted, Park Avenue here is clearly the fashionable residential boulevard that is famous around the world. The building standing opposite 515 on the north side of 60th Street was, and still is used as an apartment house similar in appearance to the one we acquired. We had agreed not to place any signs on the exterior of our building; that might look too commercial. But we felt strongly the need for some distinguishing feature that would proclaim to passers-by its unique nature and purpose.

We therefore commissioned a large replica, to be cast in metal, of the menorah which the State of Israel had recently used on a postage stamp commemorating the tenth anniversary of its independence. It is derived from the menorah carved on the walls of the necropolis at Beit Sharim in Palestine during the third or fourth century.

Although we thus limited exterior adornment, we felt the interior decoration should be more expansive. I had become acquainted with an Israeli artist and designer, Perli Pelzig, who had done some of the decorations in the public rooms of the passenger ships which the Zim Israel Navigation Company acquired under the German Reparations Agreement.

Born in eastern Europe and having grown up in Germany, as a member of the Zionist youth movement, Pelzig went to Israel on Aliyah Beth and joined a communal settlement near Tel Aviv. He became one of the foremost craftsmen integrating decorative art into Israel's architecture, and developed his own techniques of creating mosaics and murals from multiple layers of cement and colored concrete. Pelzig's mastery of these Italian graffiti skills is obvious in the works he executed for us as part of the remodelling of 515 Park Avenue.

A succession of murals tells a visitor, who has just entered the building through a doorway beneath the Beit Sharim menorah, the story of Israel's people and the ways the Jewish Agency serves them. The first panel, devoted

to Aliyah, is dominated by human faces and figures, the dispossessed Jews from the four corners of the earth for whom the land of Israel has been rebuilt.

The second panel depicts the life of the pioneers, the *chalutzim,* who reclaimed the land. They labor on barren soil, colored red yellow and studded with white rocks, while a guard on horseback, rifle on his shoulder, stands watch. Farther back, a watchtower looms protectively over the first huts of a settlement. In the third panel, the barren soil and stubborn stones have given way to the green fields and orchards of a flourishing agricultural community. These are cultivated by tractors and other modern implements. The fourth panel depicts Israel's teeming cities and thriving industry and commerce. Trucks and buses crowd aside horsedrawn cart. The factory buildings are imposing, as are the great ships shown sailing the earth's seas.

A fifth panel, well inside the building lobby, is filled with symbols of Israel's spiritual, artistic and scientific life—*kohanim* in the traditional gesture of benediction, white-coated men and women in laboratory and hospital operating room, a draftsman's triangle. At its heart is the familiar U-shaped structure of the Jewish Agency's headquarters in Jerusalem.

Upstairs, in the second-floor auditorium, Pelzig filled a long wall with *chalutzim* dancing the horah. Taken together, his murals give one a sense of how the Jewish people rose out of dispersion and oppression to redemption in its ancient homeland; how we became a people that has learned to dance and sing again.

Practically from the day in January 1960 when the Jewish Agency began moving in, 515 Park Avenue has been a hive of varied activities. The printing and other mechanical facilities in the basement have been steadily churning out literature, documents and other materials for all the agencies housed in the building. The auditorium and smaller meeting rooms have been used for more and more lectures and classes, in addition to organizational meetings. The Herzl Institute has developed an extensive ulpan program in which thousands of New Yorkers have learned Hebrew and studied Zionism and the State of Israel. The office space is always fully occupied. Activity starts at eight o'clock in the morning and on most days continues well into evening.

The housing of so many organizations and the centralization of so many Agency-supported activities in one place also simplified dealing with problems of security that became urgent in the 1970s. Bombings and other forms of terrorism became a fact of life in world capitals like London, Paris, and New York. In 1973, at the time of the Yom Kippur War, the Special Services Division of the New York City Police warned us to expect trouble. They had information indicating 515 Park Avenue might be a target.

With the cooperation of Israeli security people, a system of controlled entry to the building, through steel and bullet-proof glass compartments in the lobby, was devised. Admission is gained only upon proper identification. 515 Park Avenue is now deemed so secure that the same sources which brought us the warning consider the possibility of an attack to be very remote.

Periodically the question comes up: "Why don't we sell this building, move into other quarters and put the profits of the sale to use in our programs?" The property which originally cost $2.3 million would, it is estimated, now yield upwards of $20 million. That is a tempting prospect, but it is more than balanced by the knowledge that similar quarters and facilities elsewhere in the heart of New York City could easily cost the Jewish Agency three or four times the present expense. Besides, what other location would match the centrality and convenience of 515 Park Avenue!

The advantages which brought us there in the first place still prevail. When I visit 515 Park these days, I am proud, and even a little surprised, to see how well the decisions we made a quarter of a century ago have stood the tests of time and economics.

13
Zim

"LET'S BUY A SHIP AND GET STARTED IN THE SHIPPING BUSINESS!"

That, in essence, was the proposition with which a group of brash *kibbutzniks* approached the Jewish Agency and Histadrut, Palestine Jewry's labor federation, in 1945 as World War II was winding down. To them, this was a straightforward matter involving a current and urgent need for vessels to carry Jews from Europe to Palestine, as well as the commerce and security of the future Jewish state.

It was an obvious necessity, they argued, for Jewish Palestine to control its own seaborne communications and trade links with the rest of the world. The Yishuv was simply too vulnerable to be dependent on foreign shipping for something so vital to its very existence. The area of Jewish settlement in Palestine was located on a seacoast and already had a fine harbor at Haifa; the missing element was the possession of seagoing vessels.

The fact that having a merchant marine entails a great number of highly specialized and complex technical skills—like knowing the sea and how to navigate on it, how to operate ships and keep them laden with profitable cargoes, how to maintain a system of communication and management that might have to be worldwide—did not faze these resourceful pioneers. To them, these would all be part of the day's work, and they were accustomed to on-the-job training.

After considerable debate, the Jewish Agency Executive decided that developing this new industry would provide additional employment opportu-

nities for immigrants to Palestine and would help further the settlement of Jews upon the land. The fact that this involved teaching them to live and work at sea was a mere technicality. Had not Herzl forseen a Jewish merchant fleet that would sail the seven seas?

They voted to invest $500,000, provided Histadrut did the same. Soon, the Zim Company was organized and acquired its first vessel, a 2,500-ton passenger and cargo ship they called the *Kedmah.*

The *Kedmah* was small, about forty years old and in poor condition. She was barely able to navigate the Mediterranean. A three-or-four-day voyage usually took nine or ten because of frequent breakdowns at sea. Yet, it was on this frail vessel, which they dared not sail into the Atlantic for fear of foundering in the open ocean, that Palestinanian Jews began to acquire a working knowledge of the seas and the operation of ships. This was to stand them in good stead before long.

In 1946 and 1947, Haganah, the Yishuv's defense force, developed Aliyah Beth, a special branch to conduct "illegal" immigration to Palestine. Its operatives in Europe and America bought or chartered ships, registered them under "flags of convenience," manned them with sketchily trained crews, furtively loaded them with immigrants at Mediterranean ports, and sailed them to rendezvous off the Palestine coast where their human cargoes were off-loaded into small boats and smuggled ashore. After a while, the British Mandatory authorities began catching most of these incoming vessels, interning their refugee passengers in detention camps and seizing the vessels as contraband.

Aliyah Beth was a heroic enterprise that played a significant role in the events leading to the establishment of the State of Israel. From it emerged three of the four men who, after statehood was achieved, took the lead in organizing and administering the Zim-Israel Navigation Company, which was to carry the flag of the new nation on the seven seas. The three were Yosef Barpal, who became chairman of the board; Danny Shind, whom I knew from his days as an Aliyah Beth agent in the United States, and Zvi Yechieli. The fourth was Dr. Naftali Wydra, whom Eliezer Kaplan nominated as the Jewish Agency's representative in the company. He happened to be Kaplan's brother-in-law. Dr. Wydra became the managing director of the company.

While all this was going on in Palestine, a company was formed in the United States to act as a charterer of ships and agent for them. The founding partners were Ampal and a Palestine Economic Corporation subsidiary, the Israel Purchasing Service. The new company came to be known as the American-Israeli Shipping Company. The two young men in charge were

Raphael Recanati, of the Discount Bank family, and Eli Shalit, scion of another prominent Israeli family.

One of my duties during this period was to make sure that every month a million dollars was available to buy 10,000 tons of wheat for shipment to Palestine. That was the amount required to supply the Jews of Palestine with the bread they ate. I drew upon whatever resources were at hand—income from the United Jewish Appeal, the bank loans we were taking, or special contributions for this purpose—and always managed to put the million together. The difficult problem was not the money; it was shipping. Vessels to carry the wheat were hard to find.

In 1947, Recanati and Shalit came to me and asked for help in getting their new company started. Sure, I said, and gave them the assignment of finding a ship to carry the wheat. They chartered a freighter, the *Jack Star,* and the American-Israeli Shipping Company was in business.

Recanati and Shalit were two very enterprising fellows. The late Robert Szold, then head of the Palestine Economic Corporation, once told me: "I don't know what they are about, but I do know they are doing an awfully good job. They keep asking me for more money." I heard something similar from Abe Dickenstein, who was then running Ampal. The two young men kept chartering ships and filling them with cargoes. Before long, these vessels had made about twenty voyages to and from Palestine.

By 1948, Recanati and Shalit had drummed up enough trade to warrant establishing regular service between Haifa and United States ports. The Israel-America Line was formed. It purchased what I believe was the first real ship in Israel's infant merchant fleet, a surplus Canadian vessel of the World War II Victory class. It was promptly named the *Haifa* and soon arrived in New York harbor, rather worn and battered but seaworthy. There was a little luncheon in the tiny Captain's cabin where Dr. Wydra, our host, proudly explained the significance of the *Haifa* to the emerging State of Israel.

The Israel-America Line was originally owned by a consortium of several companies, but within a few years all were bought out, with Zim-Israel as the survivor. By 1952, Zim had full control. The company was struggling along with several old ships it was managing to keep in service. These included the *Haifa* and remnants of the Aliyah Beth fleet which still had a few voyages left in them. Fortunately, by that time the *Kedmah* had been disposed of because of her age.

About this time, Danny Shind came to see me in New York. He was now the executive vice president of Zim-Israel and the president of the American-Israeli Shipping Company, which Zim had acquired as a subsidiary. Danny was seeking money for American-Israeli Shipping, working capital to finance

expansion of its operations. He was also negotiating with the Isthmian Steamship Company, a United States Steel Corporation subsidiary in the shipping industry, to handle shipping agent functions that were beyond American-Israeli Shipping's limited capabilities. These involved booking cargo and arranging for docking, unloading and loading of Israeli ships in United States ports other than New York. Isthmian was demanding guarantees of financial reliability that Danny hoped the Jewish Agency would provide.

The need for the money and the guarantee was desperate. Whom should these old Aliyah Betniks turn to but their old friends at the Jewish Agency? The Agency was still a fifty per cent partner in the company, a parent to whom they naturally looked for aid in a time of need.

I put the matter before the Agency Executive in New York. They had to decide the policy questions: Was the American-Israeli Shipping Company really essential to Israel's development? Was this a matter of legitimate concern to the Jewish Agency? After some urging on my part and despite considerable reluctance on the part of Nahum Goldmann and Rose Halprin, the Executive acceded to my request that we aid the Zim Company, not just because it was a creature of the Jewish Agency-Jerusalem but because it was performing a function necessary to the growth of Israel's economy.

The first loan was for $50,000. I then worked out with the head of Isthmian the guarantee which enabled that deal to go through. As things turned out, the Agency never lost a penny because of either the guarantee or the direct loans to American-Israeli Shipping. The shipping business thrived.

By 1952, I had been serving as treasurer of American-Israeli Shipping for some time. Danny, in his charming and persuasive way, had talked me into becoming active in its affairs about three years earlier. One Sunday in 1949, he visited with us at our home in Brooklyn. Sunday was the only day of the week when I had time for my growing family. Danny knew the kids well and, while we played ball with my son and took turns dandling my infant daughter on our knees, it was not difficult to converse about serious matters.

We all went down to Sheepshead Bay for lunch. I remember Danny gazing at the afternoon sunlight gleaming on the water and at the pleasure craft bobbing gently at anchor, and talking about the future of Israel's merchant marine. Even then, he predicted a time when the fleet would be greatly expanded with big, modern ships paid for with reparations from Germany.

He pressed me to join him and our other friends in nurturing Zim into the kind of company that could operate such vessels effectively and profitably. Afterwards, there would be occasions when Danny would say: "Gottlieb, I have to go back to Haifa for a month or so. Will you keep an eye on things

here in New York until I return?" How could I say no to my red-haired, freckle-faced *chaver* from the Haganah days?

The members of the Jewish Agency Executive were pleased that business at the shipping company was going so well; their only concern was that I might become so deeply involved it would interfere with my duties at the Agency. I assured them this would never happen. Indeed, the commercial activity at the shipping office was a much needed relief from the often frustrating problems and the constant pressures I faced at 16 East 66th Street, Jewish Agency headquarters in New York.

Then, the time Danny Shind dreamed of came to pass. The Government of Israel and the Conference on Jewish Material Claims Against Germany were concluding an agreement on reparations and restitution with the German Federal Republic that would be of great consequence to the economic development of the young Jewish State. In addition to setting up procedures for monetary restitution to individuals for property seized and suffering inflicted by the Nazi Third Reich, West Germany's government was to set aside a sum of money to provide reparations payments to the State of Israel. The money could be used only to purchase merchandise and materials in West Germany.

Was there a better way to liquidate a substantial portion of the huge reparations fund, some $850 million, than to buy merchant ships built in German shipyards? At first, Levi Eshkol, who by now had succeeded Eliezer Kaplan as minister of finance, was doubtful. He was not at all sure that supplying brand new ships to the one-time sheep herder, Danny Shind, and his associates who we both knew from the old days, would be economically sound. Perhaps, he pondered, there were wiser ways to use this tremendous windfall of Deutsche marks. Eshkol solicited my advice. My thought was that, once we had title to the ships, we could mortgage them and realize ready cash which could be turned over to the Israel Government's treasury. Each mortgage would be amortizable over fifteen years and would be paid off out of the vessel's operating revenues.

I have never met a finance minister who could resist a proposition that would provide quick money to meet his ministerial colleagues' insatiable needs for funds. Eshkol was still a little hesitant, but he agreed to go along with this plan until he saw what happened.

On a fine spring day in 1953, a spanking new 7,000-ton freighter sailed into New York harbor to be greeted with the customary salute to ships on a maiden voyage, massive fountains of water pumped into the air by city fireboats, for which we had arranged. She was the *Dagan,* the first of the reparations ships. I soon arranged a mortgage and the proceeds were transmitted to Jerusalem.

During my next visit to Israel, I had lunch with Eshkol, as was our custom. We talked of many things and then he said: "Hammer, I like this shipping arrangement. *Es gait uf redluch!* (It goes on wheels!) Do you think you can arrange more mortgages? If so, I'll give you more ships." Levi Eshkol was a pragmatist. He was not afraid to change his mind if facts showed it was useful to do so.

My friends at Zim were overjoyed and within a couple of years a whole new fleet of twelve ships came off the ways. Among them were the big combination passenger and cargo vessels, the Israel and the Zion, which were to see many years of productive service on the Haifa-New York run.

In 1955, we were all deeply saddened by the sudden death of Danny Shind. None of us knew he had been born with only one kidney; the other was atrophied. When renal problems developed, Danny was doomed. We mourned him not only as a personal friend but as a comrade who was what was called in our circle a *cheveraman,* a man who knew how to get things done. The loss of Shind left a great void in the American-Israel Shipping Company.

Soon after Danny passed away, I had a visit from a delegation that included Naftali Wydra, Yosef Barpal and Shlomo Eisenberg, a colleague in the Jewish Agency who served as director-general in Jerusalem. Eisenberg was one of the Agency nominees on Zim's board of directors. Since I was already acting as the shipping company's treasurer, they stated, it made sense for me to become the new president. Someone else could fill the treasurer's position. They would see that I had all the assistance I needed to keep this new responsibility from interfering with my duties at the Agency. They felt I was the one to see the company through the period of very rapid growth upon which it was entering.

So it was that I became president of the American-Israeli Shipping Company, besides continuing as executive director of the Jewish Agency for Israel, Inc. At the time, Zim was receiving a series of new ships, and every few months there was another fireboat reception and a trip down New York Bay in the harbor pilot's boat with the city's commissioner of marine and aviation to welcome formally a new addition to Israel's fleet of merchant ships.

