Morton Mayer Berman

THE BRIDGE TO LIFE



THE SAGA OF KEREN HAYESOD 1920-1970

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CONTENTS

		page
FOREWORD. By Dr. Israel Goldstein		4
AUTHOR'S ACKNOWLEDGEMENT		5
I	A PEOPLE AND ITS LAND	7
II	THE TOOLS AND THE TASK	11
III	GROWING PAINS	22
IV	THE RACE AGAINST THE SWASTIKA	34
V	WAR AND HOLOCAUST	43
VI	TOWARDS THE JEWISH STATE	48
VII	ISRAEL REBORN	59
VIII	THE MOST MASSIVE IMMIGRATION	65
IX	THE EXODUS BEGINS FROM NORTH AFRICA	71
X	A TIME FOR ABSORPTION	78
XI	THE RISE AND FALL OF IMMIGRATION	83
XII	THE SIX DAY WAR	91
XIII	THE CRUCIAL YEARS	96
XIV	KEREN HAYESOD'S GOLDEN JUBILEE	102
TABLES		109
SOURCE MATERIAL		112

FOREWORD

Fifty years is a short span in the life of an ancient people. In the history of Herzlian Zionism, however, aimed at the rebuilding of Jewish Statehood by the Jewish people, with the endorsement of the international community, these fifty years represent a span of major import. Therefore, the Jubilee year of Keren Hayesod (Foundation Fund), which has served as the principal fund-raising instrument in the epic of the rebuilding of the Jewish National Home, is a noteworthy milestone.

Thus 1970, the Jubilee year of Keren Hayesod has been eventfully marked in the calendar of the Jewish people in Israel and throughout the world.

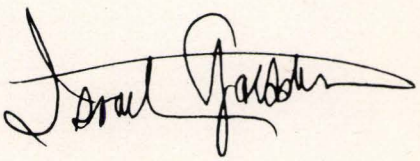
Events are transient. The written word is permanent. The record of Keren Hayesod, presented herewith, in words and in accompanying illustrative material, will, it is hoped, be regarded as a useful record of a great undertaking by the Jewish people.

Dr. Morton M. Berman, who has written this record as a labour of love, has had the qualifications of more than a decade of successful experience as director of the Department for English-Speaking Countries in the Head Office of Keren Hayesod, and father of the Keren Hayesod Special Projects programme, and as one of the dedicated leaders in American Jewry before his aliyah to Israel. The author's problem has been that of condensing "multum in parvo". We believe he has successfully conveyed the essence of the facts and of the drama behind the prosaic facts. And we are grateful.

Mr. S. J. Kreutner, director general of Keren Hayesod, has been most helpful in all the stages of this work.

We extend our acknowledgement and thanks to Mr. Yitzhak Rogow, head of the Information Department of Keren Hayesod, who has rendered valuable assistance and advice in the preparation and publication of this anniversary volume.

May Keren Hayesod and Israel which it serves, go from strength to strength with every successive milestone.



ISRAEL GOLDSTEIN
Chairman, Keren Hayesod

JERUSALEM
October 1970, Tishri 5731

AUTHOR'S ACKNOWLEDGEMENT

I am indebted deeply to a number of people for their help in making this book possible. It was Dr. Goldstein who first stressed the need of recording the history of Keren Hayesod to mark its Golden Anniversary and to serve as a source of inspiration for this and future generations of workers and contributors. When I accepted his invitation to write Keren Hayesod's saga, I remembered gratefully what the late Yehuda Liss, KH's Press director, had told me, that this story could best be understood only against a background of Zionist and general Jewish history. I have drawn much from Dr. Goldstein's vast knowledge of Keren Hayesod, which he has accumulated from the day, fifty years ago, when he responded to Dr. Chaim Weizmann's call to share in building that Zionist instrument in the United States.

Others also provided invaluable help. Mr. S.J. Kreutner displayed sound judgement and a deft hand in helping me to cut the original text to budgeted proportions and proffered many useful suggestions. Mr. Yitzhak Rogow gave me his unfailing assistance in every respect. Dr. Raanan Weitz, head of the Agency's Agricultural Settlement Department; Mr. Abraham Cygel, former head of the Absorption Department; and Mr. Yehuda Dominitz, deputy director of the Department of Immigration and Absorption, made available most useful data. Dr. Michael Heymann, a director of the Central Zionist Archives, was an ever ready source of information. Mr. Shmuel Sheharia of KH's Information Department supplied hard-to-find facts. Miss Rona Hart proved a devoted secretary. My wife, Elaine, was a long-suffering helpmeet throughout the writing of this history.

However, this work would not have reached the reader's hand in this season were it not for the selfless commitment and tireless effort of Mr. Denis Shifrin, its publisher, whose skill in editing, talent in book-making, and artistry will be readily seen. I express gratitude finally to the countless contributors to Keren Hayesod and the United Jewish Appeal, whose generosity indeed built "the bridge to life" on which nearly two million have made their Return to Zion, where they might know the blessings which dwelling in Zion affords, among which we hope at some early day will be the choicest of all – peace.

MORTON MAYER BERMAN

JERUSALEM
October 1970, Tishri 5731


Theodor Herzl
27 V 903
Herman u Strauss
Wien. 27. Mai 1903

CHAPTER I

A PEOPLE AND ITS LAND

The history of Keren Hayesod is an inseparable part of the longer narrative of a people which for four millennia has clung to its land with fierce tenacity. Title to it rested initially in the Divine promise to the Hebrew Abraham that that Land would be his descendants' everlasting possession. His progeny confirmed their title by their unquenchable love of the Land, from which in spite of expulsion and dispersion they were never totally absent. In the Promised Land, Canaan, whose boundaries were extended and which became lovingly known as Eretz Israel, the Land of Israel, the Children of Israel evolved their social, cultural, ethical and spiritual legacy, which they enriched in the course of their history.

Wars, massacres and persecution reduced sharply at times the Jewish people's numbers. However, these trials only deepened its love for the Land and strengthened, in exile, its hope for Return to Zion. Every decision for Return was not merely a reaction to an immediate cause or situation, but at the same time a response to the Jew's love of Zion and his hope for Return, which had become an integral part of his legacy. Born of such a union was the decision of the First Zionist Congress in Basle in August 1897 to adopt the revolutionary aim of its convenor, the founder of political Zionism, Theodor Herzl (1860–1904), "to seek for the Jewish people a publicly recognised, legally secured homeland in Palestine."

"Fantastic" and "Impracticable"

Vast sums would be required to carry out the programme adopted at the Congress. That programme, which would in larger outlines later become Keren Hayesod's concern, embraced colonisation of Palestine, organisation of world Jewry, the strengthening of national consciousness through cultural work, and securing the agreement of governments for the fulfilment of the Zionist aim. This last task Herzl made his priority. Before the Congress met he had approached the Turkish Government for a charter for Palestine in return for financial assistance which he hoped rich Jews would supply to Turkey, the "Sick Man of Europe", to save that Empire from bankruptcy and dissolution.

Herzl's efforts at winning the support of Jewish bankers to a cause not to their liking had been futile. In June 1895 he had met with Baron Maurice de Hirsch (1831–1896), founder of the Jewish Colonisation Association (ICA), in the hope of securing his leadership in a movement for the solution of the Jewish question, for which Herzl offered two proposals, one of which called for the migration of Jews to a "sovereign state", the location of which Herzl had not yet determined. The Baron had called his ideas "fantastic", and Herzl had departed, chiding himself for failure to persuade him.

In July 1896 Herzl had made his appeal to Baron Edmond de Rothschild (1845–1934) and offered him the leadership of the Zionist movement which Herzl was in the process of shaping. This was after the appearance of his *Der Judenstaat (The Jewish State: An Attempt at a Modern Solution of the Jewish Question,* February 1896) and the initiation of negotiations with the Turkish Empire. The plan, the Baron had declared, was "impracticable". He had said "no" bluntly to both the appeal and the offer. He would proceed with his slow-paced colonisation in Palestine as against Herzl's scheme for large-scale immigration after political and legal guarantees had been secured. Their quest, the Baron had warned, could put an end to all his endeavours to settle Jews in the Land.

"Organise the Masses!"

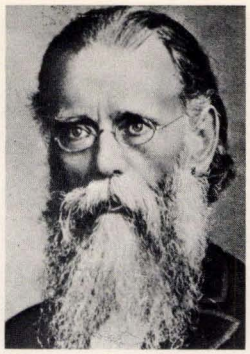
This rebuff from the Baron had left Herzl with no hope of support from rich bankers, not to speak of securing their assistance in establishing the Jewish Company with capital of $250,000,000, which he had projected in *The Jewish State.* By now he had been convinced that he could rely only on the masses who had demonstrated their devotion and had hailed him as "Moses", "King", and "Redeemer", all appellations that he had rejected. He had felt, too, that he could rely on the young people who, on occasions of deep disappointment and frustration, had urged him to go forward. To David Wolffsohn (1856–1914), a successful businessman of Cologne, Germany, who would succeed him as president of the World Zionist Organisation, Herzl had sent word: "My answer to Rothschild is, begin organising at once."

"A State-in-the-Making"

At the First Zionist Congress, Theodor Herzl created a "State-in-the-Making", which, he wrote in his *Diaries,* would come into being if not in five years, then in fifty. In the World Zionist Organisation, established on this occasion, the age-old aspiration of the dispersed people to achieve national renaissance found instruments to make the Jews at long last a people "on its way home." The Congress became the Parliament. It elected a President, an Executive and a Council — all attributes



David Wolffsohn



Hermann Schapira



Chaim Weizmann



Jewish Colonial Trust Founders Shares Certificate.



Leon Motzkin



Ahad Ha-am



Max Nordau



Israel Zangwill

Israel Zangwill (1863–1926), after rejection of Uganda, founded the unsuccessful Jewish Territorial Organisation. He later rejoined the Zionist movement.

of a full-fledged national democracy. The First Congress did not set up adequate fund-raising machinery to fulfil the Zionist aim. It called for the voluntary payment by every Jew who accepted the Basle programme of a shilling—a franc—a quarter—20 kopeks, each worth about 25 cents. A suggestion was made by Professor Hermann Schapira (1840–1898), a rabbi turned mathematician, to establish a fund to buy land in Palestine which would remain the inalienable property of the Jewish people and on which Jews would be settled. Four years later Keren Kayemet le-Israel, the Jewish National Fund, was created at the Fifth Zionist Congress in Basle (1901).

The first attempt to raise large sums to implement the Zionist programme resulted from a proposal that Herzl made at the Second Congress at Basle in 1898 to establish the Jewish Colonial Trust. The Trust was formed and registered in London in 1899 as a chartered company with authorised capital of $10,000,000, a goal which was never reached. In thirty-odd years its capital amounted to $1,975,000. Hard hit in World War I and again in the Great Depression which followed the American stock market crash in 1929, the Trust fell upon bad times. In 1934 it was converted into a holding company and its debts of $2,400,000 were taken over by the Anglo-Palestine Bank (established by Herzl in 1902 as the Anglo-Palestine Company to engage in banking business in Palestine; after 1951 it became the Bank Leumi le-Israel Ltd.). The Bank itself had been strengthened in the 1927 depression when the Keren Hayesod turned over to it its investments of $820,000 in the Palestine Electric Corporation (later called the Israel Electric Corporation), Palestine Potash Ltd. (now Dead Sea Works) and the General Mortgage Bank, all companies which Keren Hayesod had shared in founding. The Jewish Colonial Trust gave to the Anglo-Palestine Bank its entire portfolio of loans and advances amounting to $2,800,000. Most of the loans were designated as "dubious".

Practical versus Political Zionism

Herzl's relentless political endeavours to secure a charter for Palestine moved the practical Zionists to protest against his "diplomatic activity". They had organised themselves into the Democratic Zionist Fraction, which included men like Chaim Weizmann (1874-1952), scientist and first President of the State of Israel; Leon Motzkin (1867–1933) who from 1925 to 1933 would be chairman of the Zionist General Council; and Berthold Feiwel (1875–1937), who would become in 1920 Keren Hayesod's first managing director. These Zionists insisted on more practical work in Palestine, more democratic leadership, more youth work and "Gegenwartsarbeit", day-to-day work, to interest Diaspora Jews in their people's culture, as Ahad Ha-Am (1856–1927), who gave primacy to Jewish spiritual and cultural renaissance, advocated.

Despite his tireless, self-sacrificing efforts, Herzl did not

succeed in securing a charter for Palestine. At best he was favoured by the British Government with two fruitless offers for Jewish settlement: one in the arid El Arish area in the Sinai Peninsula (1902), where Egypt's refusal to supply water disposed of the project, and another with autonomy in Uganda, East Africa (1903), which Max Nordau (1849–1923), Herzl's most faithful colleague, described as only a "Nachtasyl", a temporary shelter for desperate, persecuted Jews. The Uganda scheme was so violently opposed at, and after, the Sixth Zionist Congress in Basle (1903) by those who would not accept even a temporary asylum as a substitute for Zion that Herzl was finally reconciled to its rejection, which took place at the next Congress.

Herzl was felled by a heart attack and died on July 3, 1904. He was buried at his father's side in Vienna pending the day he would be reinterred, as he had willed, in the State of which he had dreamed and for which he had died. In 1949 his remains were brought to Israel for burial on the hill in Jerusalem that bears his name, Mount Herzl.

The First Pioneers

Immigration to Palestine had begun before Herzl's appearance on the Jewish scene. The first of the pioneers had been the Biluim and the Hovevei Zion ("Lovers of Zion"), members of the Hibbat Zion ("Love of Zion") movement. The movement flourished in Russia, Poland, Lithuania and Rumania and spread to other lands. It had been devotedly led by Leon Pinsker (1821–1891), author of *Auto-Emancipation* (1882), published a year after the pogroms in scores of Russian towns. Between 1882 and the end of 1903, 25,000 Hovevei Zion, constituting the First Aliyah (Hebrew for ascent, a wave of immigration), came to Palestine. An equal number of Jews were then living in the country. Jews were at that time in the majority in Jerusalem and have remained so till this day. During the period of the First Aliyah 24 settlements had been founded, the first of which was Rishon Le-Zion (1882). Petah Tikvah (1878) had preceded it, but was virtually dissolved when the Hovevei Zion re-established it in 1883. Seven Hovevei Zion settlements were saved from total collapse by the financial assistance of Baron Edmond de Rothschild, known as the "Father of the Yishuv". His generosity also made possible the creation of new settlements for this Aliyah. The farm population at the end of 1903 was 5,800.

The Second Aliyah began to arrive in 1904, the year of Herzl's death, mainly from Russia and Poland, both then under Czarist rule. During this wave of immigration until World War I, in 1914, 35,000 settled in Palestine. Among these pioneers were David Ben-Gurion (Gruen, 1886–), Architect of the State of Israel and its first Prime Minister; Yitzhak Ben-Zvi (Shimshelevitz, 1884–1963), second President of the State, and Yosef Sprinzak (1885–1959), first Speaker of the Knesset (Parliament). These pioneers implanted in the Land their ideals of self-labour, mutual aid and the co-operative life, which shaped the character of the future State. Most of these halutzim (pioneers) stayed in the cities and towns, and many shared in laying the foundations of Tel Aviv, the first Jewish city, in 1909. Others established collective settlements in the north and the Jordan valley, such as Kinneret (1908) and Degania (1909), "Mother of Kvutzot." From 1904 through 1914 this Aliyah established 23 settlements. The farm population had doubled since 1903.