With each arrival, there was a round of shipboard luncheons and dinners, at many of which I was the host. I utilized these occasions for the Agency's purposes as well as Zim's, making a point of bringing aboard groups of our banker friends. There were also fund raising events for the United Jewish Appeal and other philanthropic organizations. It was a very busy and exhilarating time for me and, when the *Israel* and the *Zion* came upon the scene in 1955 and 1956, our schedule of such functions expanded tremendously.

These two vessels, larger than any of the others, each had berths for 300 passengers and capacity for 5,000 tons of cargo, and they made the crossing between Haifa and New York in about ten days. American Jews who chose this new method of travel to Israel were delighted. What could be more satisfying than to sail in a Jewish ship manned by Jewish sailors, and to be served by Jewish stewards? Frankly, the service did not measure up to the standards found in the French or Italian or British ocean liners; somehow Jews did not seem cut out to be good servants. There were often minor difficulties with the quality of Zim's shipboard service, but these were generally overlooked.

The company was growing by leaps and bounds. As new vessels were acquired, routes to Latin America and the Far East were opened and a Mediterranean passenger service was established. Zim was becoming a worldwide shipping operator of very respectable size. It had problems, of course, as the shipping companies of other nations did. These were related to the ups and down of the global economy and the volume of international trade. I was primarily concerned with financing, trying in every way possible to expand the company's capital structure to keep pace with the growth of its operations.

Histadrut could not or did not wish to invest additional capital. The Jewish Agency was beset by other problems, especially those arising from mass immigration to Israel. Consequently, it fell to the Government of Israel to assume an increasingly larger share in Zim's affairs. Eventually, in the early 1970s, the Agency was to turn its interest in Zim over to the Government in exchange for other considerations. Histadrut and the Israel Corporation, a government sponsored investment company, still share ownership of Zim with the government. For the Jewish Agency, the important thing about its association with Zim was what it had accomplished in nurturing an enterprise so vital to the economic development of the Jewish state.

It was not all peaches and cream. There is the story of the *Shalom.* In the early 1960s, the Government of France approached the Government of Israel with a proposal that a ship for Israel's expanding merchant marine be constructed in France. The French had a very difficult human and political problem. They had just finished building and delivering a beautiful new flagship for the French Line, the huge *France,* which as the *Norway* is still in service in the cruise business. The big shipyard at Ste. Nazaire, where she had been built, was now completely idle, its thousands of workers unemployed and out on the streets in a region of the country where the Communist Party was bound to exploit the situation and cause a great deal of trouble.

At the time, France was Israel's great friend among the European powers, the source of much armament and other material assistance. Wishing to help its friend, the Israel Government asked the Zim people to draw up specifications for a larger passenger vessel that would be a glorious addition to Israel's merchant fleet. She was to be modelled on the *France,* then the admiration of the world, and was to be built in the same yard by the same hands. Her large size would fill a perceived need for a substantial increase in Zim's passenger capacity and, in the off-season on the Atlantic and Mediterranean run, would give Zim entry into the luxury cruise business. Her cost was estimated at $25 million, but that would be financed almost entirely by the French Government.

In May 1964, the 25,000-ton *Shalom* arrived in New York harbor on her maiden voyage. She was truly a beautiful ship, a fitting queen for Israel's merchant marine. We laid on the customary greeting, with a comprehensive round of welcoming functions and a big publicity campaign. Operationally, however, the *Shalom* was an ill-fated vessel. On a foggy night the next November, while cruising off the New Jersey coast, the *Shalom* rammed the Norwegian tanker, *Stolt Dagali* causing loss of the other ship and serious damage to herself. For us, the experience was traumatic.

Once the effects of the disaster at sea were overcome, we encountered problems of *kashrut* in the *Shalom's* cruise business. Our Israeli friends were afraid American tourists would not accept kosher Israeli cuisine, although I assured them that kosher food could be served in gourmet fashion, as it had been for many years in the luxury hotels of the Catskill Mountains. Zim's catering managers believed, however, that they could operate kosher kitchens on the voyage from Haifa to New York and change some of them over to non-kosher for the return trip and for cruises out of New York. This policy was not in effect for very long before it brought down on our heads the wrath of the Orthodox community.

While this controversy raged, the economics of passenger ship travel was changing radically, not for Zim alone but for every company in the business. The proud queens of the ocean, making four to ten day voyages across the Atlantic and Mediterranean, were losing out to jet airplanes which could reach any city in Europe and the Middle East in almost that many hours. We soon found the *Shalom* was too much of a drain on the company. Within a few years, she was sold.

Zim kept pace with the swift changes in the shipping industry, introducing into its operations the then novel concept of containerized shipment of general cargo. Even with the passenger business dying, Zim was still a growing company in 1967, the year of the Six-Day War. The war and its

aftermath added tremendously to my burdens at the Jewish Agency. Moreover, the changes at Zim were not limited to its technical operations. My old comrades from the Haganah were dropping out of the picture. Wydra was relieved as president. My friends were being succeeded by new men intent on running the company their way.

I had no interest in the company's internal politics and I asked Wydra's successor, Michael Tzur, to relieve me of my responsibilities. Though the presidency of American-Israeli Shipping was now a much more routine job, it really required full-time attention, and I was not willing to give up my positions at the Jewish Agency and United Israel Appeal. In 1968, I terminated my services to the Zim Lines. The parting was amicable.

One of the memories I cherish most of my years with Zim is my association with Egon Gruenhut, the executive vice president of the American-Israeli Shipping Company and Zim's permanent, full-time representative in New York. I met him a few months after coming on board myself, when he was hired as a bookkeeper. Born in Germany and just arrived in the United States as a refugee, Gruenhut exemplified all the best qualities of the *yeckeh.* He is very thorough and completely dependable, and 35 years after he started, is still on the job. Every few years, the head office in Haifa sends out a new Israeli to act as president of American-Israeli Shipping, but Gruenhut stays on as the backbone of the New York operation.

Today, Zim is probably the second largest containerized cargo service in the world. Operations are completely computerized and the most up-to-date means of communication are employed. Having given up its passenger vessels, Zim has a streamlined, slimmed-down fleet. Thirty years after delivery of the first one, all the German built reparations ships have been disposed of, replaced by modern and even more efficient cargo carriers.

Zim American-Israeli does about $200 million in business every year, the most substantial portion of Zim's total worldwide revenues of about three-quarters of a billion. The company stands solidly on its own two feet, having withstood very well the vicissitudes of the highly cyclical maritime industry. The tiny nation of Israel has a viable merchant fleet that serves its own need for seaborne commerce and is a major source of vital foreign exchange income.

Theodor Herzl voiced the first modern Zionist prophecy of a Jewish merchant marine sailing the oceans of the globe in his book, *Alt Neuland,* published in 1897. Years later, on a sunlit Sunday afternoon in Sheepshead Bay, Danny Shind revealed to me how that vision could be made a reality. Today, the seven stars that symbolize the seven seas in the Zim Company's house flag are no empty boast. It is very gratifying to me to have had a hand in fulfilling Herzl's prophecy.

14
Reclamation of a Sefer Torah

A *SEFER TORAH* IS THE WRITTEN WORD OF GOD. TO THE OBSERVANT, IT IS more than ink and parchment; it is a living thing to be cherished and protected, to be preserved for future generations of Jews. Rescuing a Sefer Torah from neglect or destruction is akin to saving a human life. I am proud to say there is a Sefer Torah I helped rescue from oblivion.

December 30, 1968, fell on a Friday and thus was the last business day of that year. I was spending the morning working at my desk when a call came in from an old friend, John Kubach, then a vice president of the Bankers Trust Company.

"Got," he said, "you just can't be too busy on a day like this. Come on down and have lunch with me."

I am very fond of John Kubach. He is a very decent human being, a practicing Presbyterian, and a past president of the New York Bible Society. John handled our account as well as Bankers Trust's dealings with other Israel connected customers for many years. He had been to Israel with one of my bankers study missions and knew the country well. Because of these connections, his name, at least, was undoubtedly known to many people in Israel.

I required very little urging to accept John's invitation. His office was only a dozen short blocks downtown on Park Avenue. When I got there within minutes of John's call, I was greeted by one of his associates, Hank Muller, who was coming to lunch with us. We had to wait a little while for John to finish a telephone conversation.

"By the way, Got," Hank inquired, "have you seen John's Torah?"

My curiosity was aroused. What did he mean by "John's Torah?" Hank went to a cabinet and took from it a fairly large package in plain brown wrapping paper. He undid the wrapping, revealing a parchment scroll, without its rollers, covered by an old and tattered talith or prayer shawl.

Surprise, astonishment—the words are far too mild to describe my reaction to the sight of that Sefer Torah. Shock would be more accurate. Hastily, I rewrapped the package and returned it to the cabinet from which Hank had taken it. By now, Kubach was ready and we went right up to lunch in the bank's dining room.

I was deeply troubled and decided to make my distress known to Kubach and Muller. In as calm and restrained a tone as I could muster, I said to them: "Look, my friends, I don't know how you came by that Sefer Torah, but, no matter how it happened, there has been a desecration."

John told me what he knew about it. He had been away for several weeks on a business trip abroad and when he returned the package was on his desk. It had come in the mail, apparently from Israel. However, some enthusiastic philatelist at Bankers Trust had torn out the part of the wrapping that carried the Israeli postage stamps and the return address, if there was one.

When he found the package, Kubach opened it and unrolled the scroll in search of an identifying mark or a letter or note explaining why the sender had addressed it to him by name at the Bankers Trust Company, New York. Finding none, he put the scroll in the cabinet in his office to await some sort of written communication or a personal visit, by some one from Israel to claim the Sefer Torah. If too long a time passed without such a contact, John expected to turn the torah over to the American Bible Society.

After hearing John's account, I was even more disturbed. How could someone in Israel—presumably a Jew—do so terribly insensitive a thing as mailing a stripped-down Sefer Torah to a non-Jew in New York?

"John," I said firmly, "this whole situation is unconscionable. Whoever sent you this Sefer Torah violated both religious and civil law. It is a sacrilege for this holiest of Jewish religious objects to be in your cabinet. When I leave here today, I am going to take it with me and see that it is cared for properly."

Kubach recognized my very profound and barely controlled indignation as something he could not oppose. He had just one question. What should he do if some time in the future someone appeared to lay claim to the Sefer Torah?

I told John: "I will give you an official letter from the United Israel Appeal holding you and Bankers Trust harmless from all such claims. If any SOB does show up, I will deal with him in appropriate fashion."

John accepted my assurance with satisfaction and relief. We went back to his office where I telephoned my secretary and gave her two instructions: "Send our station wagon down to 280 Park Avenue right away to pick me up and ask Rabbi Kirshblum not to leave the office before I get back."

Rabbi Max Kirshblum, then a member of The Jewish Agency Executive, was due to leave for Israel the following Sunday. On a Friday afternoon, *erev Shabbat,* he would be in a hurry to get away from the office, but it was most urgent that I talk to him.

I rushed back to 515 Park Avenue, clutching the Sefer Torah which was still in its paper wrapping and placed in a Barton's shopping bag Kubach had given me to make it easier to carry. Barton's is New York's leading manufacturer of kosher chocolates, a firm that closes its shops on Saturdays in observance of the Sabbath. It seemed fitting that the bag was theirs.

When I got to my office, Rabbi Kirshblum was waiting impatiently. I did not take time to remove my overcoat before starting to tell him what had happened: "Max, I have something to show you!"

I unwrapped the package. It was obvious that Rabbi Kirshblum was as greatly shocked as I had been when I first saw the Sefer Torah.

"Max," I continued, "when you get to Israel, I want you, please, to check this out." I showed him the only identifying mark we had been able to find, a rubber stamp on an upper corner of the reverse side of the parchment: *Ministry of Religions, Government of Israel.* There was a date and a number.

I asked Rabbi Kirshblum to telephone me from Israel a day or two after his arrival to let me know what he found out. I also asked him to recommend a scribe here in New York who was qualified to examine the scroll to make certain it had not been damaged or defaced and was still kosher.

Kirshblum provided a name, which I wrote down. Then, I locked the Sefer Torah in my office safe. I bade the rabbi safe journey and summoned up all the patience I had to await the outcome of his investigations in Israel.

My patience ran out in a few days. I telephoned Kirshblum in Tel Aviv. Even on the overseas connection, I could sense that he was reluctant to discuss the matter in detail. Still, I pressed him for whatever facts he had been able to gather. I put these together with some general information about such matters, which I picked up from knowledgable Israeli friends in New York, and with the opinion of the scribe who by now had examined the scroll. Thus, I was able to piece together a likely scenario for what had happened.

Rabbi Kirshblum had learned from friends at the Ministry of Religions that a certain Tel Aviv bookseller was then in jail for a violation of the law on religious artifacts that was not unlike, though unrelated to, the matter we were concerned with. It was quite believable that he was the one who had

mailed out of Israel the Sefer Torah now in our possession. The purpose would be to transmit it to trustworthy hands from which he could claim it at a later time. In New York, a Sefer Torah like this one would fetch between five and ten thousand dollars.

Why pick John Kubach to receive the illegally smuggled artifact? He was known in Israel by name and reputation, as was the Bankers Trust Company of New York. A package bearing such a prestigious address would be unlikely to attract the interest of Israeli postal and customs inspectors. All in all, it was quite a clever ploy.

The scribe whom Rabbi Kirshblum had recommended to me turned out to be a Moroccan Jew, very pious and very learned in his craft. He took one look at the scroll and, eyes shining, raised his arms heavenward and cried out: "This is truly a miracle!"

I stared at him in amazement.

"I know this Sefer Torah," he explained. "It was written by a friend of mine in Morocco years ago, before he emigrated to Israel. It is in perfect order. I will stake my reputation on it."

He pointed out various unmistakable identifying characteristics—the shaping of certain letters, the texture of the parchment, and others. It was as though he were reading aloud a personal letter from his friend.

Satisfied that the scribe knew his business thoroughly and that all was in order, I asked him to obtain for the scroll a pair of fine wood rollers and a cover—green velvet would be nice, I thought—so that the Sefer Torah would be properly mounted and protected.

These arrangements made, I telephoned Dr. Louis Finkelstein, the eminent and universally respected chancellor of the Jewish Theological Seminary, Conservative Judaism's principal educational institution in America, where its rabbis receive their training. Nineteen years earlier, on the occasion of a visit to the White House by Dr. Chaim Weizmann—the first by a president of the State of Israel—Rabbi Finkelstein had supplied his small personal Sefer Torah as a gift for Dr. Weizmann to present to President Harry Truman, whose swift recognition of the newborn State of Israel had meant so much. In gratitude for that generous act, I felt I owed Dr. Finkelstein the right of first refusal of my find.

I explained to him its history and my desire to see it housed at the Seminary as a permanent loan. He accepted it, subject to inspection, of course. We made an appointment for a small luncheon at the Seminary a few days later.

Next, I called my friends at Bankers Trust to inform them of all these developments. They were very pleased. Edmund Ebert, the executive vice

president, offered to pay for the cover and rollers for the Sefer Torah. They would be happy, they told me, to join me when I visited the Seminary to present it to Dr. Finkelstein.

Before making final commitments to all these arrangements, I consulted the consul general of the State of Israel in New York, at that time Michael Arnon. He endorsed the actions I had taken to find a proper home for the Sefer Torah. We also agreed that if ever anyone came forward to claim it, that person and all others involved in the smuggling and desecration would be prosecuted to the full extent of the law, both in the United States and in Israel.

All was now in readiness. The day came when my Bankers Trust friends Ebert and Kubach and I journeyed uptown to the Seminary's campus on Broadway and 124th Street, bearing as an offering the mysterious Sefer Torah, now mounted on rollers and wearing a modest but very adequate looking cover.

Dr. Finkelstein was most gracious in his appreciation of our gift. He admired the fine quality of the parchment and the beautiful handiwork of the scribe. There and then, he decided that the place for this Sefer Torah was in the ark of the chapel where the Seminary faculty and students hold their own Sabbath services. To this day, I am told, it continues to be in the care of one of the most learned and loving congregations in all of the Jewish world.

Sixteen years have passed since all that happened. No one has come forward to lay claim to the Sefer Torah I helped save from oblivion. It still rests secure in the home I found for it.

15
The Yom Kippur War

OCTOBER 25, 1973

From a room on the south side of the Hilton Hotel on Tel Aviv's beachfront, one can watch the American airlift that is resupplying the Israel Defense Forces.

This is the twentieth day of the Yom Kippur War and the thirteenth since United States Air Force Galaxies and Starlifters began appearing in the western sky over the Mediterranean. They are delivering materiel and ammunition which have enabled Israel's defenders to recover from the disastrous setbacks of the war's first days, to fight their way to a position in sight of Damascus, to put columns across the Suez Canal and strike at Egypt's heart.

Every twenty minutes or so all day long, the air becomes saturated with a strange roar and you look up at the swollen underbelly of a C-5A Galaxy as it flies low over Israel's coastal metropolis, then lowers its landing gear before touching down at Lod. The war is being won, Israel has been saved, and the whole country sees why.

The next day, through a contact the United Israel Appeal's resident representative in Israel, Zelig Chinitz, has made at El Al Airlines, we had an opportunity to inspect close up one of these gigantic ships of the air. When Chinitz and I arrived at the freight-handling area of Ben-Gurion Airport, the Galaxy we saw before us had already been emptied of the one hundred tons or so of cargo it carried.

On the first day of the airlift there were difficulties in unloading the huge Galaxies and dispatching them on their return flights quickly enough. The job was turned over to El Al, which applied to the task its airline expertise and the inborn Israeli ability to improvise. By the third or fourth day, the U.S. Air Force was sending observers to see how the Israelis were managing to turn the Galaxies around so fast.

As we stand gaping at this Galaxy, its captain came down the ramp leading down from it. "Would you like to have a look inside?" he asked. "There are a few minutes before we depart." He did not have to say it twice. We scrambled up the ramp to peer inside. A Galaxy's fuselage rises four stories above the ground; its tail assembly reaches 65 feet—eight stories—high. These airplanes are the biggest in the world, and they cost the United States Government about $75 million apiece, a figure which will later increase when they have to undergo major structural rebuilding.

The airlift fleet consisted of these C-5A Galaxies and smaller C-141 Starfighters of the U.S. Air Force as well as three or four of El Al's own 747 jumbo jets which were converted into freighters. At its peak, the operation brought into Lod about forty flights a day. There were to be 710 flights in all, an average of about twenty for each day of the airlift. The 22,000 tons of equipment and supplies brought in the American aircraft alone made it possible for Israel to survive the heaviest onslaught the Arabs have ever thrown against the Jewish State. I shudder to think of what would have happened to the people of Israel without it.

What would my friend and mentor in the old days, Eliezer Kaplan, think about all this? On this visit to Israel, I witnessed a logical outcome of the process of deepening dependence on American resources about which he had such misgivings when it was getting started nearly a quarter of a century ago. I realized that now there were really only two of Kaplan's colleagues in power as Israel reaped the benefits of that dependence. Golda Meir was the prime minister and Pinchas Sapir both the finance minister and the nearest thing there is to boss of the fractious Labor Party, the core of the governing coalition.

On this trip, as I saw again friends I knew for years, I discovered that the war had wrought in the Israelis a profound change of attitude. Every meeting with an old acquaintance went the same way. The war dominated the conversation. Carefully, I inquired, "How is the family?" Sometimes, the answer was, "Baruch Hashem, thank God, everybody is all right." Too often, the reply was stoic; someone killed or reported missing in action. Or there were relatives who have not been heard from, or people we both knew who have suffered losses. Almost every conversation with an Israeli included an account

of the condolence calls he or she made. Everyone knew somebody who has been sitting *shiva*.

That is inevitable in such a small, tightly knit nation of less than three million when, as I learned at briefings given during our visit, 2,400 or 2,500 men have been killed in barely three weeks. When the difference in the populations of Israel and the United States is taken into account, that is the equivalent of well over 150,000 Americans. Ten years of involvement in Vietnam, the longest war Americans have ever fought, cost much less than that in lives lost—57,000—but it did immeasurable harm to the national psyche, damage we still live with a decade afterward.

Looking back with the advantages of eleven years hindsight, I can now see that the Yom Kippur War must have done a similar kind of damage to the Israelis. At the time, all I could sense was that something in them had changed. They had won the war—that was clear by the time we arrived in its waning days—as they had won other wars in the past, but this time the taste of victory was much bitterer than it had ever been before. The people of Israel have always taken their losses in battle very much to heart, but this time, perhaps because the toll was so heavy, their reaction was somehow different in nature, not just in degree, as one might have expected.

In the years since that terrible autumn of 1973, we have all seen the consequences, good and bad. Among the former I would count the difficult, protracted but eventually successful negotiations that disengaged the opposing armies, and the achievement of a peace treaty between Israel and Egypt. Among the latter I would count the shift of control of Israel's Government to the extremely nationalistic right, and the institution of a settlement policy which, recent revelations show, has revived Jewish terrorism in Palestine, this time directed not against a repressive Mandatory regime but against Arabs living under Israeli administration.

Perhaps worst of all, in my view, has been the prosecution of a war and an occupation in Lebanon that have already cost 650 more Israeli lives, involved Israel in a horrifying massacre in Palestinian neighborhoods of Beirut, brought world opprobrium down upon the Jewish state and, for the first time in any of Israel's wars, provoked domestic discord and refusals to fight.

Much of this was already evident in the autumn of 1973 to any experienced observer of Israel, as I was. If I had a true prophet's gift, I might have read it all in the troubled questions my Israeli friends were asking. How marvelous it was to see the Galaxies coming in over Tel Aviv, they would tell me, but then they would wonder whether the United States would keep on sending supplies and continue backing Israel. Or, would the American administration "sell Israel down the river" by putting too much pressure on the Israelis in the negotiations that would follow the war? Would Israel be

able to hold out against American pressures applied in response to an Arab oil boycott starving the industrial economies of the west?

The most disturbing questions of all were: What happened on Yom Kippur? Whose fault was the massive disaster that occured on that day? Why had there been no mobilization before Egypt and Syria struck?

Surely, Israeli intelligence had spotted the great massing of troops and equipment on both fronts in the days preceding the joint offensives. But then most Israelis, in public office and out of it, believed the Arabs would not be so stupid as to start a war which, every logical assessment said, they could not win. Apparently, the fundamental mistake made in the days before Yom Kippur was to assume the Arabs would act on the basis of logic.

The Israeli general staff did get a little nervous and took the precaution of ordering a state of alert, the highest possible on the military's own initiative, but it was not enough to prevent the disaster and, besides, was poorly observed in the field.

When the Egyptians attacked along the Suez Canal, they did have the advantage of surprise. Some of the Israeli soldiers were still in their pajamas or doing their laundry; in some places the keys to the ammunition lockers were mislaid; the twenty one strongpoints that were the key to the defense line along the canal were undermanned. The Egyptian infantry was covered by mobile, truck-borne SAM-6 batteries firing masses of missiles that wiped Israeli aircraft out of the sky above them. The soldiers carried with them shoulder-fired, rocket-propelled missiles that could disable opposing tanks and incinerate their crews. The Egyptians managed to cross the northern end of the Canal and establish a bridgehead on the east bank which they still held when the fighting stopped.

In the north, the Syrians attacked with a tank force of unheard-of size, 1,200 vehicles. In twelve hours, the spearhead of the lead column was almost all the way through the Israeli-held Golan Heights, only half an hour from Tiberias on Lake Kineret, at a point their orders told them to reach in thirty hours. If the commander had chosen to go the extra miles to Tiberias, there was no opposing force to keep him from rolling all the way across the Galilee to Haifa within a few more hours.

Instead, true to his Russian training to rely on massed artillery and tanks and not on his own initiative, he stopped his column to wait until the operation caught up to its schedule. That mistake was one of the miracles of the war. The eighteen-hour delay enabled the Israelis to bring up reserves and drive the Syrians back. The fighting was thus confined to the Golan Heights and kept out of Israel's northern heartland.

In the south, too, the Israeli forces in the field were able to recover and to blunt the Egyptian thrust. It takes two or three days to mobilize and deploy

all of the 300,000 soldiers Israel has to throw into battle. For longer than that, the fighting along the Suez Canal raged indecisively, with the Israelis unable to mount a decisive counter-offensive.

There was disagreement within the Israeli command. Shmuel Gonen, commanding general of the southern front, and one of his principal field commanders, the daring if not reckless Ariel Sharon, were in a running argument over Sharon's insistence on crossing the canal right away "to get to Africa," as Israeli military men like to say. A former chief of staff, Chaim Bar-Lev, had to be assigned to mediate and maintain communication between the quarreling generals, who were hardly speaking to each other.

At last, a pontoon bridge was thrown across the canal after three unsuccessful attempts and the loss of some 400 Israeli lives. Brilliantly, Sharon seized the opportunity and rushed his brigades across to the canal's west bank where they cut a wide, circular swath. Two main Egyptian armies were split from each other, the one to the south, encircled, and an Israeli force placed astride the road to Cairo. That's when the Russians, who were monitoring the war very closely and obviously feared the Israelis would reach the Egyptian capital before anybody realized what was happening, became so insistent and made such threatening moves with their airborne divisions that a cease-fire had to be called.

The war was now won but the questions persisted, not to be answered publicly—if indeed all have been answered yet—until completion of an official inquiry many months later. Why did Israel have to fight the war from such a disadvantageous position and at such a heavy cost in lives? Why had Defense Minister Moshe Dayan not insisted more strongly that there be a mobilization in response to the Syrian and Egyptian troop movements before the attack?

A large section of the Israeli public was in a very ugly mood about Dayan, once the universally admired symbol of an invincible Israel. One colleague in the cabinet called for his ouster, but the flap was hushed up by the colleague's resignation. Dayan never regained all of his lost personal prestige and political stature, although four years later a new prime minister, Menahem Begin, recruited him as foreign minister to help negotiate a peace treaty with Egypt.

And what of Golda? Public opinion still held a great deal of understanding and sympathy for the prime minister in what everybody recognized as the most difficult days of her lifetime of service to Israel's people. When the intelligence people reported Syrian and Egyptian activity which indicated that war might—just might—be imminent, should she have ordered a mobilization?

A hasty Israeli reaction might have precipitated the very thing Israel did

not want, a war with Egypt. It might very well have appeared rash and premature, I have sometimes thought, to the United States, even to the friendly Nixon administration. Would that not have put a severe strain on relations with the superpower on which Israel would have to depend very heavily in any crisis?

Moreover, a hastily called mobilization would carry with it tremendous economic costs. And then, there were the psychological costs; the danger from crying wolf and having nothing happen now. Israel's people would come out of such a mobilization less prepared to respond to a real crisis that might come at any time.

Golda asked the defense ministry to provide her with clearer intelligence. Dayan, not altogether persuaded of the danger himself, failed to press the prime minister as, people were now saying, he should have. And so, war came at a moment when Israel was least ready for it.

It was characteristic of Golda Meir that she assumed personal responsibility for the country's unpreparedness. She bore the bitter criticism and the violent political onslaught in silence until after the war was over and the crucial negotiations with Henry Kissinger, the American secretary of state, were concluded.

Events had discredited Moshe Dayan, her defense minister, and gravely impaired public respect for Abba Eban, her foreign minister. Eban was soon out of the country, in America, doing what he could with the American Jewish community and at the United Nations. Alone for all practical purposes, Golda was carrying the heavy burden of winding up the war while preserving the advantages Israel had won at such a great cost.

At the same time, she was preparing her party and the country for a parliamentary election. It had to be held quickly, by December 31, so the Government of Israel would have a true national mandate for the delegation it would send to Geneva, to a peace conference with the Arabs for which Kissinger, the Soviet Union, and Sadat, the Egyptian president, were all pressing urgently.

The political and personal strains Golda was enduring would have been unbearable for anyone else. Although nobody knew about it except her physicians and perhaps her closest personal intimates, she was already battling cancer, which eventually killed her. There was a lot of talk in the country about Golda and Sapir and others in the Labor Party's leadership being too old and in power too long and having made too many mistakes in the twenty five years they had led the nation. To most people, however, Golda was still the tower of strength Israel desperately needed in those critical days.

I was with a delegation of about fifty American Jewish leaders with whom

Golda met to discuss her country's needs and dilemmas with her customary candor. Golda looked a little tired and preoccupied with her many cares, but she had not lost her gift for simplifying, almost too much, very complex problems of policy.

She took the occasion of being with an American audience to answer a bitter attack on Henry Kissinger made in the Knesset earlier that day by Menahem Begin, the leader of the Likud, the alignment of right-wing parties that was Labor's principal opposition. Begin, an inflexible maximalist on territorial questions, whose speeches were becoming harsher and more intemperate all the time, asserted he had been told Kissinger was not a good Jew. Golda was horrified by such a personal attack on the leading cabinet officer of Israel's great ally.

"Kissinger," Golda said to us, "is an able man, a fair man. He's a friend of Israel. He's a good Jew; he would not do anything knowingly to hurt us. But you must remember one thing, he has problems. He is secretary of state of the United States of America, and he's got to think in terms of American national interest; he's not here at our bidding."

The only thing that "frightened" her about Kissinger, Golda said, was that he moved so fast, as if he thought he could finish off these terribly complex negotiations in a few days. Things would not go that fast, Golda was sure. "But," she added, "who knows? With Kissinger, anything is liable to happen."

Golda was surely mindful of the obligation one head of government in political trouble at home owes to another in the same fix when she answered a question about President Richard Nixon, then deeply enmeshed in the toils of the Watergate scandal. "I must tell you," she stated flatly, "regardless of what you or others of our friends in America may think—and some of them are very angry with me because of what I am saying—that Mr. Nixon has kept every single promise he has ever made to us since taking office in 1969. I have no reason to doubt his word; I have no reason to question his integrity."

"Without Nixon's action," Golda added, referring to the airlift, "we would not be talking here today. We owe him a lot." Then she went on to other matters.

She was able to tell us there would be an exchange of prisoners with the Egyptians the next day as a result of the disengagement negotiations General Aharon Yariv, Israel's brilliant former chief of military intelligence, was carrying on with his Egyptian opposite numbers at Kilometer 110 on the road to Cairo. Golda was obviously fond of her diminutive, but tough emissary, whom she called "Aryele."

At one point during the question-and-answer session, Golda appeared to

be thinking aloud about compromises Israel might have to make in the substantive negotiations with the Arabs that would follow the process of disengaging the opposing armies. Where could Israel begin to trade territory it held for the peace its people hungered for? Jerusalem? Sharm-el-Sheik? The Golan Heights?

There was no way any of these would be negotiable—except possibly for Sharm-el-Sheik, the headland at the southern tip of the Sinai Peninsula that dominated the strait between the Red Sea and the Gulf of Aqaba on which lies Israel's only southern port, Eilat. Farther south on Egypt's Red Sea coast, Sadat had established an unannounced blockade of the narrow waters at Bata Monde which really controlled Israel's access to the Indian Ocean. Israel planned to send a merchant vessel through those waters in a few days to see if Sadat had really opened them. It passed Bata Monde without incident.

Golda indicated she might be ready to think of giving back to Egypt practically all of the Sinai Peninsula, which would become a demilitarized zone patrolled by the Israelis and the Egyptians. There were now some Russian troops in Sinai, she said, "and I don't want even American troops there." Today, American troops are there, as technicians manning the electronic equipment which polices the demilitarization of the peninsula.

Golda was very clear about what she expected to happen in relations between the United States and Israel as the great Arab boycott of 1973–74, purportedly imposed as a means of aiding Egypt and Syria, affected the economies of the industrialized nations of the west. "We're going into a very difficult political period," she warned. "We stand alone. Even our friends are going to put pressure on us. We know it."

"And it's difficult sometimes to argue with a friend," Golda continued, asking, "Who can doubt the good faith and the good will of the American Government? We could never have survived without the help they sent us. But, we know that in Europe it is going to be cold this winter. Japan is going to be affected, all of the American allies are going to suffer, and the United States, too, is going to suffer from this oil boycott. We also recognize that the United States has other interests as well. What can we do to point out to them that their international interest lies in backing us to the hilt? That is what our problem is going to be."

Bleak as the prospect was, we were still encouraged to hear Golda Meir talking to us with the mixture of determination and common sense to which we had become accustomed over the years. All the national officers of the United Jewish Appeal were in the room, and Golda's analysis of the situation inspired them for their part in the battle against the economic disaster that now confronted the people of Israel.

That battle was under the direction of Pinchas Sapir who was acting as

Golda's right-hand man at home, dealing with Israel's domestic problems—economic, financial and political—as Aharon Yariv was out in the desert where he dealt with the Egyptians.

The figures Sapir and his aides placed before us, as American Jewry's representatives, indicated that within a month of its outbreak the Yom Kippur War had cost Israel between five and six billion dollars. The mobilization of 300,000 men had quite literally shut down the economy. Imported goods were piling up on the docks; goods for export were either waiting for shipment from farms and factories or were not being produced at all. The army had requisitioned the road transport, as well as the manpower, needed to manufacture or harvest and then move them.

On top of the loss from economic stagnation was the cost of maintaining full, or nearly full, mobilization. In his briefing on the military situation, Yariv explained to us that for an indefinite period Israel would have to keep 200,000 or more men under arms. There could be only a very limited and selective demobilization to help industry start up again.