Leon Pinsker



Baron de Rothschild



Rishon Le-Zion in 1890 (eight years after its founding).



Petah Tikvah (1878) as seen in 1912. Population today–80,000.



1



2



3

1. David Ben-Gurion
2. Yitzhak Ben-Zvi
3. Yosef Sprinzak
4. Vladimir (Zeev) Jabotinsky
5. Joseph Trumpeldor



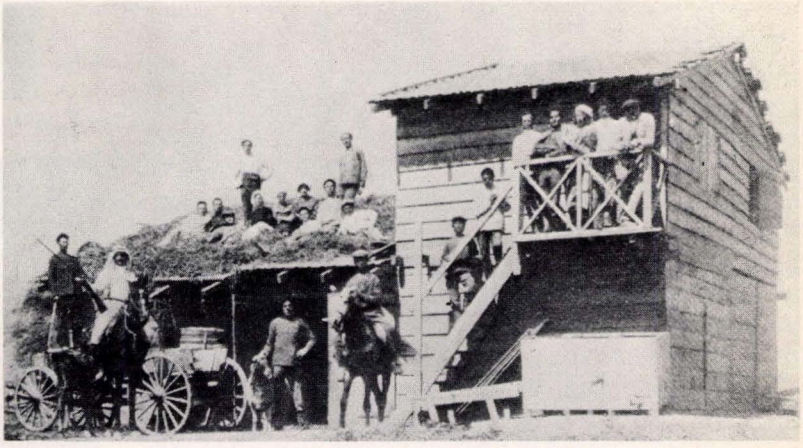
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5



Above: Sand dunes on which Tel Aviv was built. Lots were cast for plots (1909).
Below: Degania – Mother of Kvutzot (1909). First house built.









Left to right: Justice Louis D. Brandeis and Rabbi Stephen S. Wise. President Woodrow Wilson. Arthur James Lord Balfour and Dr. Weizmann.

CHAPTER II

THE TOOLS AND THE TASK

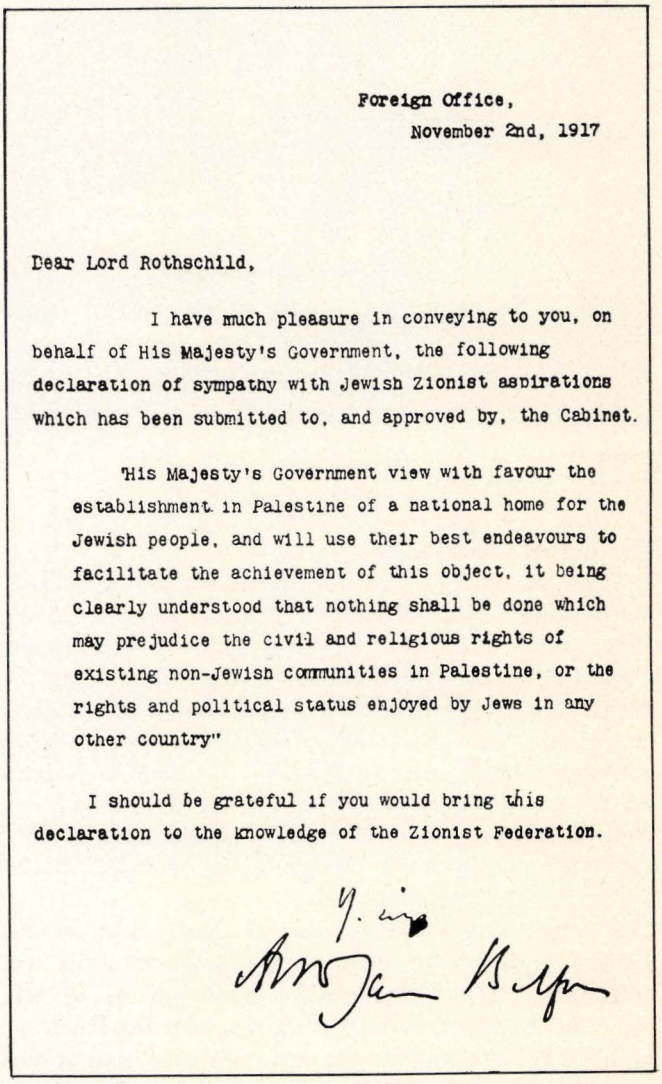
World War I (1914–1918) disrupted life in Palestine. Its Jewish population was reduced from 85,000 to 55,000. War brought with it oppression by the Turks, exile for thousands at their hands, starvation, disease and death until relief came. Aid was provided first by the Zionists of the United States. The decision to speed succour was made at the Organising Conference of the Provisional Executive Committee for Zionist Affairs on August 30, 1914. The Conference elected as its chairman Louis D. Brandeis (1856–1941), who would be Supreme Court Justice in 1916. Brandeis was 55, when Jacob de Haas (1872–1937), Herzl's London secretary, brought him to Zionism. Under his leadership an emergency campaign raised more than $1,350,000 in eighteen months. The American Jewish Joint Distribution Committee (JDC, often called "Joint"), with which the Zionists co-operated, allocated $2,257,274 for relief in Palestine during the four war years. After the war, until Keren Hayesod formally entered upon its work in 1921, JDC spent an additional $3,315,550.

The Jewish Legion

Jews in Palestine were determined to assist the Allies in the hope that their part in achieving victory would bring them an independent state. Vladimir (Zeev) Jabotinsky (1880–1940) persuaded the British to permit the organisation of a Jewish military force. The dauntless Joseph Trumpeldor (1880–1920), a Russian army veteran, recruited Jews who had taken refuge in Egypt for the Zion Mule Corps, which served in Gallipoli during 1915–1916. It was not until 1917 that the British War Office yielded to Jabotinsky's request for the formation of a Jewish Legion to defend Palestine itself. Five thousand Jews from abroad volunteered and served under General Allenby, the liberator of the Land.

The Balfour Declaration

World War I kindled the hope for a Jewish State. Chaim Weizmann, after consultation with his Zionist colleagues and with the assistance of leading British statesmen, among them, Lloyd George and Arthur Lord Balfour, won from the British government agreement to a declaration favouring the establishment of a Jewish national home. Its issuance was made conditional on the approval of America, Britain's ally. The endorsement was secured from President Woodrow Wilson by Louis D. Brandeis, then Supreme Court Justice, working together with Rabbi Stephen S. Wise (1874–1949), Brandeis' successor as chairman of the Provisional Executive Committee, a founder and president of the American and World Jewish Congress. The Balfour Declaration was formulated in a letter addressed to Lord Rothschild (Walter, 1868–1937), Honorary President of the British Zionist Federation, bearing the date of November 2, 1917. It read:



Foreign Office,
November 2nd, 1917

Dear Lord Rothschild,

I have much pleasure in conveying to you, on behalf of His Majesty's Government, the following declaration of sympathy with Jewish Zionist aspirations which has been submitted to, and approved by, the Cabinet.

'His Majesty's Government view with favour the establishment in Palestine of a national home for the Jewish people, and will use their best endeavours to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine, or the rights and political status enjoyed by Jews in any other country"

I should be grateful if you would bring this declaration to the knowledge of the Zionist Federation.

Yours sincerely,
Arthur James Balfour

Chaim Weizmann had turned Herzl's vision into reality by securing from the British Government public recognition of the Jewish right to a homeland in Palestine.



Chaim Weizmann and Nahum Sokolow. *Below:* Jechiel Tschlenow. By L. Pilichowski, London, 1915.

The Zionist Commission

In 1918, just two months after the issuance of the Balfour Declaration, Chaim Weizmann, Nahum Sokolow (1860–1936), writer and future president of the World Zionist Organisation, and Jehiel Tschlenow (1864–1918), Russian Zionist leader, proclaimed a Preparation Fund, Keren Hakhanah, with a quota of $1,000,000. The total amount collected came to $650,000 of which 40 percent was given by American Jews, who at that time were contributing generously to the JDC for the relief of war-stricken Jews in Europe, though a part of its collections did go to aid Palestinian Jews.

The Preparation Fund was put at the disposal of the Zionist Commission which the British Government had authorised. The Commission, made up of Jewish representatives from Allied countries, reached Palestine in April 1918. It was "to act as an advisory body to the British Authorities in Palestine in all matters relating to Jews, or which may affect the establishment of a National Home for the Jewish people in accordance with the Declaration of His Majesty's Government." The Commission's chairman was Dr. Weizmann and its secretary, Israel Moses Sieff (Lord Sieff of Brimpton, 1889–), British merchant and later a builder of the Keren Hayesod. Dr. Montagu David Eder (1866–1936), a British psychologist, succeeded Dr. Weizmann as chairman. The former's place was filled in 1919 by Menahem Mendel Ussishkin (1863–1941), who would serve as chairman of the Jewish National Fund from 1923 until his death. Major Ormsby-Gore (later Lord Harlech) was the British liaison officer.

A second fund was proclaimed in July 1919, called the Restoration Fund (Keren Geulah). This fund collected $3,770,000. In this campaign American Jewry raised 50.6 percent. The South African community of 60,000 Jews distinguished itself by contributing 15.2 percent. The Zionist Commission used these funds to put people to work, to assist the settlements seriously affected by the war, to enable immigrants to come despite British military restrictions and to cover the cost of education and health.

Clear signs of British obstruction appeared at a very early stage. One such sign was the authorities' rejection of the Zionist Commission's plan to establish an independent Jewish defence force recruited from among veterans of the Jewish Legion. Here was an ominous augury, among others, of future British disregard of her obligations to the Jews. Because of increasing denial of Jewish rights and growing partiality to the Arabs, the latter would be able to say later "the Government is with us", whenever they struck at Jews.

The First Arab Riot

It soon became clear that the nationalist Palestinian Arabs were not prepared to respect the Balfour Declaration. They feared that the Mandate would be entrusted to Great Britain in April 1920 at the San Remo Conference of the Principal Allied Powers. On February 29, 1920 Arab marauders attacked Jewish settlements in northern Galilee and in the assault upon Tel Hai killed Joseph Trumpeldor and seven valiant comrades, two of whom were young women. The Arabs were determined to create a situation that would deter the Allies from assigning a Mandate ensuring a Jewish homeland. On April 2, the day on which the Arabs celebrated the festival of Nebi Musa (Prophet Moses), the Arabs demonstrated against the Jews in Jerusalem. Two days later Arab rioting broke out, causing loss of six Jewish lives, wounding of 200, and looting of property.

Jabotinsky, who had organised and led a self-defence unit, was arrested together with twenty of its members. He was sentenced to 15 years' imprisonment with hard labour, and released only after strong pressure on London. The chief instigator of the pogrom, Haj Amin Effendi el Husseini, who would later support the Nazi war of genocide against the Jewish people, was sentenced to ten years with hard labour. While out on bail, Husseini



General Allenby liberating Jerusalem.



Menahem Ussishkin



Sir Herbert Samuel





Left: Zionist Commission (1918) and others. *Front row, left to right:* Lieutenant Edwin Samuel, Major Ormsby-Gore, Dr. Weizmann, Captain James de Rothschild... *Second row, second from left (in white suit):* Israel Sieff. *Third row, second from left (in grey suit):* Montagu David Eder, Dr. Weizmann's successor as chairman. *Right:* A Shomer, ("Guardsman").

fled to Amman and was shortly thereafter amnestied by the first British High Commissioner, Sir Herbert Samuel (later Viscount, 1870–1963), who had in 1914 asked his Government to consider a Jewish homeland under its protection, and who took office in Palestine in July 1920. Haj Amin's appointments as Grand Mufti and President of the Supreme Moslem Council would soon be approved by the High Commissioner.

One gain of historic significance in 1920 was the creation of the Haganah, the Jewish Civilian Defence Movement which succeeded the "Shomrim", the "Guardsmen" of early years. Jews in Eretz Israel would now be capable of defending themselves at all times and, ultimately, would organise in 1948 the Israel Defence Forces (Zva Haganah le-Israel — Zahal).

Hour of Decision

The hour of decision had long been overdue for the World Zionist Organisation to create an institution to provide ample financial resources for laying sound foundations for the Jewish national home. The San Remo Conference had invested Great Britain with the Mandate to put into effect the Balfour Declaration. This decision would be approved in 1922 by the League of Nations (effective 1923). There was need for immense amounts of money "to enable immigration to begin without delay, and to provide for the economic development of the country to the advantage of its Jewish and non-Jewish inhabitants". Conditions in Palestine and Europe brooked no postponement. The Arab riots had emphasised the need of strengthening the Jewish position in Palestine to demonstrate the unshakeable determination of the Yishuv (Jewish community) and the Jewish people to go forward with the upbuilding of the national home. Even more compelling was the tragic Jewish plight in Eastern Europe. In revolution-torn Russia, Jews were the victims of Black, White and Red Russians. In pogroms in Poland Jewish businessmen were slaughtered and the rest of the Jewish population was the prey of the pogromists and hooligans. No time could be lost in rescuing them and providing them with a home in Palestine.

The London Zionist Conference

The last Zionist Congress had met in Vienna in 1913. When the Zionist Conference convened in London in July 1920, many matters were pressing for immediate consideration. None was more urgent than the creation of a financial instrument to carry out Zionist aims. The groundwork for its creation to provide the means for "inaugurating on a large-scale systematic immigration and colonisation work in Palestine had been prepared by a committee representing all Zionist federations and unions". Its chairman was Julius Simon (1875–1969), an economist, who would later head the Palestine Economic Corporation. Three proposals issued from the committee's deliberations. The first called for a National Loan. The Conference rejected it, since "an appreciable part of the funds collected for the purpose of immigration and colonisation would have to be spent on objects from which no return could be expected... (and) the regular payment of interest which a loan requires could not be guaranteed." It was also felt that Zionists at large were not capable of loaning money in substantial amounts. The experience of the Jewish Colonial Trust corroborated that feeling.

The second proposal before the Zionist Conference involved private initiative, that Jews be asked to invest in a financial institution which would operate on sound economic, business-like principles and procedures. Justice Louis D. Brandeis maintained that the institution should supply loans to immigrants to enable them to engage on a private basis in agriculture, industry, trade and any other productive enterprise. Expert guidance would be given to the borrower to help him make his undertaking profitable, thus enabling him to meet all his obligations. He therefore rejected the third proposal which called for the collection of donations. He equally opposed combining in one institution, as had been suggested, the raising of funds through both investment and donations. He insisted further that national and other Zionist organisations should finance their own special projects.