The need to begin building housing again, for instance, was becoming very urgent. One thing the war had not shut down was immigration. Tough as the Soviet Union's actions on the diplomatic front were, its rulers had not stopped allowing Jews to emigrate. We learned from Jewish Agency officials that there were 4,200 Russians among 5,200 immigrants who arrived in Israel during October, the month the Yom Kippur War was fought. Another 4,000 Russians were expected in November, the first full month after the cease-fire.

To cope with this accumulation of economic woes, a belt-tightening was already going on in Israel. Sapir had devised a financial program which would impose a billion dollars in new taxes and levy a compulsory public loan of a billion more, plus a second loan for half a billion that the Israelis, for some reason, were calling "voluntary."

The other Jewish communities of the free world were being asked to provide another billion and a quarter dollars—$750 million from American Jewry and $500 million from all the others. Within a month of the outbreak of war, $450 million had been raised, in cash—$250 million in the United States and $200 million elsewhere.

That $450 million was an eye-opener to me. In all my thirty five years of exposure to Jewish Agency budgets, we had talked of spending millions or tens of millions of dollars and having to employ deficit financing to make that possible. Now that we had to think in terms of hundreds of millions, a budget of $1.25 billion for a period of eighteen months, this phenomenal response made it look more realistic than any I had ever seen before.

For the people of Israel, this response was a tremendous morale-booster at a time when they were beginning to feel terribly alone in the world. It was not just that such an unprecedented amount of money would be helpful financially. It was a convincing demonstration of how solidly their fellow Jews were standing by them.

16
The Holocaust

"WE SHALL NEVER FORGET!"

"We must never permit it to happen again!"

This rallying cry, enunciated by Elie Wiesel and others four decades after the most heinous crime ever committed against a people in the history of the human race, has stirred the consciousness of the Jewish people the world over.

Looking back to the 1930s and 1940s it is difficult to envisage a world which knew that something terrible was happening in its midst and yet did nothing about it.

When I joined the Zionist Civil Service in 1939 there were stories circulating which were whispered around and fell upon skeptical ears. True, reports were filtering in from Gerhard Reigner, World Jewish Congress headquarters in Geneva, alarming in tone but scanty in detail, which just did not sound too convincing. The stories seemed too horrible to believe.

The reaction of Jewish leadership was varied. Some thought that we ought to wait for more details; others felt that to publicize such stories in the midst of a dreadful war would only exascerbate the situation. Still others, like Rabbi Stephen Wise, were taken in by the official assurance that everything that possibly could be done was being done. Forty years later we know what these words meant.

In December 1945 Henry Montor, the executive director of the United Jewish Appeal, was planning to launch his first $100 million effort for the

1946 campaign year. He scheduled the annual national conference in Atlantic City. Since I was away from home so much of the time, I persuaded my wife, Sarah, to take our two young children and come with me to Atlantic City for the weekend. We checked into our rooms at the hotel and then proceeded to go down to the dining room. There we were, my wife, two children and I, descending in the elevator when the doors suddenly opened and in walked two men. One was obviously an American dressed in a military uniform bearing the logo of the JDC. The other was a short, sad faced man with a furtive look in his eyes.

At first glance I was rather startled. The man in uniform looked familiar. Before I could say anything, he held out his arms and yelled "Got!" In a flash it dawned upon me, and I responded in like manner, "Moish!" There before me stood Maurice Eigen, a friend and classmate from Long Island University, someone I hadn't seen for perhaps ten years.

After this rather effusive greeting, he turned to me and said, "Say 'hello' to Yossel Rosensaft who just came to the States with me from Bergen Belsen. Yossel is the head of the Jewish Committee in Bergen Belsen, where I now represent the JDC," continued Eigen. "Yossel will speak this evening to the UJA National Conference."

I understood at once what Montor's strategy was all about. He was going to try to stimulate his audience of UJA "fat cats" by exposing them to an authentic report on recent events in war-torn Europe.

That evening, after dinner, Yossel Rosensaft spoke for the first time before an American audience. He spoke in Yiddish since his English was practically non-existent. While a large proportion of his audience could not understand Yiddish, they nevertheless were mesmerized by this slight figure of a man whose piercing blue eyes gave you to understand immediately that his stature and appearance belied the towering spirit of an immortal Jew who never gave up.

I did not get to hear much of the speech. The long, narrow ballroom was filled to capacity, and while I was unsuccessfully hunting for a seat, Meyer Weisgal caught my eye. We went into the lobby and Meyer said to me, "Don't worry about this performance here, tonight; this is strictly fund raising, but if you will meet me in the lobby at 11:30, we will have an opportunity to get a real story."

I did not question Meyer Weisgal but knew that he was not given to idle talk. Accordingly, I helped Sarah put the youngsters to bed, bade them "good night," and told them not to wait up for me, that I would be late.

At 11:30 I met Meyer in the lobby and we proceeded to a popular all night delicatessen, and there in a corner of the crowded public dining room at a small table, sat the people we were going to meet. In addition to Yossel

Rosensaft were Henry Montor, Rudolf Sonneborn, Sam Rothberg, Julian Venetsky and Sidney Green. There may have been one or two others; I don't recall. Weisgal and I joined the group and, bent over cups of tea, we began our conversation with Rosensaft. Actually, it was more a monologue than a conversation. We just sat and listened while this diminutive man held us spellbound for the next five hours. Almost forty years later, I still remember this sad faced Jew speaking simple Yiddish, telling us in a very soft unemotional voice a story replete with shocking details.

Yossel Rosensaft described fully how the Nazis had started their campaign of extermination in the late 1930s and how their bestial attacks on the Jews picked up momentum until the very day of liberation.

Rosensaft's account, while largely personal and informal, spelled out a picture which up until that moment had mostly been implied or sketchily reported. Here before us was a living man recounting the experiences which were typical of the victims of the Nazi Holocaust. Here we were facing him and suddenly finding ourselves beset with much self questioning—questions which remain unanswered today: Why didn't we know about this sooner? Why hadn't we done more to find out the truth when we got sketchy and preliminary reports from time to time? Why had we not pressed the American government when we first began to hear rumors two or three years earlier? Where had American Jewry been during this whole period?

We rose from the table just as dawn was breaking and headed back to our hotel rooms. We were exhausted but could not sleep. What a nightmarish responsibility had been thrust upon us! How were we going to deal with it?

I do not wish to imply that Yossel Rosensaft's report to us in December 1945 was the first time we had had reports on the situation in Europe. When the European war ended in May 1945 and the Allied Armies overran Nazi-held Europe, the concentration camps were largely cleaned out to be replaced by the displaced persons' camps. The slaughter was stopped but the job of caring for hundreds of thousands of wandering and homeless Jews, sick both physically and emotionally, was just beginning. The relief agencies—JDC, the Jewish Agency, HIAS, etc.—were gallantly attempting to cope with the situation in the field. At that time, however, no one knew the magnitude of the problem or the solutions we could employ in this situation. These organizations did the best they could and discharged their responsibilities with a measure of success.

But what Yossel Rosensaft succeeded in accomplishing that night in Atlantic City when he had spoken to 1400 UJA delegates was to inculcate in the few that met with him afterward an awareness of a problem that went beyond mere relief and rehabilitation.

In time I got to know Yossel and his family quite well. He made frequent trips to the United States and finally settled here in 1957. Rosensaft was almost a daily visitor to my office. He was constantly concerned about hs fellow victims of the Holocaust. One would need a job; another, overseas, some assistance with a reluctant social worker; a third would require help in getting started in a one-man business, and so on.

But Rosensaft went beyond the matter of concern for his fellow camp inmates. He was very much afraid that his generation would die off and that the world in general and Jews in particular would lose sight of the terrible sacrifice which Hitler had imposed upon six million Jews. Rosensaft organized meetings and organizations and kept in constant touch with interested groups all over Europe and the Middle East, as well as in North America. His restlessness knew no bounds. In fact, in order to force him to take a break now and then from his strenuous activities, his wife Hadassah would grab his passport upon his return home in New York and put it away in a safe deposit vault for a month in order to keep him rooted in one place long enough to catch his breath.

Rosensaft was one of the first, together with Noah Baru, who felt that Germany should not be permitted to keep the untold treasures stolen by the Nazis from Jewish communities throughout Europe, that Germany should be made to pay in some measure for the expenses of rehabilitating surviving Jews and restoring to them a measure of their assets. It was these two men who prevailed upon Nahum Goldmann to undertake the leadership which resulted in the successful culmination of the effort to recover restitution and reparations from the postwar Federal German Republic.

But this is a story which was fashioned by the efforts of people like Nahum Goldman, Maurice Boukstein, Moses A. Leavitt, Benjamin Ferencz, Saul Kagan, Giora Josepthal, Seymour Rubin and many others who participated in the planning and negotiations over a period of many years, resulting in restitution of billions of dollars. There is no way, of course, of expressing quantitatively the pain and suffering inflicted upon six million Jews, the destruction of a culture which had existed for hundreds of years in central and eastern Europe. But no one can deny the efficacy of the total effort.

As the years go by the memory of the Holocaust becomes clearer and more fixed in our educational curricula. Forty years after the event the shock has worn off, the pain has become a dull ache, but a growing determination never to forget grows stronger and stronger. Coincidentally, there is an awareness that the Jewish communities all over the world must be constantly on the alert to combat all anti-semitic manifestations. Jews may differ on many questions, but on one the conviction grows daily—Never Again!

17
Leadership: The Hallmark of History

IN THE COURSE OF MY MORE THAN FORTY YEARS AS A PARTICIPANT IN AND observer of the Jewish scene, it was my good fortune to get to know many men and women who played a significant role in shaping the Jewish destiny of the twentieth century.

I have no desire to be either an historian or biographer. I merely want to speak about men and women—all of whom are no longer alive—who exercised a vast impact on the events following World War I until after the Yom Kippur War of 1973.

Leadership creates great events. But great events also produce great leadership; for without the men and women who have the vision to foresee the future and to lead the masses, history would be a rather dull affair.

We Jews are no different. And we were fortunate that in the twentieth century, we were blessed with men and women who could "deliver the goods." Here follows my own pantheon of heroes as I knew them.

CHAIM WEIZMANN
(1874–1952)

Forty five years after I first met him, despite all of the strong and exciting personalities whom I came to know in later years, the foremost position in my pantheon of heroes belongs to Chaim Weizmann.

I came into Weizmann's service late in his time as world Zionism's preem-

inent leader. I knew him well and worked with him during what, I suppose, must be viewed as his declining years, but I do not believe the impression he made on me would have been any more profound had I known him at the zenith of his power and prestige.

What drew me to Weizmann, as it did so many others, was his warmth and greatness of character. These never changed, even under the terrible adversities of the war years when his headquarters was the small Office of the President—World Zionist Organization which Meyer Weisgal organized in New York and for which I managed the finances.

In those years, Weizmann and his wife were grieving over the loss of their aviator son, Michael, in the Battle of Britain, and Chaim must have been aware that his health, particularly his eyesight, was beginning to fail. As devastating to him as these personal tragedies was the news of deportations and massacres that trickled out of Nazi-occupied Europe.

Though he had become a renowned scientist and statesman and had walked with the wealthy and the powerful of the western world for nearly four decades, Weizmann's feeling for the east European Jews among whom he had grown up never became dulled or distant. Each report of a new horror inflicted upon them stabbed at his heart. This grief surely enhanced the eloquence of his address at the historic Biltmore Conference of May 1942, where the Zionist movement resolved on a struggle for the immediate establishment of the Jewish state in Palestine.

The war ended with hundreds of thousands of homeless Jewish survivors flooding Europe's displaced persons camps and the British government clinging adamantly to the 1939 White Paper which restricted Jewish immigration to Palestine to a meaningless trickle. It was plain that Weizmann's long-pursued policy of moderation and of patient persuasion of Britain was outdated and no longer commanded a majority in the Zionist movement. Weizmann was under increasing political attack and came to the Basle Congress in November 1946 with a heavy heart.

There, he resigned the presidency of the World Zionist Organization and surrendered political leadership of the movement to a determined and impatient David Ben-Gurion. Like Moses forbidden to enter the Promised Land, Weizmann turned away and went home to England.

That, however, was not the end of Weizmann's service to his people. The Basle Congress chose no one to succeed him as president. No one else had the personal prestige and influence that would enable him to take Weizmann's place. These unique attributes of Weizmann were to serve the Zionist movement well in its dealings with national governments and the new United Nations, whose decisions were required to make establishment of the Jewish state possible. Weizmann's testimony in late 1945 before the Anglo-American Committee of Inquiry on Palestine surely had an effect on its

eventual recommendation that 100,000 Jews be admitted to Palestine immediately. When the United Nations Special Committee on Palestine held its hearings in 1947, Weizmann, though he no longer held any office in the Zionist movement, was asked by the Jewish Agency to testify.

I shall never forget the day when I stood among those watching Weizmann, by now practically blind, as he read very slowly, from a specially prepared text with extra large letters, the speech he had written himself. For us, it was painful to see this old man, whom we venerated, suffering so much physically even while performing so ably. The effect he had on the UN diplomats from dozens of nations who made up the audience was electric. They listened with tremendous respect and considerable sympathy. There is, of course, no way to quantify how much influence Weizmann's presence had on the Commission's decision to recommend partitioning Palestine into two states, Arab and Jewish. The certainty is that the influence was there and it was potent.

Weizmann was in New York on May 14, 1948, when Israel's independence was declared. The next day, a cable arrived at the Jewish Agency office, addressed to Chaim Weizmann and requesting that he accept the presidency of the Provisional Government of the State of Israel, an office to which he had been named by unanimous vote of the Council of Government, the new nation's provisional parliament. I accompanied Arthur Lourie and Meyer Weisgal when they went to deliver the message to "The Chief," our affectionate private name for Weizmann.

He accepted the cable and the news it brought with great dignity and a dry witticism or two. Weizmann's rather sardonic sense of humor, which had served him well in times of depression and grief, did not desert him now. Always a realist, he wondered whether this was an empty gesture or a real opportunity to spend his remaining days actively serving his country and his people.

We assured him, of course, that the honor being offered was no empty gesture but a logical development. However, events were to establish the office of the president of Israel as largely non-political and ceremonial. Whatever power the president has is mostly a reflection of his own prestige and character. In this respect, Weizmann set the highest possible standards for his successors.

He soon went to Israel, was sworn into office and took up residence in Rehovoth, site of the Institute of Science named for him. His health was not good, and he became increasingly irritated over his treatment as a figurehead by the government of Israel.

In 1949 Weizmann came to the United States for the last time. A group of American Jewry's leading dignitaries went out to Idlewild Airport to welcome for the first time a president of Israel. This time, it was to be an official

visit, complete with motorcycle escort flying flags on the handlebars, a state visit to the White House and all the other trappings. And, as often before, Weizmann would assist the United Jewish Appeal in its fund raising drive.

This last was apparently on his mind as, obviously somewhat fatigued but happy to be in New York, Weizmann adddressed the huge reception committee crowded into a VIP room at the airport. In his eye was the humorous glint we all knew so well, and his opening words were, "I think I'm a bit too old for this sort of thing. I now have an address, you know. It is time you sent the money to me instead of my having to come and get it."

I saw Chaim Weizmann for the last time only a few months before he passed away in 1952. During all my trips to Israel, I would visit Rehovoth to see Meyer Weisgal, inspect the burgeoning Weizmann Institute, and when possible, call upon "The Chief." Weizmann's health was now failing very seriously and, on this day, he was bundled in blankets, apparently napping in a wheelchair on the terrace of his beautiful house, facing the grandeur of the Judaean hills.

I was at the other end of the terrace, talking quietly with his brother-in-law, Josef Blumenfeld, when I heard Weizmann call, "Hammer, come over here." In an instant, I was at his side.

"Tell me," he said, "what is going on in the States? Nobody takes the trouble to keep me informed anymore." This was not quite true because Meyer Weisgal attended him most faithfully. However, it did reflect Weizmann's bitterness arising from his feeling that the government was isolating itself from him. In a sense, the isolation went the other way around; the government had to do its work in Jerusalem, and Weizmann was an invalid shut away in Rehovoth.

There were a few flashes of the old Weizmann wit in that last conversation between us. For me, it was depressing. I prefer to remember Chaim Weizmann in the fullness of his powers, with that special dignity he had. For all who came within sound of his voice or sight of his person, he exemplified the true Jewish spirit.

That's the man I see in the photograph he gave me in 1948 when the dream we all shared was coming to fruition. "To my friend, Hammer," he wrote, "with all regard. Ch. Weizmann." That friendship is one of the things in my life of which I am most proud.