Dr. Weizmann supported the third proposal for the collection of donations with no financial return to the



London Zionist Conference (July 1920), where Keren Hayesod was created. Justice Louis D. Brandeis presiding; *at his left*: Nahum Sokolow; *at his right*: Menahem Ussishkin.

donor. He contended that no Jew would invest until improved economic conditions in the Land justified his investment. Zionism was a national pioneering enterprise. The Zionist movement was built by the masses and they must not be denied a role in building the Jewish national home. The institution which the World Zionist Organisation should establish must seek national capital which all the people and not just the rich would help to create.

The Compromise

A compromise resolution for "the establishment of the Foundation Fund (Keren Hayesod)" was introduced by Isaac Naiditsch (1868–1949), a Russian-French industrialist, who together with Dr. Weizmann and Nahum Sokolow had initiated the effort to create it. The resolution was adopted. All American delegates except three and a number from Germany, Austria and West European countries voted against it.

The resolution required Keren Hayesod to appeal "to the whole Jewish people", Zionists and non-Zionists alike, for the support of both "work of a predominantly social character" without return for the donor and "investments of a productive character" bearing interest for the contributor. A subsequent Zionist Congress decision eliminated the payment of interest. All income from investments then went to Keren Hayesod to increase its resources for the upbuilding of the homeland. Contributions to Keren Hayesod were to be inspired by the traditional practice of giving "ma'aser" or a tithe, a tenth of one's income and capital. The appeal for the tithe "is held up as an example," and not as a rule. The example was followed by some communities, notably that of Germany. Awareness of the economic condition of those in whom the love of Zion was strongest prompted Keren Hayesod's Board from the beginning to recommend for those incapable of giving the tithe a fixed minimum gift which was graded on the basis of the donor's income. The fixed minimum was adopted in 21 of the 41 countries where Keren Hayesod organised committees in its first year. It entitled the donor to certain rights and privileges as set forth in the resolution.

The Foundation Fund.

Mr. Naiditch introduced the following resolutions for the establishment of the Foundation Fund (Keren Hajasod):—

I.

The Zionist Conference, appreciating the historic importance of the moment, and realising that the energy of the whole Jewish people must be concentrated on the immense task of the rebuilding of Erez Israel, hereby resolves:—

1. An immigration and colonisation fund is to be created under the name of Keren Hajasod. This fund is to have a definite status as a legally constituted body.

2. This Conference fixes the amount of £25,000,000 as the basis required for the building up of the Jewish National Home in Palestine. This amount should be secured within one year. This Conference issues a solemn appeal to the the whole Jewish people to do its duty and to secure the raising of the Keren Hajasod by an extraordinary offering of capital and income. The National Institution of the Maaser (tithe) is held up as an example.

3. A certificate is to be issued for the amount of each contribution to the Keren Hajasod.

4. At least 20 per cent. of the funds collected by the Keren Hajasod shall be given to the Jewish National Fund.

5. Of the further funds collected not more than one-third shall be spent in current expenditure for education, social welfare, immigration, and similar purposes in Palestine for the building up of the Jewish National Home, while at least two-thirds are to be invested in permanent national institutions or economic undertakings.

NOTE I.—No part of this fund will be used for the administration expenses of the Zionist Organisation.

NOTE II.—No assistance or loan shall be given to private undertakings from this Fund, except in so far as purposes of public utility are thereby served.

6. An account of the income and expenditure of this Fund shall be rendered and published annually.

7. The holders of certificates will participate in the administration of the Fund and in the revenue of the economic undertakings established by the Fund. The suitable form for such participation is to be determined by the Executive subject to the provision that the rate of interest on the productively invested capital must not exceed a reasonable return.

II.

For the raising of the Keren Hajasod on a national scale the sacrifice and co-operation of all classes of the Jewish people is required. The Zionist Conference therefore proclaims it to be the duty of every member of the Zionist Organisation to offer his services for the period of one year and to place them at the disposal of the Executive.

III.

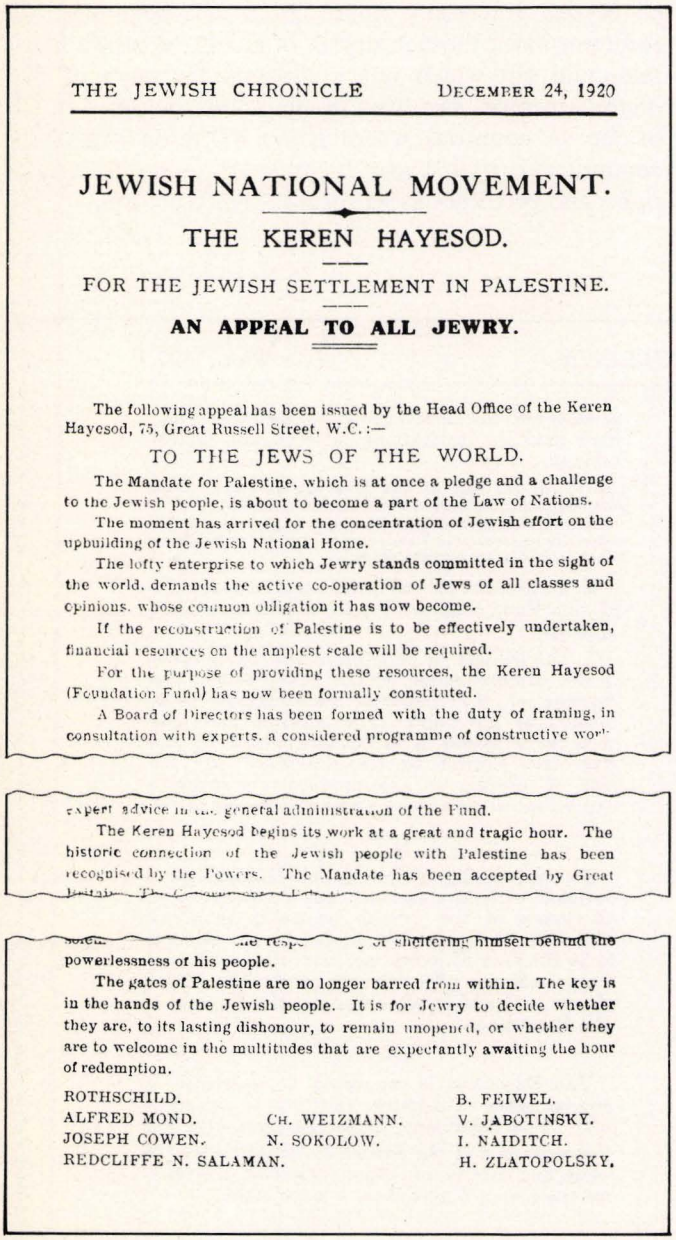
The Executive is requested to establish a special office in London, the duty of which it will be to determine, in co-operation with the Federations and the Jewish National Fund, the ways and means of organising the campaign for the Keren Hajasod on a large scale.

The Resolution establishing Keren Hayesod (July 1920).

The Principle of Voluntary Taxation

No power was vested in the World Zionist Organisation to compel a man to contribute on any level. The stress was consequently laid on the principle of voluntary self-taxation, clearly and eloquently expressed in the First Keren Hayesod Manifesto (December 1920):

> "No casual charity will suffice. The exceptional effort which is called for today must take the form of self-taxation — steady, persistent, systematic, inspired by the noble tradition of the tithe. There is no State. The appeal that is about to be made is to the Jewish conscience, and is justified by no power or compulsion; but no Jew worthy of the name will, at this solemn moment, take the responsibility of sheltering himself behind the powerlessness of his people."



THE JEWISH CHRONICLE DECEMBER 24, 1920

JEWISH NATIONAL MOVEMENT.

THE KEREN HAYESOD.

FOR THE JEWISH SETTLEMENT IN PALESTINE.

AN APPEAL TO ALL JEWRY.

The following appeal has been issued by the Head Office of the Keren Hayesod, 75, Great Russell Street, W.C.:—

TO THE JEWS OF THE WORLD.

The Mandate for Palestine, which is at once a pledge and a challenge to the Jewish people, is about to become a part of the Law of Nations.

The moment has arrived for the concentration of Jewish effort on the upbuilding of the Jewish National Home.

The lofty enterprise to which Jewry stands committed in the sight of the world, demands the active co-operation of Jews of all classes and opinions, whose common obligation it has now become.

If the reconstruction of Palestine is to be effectively undertaken, financial resources on the amplest scale will be required.

For the purpose of providing these resources, the Keren Hayesod (Foundation Fund) has now been formally constituted.

A Board of Directors has been formed with the duty of framing, in consultation with experts, a considered programme of constructive work

expert advice in the general administration of the Fund.

The Keren Hayesod begins its work at a great and tragic hour. The historic connection of the Jewish people with Palestine has been recognised by the Powers. The Mandate has been accepted by Great Britain.

[illegible] of sheltering himself behind the powerlessness of his people.

The gates of Palestine are no longer barred from within. The key is in the hands of the Jewish people. It is for Jewry to decide whether they are, to its lasting dishonour, to remain unopened, or whether they are to welcome in the multitudes that are expectantly awaiting the hour of redemption.

ROTHSCHILD.
ALFRED MOND. CH. WEIZMANN. B. FEIWEL.
JOSEPH COWEN. N. SOKOLOW. V. JABOTINSKY.
REDCLIFFE N. SALAMAN. I. NAIDITCH.
H. ZLATOPOLSKY.

The First Keren Hayesod Manifesto (December 1920).

As to the distribution of funds, the proportions were altered when conditions changed, such as a sharp increase in immigration and in requirements for absorption and a more pressing need for defence. Thus, for example, the Jewish National Fund (JNF) which had been allotted 20 percent of the total collections received at times as much as 50 percent and at other times no allocation at all but a subsidy from Keren Hayesod authorised by the Congress or Executive to supplement the JNF's traditional collections. The basic agreement entered into by Keren Hayesod and the Jewish National Fund on October 22, 1920 was never essentially altered. By its terms the JNF was free to continue its traditional collections, e.g. boxes, collections on holidays, gifts of trees and land, Golden Book inscriptions, etc., but the following stipulation was made:

> "The collections for workmen's settlements and co-operative funds shall be suspended. The Jewish National Fund undertakes no special collections during the period of activity of the Keren Hayesod, and will only start fresh organising work for the Jewish National Fund in those countries where agreement has been come to with the Keren Hayesod (sending of special propagandists)."

The optimistic time limit of one year to reach the goal of £25,000,000, or $110,000,000, was changed to five years on sober reflection by the provisional Board of Directors which the Zionist Executive established on October 22, 1920.

Keren Hayesod's operations began in temporary quarters in London immediately after the Conference. On September 24, 1920 the Zionist Executive issued its *Manifesto* proclaiming that "the Keren Hayesod will appeal to the Jewish people to make their supreme offering and sacrifices for the building of the Jewish Palestine." Signatories to this historic document were Chaim Weizmann, Nahum Sokolow, Menahem Mendel Ussishkin, Julius Simon and Nehemia de Lieme (1882–1940), chairman of the Dutch Zionist Federation. In October 1920, Keren Hayesod's Head Office was formally opened at the famous address 75–77 Great Russell Street, London, which also became the seat for the conduct of Zionist affairs by Dr. Weizmann, president of the World Zionist Organisation, and the Executive of which Nahum Sokolow was chairman.

Central European Branch

Simultaneously the Branch of Keren Hayesod for Central Europe was established in Berlin with responsibility for organisation and propaganda in Central and Eastern Europe. Its director was Dr. Arthur Hantke (1874–1955), who upon the transfer of the World Keren



Dr. Arthur Menahem Hantke and Betty Frankenstein, Zionist Federation administrative secretary in the Berlin office of the Central European Branch (early 1920s). *In background:* Robert Weltsch, editor, Juedische Rundschau.

Hayesod to Jerusalem in 1926 would become its co-managing director with Leib Jaffe (1876–1948), author and delegate to the First Zionist Congress. Dr. Hantke's associates in Berlin were Kurt (Yehuda) Blumenfeld (1884–1963), a lawyer, who devoted himself from youth to Zionism and in 1933 settled in Palestine where he joined Keren Hayesod's management, and Julius Berger (1883–1948), director of organisation and finance during David Wolffsohn's presidency of the World Zionist Organisation. Berger also settled in Palestine and continued to serve Keren Hayesod. Two laymen who shared in the building of the German Keren Hayesod were the non-Zionist Oskar Wassermann (1869–1934), a banker, first president of Keren Hayesod in Germany and a founder of the Jewish Agency in 1929, and Pinhas Rosen (Felix Rosenblueth, 1887–), chairman of the German Zionist Federation and later Israel's first Minister of Justice.

Builders of German Keren Hayesod



Kurt Blumenfeld



Julius Berger



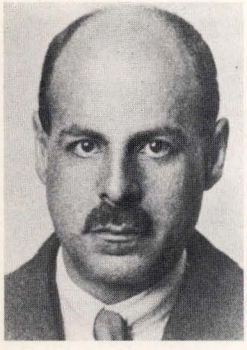
Oskar Wassermann



Pinhas Rosen

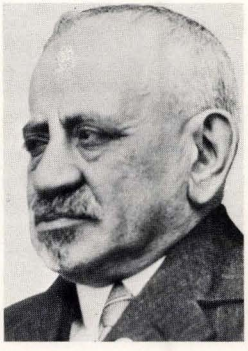
Provisional Board Designated

On October 22, 1920 the Zionist Executive appointed Isaac Naiditsch, Hillel Zlatapolsky (1868–1932), a Russian-French merchant and industrialist, and Berthold Feiwel as members of Keren Hayesod's provisional Board of Directors. On the same day, Jabotinsky was co-opted as a director. Later the Board co-opted as members Joseph Cowen (1868–1932), chairman of Keren Hayesod in England and co-founder of the Jewish Colonial Trust, and Professor Hermann (Chaim) Pick (1879–1952), a Mizrahi leader. The general business management of the Board of Directors and Organisation



*Julius Simon

Chairman* of Keren Hayesod Planning Committee and Members of the Provisional Board



Isaac Naiditsch



Hillel Zlatapolsky



Berthold Feiwel

Keren Hayesod Provisional Board Co-opted Members



Vladimir Jabotinsky



Shlomo Kaplansky, Jabotinsky's alternate



Joseph Cowen



Hermann Chaim Pick



Abraham Ulitzur, Treasurer



Leo Herrmann, General Secretary

Department were entrusted to Berthold Feiwel, and Leo Herrmann (1888–1951), a Czech Zionist, was named secretary. Jabotinsky was designated director of the Propaganda Department and in his absence his place was filled by Shlomo Kaplansky (1884–1950), a Polish-born Labour Zionist and director of the Haifa Technion from 1932 until his death. Bulletins, press releases, pamphlets and books appeared rapidly in 18 languages.

Julius Simon, representing the Zionist Executive, was in charge of Keren Hayesod's finances until March 10, 1921, when the Executive authorised the Board of Directors to create its own financial department. Dr. Feiwel was assigned the additional role of manager, and Abraham Ulitzur (Ulitsky, 1891–1948) was appointed secretary. Upon removal of the Head Office to Jerusalem in 1926, Ulitzur became treasurer and remained at that post until his death. He wrote the authoritative work on Keren Hayesod's first quarter of a century, *Foundations: A Survey of 25 Years of Activity of The Palestine Foundation Fund (Keren Hayesod)*, 1947.