DAVID BEN-GURION
(1886–1972)

If Chaim Weizmann embodied the finest traits in the character of the contemporary Jew, David Ben-Gurion was a Biblical prophet reincarnated.

From his youth, when he came from Poland to join a kibbutz, work on the land in Palestine and become a leader in Zionist organizational activity, particularly the labor movement, Ben-Gurion had the certainty of the prophet's vision and sense of mission. Even when he got into trouble with the Turkish authorities and had to live in America for several years, he knew he would come back. In his mind, there never was a scintilla of doubt that the Jewish people would return to Zion and that his generation of Jews would witness the reestablishment of the Jewish state.

Ben-Gurion's mind was totally preoccupied with great thoughts and grand visions. Yet, he was also a very pragmatic, almost brutal, politician. He had little patience for what he called *techishe frages*—technical questions, the problems of detailed implementation and often bureaucratic wrangling that concerned lesser men in the movement. For him, the question always was: Is the policy valid? Will the strategy the movement is following move us toward the goal of establishing a Jewish state in Palestine?

It was natural, not to say inevitable, that Ben-Gurion should become Zionism's preeminent leader in the time that called for action rather than diplomacy. He was no extremist but he was not afraid to act when he thought it necessary. He had a tremendous capacity for clear strategic thinking and effective action. Some attributed this to overweening personal ambition. Perhaps so. But he was also driven to action by the vision of the Jewish state reborn that possessed him.

At the end of June 1946, when the British raid on the Jewish Agency's headquarters in Jerusalem and the arrests of Executive members signalled the need for a change in Zionism's basic direction, Ben-Gurion was the right man in the right place at the right time. The good luck of being out of Palestine at the time of the British police action left him free to act in response to it. Within a day, he was in New York, the place from which he could most effectively command the Zionist movement's resources of money, manpower and political influence.

During his World War I exile in the United States, Ben-Gurion had conceived a great admiration and respect for the American way of doing things. He liked the American penchant for fast action and now he put it to use. Alone for all practical purposes, Ben-Gurion took the decisions and initiated the programs and activities which made the Yishuv in Palestine an independent nation within two years and then defeated the enemy armies which tried to destroy the Jewish state.

To the end, Ben-Gurion maintained a correct, almost warm, attitude toward Chaim Weizmann. Still, that did not prevent him from being critical of the older man, especially during World War II when he became convinced that Weizmann's moderation and his faith in the British were unwarranted. Nor, when the Basle Congress rejected Weizmann's policy and he packed his

bags and departed, did respect for the elder statesman keep Ben-Gurion from demonstrating symbolically the change that had occurred in the movement's leadership and strategy. He moved into Weizmann's hotel quarters within minutes after they had been vacated.

The unpleasant incident in Basle's Three Kings Hotel and others before and after engendered in many people a strong dislike for Ben-Gurion. But such things never bothered him. Ben-Gurion needed no close friends and had no confidants. He had only fellow zealots, eager to follow him and do his bidding.

Ben-Gurion's sense of the importance and uniqueness of his mission in life was so strong that he seemed unable to tolerate being succeeded by anyone else in any office he held. How dare any man aspire to fill the prophet's shoes? In B-G's mind, the very idea was unthinkable.

I had my first glimmerings of this side of his character in 1948, soon after the state was established and Ben-Gurion had given up the chairmanship of the Jewish Agency Executive to become prime minister. He had been chairman of the Agency Executive for so many years he might well have been expected to regard the institution and the office with some degree of respect. Instead, he treated the continued existence of the Agency's Executive as an impingement on his sovereign territory and showed the chairman it elected to succeed him outright contempt. How could Berl Locker dare to take over B-G's old chair?

In the first days of Israel's independence, before there was time to set up in Tel Aviv or besieged Jerusalem offices for the government ministers, Ben-Gurion came to Agency headquarters every day and acted as though nothing had changed. It mattered not to him that there was now a new chairman of the Executive with work to do and a right to use what was now his office. As far as B-G was concerned, the office was his personal fiefdom—chair, desk, telephone, every object in it and all the secretaries and assistants who operated it.

I doubt there was deliberate malice in such petty behavior, which was upsetting to many people who otherwise admired B-G greatly. And there was much to admire. In those days, Ben-Gurion was concentrating all his attention and energy on what are universally accepted as the most remarkable achievements of his career.

From the day he took office as the prime minister of the Provisional Government of Israel, David Ben-Gurion exercised strength, determination and statesmanship of a high order rarely seen in this century. He knew exactly what he was about: establishing a strong, stable Jewish state. His leadership made short shrift of the differences and divisions in the governing coalition and within his own Labor Party.

As minister of defense at the same time, Ben-Gurion masterfully directed

the winning of Israel's War of Independence with whatever forces could be scraped up around the world and whatever forces could be improvised under fire. Then, he speedily reorganized the army into a nonpolitical, unifying, nation-building force in peacetime as well as the Middle East's most potent combat force in wartime.

After five years as prime minister and defense minister, Ben-Gurion decided he needed rest from the strains of high public office. He resigned in 1953 and retired to a small new settlement in the Negev, Sde Boker, to demonstrate to the whole world that the true essence of Zionism lay in the pastoral life.

Foreign Minister Moshe Sharett succeeded Ben-Gurion as prime minister. Pinchas Lavon, a highly regarded Labor Party stalwart, took over the defense ministry. Two years later, as relations with Egypt moved into the crisis that resulted in the Suez War of 1956, Ben-Gurion returned to Israel's government. There had been an intelligence failure—the details of which have never been officially revealed to this day—which raised a great scandal. Lavon had to take public responsibility for the foul-up. He resigned, and Ben-Gurion took back the defense portfolio.

The minister of defense is usually regarded as the number two man in a government of Israel, but there was little doubt who was number one in this government. It was not Sharett, the prime minister, an impossible situation that had to be resolved by the calling of an election. Ben-Gurion headed the Labor Party slate and was returned to office as prime minister. He did not invite Sharett to serve in his cabinet. Now, both of the men who had the temerity to take over offices B-G regarded as his were out of public life.

And, Ben-Gurion plainly meant to keep them there. He did everything he could to see that Lavon's reputation continued to be tarred by the old scandal. Intransigently, Ben-Gurion pressed in the Knesset and before the nation for a public investigation of who had really been responsible for that failure by Israel's intelligence apparatus—Lavon or Ben-Gurion? He turned the "Lavon Affair" into a running sore on Israel's body politic, pursuing it until everybody grew heartily sick of it.

In 1963 Ben-Gurion again decided he had had enough and resigned as Prime Minister, urging that Levi Eshkol be named his successor. But he was not yet done with the Lavon affair. He managed to force the issue to votes in the Knesset and in the governing body of Israel's labor federation, Histadruth. Both times, he lost.

Instead of returning to quiet retirement at Sde Boker, Ben-Gurion stood for parliament as head of a party of his own, Rafi. He drew to his banner such old stalwarts as Moshe Dayan and Shimon Peres, both intensely loyal to the "Old Man," but he failed to attract a substantial following in the country or

to gain a significant number of seats in the Knesset. After several pointless years, Ben-Gurion did drop out of public life for good, and the remnants of Rafi returned home to Mapai, the Labor Party.

Ben-Gurion always was harsh with his fellow cabinet members, and he made short work of any who happened to find themselves standing in his way. When he engineered his return to office in 1955, he treated Moshe Sharett very badly. Years later, having again turned on a successor in office, Ben-Gurion tried to become prime minister for a third time. Sharett, already suffering from cancer that proved fatal, mustered the strength for one last political battle royal. He allied himself with Prime Minister Eshkol and the two together managed to thwart B-G.

Not in every case did the relationship between Ben-Gurion and a colleague descend into so much bitterness. Although Ben-Gurion never forgave Eliezer Kaplan for siding with Chaim Weizmann against him, he always treated Kaplan in a correct if not friendly manner. When Kaplan's health broke under the strain of running the finance ministry, Ben-Gurion saw to it that he was designated a Deputy Prime Minister without Portfolio, so that he could continue to serve the country.

In my own relations with Ben-Gurion, I did not go altogether unscathed. There was trouble over the $50 million defense fund the United Jewish Appeal raised for the Jewish Agency in the winter of 1947–48. Apparently, Ben-Gurion thought he did not have sufficient personal control of its disbursement, which happened very rapidly under the emergency conditions which prevailed in the months before Israel became independent. He felt that I should stand a court-martial, although a defense ministry auditor examined the accounting Sidney Green and I prepared of those and other expenditures and was quite satisfied.

At one point Ben-Gurion ordered that I be sent to Israel to face his wrath. Moshe Sharett, who was in charge in New York, countermanded the order. Ben-Gurion wrote Sharett that he would never forgive him for the affront to his authority.

I fared much better than Sharett. About a year and a half after kicking up the fuss, Ben-Gurion, hearing that I was visiting Israel, invited me to call upon him at his home in Tel Aviv. I found him attired in unusual fashion for him, wearing a tie and tailored suit, looking every inch the chief of government of a sovereign nation, but still with that aura of the Biblical prophet about him.

The stories about Ben-Gurion's extraordinary behavior in many different times and circumstances are endless and have been told and retold. He was not a religious man in the usual sense, but there was a highly spiritual quality in his character and his system of beliefs. He had a deep appreciation

of the traditional Jewish values, but for him dedication to Zionism, to the ideal of the Jewish state, was the be-all and the end-all. Most of his visits to synagogues occurred when he was away from Israel. When he was home, he rarely if ever attended a religious service. The things other men went to synagogue to find, he once said, were all around him every day anywhere in the Jewish state.

For Ben-Gurion what was required of Zionists was very simple and clear cut. Once the Jewish state was established, a true Zionist either came to Israel on Aliyah, or he was not a Zionist at all. Thus, with one stroke Ben-Gurion would have ruled out hundreds of thousands of Jews living in the Diaspora who considered themselves to be Zionists.

He continually preached on this theme throughout his last years, when he mellowed considerably and seemed to reconcile himself to being the patriarchal elder statesman. Perhaps it was a sense of having accomplished his mission that moderated his urge to hold onto the reins of power. Maybe. I don't know.

No matter how the incomprehensible pettiness and churlishness or the understandable frailties may have marred the years after 1953, David Ben-Gurion was surely entitled to such a sense of accomplishment. In the seven years that began with the day he took charge after the British raids of June 29, 1946, he performed his historic function brilliantly. His mission was to bring the Jewish state into being and make it a self-reliant, viable and vibrant democracy.

That is what his own and every succeeding generation of Jews will remember him for. In those seven years, David Ben-Gurion became a hero for the ages.

MOSHE SHARETT

(1894–1965)

My memories of David Ben-Gurion are imbued with a sense of awe. Moshe Sharett I remember with affection.

I am not the only one who feels this way. It is a natural reaction to Sharett's warmth, wit and kindness, to his interest in, concern for and willingness to stand up for younger people in the Zionist movement, the juniors with whom he worked. He stuck his neck out for me and was willing to take Ben-Gurion's anger upon himself when, during the flap over the $50 million defense fund in 1948, he told me to stay on the job in New York and ignore Ben-Gurion's order to come to Israel.

In many ways, Ben-Gurion and Sharett were opposites, so much so that, it

seems to me now, conflict between them was inevitable. It is true that there was only an eight-year difference in age—Ben-Gurion being the elder—and both had the same basic training in Zionism and its politics that was shared by most of the youths who came from Russia and Poland to Palestine's *kibbutzim* before the First World War and then worked their way up through Histadrut to find places in the movement's leadership. However, at a time in life when Ben-Gurion was laboring as a horny-handed son of the Palestinian soil, Sharett was away at the London School of Economics acquiring an intellectual depth, urbanity and diplomatic skill that the largely self educated Ben-Gurion could not match.

In Ben-Gurion's eyes, Sharett must have seemed too soft and weak to be prime minister. In addition, he had committed the unforgivable sin of succeeding Ben-Gurion in that office. In the political infighting that resulted in B-G's return to power, he inflicted on Sharett gross and outrageous indignities.

Sharett's pride must have taken a terrible mauling. I recall being in Jerusalem in January 1956, shortly after he had left the Government, and telephoning him at home. After the initial exchange of routine greetings, Moshe spoke with uncharacteristic testiness, "Why are you calling me? What do you want of me? I am no longer in government; I hold no office. I am nobody!"

I responded in kind, "Moshe, stop it! You are Moshe Sharett, and you will always be somebody. We in America appreciate what you have been, what you have done. Your absence from the government at the moment does not bother us at all. You will be back, in some position, before much longer. But, all that aside, I want you to know I have been asked by your American friends to tell you how much we respect you and hold you in affectionate regard. Moshe, I would very much like to visit you and talk with you."

I went to Sharett's home that afternoon to find him depressed and in bad shape. Zipporah was in bed with the flu, so he had to welcome me alone and prepare the refreshments himself. We sat and talked for a while.

Again, I did my best to reassure him, to impress upon him that the fact he was no longer prime minister did not lower his stature in the eyes of his friends and admirers in America. How could he even think that we might forget his contributions to the establishment of the state and his services to it as foreign minister and prime minister? The fact that the political fortunes of war had changed some things for him meant nothing to us.

Moshe smiled gently. I am sure he was very grateful, but I am afraid the message I brought eased his depression very little. For a while, he did take on a publishing job which should have been well suited to his talents and professional training. Before long, however, the Jewish Agency Executive

drafted him as its chairman. In this way, he returned to public life and regained a measure of the self esteem he had lost.

Moshe Sharett stands out in my mind as the most humane, most compassionate, most personable and friendly of all that hard-bitten bunch who are regarded as Israel's founding fathers. His acts of consideration and friendship for those who worked with him were constant and innumerable. Sharett was the one who had the thoughtfulness during the tedious closing hours of a Zionist Congress, to try to relieve the boredom of youthful delegates by getting them to sing and dance.

That is the way I like to remember Moshe Sharett: dancing a *horah* with little grace, but with a great deal of enthusiasm.

ELIEZER KAPLAN
(1891–1952)

Most of the founding fathers of Israel whom I came to know well I met for the first time as members of the Jewish Agency Executive. Among the first of them, and the one I believe had the most profound effect on me was Eliezer Kaplan.

On the day in 1939 when I made his acquaintance as I guided him through the Palestine Pavilion at the New York World's Fair, Kaplan had been the Agency's treasurer for several years. He had already established pretty clear parameters for the job which ranged well beyond fund raising and finances. He saw the need for firm budgetary control of the Agency's expenditures if it was to operate efficiently and effectively in all of the many and varied fields in which it had to function in order to make the Zionist dream a reality in Palestine. In pursuit of that objective, Kaplan at various times took over a number of different spots in the Executive. In addition to running the treasury, he acted as director of agricultural colonization, as director of administration, and on occasion, took active charge of one or two other departments.

Kaplan was one of the hardest working of the Executive's members, but it took much more than mere application to duty for him to make his unique contribution to the Agency and the Zionist cause. Born in Russia, he was thirty two years old and already trained as an engineer by the time he arrived in Palestine in 1923 to start his apprenticeship in the labor movement and Zionist politics.

Kaplan had a genius for organizing and administering complex, large scale enterprises. In the United States or another of the highly industrialized

nations, he might have become the driving force in a huge multinational corporation. In Palestine, his talents found their outlet in the Jewish Agency.

Sensitive, profound in thought, his mind always fixed on the ultimate goal toward which they all were striving, Kaplan was certainly the intellectual equal of any of his peers on the Executive, though he did lack the eloquence of some.

David Ben-Gurion, as the Executive's chairman and later as Israel's prime minister, was not above carrying his normal functions of leadership and oversight to the point of interference with a colleague's work. In all the years I worked closely with both of them, I never saw him do that to Kaplan. Not that he had any great affection for Kaplan; indeed, he surely resented Kaplan's long friendship for Chaim Weizmann and Kaplan's support of Weizmann's approach to many of the issues that confronted the Zionist movement. B-G's respect for Kaplan's *technische craft* was so great that he left all matters clearly in Kaplan's province to Kaplan's sole discretion.

One of Kaplan's major achievements was the development of sound working relationships between the Jewish Agency and other organizations concerned with the plight of the world's dispossessed and endangered Jews, particularly the Joint Distribution Committee. Especially in the period before the State of Israel was established, JDC's leaders tended to regard Zionism and Zionists as too controversial, but they came to respect Eliezer Kaplan for what he was, a hard working man with a compassionate soul, who knew how to get things done.

The relationship Kaplan cultivated with JDC opened the way for that non-political, non-Zionist, voluntary social agency to assume in 1949 a vital humanitarian responsibility on behalf of the State of Israel. The flood of immigration which poured into Israel during its early years from the DP camps of Europe and the ghettos of the Arab world carried with it hundreds of thousands of aged, ill, disabled and handicapped Jews for whose care the infant state had no facilities or programs. Through its creation, development and funding of the Malben network of institutions, JDC made it possible for the people of Israel to welcome and provide decent care to these, the most tragic victims of the Nazi Holocaust and of the backwardness and oppression which prevailed in so many Arab societies of Asia and north Africa.

The great variety and vast extent of his responsibilities frequently required Kaplan to be traveling for weeks and months on end. I often accompanied him on the road in the United States and Canada. The circuit he had to cover also included Latin America and Europe. In the time I spent with him on these journeys and in my home in Brooklyn, where he would be invited for dinner and a bit of relaxation, I got to know the tender and warm hearted

family man behind the determined, strong willed Zionist executive who moved about the world on missions of great import.

My first insight into that side of Kaplan's character came while watching him at play with my young children. To see the eagerness and the joy with which he frolicked on the floor with a two-year-old and a six-year-old was to understand how profoundly he missed his own family.

Why was his position in Israel's government called minister of finance and not, say, secretary of the treasury, Kaplan was asked shortly after Israel became a sovereign nation. His answer was revealing of his modesty and the realism with which he viewed his work and his place in the scheme of things.

"If I were secretary of the treasury," he said, "people might think I had money. As you know, that is not the case at all. I insisted on the title of minister of finance because it describes my job accurately. I have no money but I have plenty of things for which to find the money."

As the Yishuv in Palestine progressed from nation in embryo to nation reborn but fighting for its life both militarily and economically, his constant battle to "find the money" took up more and more of Kaplan's time and attention and consumed more and more of his vital energies. Four years after Israel became independent, the struggle had worn Kaplan down and sent him to an early grave.

Even as he realized there was no choice for Israel but to depend heavily on American aid for survival, even as he labored to find ways to obtain that aid and make it productive, Kaplan saw clearly the danger to Israel of becoming trapped in the global contest between the United States and the Soviet Union, of having to side with one superpower rather than the other. "Our future ultimately lies in making peace with our Arab neighbors," he told us once as we were devising potential programs for aid to Israel by American Jewry and the American government. "Only then will we be able to live constructively in the Middle East."

Israel lost Eliezer Kaplan much too soon. The Jewish state has had much need of leaders with his clearsighted philosophy. There is so much more he could have contributed to Israel's development and progress.

For me, Kaplan's passing was a tremendous personal loss. He was a teacher whose precepts I have tried to follow all my professional life, a friend whose memory I cherish always.

LEVI ESHKOL

(1895–1969)

I remember an afternoon in 1952 when Levi Eshkol looked across a table at me and sighed, "You don't know what problems I have."

It was shortly after he had become treasurer of the Jewish Agency. We were lunching in a cafe in Jerusalem. Eshkol's two daughters, having come to town from the kibbutz where they lived, had just stopped by to greet Poppa. After introduction of Poppa's guest and an exchange of family news, the two young women went off about their business.

Eshkol explained. "Ben-Gurion wants me to join the government. My daughters have told me that if I do it, I shall betray the Zionist ideal and they will never speak to me again."

"Isn't government service regarded as something to be applauded?" I asked in amazement.

"No," he replied. "They don't consider my working in government to be something they could square with their Zionist conscience."

His explanation of that statement brought to mind some of the high points of Levi Eshkol's career since he came to Palestine as a youth of eighteen to do farm work in a kibbutz. As his leadership abilities became evident, he entered Labor Zionist politics, represented Histadruth overseas for a while and was elected to the Jewish Agency Executive. He headed the agricultural colonization department during the struggle for independence and, in that capacity, became in effect, the quartermaster general of Haganah, the Yishuv's military force, which was based in the agricultural settlements.

As he reached the top levels of the Zionist leadership, Eshkol told me, his children were willing to look upon the agricultural colonization job as being "in line with the ideals of Zionism. It was an extension of practical work in the Zionist mold."

"When I became treasurer of the Agency," he recalled, "I explained to them that finding the money for further Zionist work in agricultural settlement, absorption and *aliyah* was in line with their thinking. After a long discussion, they accepted the idea. But if I leave this job now to go into the cabinet, I may have trouble. I still haven't made up my mind what to do."

We know, of course, that Eshkol did go into the cabinet and in 1963 succeeded Ben-Gurion as prime minister. Always in the back of his mind, however, was the opinion of his daughters and a question: "Am I abandoning my Zionist ideals for political recognition and power?"

Eshkol was a basically kind man with a lively sense of humor. He had tremendous compassion, a gentle streak in his character that was difficult to reconcile with what is expected of a chief of government. When he had a tough decision to make, he took his time, consulted with his colleagues, looked for all the relevant facts, searched his soul for the right answer. When he convinced himself he had it, he took action and did so clearly and decisively.

The hardest decision Eshkol ever had to make in his whole life confronted

him in late May 1967 when he was being urged to give the order for Israel's army to strike. To the south, Egyptian divisions were mobilized in the desert; in the north, there had been a series of threatening incidents by the Syrians. Could Eshkol send young men to their deaths even when the situation fully justified military action? He hesitated so long over the decision that his colleagues had to persuade him to give up the defense ministry and call in Moshe Dayan to do the job, to launch the Six-Day War.

When human lives were not so immediately involved, Eshkol was a very thorough, pragmatic and quick decisionmaker. A session we had with him in 1963, while he was still minister of finance, illustrates this fact.

Israel's chronic shortgage of foreign exchange was in one of its acute phases. Eshkol, about to come to New York, had telephoned from Jerusalem to ask me to try to arrange whatever financing I could, in anticipation of his visit. When he arrived, there was a meeting in his suite at the Essex House. Present were the governor of the Bank of Israel, David Horowitz—"Dolleck," we used to call him—several of Eshkol's aides, Maurice Boukstein and I.

Eshkol asked for a report on what I had accomplished. I explained a plan I was developing to generate a flow of dollars to Israel by borrowing money from American insurance companies to finance housing for immigrants. Eshkol turned to the others with a question, "What do you think?"

Dolleck responded first. His answer was a long dissertation on why, in the economists' view, money for housing did not represent a constructive expenditure. It would add to Israel's inflationary spiral. The others replied in a similar vein.

Eshkol then put two fundamental and practical questions to them. "Do you have any money for housing? Do you have dollars for our foreign exchange reserves? If you don't have better answers for me, we shall have to settle for what Hammer is offering us." With that, the matter was abruptly closed.

I became acquainted with this style of operation by Eshkol and the way he leavened it with humor, very soon after he became Agency treasurer in 1951. In Israel, that was a very tough year, perhaps the worst of the period of austerity that followed independence. The massive influx of immigrants from north Africa, Yemen and Iraq, added to the arrivals from the emptying DP camps in Europe, had overwhelmed the Agency's absorption department. They were short of just about everything the newcomers needed—housing, jobs, clothing, shoes. The Agency simply could not afford to pay for anything. Absorption Department Director Giora Josephthal was at his wits' end trying to cope.

In those days, a common sight in Israel was Oriental immigrants for

whom the Agency had managed to provide shoes, walking the roads barefoot, their shoes tied together by the laces and hanging around their necks. They would not waste the precious gift which God had sent them through the Jewish Agency.

On one of my periodic visits to Agency headquarters in Jerusalem, I was able to report that a week earlier a shoe manufacturer from Boston had telephoned me to offer a donation of 5,000 pairs of shoes. There was a catch, however. We would have to pay the shipping costs, which would come to several thousand dollars. I had told the prospective donor I would get back to him when I returned from Jerusalem.

Eshkol called in Josephthal to ask his advice. The offer really excited the normally phlegmatic Giora. Five thousand pairs of shoes? What he could do with them!

Eshkol and Josephthal began discussing how to find money in the budget to pay the shipping charges. That was a real stumbling block. Then, thinking of the Yemenites carrying their shoes instead of wearing them, Eshkol said, "Do you you have to give each immigrant a whole pair? Can't you split the pairs and give one to a person? We would have twice as much for the same cost.

Josephthal and I looked at each other, stumped. It was typical of Eshkol to compromise in practically any way he could. But this? Then, he acknowledged the joke in his suggestion and said, "O.K., we'll pay for shipping the shoes."

Eshkol found it distasteful to have to settle arguments that were really clashes of personality rather than issues of ideology or questions of principle. This happened when it was up to him as prime minister of Israel to settle a long running feud between the Israel Bonds organization and the United Jewish Appeal.

During the 1950s and early '60s, the aggressive and flamboyant Henry Montor built a high powered and productive campaign for selling the State of Israel's bonds in the United States. Montor was never one to hold back or give way, and there were frequent conflicts with local Jewish community leaderships and the national United Jewish Appeal, now administered by Joseph J. Schwartz. They fought constantly over the timing of the two campaigns in particular cities and competed for volunteer manpower. Controversies like the one that became known as the "Battle of Indianapolis" were occurring too frequently, and numerous complaints about Montor's style and activities were reaching his bosses in the Government of Israel.

Ehshkol spoke to both Montor and Schwartz individually and elicited promises of restraint and cooperation. The prime minister knew Israel needed both the UJA and the bond campaigns and could ill afford these

conflicts between them. He thought he had things under control, when the UJA people arrived in Jerusalem loaded for bear.

Montor had just been in Israel and was on his way back to the States. Eshkol, frustrated at the dashing of his hope that he had settled the problem, sent a cable to Montor in Rome, asking him to come back to Jerusalem for further discussions. Montor ignored the request and went on to America. This obvious defiance infuriated Eshkol, and he resolved to settle things once and for all. Then and there Henry Montor was fired.

Beneath the surface softness, there was steel in Levi Eshkol, as there was in most of Israel's leaders. But he was more sentimental than most of his colleagues. For instance, he never broke his attachment to the Yiddish culture of eastern Europe from which he sprang. He loved *mama lushen,* the "mother tongue," and the wit and humor that arose from it. When he wished to relax after his very long and tiring work days, he often did so by hanging out with some of his cronies, swapping stories and wisecracks in Yiddish.

Eshkol was never one to refrain from exhibiting friendship when the occasion suggested it. One day I called upon him in his prime minister's office in Jerusalem. He was entertaining a group of visitors from South America. As I was about to withdraw, he jumped up and came to the door to pull me back. Putting his arm around my shoulder, he introduced me saying, *"who shelanu."* (He is one of us.) A finer compliment he could not have paid me!

No matter what his daughters' opinions were, I remember Levi Eshkol as a statesman who always strove to lead Israel's people toward the Zionist ideal. All his life, he labored to build a balanced, socially just economy in the Jewish state, to bring it peace with its neighbors, to make it a society which upheld high ethical and moral standards rooted in ancient Jewish traditions.

No matter how difficult the struggle became for him, he almost always waged it with gentle humor and a twinkle in his eye. He showed that quickly when he became the Jewish Agency's treasurer and my superior. Like all Agency treasurers of that period, he was constantly struggling with a disjointed budget—big expenditures, small income. One of the first things he did was to come to the United States and plead with UJA leaders to intensify their efforts and provide him with more funds with which to work. They promised to do their best.

At my next meeting with him in Israel, I began reviewing for Eshkol everything that had happened since we last met. He inquired about our cash income and was devastated to hear how much—really, how little—we had received. "Is that all?" he asked.

"Eshkol," I said, "do you want me to kid you?"

With that twinkle in his eye, he replied. "Kid me just a little bit. Please?" But I never did. He would never have let me get away with it.

PINCHAS SAPIR
(1908–1975)

Of all the Jewish Agency treasurers and Israeli ministers of finance with whom I have worked, Pinchas Sapir was closest to me in age. Because of that, I suppose, there was a great rapport between us, although for a time, language was something of a barrier.

Sapir's English was limited, and though it improved with time, he never did achieve complete fluency as many of his colleagues and rivals in the Zionist leadership did. This limitation never bothered him in his personal relationships, and he insisted on using English whenever possible, although it was sometimes painful for his friends to listen to it. He could have used Yiddish, but that would have been self defeating; so we suffered in silence. We had great respect for the keen intelligence and great shrewdness that lay behind the occasionally odd choice of English words.

I met Sapir for the first time at the 1946 World Zionist Congress in Basle. He was then engaged in Haganah work, and since I was managing the finances of the Haganah mission in the United States, there were matters of mutual concern for us to discuss.

Although he rose from the ranks in the same progression most of his colleagues followed—from agricultural kibbutz into Histadruth work and then Mapai politics—Sapir never forgot how humble his beginnings were and how limited his formal education had been. I think this modesty worked to his disadvantage in his later career. In many ways he always remained the simple fellow who lived with his wife and kids at Kfar Saba.

Sapir went up the ladder in Levi Eshkol's footsteps. He was assistant to Eshkol as Haganah's quartermaster and succeeded him in that post. Then he followed Eshkol to the Jewish Agency's agricultural colonization department, working closely with him in organizing several enterprises vital to Israel's farm economy, the best known of which was the Mekorot Water Company.

In those days, both Sapir and Eshkol were workaholics carrying tremendous burdens. Their regular meeting time with Mekorot's director-general, an engineer named Weiner, was at 11 p.m. That was when they had an hour to spend making the policy decisions and providing the guidance Wiener had to have to run the daily operations of a company which was serving

thousands of farmers and doing business in the millions of Israeli pounds. Eshkol and Sapir never slighted this or any other of their responsibilities, but their priorities were such that Mekorot's affairs had to be taken care of late at night.

When Eshkol left the Agency, Sapir took his place as treasurer for a while before following him into the government. Sapir's first cabinet position was minister of commerce and industry.

Sapir tackled any job that came his way with the same intensity of energy, imagination and effort. He placed great stock in decision making, believing that a high Agency official or government minister ought to make decisions quickly, even if he erred sometimes. Sapir was never afraid to make mistakes.

He was ever mindful that he had no formal education beyond his boyhood schooling in a Polish yeshiva. He hungered for the advanced education he felt he needed to cut down the number of mistaken decisions he thought he was making.

In 1956 Sapir persuaded Eshkol to give him a year off. He had arranged through Isaiah Berlin, the prominent British academician, to spend the year at Cambridge University, improving his use of the English language and pursuing other studies, to be recommended by Berlin, which would give him a stronger intellectual background for dealing with the problems of high national policy.

Sapir had been at Cambridge just one week that autumn when he received an urgent telephone call from Eshkol. The 100-Hour Suez War was beginning. That ended Sapir's attempt at higher education.

Sapir loved to gossip, but he never did so idly. It was a method he used to collect information. Another was his truly remarkable memory for facts and figures. He would meet with me and then with people from UJA and the Israel Bond drive and question us all at length about the financial positions of the two organizations, making notes in a little black book. On his next visit to America many months later, he would startle us by recalling in minutest detail our previous conversations with him.

In manner, Sapir tended to be loud and boisterous with rapid, impatient body movements. He was a fast learner and absorbed instinctively the fine points of fund raising. He thought of himself as one of the best solicitors in the business. Generally, he would employ a bullying technique, but he knew how to combine it with quiet understatement if he thought that would be effective with a prospect.

Sapir would not spare any man, least of all himself. When the crisis that led to the Six-Day War came to Israel in late May 1967, he was the finance minister in Eshkol's Cabinet. When the war broke out on that fateful Monday morning in early June, Jewish Agency Treasurer Louis Pincus was al-

ready with us in New York, helping to organize a massive emergency fund raising effort. Sapir joined us within a few days even though that was a terribly trying time for him. His son, Amos, a tank corps officer, suffered grave head wounds during the assault on Gaza, which eventually left him with a shattered ear drum. Sapir would never allow family concern, no matter how serious or worrying, to interfere with his duty. He was in New York by the next Sunday morning when UJA opened its nationwide drive with a fund raising meeting that shattered all precedents.

Nor did personal woes ever dull his political instincts. Sapir came to my home one Friday evening, tired and hungry, worn with worry. A new grandchild had just been born to his daughter at a hospital in New York. The delivery had been difficult and the baby, the doctors found, had a twisted colon.

Sapir asked my daughter—the little girl Eliezer Kaplan used to play games with was now a grown woman and a registered nurse—to call the hospital to find out how mother and baby were really doing. "You know about these things, Leah," he said. Leah returned shortly with a detailed report that put him at ease for a while.

Trying to leave him alone with his thoughts as little as possible, we rode with him in the taxi back to his hotel. I sought to distract him with one of his favorite pastimes, a little harmless gossip.

"How's Yigal Allon doing?" I asked.

"Allon? He's a very sick man," Sapir answered.

Moshe Dayan? Also not very well, Sapir reported. One after another, as their names came up in our conversation, his evaluations of Israel's top politicians, whether in office or in opposition, usually included at least an intimation about poor physical health. A big election campaign was about to begin in Israel, and practically all of the leading participants appeared to be ill.