In October 1920 the provisional Board responded to a request by Rebecca Sieff (1890–1966), wife of Israel Sieff, founder of the Women's International Zionist Organisation (WIZO), to provide for the participation of women in Keren Hayesod's fund-raising. The "Jewel Fund" was set up to enable women who could not give money to contribute their jewellery instead (this fund no longer exists). From its sale Keren Hayesod received two-thirds of the proceeds and WIZO one-third for its programme of infant welfare, assistance to new immigrants and the agricultural schools for girls which it planned to establish. WIZO's involvement was the first step towards the widespread sharing by women in Keren Hayesod's work, a step which ultimately led to the creation of separate women's divisions in a number of Keren Hayesod campaigns.

At the same time a distinct University Fund under Keren Hayesod's jurisdiction was created to expedite the establishment of the Hebrew University in Jerusalem. Dr. Weizmann had laid the cornerstone in July 1918, while the rumble of gunfire could still be heard. The idea of a Hebrew University had been first advocated by Professor Hermann Schapira in the Hebrew press of 1882–1884 and again at the First Zionist Congress (1897). A resolution moved by Dr. Weizmann at the Fifth Zionist Congress (1901) had referred the University project to the Zionist General Council for its consideration and endorsement. At the Eleventh Congress (1913) it was finally approved.

Organisation of Committees

The directors of Keren Hayesod and their representatives promptly began to organise committees in every country where the size of the Jewish population warranted a campaign. By April 1921, except in Russia and the United States, all larger communities had committees or had laid plans for establishing them. No committee was ever established in Russia. This was one of the cruel consequences of the Russian Revolution. In the next quarter of a century committees in Central and East European countries would be liquidated completely by the Nazis and the Communists. Russia had been a country where Jews had been reared on the spirit of the national idea. They had provided a large part of the means for laying the foundation of the national home



Rebecca Sieff



Louis Lipsky

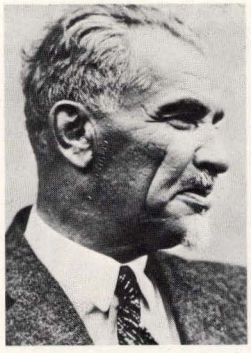


Dr. Weizmann and Albert Einstein

since the days of the Bilu. An even more cruel consequence of the Russian Revolution than the loss of means was the loss of men: men of the stock who had not only given verbal but practical expression to their faith in national Restoration before Herzl and who had joined him in the building of the Zionist movement; men who had dared to pioneer in Palestine in the face of Turkish restrictions and of the terrifying condition of the Land — barren, eroded, malaria-infested; men who had come to build a new society based on the ideals of their people's prophets.

Eight months after the adoption of the London compromise resolution the Executive of the Zionist Organisation of America (ZOA) was still firmly opposed to its implementation. The ZOA had offered its own compromise at its Buffalo Convention in December 1920. It proposed two separate funds: one for donations without any return, and the other for investments. The ZOA rejected the principle of the tithe and insisted upon voluntarism in giving for the upbuilding of the national home.

The ZOA was still in its isolated position on April 2, 1921, when Dr. Weizmann arrived in New York City to establish Keren Hayesod. He was accompanied by Menahem Ussishkin, Shmaryahu Levin (1867–1935), who had been a member of the Russian Parliament and had rendered inestimable service to the Zionist cause in war-time America; Dr. Ben-Zion Mossinsohn (1878–1942), principal of the Herzliah Secondary School in Tel Aviv, and Albert Einstein (1879–1955), who would devote himself to securing support for Keren Hayesod's special Hebrew University Fund. Isaac Naiditsch later joined the mission. Lengthy negotiations between Dr. Weizmann and Judge Julian W. Mack (1866–1943), president of the Zionist Organisation of America and a founder and president of the American Jewish Congress, brought no new compromise. Dr. Weizmann then proclaimed the opening of an American Bureau of



Shmaryahu Levin



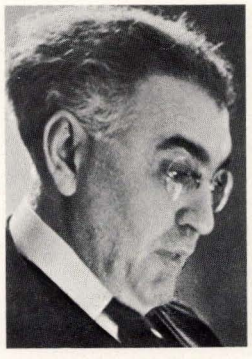
Dr. Ben-Zion Mossinsohn



Judge Julian W. Mack



Dr. Emanuel Neumann



Rabbi Abba Hillel Silver



Robert Szold

Keren Hayesod on April 18, 1921 and looked forward to the special ZOA convention to be held two months later to confirm his decision. Urgent appeals for financial assistance coming from Palestine had made further procrastination impossible. At the Cleveland convention in June 1921 the Brandeis-Mack group was defeated. Justice Brandeis made clear in his letter of resignation from the honorary presidency of the Zionist Organisation that he and his colleagues were not withdrawing from the Zionist movement. They were taking their places in the ranks as "humble soldiers". Not long afterwards other men in his group like Rabbi Wise, Dr. Abba Hillel Silver (1893–1963), who would later be chairman of the American Zionist Emergency Council and chairman of the American Section of the Jewish Agency, Robert S. Szold (1889–), who would be a founder and chairman of the Palestine Economic Corporation, would return to official Zionist leadership; all would become presidents of the ZOA and hold other high Zionist offices, including those in fund-raising. After the Cleveland convention the Brandeis-led group initiated a programme for private investment which eventually was expanded into the Palestine Economic Corporation (1926). Brandeis himself remained available at all times to intercede with the American Government for Zionist interests and was the most generous of givers to Zionist work.

American Keren Hayesod Campaigns

The first president of the American Keren Hayesod was Samuel Untermeyer (1858–1940), a renowned lawyer who was later a leader of the anti-Nazi boycott. Emanuel Neumann (1896–), another future president of the ZOA and chairman of the American Section of the Jewish Agency Executive, was designated as director general. For seven weeks Dr. Weizmann together with Samuel Untermeyer, Shmaryahu Levin, Dr. Ben-Zion Mossinsohn, Louis Lipsky (1876–1963), who would be ZOA president in 1924 and a member of the Zionist Executive, and others, had campaigned zealously throughout the country. When the first American Keren Hayesod campaign ended on March 31, 1922 it had raised $3,132,678 of which Keren Hayesod received that year a net of $1,449,000, and subsequently additional funds when pledges were redeemed. As per agreement the Jewish National Fund received 20 percent of the total funds raised.

Status of Keren Hayesod Established

On March 23, 1921 Keren Hayesod was incorporated in England under the name of Eretz Israel (Palestine) Foundation Fund Keren Hayesod Ltd. The Memorandum of Association forming part of the Articles of Incorporation specifies the following objectives:

> "(a) To do all such acts and things as shall appear to be necessary or expedient for the purpose of carrying out the Declaration of His Majesty's Government (commonly known as "The Balfour Declaration")...
>
> "(b) To appeal for and to receive subscriptions, loans, gifts, legacies, bequests and donations in money or any other form, and hold, realise and invest the same or any part thereof in such a manner as may be thought fit and in the absolute discretion of the Board of Directors and to apply any income thereof for all or any of the objects or powers of the Association with power from time to time to vary the said investments and resort to the capital thereof and otherwise deal with the same if and when required for any of the objects or powers of the Association."

As the financial arm of the World Zionist Organisation Keren Hayesod shared in the recognition the League of Nations gave to its parent body as the appropriate agency to deal with the British Administration, when the Mandate over Palestine was put into Great Britain's hands.

In the autumn of 1921 the first formal Keren Hayesod Board of Directors was designated, consisting of Dr. Arnold (Aaron) Barth (1890–1957), German banker and lawyer, who settled in Palestine in 1931 and in 1947 became director of the Anglo-Palestine Bank (later Bank Leumi le-Israel), Dr. George Halpern (1878–1962), Russian-Austrian manager of the Jewish Colonial Trust, who settled in Palestine in 1933 and founded the Migdal Insurance Company, Shlomo Kaplansky, Dr. Shmaryahu Levin, Israel Moses Sieff, and the four men who originally constituted the provisional Board, Dr. Berthold Feiwel, who continued as managing director, Isaac Naiditsch, Vladimir Jabotinsky and Hillel Zlatapolsky.

Valiant Fund-Raising Efforts

The goal of $110,000,000 set by the London Zionist Conference in July 1920 was not reached in the time limit of five years. Actually Keren Hayesod raised no



Dr. Arnold Barth



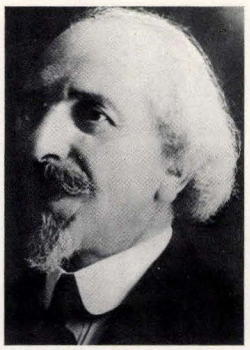
Dr. George Halpern



Leib Jaffe



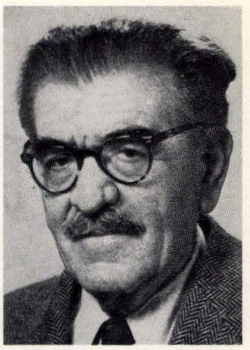
Dr. Alexander Goldstein



Dr. Yehuda Wilensky



Immanuel Olsvanger



Baruch Zuckerman

more than $10,000,000 in that period. This was due to no lack of devotion, tirelessness and self-sacrifice on the part of its directors and managers, nor to any lesser manifestation of these qualities by its voluntary leaders and emissaries, among whom were such peerless Zionist figures as Dr. Weizmann, Nahum Sokolow, Shmaryahu Levin, Vladimir Jabotinsky, Leib Jaffe, Dr. Alexander Goldstein (1884–1949), Dr. Yehuda Wilensky (1870–1935), Immanuel Olsvanger (1881–1961), Baruch Zuckerman (1887–1970), leader of American Labour Zionism, who settled in Israel; Ida M. Silverman (1882–), an American emissary who also established a foundation in co-operation with Keren Hayesod, which built 60 synagogues in the Land, and Michael Traub (1891–1946), who died while on a mission. The honour roll of early shlihim (emissaries) includes the name of the first non-Jewish emissary, Colonel J. H. Patterson, the Commandant of the Lewish Legion.

The emissaries were not mere fund-raisers. They were also teachers imbued with the love of Zion, steeped in the knowledge of Jewish history and keenly aware of the tragic lot of their people in nearly eighteen and a half centuries of dispersion. No journey on the slow-moving ships of those early days was too long and wearisome for the messengers of Keren Hayesod. They penetrated the most torrid and the iciest corners of the globe. They appeared in isolated villages in South African bush-country and along the La Plata in Argentina. For weeks and months at a time they absented themselves from their families.

The size of the audiences meant nothing to these emissaries, as Chaim Weizmann said on one occasion in 1923 when he was president of the World Zionist Organisation: "If there are only two Jews then it is the duty of the Zionist to come and speak to them. It does not detract from our dignity or pride; it is a privilege."

Leib Jaffe, who recorded for posterity some of his experiences in encouraging Jews to contribute in the most remote corners of the earth, tells us he was as grateful for a contribution of fifty chickens from an impoverished farmer in Argentina who had no cash to give him as for one of 300 pesos ($300) from a substantial businessman in Buenos Aires.



Ida M. Silverman



Michael Traub

The annual Keren Hayesod appeal not only contributed to the upbuilding of Palestine but also revitalised Jewish communities. The visit of the shaliah (emissary) became an eagerly awaited festive event. Thousands of volunteer workers brought the message of Keren Hayesod to countless households. What Keren Hayesod would mean not only for the upbuilding of the Jewish national homeland but also for Jews in the Diaspora was poignantly predicted by Sir Alfred Mond (Lord Melchett, 1868–1930), who would be joint-chairman of the Jewish Agency in 1929, at the inaugural Keren Hayesod Conference in Manchester in November 1920. Sir Alfred said: "The future of Palestine depends on the success of the Keren Hayesod. Upon it depends the future of the Jewish people throughout the world, and the future of every Jew." Sir Alfred's son, the Second Lord Melchett (Henry, 1898–1949), became chairman of the Council of the Jewish Agency, and his daughter, Eva, Marchioness of Reading, was an emissary of Keren Hayesod. No man did more to ensure the success of Britain's Keren Hayesod and at the same time set an example of generous giving than Simon Marks (Lord, 1888–1964), who had the invaluable assistance of his brothers-in-law, Israel Sieff and Harry Sacher (1881–), a member of the Zionist Executive. Lord Marks was succeeded, as chairman, by J. Edward Sieff, another brother-in-law.

CHAPTER III

GROWING PAINS

The Twelfth Zionist Congress (Carlsbad, 1921), where Dr. Weizmann was re-elected president of the World Zionist Organisation and Nahum Sokolow chairman of the Zionist Executive, created the Palestine Executive, of which Menahem Mendel Ussishkin was named chairman. Its functions, which it began to perform in the homeland in the autumn of 1921, were divided among the following departments: Immigration, headed by Professor Hermann Pick; Agricultural Colonisation (Settlement) and Urban Development, directed by Dr. Arthur Ruppin (1876–1943), who opened the Zionist Organisation's Palestine office in 1908; Labour and Housing, of which David Remez (1886–1951), a future Minister of the State, was in charge, and other departments not headed by members of the Executive but by experts in their fields, namely, Trade, Industry and Investments, Education and Culture, Health and Social Welfare. Two Palestine Executive members held no portfolios: Montagu David Eder and Judge Bernard Rosenblatt (1886–1970), who founded, in 1915, ZOA's American Zion Commonwealth Company which shared in developing the Haifa Bay area and laid the foundations of Afula, Balfouria and many other places in the Land.

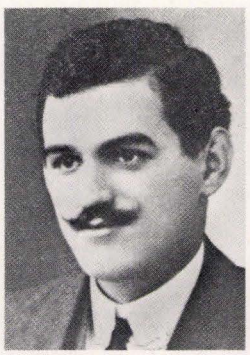
Four departments were in London: Political, which was the responsibility of Dr. Weizmann and Sokolow; Organisation and Administration, headed by Richard Lichtheim (1885–1963), economist and German Zionist leader; Treasury, of which Lichtheim and Shlomo Kaplansky shared the direction; and Keren Hayesod, managed by Berthold Feiwel until 1926 when that office was moved to Palestine, where, in the 1930s, all departments would be located.

The Political Department was represented in Palestine by Colonel Frederick H. K. Kisch (1888–1943), who as a brigadier was killed in action in World War II in North Africa. The Treasury Department had a branch office in Palestine under the supervision of Siegfried van Vriesland (1886–1939), who had served as treasurer in the Palestine Zionist Commission.



Sir Alfred Mond with daughter Eva in Palestine (1928), and son Henry.





Israel Sieff



Simon Marks



Dr. Arthur Ruppin



David Remez



Richard Lichtheim



Brigadier Kisch



Siegfried Van Vriesland



Sir Herbert Samuel and Winston Churchill.

In the course of time new departments were created to serve under the Zionist Executive and later the Jewish Agency Executive. Some of the departments were divided and assigned separate functions. A number were renamed. After the State of Israel was founded some departments disappeared as their functions were taken over by the Government. On all occasions involving their common interest there was co-operation between the State and the Jewish Agency. One function, namely, defence, for which the Executive had had an overall obligation, and for which Keren Hayesod funds had been used in varying measure, became the exclusive responsibility of the State. In 1970 the Jewish Agency Executive's departments are the following: Aliyah and Absorption, Agricultural Settlement, Youth Aliyah, Youth and Hehalutz, Organisation and Information, Education and Culture in the Diaspora, Torah Education and Culture in the Diaspora, Treasury, and Keren Hayesod.

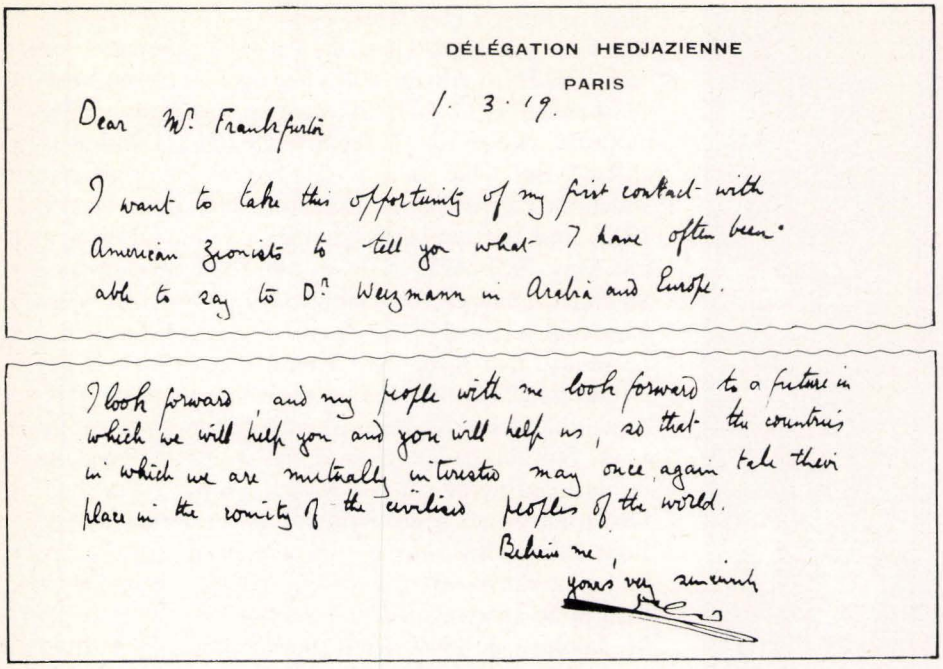
Limitations of space prevent due reference to the important work of other departments so that the emphasis has been primarily on immigration, absorption and agricultural settlement.

The Executive's First Task

The first task which faced the Palestine Executive was to assist the Third Aliyah which began in 1919 and continued through 1923. In that wave of immigration 35,000 pioneers, two-thirds of them from Poland and Russia, entered the Land despite limitations on immigration which the English occupation authorities imposed (1918–1920) and the temporary halting of immigration after the May 1921 Arab riots by the High Commissioner, Sir Herbert Samuel. Two months before the riots Winston Churchill, a friend of the Zionist cause and then Colonial Secretary, had recognised Abdullah as Emir of Transjordan which the latter had seized in 1920. By this act three-quarters of the territory of Palestine were lost to the Jews. Balfour had envisaged the whole of Palestine as "a national home for the Jewish people". The Balfour Declaration had been endorsed by Abdullah's brother Emir Feisal, the leader of and spokesman for the Arabs, first in a conversation with Dr. Weizmann in 1918 and then in an agreement which the two of them had signed on January 3, 1919. Emir Feisal had also written to Felix Frankfurter (1882–1965), Zionist leader and later United States Supreme Court Justice, re-affirming his approval of the Balfour Declaration (March 1919).



Dr. Weizmann and Emir Feisal.



DÉLÉGATION HEDJAZIENNE

PARIS

1. 3. 19.

Dear Mr. Frankfurter

I want to take this opportunity of my first contact with American Zionists to tell you what I have often been able to say to Dr. Weizmann in Arabia and Europe.

I look forward, and my people with me look forward to a future in which we will help you and you will help us, so that the countries in which we are mutually interested may once again take their place in the society of the civilised peoples of the world.

Believe me,

yours very sincerely



Felix Frankfurter

Left: Emir Feisal's letter to Felix Frankfurter, confirming his approval of the Jewish National Home.

The act of appeasing the Arabs by conceding Transjordan to Abdullah did not prevent the riots of May 1921, which were far more violent than that of the previous year. Forty-seven Jews were killed and 146 wounded in Jaffa, Tel Aviv, Petah Tikvah, Hadera and Kfar Saba which was burned to the ground. (A year later the village was rebuilt by Keren Hayesod).

In 1921 the High Commissioner set up a limited number of categories for entrance into the country: "persons with independent means" (called "capitalists", who had at least $2,500), professional people, the nearest relatives of Palestinian Jews, men assured in advance of employment and religious functionaries. In effect only the "capitalists" were sure of freedom of entry. The mass of Jews who did not fall into these categories were now to be admitted only on the basis of the economic absorptive capacity of the country. These regulations were incorporated into the Churchill White Paper (1922), where he did acknowledge that Jews were in Palestine "as of right and not on suffrance." The October 1921 census showed that there were 83,694 Jews, 590,890 Moslems and 73,024 Christians. To Sir Herbert's credit, it must be said that though his devotion to the British Government brought certain severe disadvantages to the Yishuv, he earnestly promoted the development of the country and consented to the establishment of the Va'ad Leumi (the National Council which was later recognised as the supreme secular body). He also proposed a Legislative Council in which Arabs and Jews would be represented. The Arabs rejected the council by boycotting the elections.

A New Generation of Pioneers

The pioneers of the Third Aliyah presented a new type. No earlier immigrants had been given the preparation which they had received. This had been made possible by hakhsharah (training or preparation) which Trumpeldor had reorganised after World War I. They were ready for every back-breaking task, draining swamps, tilling the soil, laying roads, levelling sand dunes or building houses. Like their predecessors of the Second Aliyah they embraced the principles of self-labour, mutual aid and the co-operative life.

The first need was to put a temporary roof over the heads of the new immigrants until they could find permanent housing in a town or in a farming village. Temporary shelters were provided by Keren Hayesod funds with the opening of two immigrant homes, one in Tel Aviv and the other in Haifa. In the next five decades Keren Hayesod would provide temporary and permanent housing for hundreds of thousands of immigrants.

During this period unemployment set in. The British Administration initiated public works to create jobs at the request of the Executive. The Public Works Office of the General Federation of Labour (Histadrut) received the contract from the Mandatory power to carry out a programme of road-laying and construction. Keren Hayesod supplied the Histadrut with additional funds for this undertaking, and when shortly thereafter the Public Works Office was turned into a new co-operative, Solel Boneh (Road-laying and Construction), Keren Hayesod made a sizeable investment in the company. As became the rule for other essential services the British

were disinclined to pay the full bill or even a fair share of it, though Jews paid a disproportionate part of the taxes which were principally used to serve the Arabs. Keren Hayesod also supplemented the workers' income, provided them with tools, temporary living quarters and canteens for their meals.

Other methods were adopted to overcome unemployment. Artisans were given loans to purchase tools which they used when working for employers or in their own shops which Keren Hayesod helped them to set up. The fees of many members of Kupat Holim (the co-operative sick fund of the Histadrut) were paid by means of Keren Hayesod subventions to the Histadrut. The Workers' Bank (another Histadrut co-operative) was also strengthened financially so that it could make more loans to hard-pressed workers. Keren Hayesod also provided credits to plantation-owners to help them prepare plots of land on the outskirts of the towns and build homes on them. This home-building programme led to the development of suburbs. In 1921 Keren Hayesod founded the General Mortgage Bank (later a subsidiary of the Anglo-Palestine Bank and its successor the Bank Leumi) to furnish credits for urban construction which provided work for many.



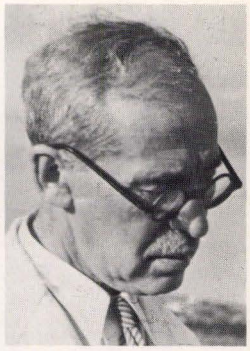
Keren Hayesod supported immigrant health services – Central Clinic, Ein Harod, 1920s.



No task too hard for Third Aliyah pioneers.



Older and younger prospective settlers drained swamps in the Valley of Jezreel (Ha-Emek).



Elazari-Volcani



Professor Otto Warburg



Nahalal, moshav in the Emek (1926, five years after founding).



Ein Harod, kibbutz in the Emek (1926, five years after founding).



Kfar Gideon, first Orthodox settlement in the Emek (1923).



Kiryat Anavim, first settlement in the Judean Hills (1920).

A decisive achievement during this period marked the end of twenty years of stagnation in agriculture and the introduction of a new epoch made possible by the founding of national settlements with Keren Hayesod's national funds and the Jewish National Fund's land. Keren Hayesod supplied the funds for land settlement in the form of loans, at a minimal rate of interest, to be paid over a considerably long period. The Jewish National Fund leased the land only to prospective settlers committed to cultivating the soil themselves.

However, funds and land would not have produced the change were it not for the quality of the human material available. "Old" settlers with farming experience and zealous pioneers trained on hakhsharah farms in the Diaspora proved their mettle when the Jewish National Fund, through the agency of the Keren Hayesod-financed Palestine Land Development Company (today Israel Land Development Corporation, originally founded in 1908 by Dr. Arthur Ruppin) acquired the large unbroken tract of land in the Valley of Jezreel (Emek Yizreel). The prospective settlers drained the malaria-infested swampland and converted it into one of the country's most fruitful areas. Keren Hayesod's resources enabled them to establish ten settlements in the Emek in the next three years, the first of which were Nahalal, a moshav ovdim (workers' co-operative smallholders' settlement) and Ein Harod (a collective settlement), both in 1921. These settlers introduced mixed farming, replacing the former pattern of monoculture, one type of crop farming, under the guidance of Yitzhak Avigdor Elazari-Volcani (1880–1955), head of the Agricultural Experimental Station which Keren Hayesod helped to establish in 1921, and with which Professor Otto Warburg (1859–1938), a botanist and former president of the World Zionist Organisation, was associated. Besides the ten settlements in the Emek, sixteen others were founded, making a total of the first twenty-six in Keren Hayesod's network. Particularly significant were Yagur, the first in the Valley of Zebulun (1922), opening that area to agricultural development; Kiryat Anavim (1920), west of Jerusalem, the first in the Judean Hills; Atarot (1922), north of Jerusalem, which tragically fell captive to the Jordanian Legion in the War of Independence (1948), but its site was recovered with Israel's victory in the Six Day War; and the first Orthodox settlement, Kfar Gideon, a moshav in the Jezreel Valley (1923). At the same time Keren Hayesod assisted Yemenite settlements.

Of historic interest was the founding of the Children's Village of Kfar Yeladim (1923) to care for the children who had been orphaned by the pogroms in the Ukraine. The South African Relief and Orphan Fund initially sponsored this programme but in 1928 Keren Hayesod undertook to support it. Kfar Yeladim was a prototype of the villages that would be established to shelter the young whom Youth Aliyah later rescued from the danger of extinction by the Nazis.



Many Yemenite immigrants in the 1920s settled on the soil.



Eliezer Ben-Yehudah (1858–1922) who made a living tongue of Hebrew.



Dr. David Yellin (1862–1941), a chairman of the Va'ad Leumi *(second row, fourth from left)*, first to teach secular Hebrew, with some teachers he trained.

Education and Health Services

One of Keren Hayesod's most significant contributions in this period went toward the modernisation and expansion of the Hebrew school system. When the Zionist Executive took over the Hebrew school system

in 1921 there were 137 schools using Hebrew, 605 teachers and 12,380 pupils, three times as many as there had been in 1918. In 1970 eight hundred thousand children were registered in the schools of the State of Israel, with one decisive change, apart from that in numbers, namely, school education was free and compulsory through the ninth year. Recent immigrant children now pay no tuition fees through all the secondary years of schooling.

Until 1932 the Zionist Executive (after 1929 the Jewish Agency Executive) was responsible for the direction and maintenance of the educational system. In that year the Va'ad Leumi took over the administration. However, until the State was established in 1948 Keren Hayesod continued to provide substantial assistance.

Keren Hayesod also made an important contribution to the establishment of health services in the Yishuv. It took one form in assistance to Hadassah (American Women's Zionist Organisation) which maintained hospital services in urban and rural communities. Hadassah also set up clinics for the cure and prevention of disease, and maternity and infant welfare stations. It stressed malaria control and treatment of the prevalent eye disease of trachoma. It developed its nurses' training programme. From 1922 to 1927 Keren Hayesod contributed more than a third to Hadassah's budget. In the latter year the Hadassah Medical Organisation accepted full responsibility for its programme. At the same time it assisted the towns and villages to accept their obligation to provide for local health services. In the next decades Keren Hayesod would continue to supply the means to care for the medical needs of immigrants during the early stages of their absorption.



In 1918, the British turned over the keys to the Rothschild Hospital to the American Zionist Medical Unit, forerunner of the Hadassah Medical Organisation. *Seated at extreme left:* Montagu David Eder, then chairman of the Zionist Commission. *Seated at extreme right:* James de Rothschild representing his family.



Building boom in Tel Aviv, during the Fourth Aliyah, despite rising costs due to land speculation.

From 1920 to 1923 Keren Hayesod raised $7,000,000 of which American Jews contributed about 63 percent.

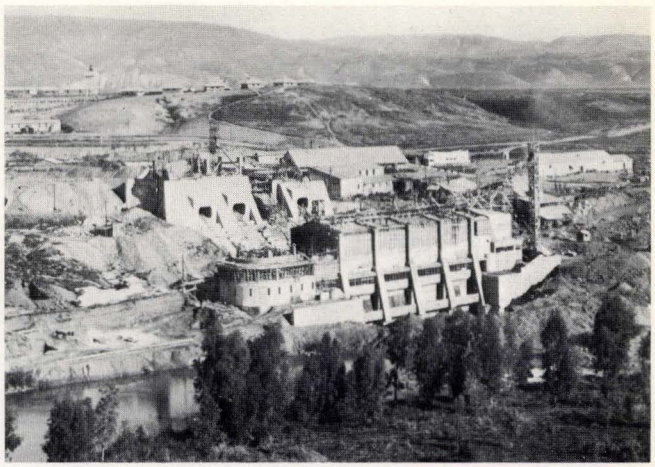
The "Grabski" Aliyah

The Fourth Aliyah was called the "Grabski" Aliyah, named for the Prime Minister of Poland who subjected the Jews of that country to harsh discriminative tax regulations as well as other repressive measures. This Aliyah (1924 through 1931) brought 82,000 immigrants, of whom 39,000 were Polish Jews and 15,000 Russian (immigration figures are generally rounded). Among them were merchants, craftsmen, artisans, professionals and labourers. A good number brought capital which eased their entry. Accustomed to city life they crowded mainly into Tel Aviv. They invested their resources in new industrial, commercial and construction enterprises. However, many resorted to land speculation. The balloon burst at the end of 1926 and a serious depression ensued. Those who possessed zlotys found themselves virtually penniless after the calamitous fall in the value of Polish currency.