"How's Abba Eban?" I asked at last.

"Oh, Eban. He's in good health," was Sapir's response.

It was the strangest and funniest of many peculiar and humorous conversations I had with Sapir over the years. Thinking it over at home later that night, I realized that all those mentioned as having disqualifying physical conditions were to Sapir and his friends potential rivals for power. Only Abba Eban, always lightly regarded in Israel as a contender for real political power, was in good health. Sapir had been feeding me a heavy dose of pre-election propaganda.

At that time, Pinchas Sapir was the most powerful man in Mapai, Israel's dominant political party, and could have been prime minister in succession to Levi Eshkol, had he wanted the position. Sapir was afraid to take the job.

He felt too keenly that he lacked the education and the polish to deal on equal terms with the heads of other governments and to make the difficult decisions that would be required of him as Prime Minister.

Consequently, when Levi Eshkol died in 1969 to be succeeded by Golda Meir, Sapir stayed in the cabinet as minister of finance. The job was beginning to take a heavy toll of him physically, but Sapir hung on with bulldog tenacity. The finance portfolio is a killer for anyone who holds it too long. Twenty years earlier I had watched helplessly as the job shattered the health of another dear friend, Eliezer Kaplan.

Sapir stayed in office until 1974. In the critical aftermath of the Yom Kippur War, when the reputations of men like Moshe Dayan and Abba Eban had been destroyed, and Golda was left with almost no one else she could rely on, Sapir served his prime minister with deep devotion and his country with great distinction. Then, in one last service to his party, he managed the transfer of power from Golda to her successor, Yitzhak Rabin. In effect, Sapir was the power behind Rabin's tenure in the prime ministry.

When Sapir left the government, he took on the dual job of chairman of the World Zionist Executive and chairman of the Jewish Agency Executive. He was thus able to continue in the work closest to his heart, the strengthening of the State of Israel economically and financially. Of course, he had to travel the world raising money, but for him this was a welcome change of pace.

A luncheon at the Hotel Delmonico in New York, tendered me by friends and professional colleagues in June 1974 as I retired officially from the Jewish Agency and the United Israel Appeal, became the occasion for a demonstration of Pinchas Sapir's friendship which I shall always remember with pleasure, pride and affection. Sapir, all the way across the country on the Pacific Coast, heard about the luncheon. He telephoned Isadore Hamlin, who was handling the arrangements, to say he was flying to New York and insisted on being one of the speakers.

When he arrived, Sapir informed David Rivlin, Israel's consul general in New York and a public speaker of considerable eloquence, that he need not make the speech he had planned. He, Sapir, would do the honors. And this he did wonderfully, speaking of matters I had long forgotten and thought no one else would deem to be worth remembering.

Sapir told how he and I had met nearly thirty years before and how Eliezer Kaplan, briefing him for some assignment or other in the old days, had said that, if he ran into a financial problem, Gottlieb Hammer is the man to see. What Kaplan had told him so long ago remained true throughout the many years of our association, Sapir said. His tribute moved me very deeply.

Sapir and I remained good friends, keeping in touch until the end came for

him very suddenly about a year later. He was struck down by a massive heart attack at the dedication of a synagogue for a community of north African immigrants in Israel. There is a news photo of the ceremony which was widely published at the time and is still vivid in my memory.

It shows Sapir and Prime Minister Rabin standing side by side, each carrying a Sefer Torah presented to the congregation. Moments after the photograph was taken Pinchas Sapir was dead.

In my view, he is another of the martyrs whose lives were claimed by the building of the Jewish State.

NAHUM GOLDMANN

(1893–1982)

In a very long, very productive and very controversial life, Nahum Goldmann was, to my knowledge, a citizen at various times of six countries and spoke five languages well enough to be a persuasive orator in any of them. With the possible exception of Chaim Weizmann, Goldmann was unique among the Zionist leaders of his time in his broad and cosmopolitan view of the world and the place in it of the Jewish people.

Goldmann was born in Lithuania and for the first three years of his life was a subject of the Russian Tsar. His family having moved to Germany, he grew up in Kaiser Wilhelm II's empire as an only child, a *wunderkind* who early showed promise of his future brilliance as writer and orator, politician and diplomat. He was a citizen of Germany's post-World War I Weimar Republic when he established himself as one of the leaders of European Zionism.

After the rise of the Nazis to power in Germany had made Goldmann a stateless exile, he became a citizen of the Republic of Honduras because with that came a diplomatic passport, which was useful in his Zionist work and in arranging his family's escape from Nazi dominated Europe as World War II was breaking out. During twenty-odd years' residence in the United States, he was naturalized as an American citizen but gave up that status because he was at heart too much a European. He preferred to settle in Switzerland, of which he remained a citizen to the end of his days at the age of ninety.

Goldmann also retained to the last the citizenship in the State of Israel for which he opted when the state was born in 1948, but that remained a largely symbolic affiliation. In 1952, as Goldmann reported at the time to his colleagues on the Executive of the Jewish Agency-American Section, Prime Minister David Ben-Gurion offered him the position of foreign minister of Israel if the maverick Goldmann would exercise his Israeli citizenship fully, settle down in the Jewish state, become part of the government and accept its

discipline. Ben-Gurion urged Goldmann to take a hand in Israeli politics as head of the Liberal party, which more or less suited Goldmann's ideological bent, even though this meant he would often be in opposition to Ben-Gurion's own Labor Party.

"Will I have a free hand in conducting the foreign policy of the State of Israel?" Goldmann said he asked.

"This is a democratic government, we have a cabinet which makes decisions," was Ben-Gurion's reply. "Within that framework, you will be responsible for the conduct of our foreign relations."

Goldmann was, as anyone who really knew him would expect, unwilling to accept such a restriction on his freedom of action. He graciously declined Ben-Gurion's invitation and continued his free-wheeling ways, traveling around the world and attempting to resolve Jewish problems by personal negotiation with the heads of governments wherever and whenever they would see him. By virtue of his position as president of the World Jewish Congress, and of the prestige and contacts he had built up over the years, a good many of the world's statesmen were willing to talk to Nahum Goldmann, much to the annoyance and chagrin of Israel's official representatives.

Their hackles rose as they watched Goldmann's comings and goings, his conversations and negotiations with important people in western European governments, or agents of the Soviet Union, or Marshal Tito, the dictator of Yugoslavia, or representatives of Israel's major enemy, Egypt, or high officials in the American state department. All these were part of Goldmann's constant effort to do something about the plight of Jews in trouble and danger in many places around the world. The Israelis saw them at best as irritants or at worst as violations of their nation's sovereignty and security.

One of the governments with which Goldmann conducted negotiations was that of Israel itself. He was, of course, one of the first to realize that the establishment of the sovereign Jewish state put the Jewish Agency in an anomalous and perilous position. In the League of Nations Mandate under which the British ruled Palestine, there had been provision for a "Jewish Agency" and sanction for its role in the creation of a "Jewish homeland." Now that the Mandate had been superseded by the Jewish state, what authority did the Jewish Agency have to act, to carry out all the functions it was performing in connection with immigration, absorption, agricultural settlement and so forth?

Goldmann started to negotiate with Ben-Gurion. He was ably assisted by Maurice Boukstein, who researched the precedents and the technicalities and provided the legal justifications for the Government of Israel to take the action Goldmann was seeking. The outcome was passage by the Knesset of

the Law of the Status of the World Zionist Organization and the Jewish Agency.

It received relatively little publicity at the time, but this was a tremendous achievement. The government of the recently born state was extremely jealous of its prerogatives and suspicious of the Zionist movement's leadership, following a terrible row with its most important member outside Israel. To persuade the government to enter a covenant under which it delegated certain basic responsibilities on an eleemosynary basis to the Jewish Agency, an arm of the Zionist movement, was no easy task.

I was already quite familiar with Goldmann's many abilities and talents, having first met him in the Palestine Pavilion at the World's Fair in 1940, shortly after he arrived in the United States. I had then been able to watch him at work when he and Louis Lipsky became the Executive members responsible for the Office of the President-World Zionist Organization which Meyer Weisgal set up at 41 East 42nd Street.

I knew, too, of Goldmann's penchant for making very long speeches in any of the languages he spoke and of his ability, through such lengthy orations, to wear down opposition and win his point in ideological arguments. Nahum learned the languages in childhood, growing up in a household headed by a father who was a distinguished teacher of Hebrew and writer in a number of languages. He always spoke them with an accent and with some disregard for proper grammar. Goldmann's orations could never be considered the handiwork of a perfectionist, but they often had to be extemporized and they were almost always effective.

In the debates at the Biltmore Conference in May 1942, Goldmann strongly supported Ben-Gurion's advocacy of a partition of Palestine if that would help bring statehood sooner. Indeed, he was willing to go even further than Ben-Gurion. Goldmann saw a sovereign Jewish state as a symbol of the peoplehood of the world's Jews. He was not particularly concerned about its territorial boundaries.

Goldmann barely squeaked through in the election of a new Executive at the Basle Congress in 1946. However, this did not deter him from taking up where he had left off in his effort to devise a practical program for partition of Palestine that would lead to speedy establishment of the Jewish state. Though assigned to the Jewish Agency's office in London, he returned to the United States after one month, and pursued his objective by direct negotiations with his contacts at the department of state.

Goldmann did not inform or consult his colleagues on the Executive. Doing so, he thought, would impede the progress of his negotiations. But how can one argue with success? And succeed he did in convincing the state

department that the only road to solution of the Palestine problem lay through partitioning that troubled land into Jewish and Arab states.

About the time he turned down Ben-Gurion's offer of the foreign minister's portfolio, Goldmann was bringing to fruition the other of his two greatest achievements in international diplomacy, the decision by the Government of the German Federal Republic to indemnify Jewish victims of Nazi persecution. He was opening the way to a series of agreements by which West Germany paid 63 billion Deutsches Marks as reparations to the State of Israel, restitution to individual Jews and indemnification for communal losses.

About forty percent of that huge sum found its way directly and indirectly to Israel, much of it in the form of industrial goods which expanded the country's infrastructure and greatly enhanced its economic productivity. Israel's economy was also stimulated by the payment of cash income to a substantial portion of its citizens. Thirty years later, there are still 100,000 Israelis receiving annuities established as a result of the restitution agreement Nahum Goldmann negotiated.

The idea of obtaining economic reparations for the State of Israel and monetary restitution to individual Jews who had suffered at the hands of the Nazis developed in the late 1940s and early '50s. It was conceived and nurtured principally by two survivors of the death camps, Dr. Noah Baru, who was living in London, and Yossel Rosensaft, who headed the Jewish community in the Bergen Belsen D.P. Camp. They interested Goldmann in their proposal and urged him to take the leadership in asserting Jewish claims against the German Federal Republic, established in 1949 in the zones of Germany occupied by the western Allies after World War II.

Goldmann pursued the matter vigorously and was soon talking with senior aides of West German Chancellor Konrad Adenauer and then with the chancellor himself. These talks led to the establishment of the Conference on Jewish Material Claims Against Germany, in which the Joint Distribution Committee, the Jewish Agency, and survivors' organizations participated. The Conference, together with the Government of Israel, appointed a delegation headed by Goldmann to conduct full scale negotiations with the Germans. These began at The Hague in March 1952 and culminated the following September in an agreement signed in Luxembourg.

The Jewish negotiating team assembled to support Goldmann included top professionals and experts in many fields, from both the United States and Israel. Among them were Giora Josephthal, Dr. Maurice Perlsweig, Maurice Boukstein, Seymour Rubin, Moses Leavitt, Benjamin Ferencz and Dr. Jacob Robinson. In recent years, Saul Kagan has had an important role in the reparations process as chief administrator of the Conference on Material

Claims and the Jewish restitution successor organization. As the negotiations proceeded, Baru and Rosensaft, as the direct representatives of the survivors, worked in the background, providing invaluable advice and assistance and strengthening the resolve of Goldmann and his team.

Of course, there is no way in which any amount of money, no matter how huge, can compensate for the loss of six million human lives, for the destruction of hundreds, if not thousands, of communities, for the loss of a whole civilization and its culture. However, the agreement signed at Luxembourg involved no diminution of Jewish dignity and had immense practical effects. It provided hundreds of thousands of survivors of the Nazi massacres with the means to rebuild their lives, and it made more solid the economic foundations of the State of Israel.

Nevertheless, there was bitter division among Jews over the morality of accepting money as reparation and restitution from the Government of Germany. On the one hand, some saw this as blood money from the hands of Nazis, to be shunned, not accepted and used. On the other hand, the argument ran, these funds rightfully belonged to the Jews from whom the Nazis had stolen money and property. There was a duty to seek recovery on their behalf.

Much of the storm of controversy swirled around Goldmann himself. He became a target for hatred. There were threats against his life. I received a telephone call at 3:00 one morning from the FBI, wanting to know the plane on which Dr. Goldmann was returning from Europe. They had a tip that there was a plot to assassinate him.

Meetings called to inform the public about the reparations agreements had chanting pickets outside and screaming hecklers inside. One night, the pickets got out of hand and attempted to assault Goldmann as he left a meeting. It required intervention by the hotel's security people and New York police for us to get Nahum home safely.

The reparations and other controversies tend to obscure the record of Goldmann's achievements while he resided in the United States. Actually, it was the most productive period of his career as diplomat and negotiator. The key steps toward partition of Palestine and independence for a Jewish state, toward recognition of the Jewish Agency's status in a sovereign Israel, and toward the payment of German reparations were all taken during those years.

Goldmann served as chairman of the Jewish Agency-American Section from 1949 to 1960. From 1956 on, he was also chairman of the Jerusalem Executive and president of the World Zionist Organization as well as head of the World Jewish Congress. He was at the apex of his prestige and influence in Jewish affairs.

Although Goldmann never felt truly at home in America and eventually

returned to Europe, he used his power to gain for the American Jewish community a very significant legacy. Patiently and carefully, he negotiated the establishment in 1955 of the Conference of Presidents of Major American Jewish Organizations.

A problem Goldmann always had to contend with in his dealings with the United States Government was the proliferation of national Jewish organizations, each claiming the right to go to Washington to put before Congress and the executive branch its constituency's view on issues of concern to all American Jews. The multiplicity of such approaches engendered conflicts and confusion in high places about where the real Jewish interest lay. Goldmann knew from experience that Jewish interests suffered from this duplication of lobbying activities and set out to end it.

After months of very delicate and tedious talks with dozens of organizations noted for guarding their turf and their prestige very jealousy, he persuaded most of them to join what was and still is a consultative body. The American Jewish Committee never has joined, but it has always cooperated with the Conference. Goldmann was its first president and was followed by Philip Klutznick, then head of B'nai B'rith. The presidency is rotated periodically among the heads of the member organizations.

Over the years, the Conference's consultative functions have grown to include the finding of a consensus among the organizations on major issues confronting American Jews and making it clear to their government. Through the Conference, the organized American Jewish community now speaks to the United States Government on crucial matters with a single voice. This is a tribute to the foresight and the persistence of Nahum Goldmann thirty years ago.

In 1962 Goldmann gave up his residence and citizenship in the United States to live in Europe and Israel. He had never been completely happy in America. He did not fully understand American Jews. And American Jews found it hard to accept Nahum Goldmann at face value. However, his personal estrangement from the largest and most influential community in the contemporary Diaspora could not keep Goldmann from continuing his organizational activities in Europe. He carried them on at a series of international meetings. Even after growing opposition to his ideas and policies within the World Zionist movement caused him to give up the presidency and other posts in 1968, Goldmann continued to wield great influence in Jewish affairs through his leadership of the World Jewish Congress and his role in the organizations concerned with reparations questions.

For a Zionist leader, Nahum Goldmann had always taken a very broad view of the Jewish condition. He always had a very deep concern for the Jews all over the world who would not or could not ever emigrate to the Jewish

state. He believed it impractical and physically impossible to move every Jew in the world to Israel, and deemed it neither necessary nor desirable. Hence, he sought to develop a system for protecting the rights of Jews wherever they might be threatened. This was the reason he remained the head of the World Jewish Congress for so many years and strove for some kind of global recognition of a special status for the Jewish people. He saw himself as a citizen of the world and hoped every Jew would eventually reach that status.

At the same time, as the decades passed and Israel did not achieve true peace with its neighbors, Goldmann became increasingly worried over the ultimate fate of the Jewish state. Until his death, he spoke out from time to time, advocating that Israel negotiate for peace with any and all Arabs, including the PLO. His urging that they deal with people they regard as political terrorists made Goldmann anathema to the leaders of the Government of Israel and brought down on him the scorn and wrath of many Jews in Israel and elsewhere.