25,000 left the country during this period. Their letters had discouraged others from coming. Some in this Aliyah did escape the financial catastrophe. They made a considerable contribution to the economy by developing citrus groves which they expanded with the help of Keren Hayesod loans. They enlarged the principal source of foreign currency, namely the export of citrus fruits. In the years of the Fourth Aliyah 44 Keren Hayesod settlements were established, and Huldah and Beer Tuvya, destroyed in the 1929 riots, were rebuilt a year later. The Hassidic settlement of Kfar Hassidim was founded in 1924 by the rabbis of Kozienice and Yablonow.



Some members of this Aliyah planted orange groves. Their success added a further reason to have faith in the Land's future.



Palestine Electric Company's power station (today, Israel Electric Corporation) at Naharaim where the Jordan and Yarmuk meet.

The depression which set in with the collapse of the boom in 1926 again brought unemployment. The previously used methods of creating public works and giving loans to artisans were renewed. Labour camps were established, with Keren Hayesod funds, close to agricultural settlements which provided work for the jobless. Many were allotted small plots of land for auxiliary farming, from which they supplied themselves and their families with food and sold the surplus, if any, in the market. The first labour camp was set up near Petah Tikvah in 1925. Its inhabitants later founded on the same site the kibbutz Givat Hashlosha. Other camp dwellers followed their example. Interest was also shown in assisting unemployed young women. Many were trained for farming and helped to find places in settlements. For others who sought work in the cities, aided by grants from Keren Hayesod, the Council of Women Workers maintained a hostel in Tel Aviv and the Mizrahi Women provided another in Jerusalem. Despite all the effort directed toward creating jobs there was still need for direct relief. Doles were distributed in Tel Aviv, Haifa and Jerusalem. To end this costly, demoralising practice many jobless people were encouraged to leave the cities and towns and go to the country where a large-scale programme of land reclamation and irrigation was initiated. Simultaneously Keren Hayesod began establishing settlements for the unemployed and new immigrants in the Kishon district in the western Jezreel Valley.

Industry Expands

Notwithstanding the depression, industry and handicrafts were expanded in this period. In 1921 there were 1,850 concerns, most of them small, with 4,750 employees and owners, with invested capital of $3,000,000 and with production valued at $2,500,000. By the end of 1929 the number had grown to 2,500, many of them new or expanded, with 11,000 employees and owners, invested capital of $11,700,000 and production valued at $12,500,000. Factors which contributed to this growth were the initiative, experience and capital of the new immigrants; investments from abroad, and Keren



Labour camps provided places for jobless to live and to work. Workers living at this camp founded Kibbutz Givat Hashlosha.



Palestine Potash Limited (now the Dead Sea Works).

Hayesod's participation in industrial development and the loans which it supplied to industry directly or through banks with its guarantees.

Keren Hayesod invested in two highly significant enterprises among others. One was the Palestine Electric Company (later Corporation and now the Israel Electric Corporation). As early as 1920 Keren Hayesod had supplied funds to Pinhas Rutenberg (1879–1942), an engineer and in 1929 chairman of the Va'ad Leumi, to help him establish his company which was then known as the Electric Power and Irrigation Company. Rutenberg set up local power stations in Tel Aviv, Haifa and Tiberias to serve those cities. In 1926 he was granted the concession to build a hydroelectric plant on the Jordan at the junction of the Yarmuk. Keren Hayesod provided one tenth of the company's $5,000,000 capital. The plant was completed in 1932 and supplied electric power to cities, towns and villages in Palestine with the exception of Jerusalem which was served by a foreign company. With the growing demand for electricity the Palestine Electric Corporation built a larger power station for Haifa in 1934 and one for Tel Aviv in 1937, called the Reading Station in memory of the Marquess of Reading (Rufus Daniel Isaacs, 1860–1935), who had been chairman of the Board. The use of the Jordan power station was lost as a result of the War of Liberation (1948).

The second enterprise was Palestine Potash Ltd. (now the Dead Sea Works), which received a concession from the British Administration in 1929 to exploit the minerals of the Dead Sea, chiefly potash and bromine. The company's founder was Mikhail Moshe Novomeysky (1873–1961), a Siberian-born engineer. Palestine Potash Ltd. began its operation at the northern tip of the Dead Sea and Kaliya near Jericho and at the southern end at Sodom. The northern plant was completely destroyed by the Jordanians in 1948. The one at Sodom was closed, and re-opened in 1954.

In this period also steps were taken to develop a tourist industry. The first was the introduction of courses to train tourist guides. In 1924 the Executive and Keren Hayesod together with the Jewish National Fund opened the first tourist bureau to organise tours for visitors from abroad, thus laying the foundations of what would become another great source of foreign currency.

Arab Resistance Renewed

In August 1929 Arab riots ended the comparative quiet which had prevailed for eight years. The outbreak of violence was over a renewed dispute of the Jews' right to use the site of the Western Wall for their prayers. The Grand Mufti Husseini again incited the Arabs. On Friday August 23, 1929 the storm broke in full blast. Though warned by the Jewish leaders, the British had taken no precautionary measures. Jewish police had been disarmed. Before British troops arrived some Jews in the Old City had been murdered and their homes and shops looted. There were attacks upon Jews in the suburbs, and in Motza seven Jews were slaughtered before a mobile British unit appeared on the scene.

The savagery reached its height in Hebron where sixty-five men, women, yeshivah students and children were butchered and fifty injured. Synagogues were desecrated, property destroyed, and a Jewish hospital looted. Some courageous Arab neighbours protected Jews. The police had been disarmed by the Arab governor. Only when their arms were restored were the Arab murderers dispersed. There were Jewish dead also in Tel Aviv, Haifa and in Safed, where the old Jewish Quarter was burned. There, too, the British came late. At the end of a week Jewish dead numbered 133 and there were 339 wounded, with Arab losses in almost equal number.



Arabs desecrated synagogue in Hebron.



Louis Marshall



Felix M. Warburg

Were it not for the valour of the Haganah the Jewish casualties would have been much greater.

Enlarged Jewish Agency Founded

In the same month the enlarged Jewish Agency was established in Zurich. Its principal founders were Chaim Weizmann and Louis Marshall (1856–1929), American non-Zionist, lawyer, communal leader, an early generous contributor to Keren Hayesod and a builder of the Palestine Economic Corporation. The enlarged Jewish Agency brought Zionists and non-Zionists together on an equal basis for the upbuilding of Palestine, without any commitment on the part of the latter to help achieve the Jewish State. Among the illustrious figures who accepted places were Albert Einstein and Leon Blum (1872–1950), a future French Premier, who in 1921 had brought dissidents together to establish Keren Hayesod in France. The enlarged Jewish Agency recognised Keren Hayesod as the main financial arm for the reconstruction of the Jewish homeland.

The hope for larger income with the involvement of non-Zionists in the Agency was not realised. A number of disasters accounted for dimming this hope: the death of Louis Marshall and the consequent loss of influence on other non-Zionists, the Arab disturbances which provided an excuse for those who said, "We told you so — Arabs and Jews can never be reconciled", the Great Depression in the United States and the deepening of the world-wide depression as a result. There were exceptions like Felix M. Warburg (1871–1937), chairman of the American Joint Distribution Committee and of the Administrative Committee of the enlarged Jewish Agency, Lord Melchett and Oskar Wassermann and a few others whose generosity remained unfailing. The enlarged Agency never fulfilled the promise of its founders. The non-Zionists steadily disappeared from its constituency. A renewed effort to reconstitute the Jewish Agency would be made in the future.

"Commissions of Error"

The Arab riots produced world-wide indignation and protest in which leading British statesmen joined. But the British Government's only response was to send to Palestine late in 1929 a Commission of Inquiry, headed by Sir Walter Shaw. The Shaw Commission concluded, with the exception of Lord Snell, that the cause for the Arab rioting lay in Jewish immigration, land settlement and economic expansion. The Commission contended that the Arabs had been made landless and prevented from achieving a self-sufficient economy. The facts were otherwise, as the Peel Commission (1936) would show. The Shaw Commission recommended more severe restrictions on immigration and "the regulation of land policy in accordance with the results of expert scientific inquiry." It disregarded the provision of the Mandate which had called for the distribution of State and waste lands. The Jews had received 4,350 acres and the Arabs 100,000 acres of the former. The Shaw Commission further recommended a re-affirmation of the statement made in 1922 that "the special position assigned to the Zionist Organisation by the Mandate does not entitle it to share in any degree in the government of Palestine." This was a move to diminish if not to cancel the authority of the Jewish Agency which the Mandate had invested in it.

Sir John Hope Simpson arrived in May 1930 to undertake the "expert scientific inquiry". Pending his findings the issuance of immigration certificates was suspended. Simpson came to the unwarranted conclusion that the remaining arable areas of Palestine were really just a little more than one-half of what the Jews had estimated. He reported: "If all the cultivable land in Palestine were divided among the Arab agricultural population there would not be enough to provide every family with a decent livelihood", or to use Lord Passfield's more vulgar phraseology, "no room to swing a cat", as he had told Dr. Weizmann. Simpson's recommendations of close settlement and better methods of cultivation had been urged upon the Arabs by the Jews, but the former had rejected such a suggestion. Sir John Hope Simpson saw room in Palestine for land settlement by only 20,000 more families. As for industry, he held that the immigration of too many Jews had deprived the Arabs of opportunity for work. He concluded therefore that there should be no more immigration of industrial workers, though in a patent contradiction he remarked that a very limited number should be permitted to enter in order to create by their efforts additional employment opportunities for the Arabs. At that time there were about 170,000 Jews and 850,000 Arabs in Palestine. Today there are three million souls living in Israel (excluding the administered territories.)

The Shaw and Simpson reports provided the central features of the infamous Passfield White Paper issued in October 1930, which restricted immigration sharply and limited land settlement to 2.3 percent of the total area of the country, and confined it to districts where Jews



London protest against Passfield White Paper (1930). *Left to right:* . . ., Leib Jaffe, Reverend Maurice Perlzweig (1895–), deputy Jewish Agency Executive member; Reverend Jacob K. Goldbloom (1872–1961), British Zionist Federation chairman; Vera Weizmann, Dr. Weizmann, Lavy Bakstansky (1904–), Federation general secretary and Keren Hayesod director; Selig Brodetsky (1888–1954), Agency Executive member... *at extreme right:* Yosef Sprinzak.



Chaim Arlosoroff (1899–1933), brilliant young head of Agency's Political Department, meeting with High Commissioner Wauchope. Arlosoroff who bent every effort toward making peace with the Arabs was murdered by unknown assailants on Tel Aviv seashore.

were already settled. Jews in the civilized world reacted with great bitterness toward the Passfield White Paper. In protest Weizmann resigned from the presidency of the enlarged Jewish Agency. Lord Melchett followed his example by resigning from the chairmanship of the Agency's Council and Felix M. Warburg from that of the Administrative Committee.

After discussions between Dr. Weizmann, his colleagues and the British authorities in London, the Labour Prime Minister Ramsey MacDonald, a self-proclaimed friend of the Zionist cause, addressed a letter to Dr. Weizmann in which he sought to reinterpret the White Paper in order to "allay mistrust". The Prime Minister acknowledged that "the Jewish Agency had all along given willing co-operation in carrying out the policy of the Mandate, and that constructive work done by the Jewish people in Palestine has had beneficient effects on the development and well-being of the country as a whole". He further admitted that it remained the Mandatory power's positive obligation to facilitate Jewish immigration and encourage close settlement by Jews on the land. Some Zionists were ready to accept MacDonald's reinterpretation, particularly, as it was accompanied by the appointment of the "most fair-minded of High Commissioners", Sir Arthur Wauchope. However, the majority of the delegates at the Zionist Congress in Basle in August 1931 rejected MacDonald's clarification. Bitterly assailed, Weizmann did not return to the presidency of the World Zionist Organisation. Nahum Sokolow succeeded him.

Higher Learning

Important beginnings for higher education marked this period. In 1924 the Hebrew University's Institute of Jewish Studies was inaugurated and in 1925 the Hebrew University itself was dedicated with Lord Balfour as the guest of honour, and with the participation of Dr. Weizmann, the chancellor of the Hebrew University,



Lord Balfour addressing the opening convocation of the Hebrew University (1925). *Right to left at the table:* Chief Rabbi Joseph H. Hertz of England, Chaim Weizmann, Sir Herbert Samuel, General Allenby, Chief Rabbi Kook, Chief Rabbi Yaakov Meir, Ahad Ha-Am, Chaim Nahman Bialik, Judah Leon Magnus.



Rabbi Meir Bar-Ilan.

Rabbi Judah Leon Magnes (1877–1948), American rabbi and communal leader, who subsequently became its president; the Hebrew poet laureate Chaim Nahman Bialik (1873–1934) and many other celebrities from Palestine and all over the world. From 1920 Keren Hayesod had been raising special funds for the creation of the Hebrew University and added sums to make possible its construction. A second school of higher learning began its career in 1924. This was the Haifa Technion, Israel's Institute of Technology. Both the Hebrew University and the Technion established their own fund-raising organisations but continued to receive Jewish Agency-Keren Hayesod support until the founding of the State, when the Government joined them in providing a large share of the institutions' budgets. Other institutions of higher learning would be established later: the Weizmann Institute of Science, the Bar-Ilan University which bears the name of Rabbi Meir Berlin (Bar-Ilan, 1880–1949) who led the World Mizrahi movement; Tel Aviv University, Haifa University, and the University of the Negev (Beersheba). All these institutions received financial assistance from the Government and the Agency-Keren Hayesod.

campaign's goal was the highest that had yet been set, namely, for $5,000,000. Keren Hayesod's net share of income reported by the Head Office was $1,480,000, the largest amount since Keren Hayesod had been founded in the United States. Redemption of unpaid pledges would subsequently increase each partner's portion. This United Palestine Appeal, of which Rabbi Stephen S. Wise was chairman, saw the return of the first of the Brandeis-Mack group to official Zionist leadership. With his assumption of office he began a lifetime struggle to achieve priority for giving to the upbuilding of Palestine over donations for destitute and oppressed Jews "in the lands of their residence", where American Jewish philanthropists had determined that their survival could be assured through relief and reconstruction. He waged the same struggle against giving the bulk of Jewish money to local needs for the American Jewish community instead of devoting larger sums to Zionist work.

In 1930 and 1931 the United Palestine Appeal joined with the American Joint Distribution Committee to form the Allied Jewish Campaign under the chairmanship of Felix M. Warburg. In the two years of joint effort Keren Hayesod received $765,000 as its share





Left: Technion in Haifa, founded in 1912, but the Institute was not opened until 1924. *Right:* In 1932, the corner-stone of the Keren Hayesod building was laid. *Left to right:* Yitzhak Ben-Zvi, Va'ad Leumi chairman; Berl Locker, Agency Executive member; Emanuel Neumann, American member of the Executive; Menahem Ussishkin, Jewish National Fund chairman; Leib Jaffe, and Avraham Biberman, contractor.

The Struggle for Priority

From 1924 through 1931 Keren Hayesod received the net sum of $15,000,000. Less than half came from the United States. In that country Keren Hayesod had its own independent campaign until 1925, when it joined with the Jewish National Fund to set up the United Palestine Appeal. The partners shared the income equally but JNF turned over to the combined appeal the funds raised through its traditional collections. The

of the Allied Jewish Campaign, and twice that amount from the Keren Hayesod Committees in the rest of the world. The United States was then at the nadir of the Great Depression. In a campaign beginning late in 1929 the Palestine Emergency Fund Committees in New York and London raised $3,850,000 for relief, reconstruction and rehabilitation made urgent by the Arab disturbances. An additional $230,000 came from Keren Hayesod Emergency Committees abroad.

CHAPTER IV

THE RACE AGAINST THE SWASTIKA

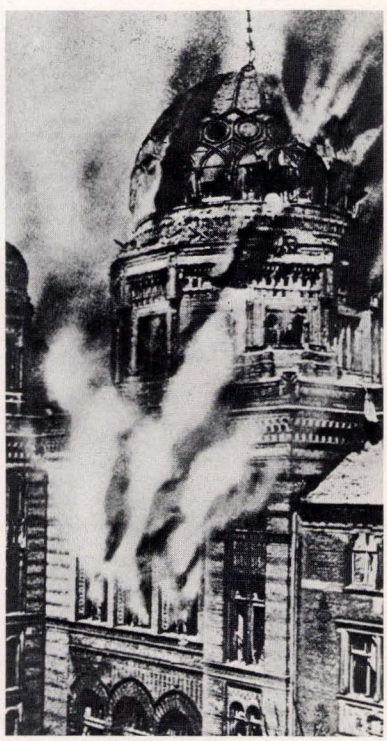
Forbidding darkness hung over Europe at the beginning of the 1930s. Nowhere was it thicker than over Germany. Signs of impending tragedy grew more numerous for its 550,000 Jews when Hitler ascended to power in early 1933. In the offing were the complete boycott of Jews, Nuremberg Laws excluding Jews from citizenship, expulsions from their homes, murder of individuals, the Crystal Night of 1938 when hundreds of synagogues were razed by fire, and a fine of one billion marks imposed on German Jewry. All this would culminate in World War II in the Nazi plan for the "final solution of the Jewish question" by annihilation of the Jewish people.

At the beginning of the 1930s emigration from Germany to Palestine was light. In 1931 most of the 4,075 immigrants who came from all countries were from Poland. By 1932 the number of immigrants grew to 9,500 and now the larger part were German Jews. In 1933 there were 30,000, in 1934, 42,000, and in 1935 the peak was reached when 62,000 arrived.

The number of immigrants began to fall as British restrictions became more cruel. This contrasted sharply with the treatment shown to Arab immigrants who crossed the borders freely. In the years between the Passfield White Paper (1930) and the MacDonald White Paper (1939), of which more will be told, of the Jewish Agency's request for 171,430 entry certificates, only 59,180 were granted. Jews fortunate enough to possess the required five thousand dollars in capital could enter under the "capitalist" qualification. A great mass were forced to try making their way into the country by "illegal" immigration (Ha'apalah, meaning a very strenuous effort, also called Aliyah Bet). Jews caught crossing the frontiers illegally or arrested in the country after evading immigration authorities were dealt with severely. Usually the unsuccessful immigrants were deported, frequently after three months of detention. The first of the "illegals" (ma'apilim) who came by ship arrived on the SS Velos in 1934. They were 300 halutzim from Poland. Thousands would take the sea route before the State was established. In spite of the harsh restrictions and other hardships which the immigrants suffered, 224,785 Jews entered Palestine between 1932 and 1939, constituting the Fifth Aliyah.

An arrangement was made permitting German Jews to





Left: Nazi boycott of Jewish shops – Jews in every livelihood would be boycotted. *Right:* Crystal Night when synagogues in Germany were set aflame.



In 1934, Jews, denied rightful entry into Palestine, began coming "illegally" in ships.



Henrietta Szold gave her heart to every child who found refuge in the Land through Youth Aliyah.

transfer to Palestine their assets in capital and goods. At the Eighteenth Zionist Congress in Prague in 1933 where the transfer scheme (Ha'avarah) was approved, a decision was taken to create the Central Bureau for the Settlement of German Jews which would handle matters affecting their immigration and absorption. Before Ha'avarah was cut off by the outbreak of World War II, German Jews had transferred $40,000,000 in capital and goods. A similar scheme was also worked out with the Czech Government. The importation of large amounts of capital, together with that in flight from other countries, gave a marked lift to the country's economy.

Saving Young Lives

In Berlin Recha Freier (1892–), deeply concerned with saving Jewish youth, arranged in 1932 for a group to emigrate to Palestine where they were given a home and training at Ben Shemen Children's Village. To expand this programme she organised a Committee to Aid Jewish Youth. On the recommendation of the Central Bureau for the Settlement of German Jews Henrietta Szold (1860–1945), founder of Hadassah and then a member of the Jewish Agency Executive, was invited to organise and direct the newly-created Agency's Youth Aliyah Department dedicated to rescuing Jewish youth from all lands, a role to which she devoted herself selflessly until the end of her days. She met every ship to welcome the young people. She left the impress of her love of Judaism and Zion on every youngster who became a ward of Youth Aliyah. In the thirty-seven years of Youth Aliyah's remarkable endeavours 124,500 youth and children were given the opportunity to become self-respecting, creative citizens of the Land. The Jewish Agency-Keren Hayesod made itself responsible for a sizeable part of the funds used for this great, unparalleled humanitarian task. The major share was provided by the women's Zionist organisations, notably Hadassah in the United States, and including Canadian Hadassah-Wizo, Mizrahi Women, Pioneer Women, the South African Council of Zionist Women, and special Youth Aliyah Committees in a number of countries.

Germans Turn Farmers

Not all German Jews, though accustomed to urban living, settled in the cities, but those who did made an inestimable contribution to the commercial, industrial, cultural and scientific development of the country. Many others were determined to choose a new way of life. They turned to agriculture. The more affluent established themselves in citrus villages. A larger number became settlers in middle class settlements where they engaged in mixed farming, specialising in dairying, poultry breeding and vegetable growing. This proved a blessing, as mixed farming filled a central role during the Arab disturbances which began in 1936, enabling the Yishuv to withstand the "starvation blockade" proclaimed by the Arabs.

Keren Hayesod helped the immigrants to find their place in their newly-chosen livelihood. It established the Rural and Urban Settlement Company (RASSCO, 1934), which assisted German Jews to settle on the soil. It provided loans to the settlers, helped prepare the land, built dwellings, supplied equipment, gave guidance and instruction and served the farmers as a purchasing and marketing agency.

The Huleh Concession

In the same year the Palestine Land Development Company bought the Huleh Concession, embracing 14,270 acres, from the original owners to whom the British authorities had granted it. PLDC's financial position had been considerably strengthened over the years by Keren Hayesod's investments. PLDC transferred the land to the Jewish National Fund, but circum-





Eliezer Kaplan

The Jewish National Fund drained the Huleh Valley. The concession to the Valley was bought by the Keren Hayesod–financed Palestine Development Company.

stances over which the latter had no control caused delay before the larger section could be drained of the water and swamps which covered it. In 1936 the first settlement was established by Keren Hayesod in the Huleh Valley. Appropriately the settlement was called Hulata. The Arab disturbances between 1936 and 1939 prevented the founding of new settlements until the latter year, when Dan and Dafnah were established. Today, there are seventeen settlements in the Huleh.

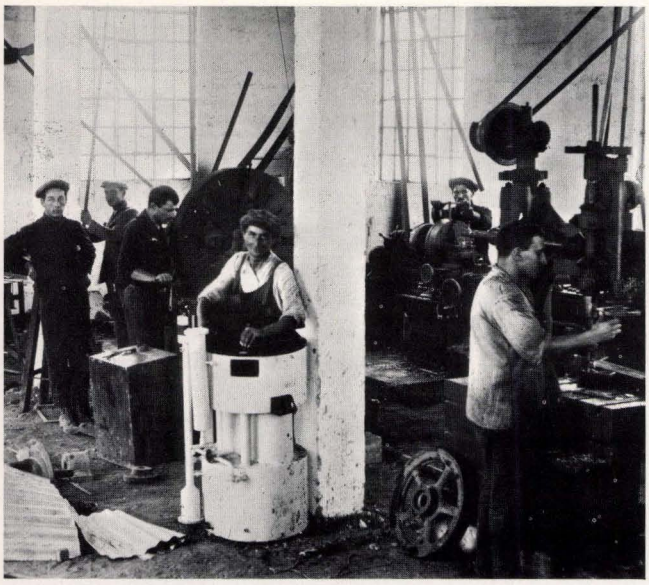
The First Large-Scale Loan

The first half of the 1930s were difficult years for Keren Hayesod's fund-raising. American Jewry was not capable of maintaining the level of contributions which it had reached before the 1929 stock market crash. The economic depression in the United States had its repercussions in Europe, also causing a reduction in giving. The sharp drop in income compelled the Jewish Agency Executive to effect stringent economies in some departments. By 1934 its deficits had reached an appalling total, for those days, of $2,850,000.

It was urgent to secure a very large, long-term loan. Keren Hayesod applied to Lloyds Bank in London for a loan of £500,000 (about $2,500,000) of which the Anglo-Palestine Bank would absorb a tenth. When Eliezer Kaplan (1891–1952), treasurer of the Jewish Agency (later Israel's first Minister of Finance) and Israel Moses Sieff met with Lloyds' Board of Directors to negotiate the loan, there was some doubt as to whether Keren Hayesod was a good risk. The Board's deputy chairman called for the Bible and read the verses of Ezekiel 37:3–5: "And He said unto me, Prophesy upon these bones, and say unto them, O ye dry bones, hear the word of the Lord. Thus saith the Lord God unto these bones: Behold, I will cause breath to enter into you, and ye shall live." The gentlemen at the Board table would not stand in the way of prophecy which was in the process of fulfilment, and approved the loan. This loan and Keren Hayesod's income, which began to increase from 1935, enabled it not only to help meet substantially the budget of the Agency but also to consolidate older settlements and to establish 2,300 families soundly on settlements within a period of two years (1935–1936).

Jobs for the Jobless

During 1936 a depression again struck Palestine. In that year Keren Hayesod and the Histadrut organised the Bitzur Company, which provided medium and long-term loans for carrying out public works and general construction. With Bitzur's assistance Tel Aviv employed jobless men to level the sand dunes north of the city and to build new housing on the improved areas. In 1932 the Keren Hayesod had shared in the establishment of the Tel Aviv Development Company. One immediate project was the preparation of the grounds on which exhibition halls would be built for holding the Levant Fairs which developed into regular international industrial and commercial expositions. Other opportunities for work were afforded when stone quarries were opened at Kiryat Anavim and Atarot near Jerusalem. Labour Exchanges were set up by the Jewish Agency and the Histadrut to assist the unemployed to find work. Evacuees from Jaffa, driven from their homes by Arab hostility, were moved to villages close to the settlements where work was made available. To expand industry, which also created more jobs, Keren Hayesod, the Anglo-Palestine Bank and Workers' Bank established



Industry provided jobs for the jobless.

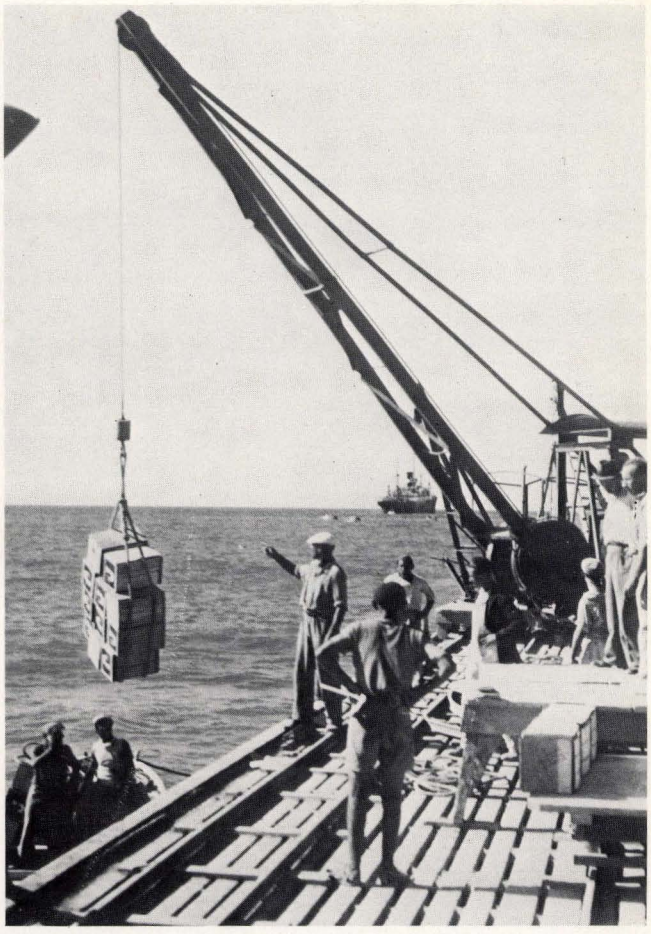


The fishing industry was expanded.

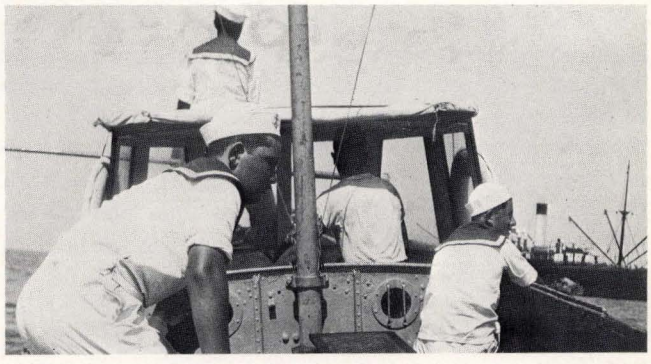
the Industrial Recovery Fund to grant loans to stabilise concerns about to collapse and to set up new enterprises such as the manufacture of machinery, metal work, and the production of chemicals and drugs.

Down to the Sea and Up in the Air

The Arab strike in 1936 closed the Jaffa port. With the sanction of the British government the port at Tel Aviv was built. The Marine Trust, Ltd., established with an initial investment by Keren Hayesod, enabled the city of Tel Aviv to build wharves and acquire the necessary equipment. The deep-sea and coastal fishing industry was expanded at this time. Ponds for fish-breeding also began to appear in the kibbutzim. Keren Hayesod funds made possible training and equipment for the fishermen and helped to introduce boat-building and the making of fishing-tackle.



Tel Aviv Port built in response to the Arab boycott of Jewish shipping in Jaffa (1936–1937).