To Goldmann's friends, it was tragic that in his later years, he remained a loner and an outsider in Jewish life. Even when we argued with him that his reputation and his place in history would be better served if he kept silent on some issue or other, Goldmann would very often speak out fearlessly and unhesitatingly.

Nor were the views he expressed set in concrete. As times changed, Goldmann's ideas often changed. In 1926, for instance, he assailed Chaim Weizmann for daring to voice tentative thoughts about the possibility of partitioning Palestine. Twenty years later, when partition would open the way to quick establishment of a Jewish state, Goldmann led the fight for it in the councils of the Zionist movement.

I am one who has the highest respect and admiration for Nahum Goldmann's achievements. Some of his greatest work was done while I was closely associated with him, first as comptroller, then as executive director of the Jewish Agency's office in New York. I believe Goldmann greatly respected my work, also.

Consequently, in his later years, I watched with great dismay the steady deterioration of Goldmann's standing in the world Jewish community. Still, I had to admire his courage in voicing opinions he knew would be unpopular, even when I wished he would not go public with his unconventional thoughts and innovative ideas. If only, I thought, Goldmann would rest on his laurels and let the new generation of Jewish leadership find its own way.

Surely, Goldmann's own actions during this period contributed to the decline in the general estimate of his place in history, but his accomplishments before he went off into the mountains of Switzerland are unchallengeable. On balance, the Jewish people are very much in his debt.

GOLDA MEIR

(1899–1979)

Once in the early 1970s while Golda Meir was Israel's prime minister, I was in the lobby of Jerusalem's Eden Hotel, waiting for Pinchas Sapir to arrive for a lunch to which he had invited me. Golda entered the lobby, saw me and came right over to greet me.

"What are you doing here?" she asked. When I told her I was waiting for Sapir, she nodded knowingly, raised her eyes toward the ceiling, and said, "He'll be along. Don't you fret." One expected the minister of finance to be late for appointments; he set such a fast pace and crammed so many meetings into his long working day.

Golda sat down to wait with me. I felt rather embarrassed. Here, the prime minister herself was keeping me company, waiting for her tardy finance minister. "Golda," I said, "I know you must be very busy, and I really appreciate your keeping me company. I am honored, truly. But if you go on to your appointment, I shall understand."

"Now, Gottlieb," Golda chided gently, "that's no way for us to treat our friends. I'll stay until Sapir gets here." And stay she did. Fortunately, it was not much longer.

Golda's little remonstrance to me was meant seriously. She had lost none of her immense capacity for genuine courtesy and sincere friendliness, although she was a Very, Very Important Person, the prime minister of her country, at the apex of her career as perhaps the toughest in one of the most hard-bitten groups of politicians anywhere in the world. I had sensed her warmth the day I first met her many years earlier at the 1946 Zionist Congress in Basle. At that Congress, the social thing to do was stroll in the lobby of the Mustermesser, the convention hall.

Golda, then one of the Jewish Agency Executive's leading members and acting head of the political department while Moshe Shertok sat in a British jail, was making a round of the Mustermesser lobby, wearing her customary outfit—long, black skirt, white blouse, a woolen sweater reaching to her knees. One after another, she greeted people she knew and then came upon me. "I don't think we've ever met," she said. "I'm Golda Myerson."

I introduced myself, explained what I did at the Agency's New York office, answered her questions about affairs in America. We agreed to meet some other time to talk further, but a year passed before the opportunity came.

Our acquaintance began to ripen into friendship during the winter of 1947–48 when Golda came to the United States to be the principal speaker for the United Jewish Appeal in an emergency drive to raise $50 million.

The Jewish Agency had to have the money to provide for defense of the Yishuv against the Arab onslaught everybody knew would come with the declaration of a Jewish state in Palestine, even though it was in full accord with the United Nations decision of November 1947.

"Ein brerah! There is no alternative!" was the slogan enunciated by Golda, and American Jewry rallied to it. Golda got that $50 million by the force of her toughness and determination and the simple, unassailable logic of her speeches. More than once, then and in later years, I would leave a room, where I had heard Golda reduce to the most basic terms complicated problems that were stumping the best brains, and wondered who was the more naive: Golda or her audience, including me.

During her 1948 sojourn in the United States, I took Golda to see David Dubinsky, president of the International Ladies Garment Workers Union, whom she knew through her labor movement connections. I thought she could help me get a loan of $1 million which we desperately needed for the Haganah. All we could offer the ILGWU in return was a Jewish Agency note without collateral, a mere promise to pay. Golda explained straightforwardly what was involved, why we wanted the money.

Mindful of the ethnically mixed nature of his union's membership, Dubinsky called in Luigi Antonini, a vice president, who was of Italian extraction. Antonini readily joined in urging Dubinsky to make the loan. Golda and I left the meeting in a state of high elation. On the way down in the elevator, I felt I had to pay my companion a compliment.

"Golda," I declared. "You handled that beautifully, just like a man." She gave me a startled, even withering, look, and before she could say anything, it struck me that I had committed a gaffe. Hastily, I amended my statement, adding that she had done the job as very few men could have done it. "Oh," Golda said with a little smile, "you think that men can do a job better than women?" Golda was an understanding and tolerant person; she accepted my correction and forgave me.

Golda was still in the United States on her fundraising mission when a cable came from David Ben-Gurion, advising her that as prime minister of the new State of Israel, he was appointing her its first minister to the Soviet Union. He urgently wished her to come home for consultations before undertaking the new assignment.

From somewhere out on the road, Golda telephoned me in New York to say she had to see me before returning to Israel. Both our schedules were so tight in those hectic days that the only chance for us to meet would be at Idlewild Airport just before her departure. Overseas flights were usually not punctual in those days; there would be time to talk while Golda waited for the plane.

I drove out to Idlewild from home on a Sunday afternoon, taking along my eight-year-old son, Robert. He roamed around taking pictures with his little Brownie camera. A wheezing air conditioner labored to keep the muggy heat of New York's early summer out of the quonset hut which in those days housed Idlewild's lounge for departing overseas passengers. Golda and I sat and talked.

"I have been looking into the question of my legation in Moscow," Golda began. "The Russians are giving us a house to occupy, but there isn't a stick of furniture or other equipment in the place—not even a cup to serve a guest some tea. And, worst of all, I don't have a budget and the Government doesn't have the money to give me one. What can we do?"

I tried to be reassuring. "Golda," I said, "let's make a list of what you need and I will ship it to you. I don't know how we'll get it or pay for it, but we won't let you down." And we didn't.

One of the photographs Robert snapped that day shows Golda and me engrossed in preparing the list, our heads together, coffee cups on the table, smoke curling up from Golda's ever present cigarette. Years later, my wife Sarah found the negative, and I sent Golda a couple of prints. She returned one, warmly autographed. It is a momento of our friendship I treasure to this day.

Despite all the personal sacrifices she made in the service of her country and people, despite the toughness and stubbornness to the point of obduracy, which she had to cultivate in her work as politician, diplomat and stateswoman, Golda Meir remained a truly compassionate human being, highly considerate of others in her personal relationships. I shall never forget how assiduously she maintained her long friendship with Meyer and Shirley Weisgal.

In the later years, when Meyer was gravely ill, she visited their home in Rehovoth at least once a week to cheer him up and stimulate his interest in living with reminiscences of the old days and inside news and gossip about current goings-on. She did everything she could to make Meyer's last days tolerable. None of us realized at the time—we did not know it until Golda herself died—that she, too, was mortally ill and was undergoing chemotherapy every week.

Golda Meir spent most of her adult life in the top political echelons of the Zionist movement and the State of Israel, a position which can be very insulating from the attitudes and concerns of ordinary people. But she never lost the common touch. Her abhorrence of war, her longing for peace, were never in the slightest way diluted by considerations of statecraft or policy. Her feelings remained no different in nature or intensity from those of any other Israeli housewife and mother.

Golda lived to see a prime minister of Israel and a president of Egypt sign a peace treaty written very much along the lines she had envisioned in October 1973. For me, the most affecting television pictures of Anwar Sadat's history making visit to Jerusalem in 1977 were those of Golda Meir welcoming a former enemy.

Golda did not live to see the 1982 war in Lebanon, and in a way, I am glad of that. I don't know how she would have borne seeing more than six hundred of Israel's sons required to sacrifice their lives as a result of a war undertaken in deliberate pursuit of a policy, not as a last resort, when there was no other alternative.

There is a family both Golda and I knew whose tragedy may seem extraordinary but is really not that much different from what has happened to so many Israeli families. In two wars, sons were reported missing in action—an air force pilot shot down in 1967 and a crew member in a tank destroyed in 1973. Two times, their father went by himself out to the battlefield to recover the body of his son and bring the remains home for burial.

How much more sacrifice can a Government of Israel demand of families like that? The question has nagged at me off and on ever since my visit to Israel in the wake of the Yom Kippur War. I am sure it was in Golda Meir's mind every time she had to deal with a crisis that might have required military action.

* * *

The establishment of the State of Israel on May 14, 1948, was brought about, in my view, by three factors:

1. *Zionism*—A half century of patient, plodding, laborious effort had resulted, by 1948, in a Jewish community in Palestine of more than 500,000 souls, ready to fight and die, if necessary, for the realization of a free Jewish state.

2. *The Holocaust*—The slaughter of six million Jews weighed heavily upon the conscience of the non-Jewish world, which led to political support for a free Jewish State.

3. *Diaspora Jewry*—The total response of Jews throughout the free world, particularly of the United States, in mobilizing the financial and political support that has continued to be so vital to the strengthening of the State of Israel.

To the hundreds of thousands of Jews—in Palestine, in Europe, in the Diaspora—who contributed so much, I bow in awe and admiration. They truly are the great heroes of our time!

18
In Retrospect

JUNE 10, 1984!

It is ten years to the day that several hundred friends, colleagues and associates honored me at a luncheon at the Delmonico Hotel in New York to mark the end of my active service as executive vice chairman of the United Israel Appeal. It was a gala occasion, hosted by three men with whom I had worked closely for many years—Melvin Dubinsky, Max Fisher, and Jack Weiler.

I remember vividly the many nice things that were said, the warm good wishes and the presentation of gifts that I treasure even more today.

As I walked away that day, I had mixed emotions, of course. I could look back upon thirty five years of service to the Jewish people. I had been fortunate to have participated in some of the most exciting events of this century, leading to the realization of the age-old dream—the reestablishment of the State of Israel. But I was stepping down voluntarily after having achieved a senior rank in the American Jewish professional world.

Ten years later I look back with few regrets. My time had come. The men who succeeded to my responsibilities, Irving Kessler and Harold Goldberg, have done very well. I have had time to do other things and to reflect. This has not been a period of retirement, but rather a change of pace and an opportunity to catch up with myself.

The events of the past decade, in so far as Israel is concerned, have been anything but dull. The work of nation building goes on. Absorption of new

immigrants, expansion of the agricultural and industrial spheres proceed according to plan. Cultural and social development progresses dramatically but the internal political scene is more chaotic than ever. The madness of the Lebanese episode has added to the internal dissension. And peace with Israel's neighbors seems, at the moment, to be more elusive than ever before.

Ever since 1948, I have been of the opinion that only the Jews living in Israel have the right and the responsibility of making the fateful decisions that will determine the future course of her history. But, certainly, that does not preclude Jews in the Diaspora from being concerned and worrying about the security of our people. Is our contribution to be limited to financial matters only? To mobilizing political support when indicated?

Must we also remain silent on matters affecting the Jewish people the world over when internal Israeli political decisions may be politically expedient but divisive and harmful to all of us?

I believe that the interests of Jews everywhere require that a continuous dialogue be maintained between the Jews of Israel and the Jews of the Diaspora—a dialogue which permits the quiet exchange of views and mutual concerns, without impinging upon the sovereign rights of the Jewish state or the individual rights of diaspora Jewry.

What about the American Jewish scene?

Much has happened in the past decade that warrants self-satisfaction. The fund raising process has stood up exceedingly well. The organizational structure has expanded and grown. Jewish federations are no longer "welfare funds" but the central Jewish bodies of their communities. A corps of professional "civil servants" has been created to serve the needs of the community.

But as I look closer, I am dismayed by what I see. The spirit which motivated American Jews to heights of greatness in the trying days of 1939 to 1948 seems to have lessened and even disappeared. The ideological fervor which characterized our leadership then has been replaced in the 1980's by a "business man's approach."

I do not regard the positive fund raising results of the past decade as evidence of a highly motivated community. It is more the result of a combination of factors—good organization, the positive economic stature of American Jews and a habit of giving that goes back forty five years. Should, God forbid, some local disturbance, such as a serious economic depression or unfriendly political pressures, upset the routine, what effect would it have on fund raising? Where is the spirit of sacrifice which marked the early years?

As a member of the boards of several national organizations, I am often invited to meetings, conferences, assemblies, dinners. I attend but go away disappointed and sometimes even dismayed. The meetings are always well—

indeed, too well—organized. They are perfect in form, but sadly lacking in substance.

Meetings today are very businesslike. Too much so. The reports and paper work related to the agenda are overwhelming. The chairman, coached and well prepared, runs the event like a stockholders meeting of a large corporation. Anyone present who dares raise a question or a thought which is not covered in the agenda or pre-meeting preparation is regarded as a nuisance or trouble maker.

Who is to blame for this situation? The current breed of leadership, both lay and professional, have done too good a job. In doing so, they are managing to stifle the spirit and motivation of the American Jewish community.

I yearn for the days when we had leaders like Stephen Wise, Abba Hillel Silver, Louis Lipsky, Nahum Goldmann, Hayim Greenberg, Henrietta Szold, Rose Halprin and so many others. And when we had professionals like Henry Montor, Meyer Weisgal, Moe Leavitt, Joe Schwartz and some others who, by their independence of thought, helped mold American Jewish life.

People used to come to meetings to debate issues, to analyze and consider ideas and suggestions, not to be embarrassed if they were to bring up something new.

Demographic studies published in recent days have warned of the effects of a negative birthrate and galloping assimilation. These are alarming predictions regarding the size and composition of the American Jewish community by the end of this century.

I believe the time has come for a quiet self-examination by American Jews of where we are heading, of what must be done to prepare for the next decade, the next century.

To whom shall we look for leadership and guidance?

The American Zionist organizations as presently constituted, can not provide the leadership and guidance we seek. It is high time they re-examined their own responsibilities in the modern era and the organizational means they should forge to meet these responsibilities. The entire community could well use the ideological strength of the Zionist idea which motivated us in the 1920s, '30s and '40s, but the Zionist organizational set-up is long overdue for an overhauling.

The religious bodies—the synagogues and the rabbinate—leave much to be desired. Perhaps the time has come for them to think of how they ought to take their rightful place in the conduct of the affairs of the community.

And, what about the federations? By their very nature, they are not suited to "take over" the community. Only as long as they confine themselves to their natural role as "service organizations" can they fulfill a necessary function. However, when the federations begin to reach out for control of the

national organizations, they contribute to the demoralization of the community.

I have voiced various concerns. Am I really so pessimistic about the situation, both here and abroad, that I can foresee nothing but doom ahead? No, definitely not.

Looking back in retrospect, I remember how the genius of the Jew lay in his ability to meet a situation and improvise a solution. If one examines the histories of the Joint Distribution Committee, the Jewish Agency for Israel, the United Jewish Appeal, the Anti-Defamation League, and the other national organizations, one sees that each was formed to meet a specific need. They were not created in anticipation of a problem, but only after we, as Jews, were confronted by it.

So it will be in the years ahead.

My most serious concern I have saved for last. It is complacency! That is a malady which cannot be cured by planning or by exhortation. It can be overcome only by the awareness and determination of each of us as individuals.

Just as we in our generation succeeded in preserving our Jewish legacy, so will it be in generations yet unborn. Such is the nature of our faith!

Glossary

Chacham—a wise man; sometimes used sarcastically to denote a "wise guy"
Chaver—comrade; friend
Erev Shabbat—on the eve of the sabbath
Haganah—literally, "defense"; refers to the Jewish self-defense force in Palestine prior to statehood
Kibbutzim-collective agricultural settlements
Kohanim—high priests
Landsmanshaften—organizations of immigrants from individual towns and cities who have gotten together for self-help and various types of assistance
Mishlachat—secretariat; office of emissaries
Pushkes—charity collection boxes
Shiva—literally, the number seven; "sitting shiva" refers to the mourning period for the dead
Shlichim—emissaries
Shtetel—a small Jewish village or settlement in Eastern Europe
Sochnut—The Jewish Agency
Technishe Frage—technical question
Technishe Kraft—technical skill
Tzeneh—austerity
Ulpanim—hebrew schools
Yeckeh—a colloquial term for a Jewish immigrant to Palestine from Germany
Yiddishkeit—Jewish culture
Yishuv—The Jewish community in Israel

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