Youngsters trained in seamanship by Zebulon organisation. The craft, "Eva Reading", was a gift from Lady Reading (Eva Mond).

Attention was turned also to aviation in this period. In 1936 the Jewish Agency-Keren Hayesod together with the Histadrut established Aviron Ltd. Eleven planes were bought in Poland with money belonging to the Keren Hayesod and the Jewish National Fund which had been frozen by its Government. Aviron Ltd. trained pilots who flew passengers between Tel Aviv and Tiberias and later between Tel Aviv and Haifa.



Arab Riots in Jaffa (April 1936).

Arab Rebellion

When the rate of German immigration rose the Arabs again demanded that the Mandatory Government stop Jewish immigration completely and prevent the Jews from buying any more land. In 1934 the High Commissioner, Sir Arthur Wauchope, refused the Arabs any concessions which would violate the Mandate. Instead he offered the Arabs and the Jews a Legislative Council, which both parties rejected. The Arabs decided to take matters into their own hands. Provocation came from the Bari radio station in fascist Italy which called on Arabs to revolt against "British imperialism". German broadcasts threatened the destruction of Jews, which was no subtle hint to the Arabs to attempt genocide. On April 19, 1936 the slaying of three Jews in Jaffa marked the real beginning of the rebellion against England and of attacks upon Jews. Inspired by the Grand Mufti, the Arab Higher Committee proclaimed a general strike which lasted six months. The Arabs spared neither the British nor the Jews. Jews were forced to organise their transportation in convoys escorted by the Haganah, which resisted every ambush, but not without casualties. Jewish settlements were attacked, but not one of the 150 was abandoned.

In August 1937 the Twentieth Zionist Congress in Zurich heard the Agency's report: 80 Jews had been murdered, 308 wounded, not taking into account the deaths of nine Jews and 360 wounded during the strike. The Arab vandals had destroyed 80,000 citrus trees, 62,000 fruit trees, 64,000 forest trees, and set fire to over 400 acres of crops. By the end of September 1939 the toll of the dead would be 140 Britons, 500 Jews and 2,300 Arabs. Many of the last were slain for showing friendliness to Jews.

The Defenders

The role of Haganah, which was later reinforced by Palmah ("shock companies"), was by now firmly established. Haganah's basic principle was self-restraint (havlagah). It served underground, except when the British required its assistance. During the disturbances its ranks were augmented by 21,000 Jewish supernumerary and special constabulary, authorised by the British, and by the British-equipped Jewish settlement voluntary police. While the Government paid for arms, uniforms and meagre family allowances for the supernumerary and special constabulary, all expenditure for recruiting, housing, transport, laying of security roads and additional equipment was borne by Keren Hayesod and the Yishuv's emergency funds. During the Arab disturbances the Irgun Tzvai Leumi (National Military Organisation, called "Etzel" from its Hebrew initials) was organised. It advocated and carried out reprisals against Arab marauders as well as against British officials who collaborated with the enemies of Jewish settlement and immigration. In 1940 another clandestine organisation, the Lohamei Herut Israel (Fighters for Israel's Freedom, abbreviated "Lehi") would make its appearance.

Of epic significance was the part played by a Bible-loving Christian, the British Army Major Orde Wingate, who organised the Special Night Squads of Haganah members and British soldiers. He and his men anticipated the movements of the Arab guerilla bands, searched out their hiding nests and disposed of them. In World War II Wingate (by then a general) lost his life in a plane crash in Burma after heroic service in defence of the Allied cause.

Stockade and Tower

A new type of settlement was established for defence purposes — the stockade and tower settlement (homah umigdal). In the dark of night young men and women brought with them walls to surround the beginnings of a village, materials for temporary quarters, an electric generator, a prefabricated tower and searchlight, all of which they hurriedly assembled. At dawn they were ready to develop their farms. From their tower, day and night, the pioneers were on the lookout for Arab attackers, ready to repulse them and to defend neighbouring settlements. The first stockade and tower settlements arose in the Beisan and Jordan valleys and in the hills of northern Galilee. Hanita in 1938 was Keren Hayesod's first settlement in northwest Galilee. The settlement built furthest south was Negba in 1939. During the years of the disturbances 40 settlements



Major Orde Wingate



A Night Squad which Major Orde Wingate organised.

were established. In the whole period of the Fifth Aliyah (1932 through 1939) Keren Hayesod founded 95 settlements and shared in establishing 18 others. Two institutions were set up by Keren Hayesod in 1936 to assist settlements to consolidate and expand and to equip themselves with more extensive irrigation systems. One was the Palestine Agricultural Settlement Association (PASA), in which both national (Keren Hayesod) and private capital was invested. The other was the Agricultural Trust, a joint venture of Keren Hayesod and the Anglo-Palestine Bank, which supplied credits to citrus growers and farmers.

Increased Sources of Water

With the increase and expansion of agricultural settlements additional supplies of water for irrigation were required. In 1935 Keren Hayesod helped establish the Emek Water Company to serve the western section of the Jezreel Valley and the Gilboa Water Company to provide for the eastern section. In 1936, together with the JNF and Nir Ltd., a Histadrut subsidiary, Keren Hayesod founded the Mekorot Water Company to supply water to settlements in the plains of Zebulun and Afula. Mekorot became the country's largest supplier and was later able to bring water from the Yarkon river to the Negev. Three years later Keren Hayesod joined the Palestine Jewish Colonisation Association (PICA) and the Palestine Economic Corporation in providing water for Samarian settlements. An integrated national water system would be established in the mid-1960s when the State's National Water Carrier began to function, drawing its water resources from Lake Kinneret (Sea of Galilee).



Hanita, a stockade and tower settlement. Keren Hayesod's first settlement in Western Galilee (1938).



Mekorot laid water pipes beginning in 1936, together with a number of other companies, to increase water supply.



Dr. Weizmann testifying before the Peel Commission (1936).

The Peel Commission

In November 1936 a Royal Commission headed by Earl William Robert Wellesley Peel arrived in Palestine to study the situation and recommend a solution. The Commission's first conclusion was that "it is difficult to detect any deterioration in the conditions of the Arab upper class." These Arabs had "profited handsomely" from the excessive prices for the land which they had sold to the Jews. Arab shopkeepers had also thrived on trading with them. Lower class Arabs had been employed by Jews. Arab wages had gone up and their standard of living had improved. Arabs had also benefited from Jewish reclamation of swamp land. They had used Jewish medical services for the general betterment of their health. As to the charge that the Jews had obtained too large a portion of the good land and thus left too many Arabs landless, Lord Peel pointed out that much of the land which Jews had bought had been marshland which they had drained. Lord Peel saw only increased violence and terror ahead. His final conclusion was: "Manifestly the problem cannot be solved by giving either the Arabs or the Jews all they want." The solution, therefore, was partition permitting the establishment of two states in an already amputated land.

Lord Peel's proposal of partition (July 1937) was fiercely debated at the Zionist Congress in Zurich in August 1937. Dr. Weizmann wrote later in *Trial and Error* (1949): "I pleaded in vain that in the opinion of experts a Jewish State even in a part of Palestine would be able to absorb 100,000 immigrants a year and sustain a Jewish population of two and a half million to three million Jews." The Congress resolved:

> "that the scheme of partition put forward by the Royal Commission is unacceptable. The Congress empowers the Executive to enter into negotiations with a view to ascertaining the precise terms of His Majesty's Government's proposal for the proposed establishment of a Jewish State. In such negotiations the Executive shall not commit itself or the Zionist Organisation, but in the event of the emergence of a definite scheme for the establishment of a Jewish State such scheme shall be brought before a newly elected Congress for decision."

Misplaced Confidence

Late in 1937 the Jewish Agency found itself with virtually no funds. In London Israel Sieff had begun to negotiate with Lloyds on behalf of Keren Hayesod for a new loan of £200,000 (about $1,000,000) in which the Anglo-Palestine Bank would participate to the extent of one eighth. In this connection Dr. Chaim Weizmann, who had returned to the presidency of the World Zionist Organisation in 1935, wrote to Mr. G.F. Abell, Lloyds' Chief General Manager, as follows:

3 November 1937

G.F.Abell Esq.,
Chief General Manager,
Lloyds Bank Ltd.,
London, E.C.

Dear Sir,

Mr.I.Sieff has reported to me on his negotiations on behalf of the Keren Hayesod with you and I write to inform you that I have discussed the matter of the Keren Hayesod debts to Lloyds Bank with my colleagues and I can assure you that it will be the care of the Executive to see to it that the debts in question shall be taken over by the Jewish State as soon as the State has come into being officially.

Yours faithfully,

Chaim.

Despite the resolution of the Zurich Congress, which had declared the Peel partition scheme "unacceptable", Weizmann still felt that Zionists would not reject partition if Great Britain offered it. The minutes of Keren Hayesod's Board meeting on April 10, 1938 reflected the same confidence. The Board's application for the loan stated that it would be "repayable on the creation of a Jewish State in accordance with the Recommendations of the Royal Commission on Palestine, 1936, or any modification thereof, or on the 25th October, 1940, whichever the earlier..." Keren Hayesod got its loan but paid it on October 25, 1940. The Jewish people would be obliged to wait seven years before the United Nations adopted the partition resolution providing for a Jewish State. This delay proved costly in the loss of countless Jewish lives that might have been saved if the British Government had acted favourably on Lord Peel's recommendation. Instead it produced the monstrous White Paper of 1939.

In London there had been no great joy about the partition proposal. His Majesty's Government, in the autumn of 1938, had dispatched another Commission, the Woodhead Commission, in order to examine the practicality of partition. The Woodhead Commission concluded that Lord Peel's plan was not feasible and instead it offered its own, which would have provided for a Jewish State in one-twentieth of Palestine's territory. The British Government then rejected both recommendations and called for an Arab-Jewish Round Table Conference in London in February 1939 to seek another solution. Since the Arabs refused to sit with the Jews, the British spokesmen discussed the issues separately with their representatives. What eventuated was the Neville Chamberlain White Paper (May 1939). The White Paper called for a maximum immigration of 75,000, or 15,000 annually for five years. After five years, the Arabs would be in the position to determine whether or not there would be any more Jewish immigrants. At the end of ten years a unitary independent state in which the Arabs would be the majority would be established. The severe Land Transfer Regulations would be announced shortly.

The Jewish world rose in angry protest against the White Paper. British leaders joined them. Winston Churchill condemned it as "a plain breach of a solemn obligation." Noel Baker, Minister of State in the post-war Labour Government, declared that "the Secretary of State proposes to keep the greater part of Palestine clean of Jews. He is adopting Dr. Goebbels' watchword: 'It is to be Judenrein'." The Mandates Commission of the League of Nations called the White Paper a violation of the Mandate. The calamitous principle of political absorptive capacity had been substituted for that of economic absorptive capacity, which had been bad enough. For the Arabs the White Paper was a signal victory. For the Jews it was an incalculable defeat.



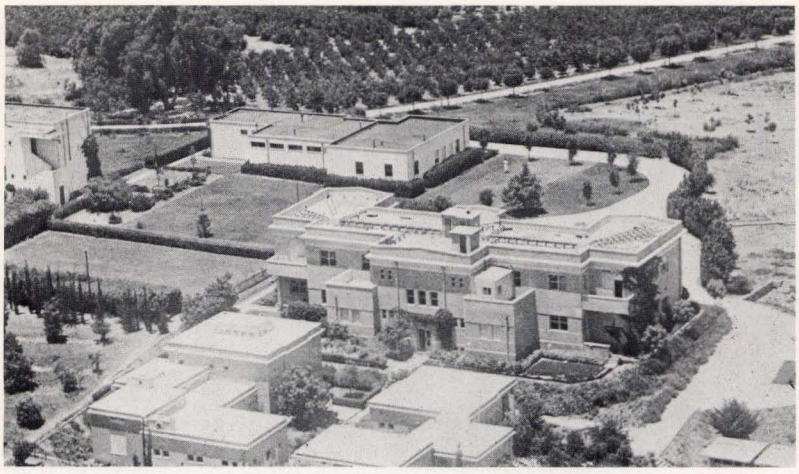
Parade in Jerusalem demonstration against MacDonald White Paper (1939). *Left to right:* Chief Rabbis Uziel and Herzog, Rabbi Ostrovsky, Yitzhak Ben-Zvi, head of the Va'ad Leumi; and Eliyahu Berlin, a member of the Va'ad Leumi.



In Washington Zionist leaders about to enter British Embassy to protest against the White Paper and Land Transfer Regulations (1940). *Left to right:* Solomon Matz, Nellie Ziv, Leon Gellman, editor and Mizrahi president; Rabbi Isadore Breslau, later a UJA national chairman; Rabbi Solomon Goldman and Rabbi Stephen S. Wise, members of presidium of Zionist Emergency Committee (later called Council); Herman Hollander, general secretary, Independent Order B'nai Abraham; Dr. Israel Goldstein, JNF president. *Second row:* Hayyim Greenberg, Labour Zionist theoretician, standing between Rabbi Goldman and Rabbi Wise; Louis Segal, Labour Zionist leader, standing between Rabbi Wise and Mr. Hollander.

A Spurt in Fund-Raising

During the Arab disturbances Keren Hayesod conducted an emergency campaign called the Consolidation and Security Fund in a number of countries, including the United States. The emergency campaign brought the sum of $1,390,000. From 1932 through 1939 Keren Hayesod's receipts totalled $15,175,915. In 1934–1935 the Keren Hayesod under the name of the American Palestine Campaign combined with JDC in a joint appeal. A total of $2,900,000 was raised, but all that Keren Hayesod received from the United States was $850,000, less than a third of its receipts from all countries. In 1938, to manifest its desire for unity in the United States in the face of the Nazi threat to Jewish survival, the United Palestine Appeal entered into an agreement with the JDC and the National Coordinating Committee for Aid to Refugees from Germany (later National Refugee Service) to re-establish the United Jewish Appeal. In 1939 the UJA raised $14,350,000. Keren Hayesod's net share was $1,552,500. The Jewish National Fund received a similar sum, but turned over one third to the Jewish Agency to be divided 60 percent for new colonisation and 40 percent for defence.





Chaim Nahman Bialik



Chief Rabbi Kook

Left: Daniel Sieff Research Institute surrounded by the expanding Weizmann Institute.

A remarkable record of sacrificial giving was achieved by the Yishuv in a campaign in which the Va'ad Leumi and Keren Hayesod co-operated. A total of $1,515,000 was raised through two funds: Relief and Consolidation Fund (Ezrah uVitzaron) which collected $1,270,000 and the Ransom of the Yishuv Fund (Kofer Ha-Yishuv) which raised $245,000.

There were notable achievements despite the terror and violence which attended part of this period, not only in agriculture and industry, but also in the areas of the mind and the spirit. In 1934 under Dr. Weizmann's guidance the Daniel Sieff Research Institute was founded in Rehovot. The Sieff Institute was later extended into the Weizmann Institute of Science (dedicated in 1949).

The Weizmann Institute formed its organisation of "Friends" to raise funds, but was a recipient also of the financial assistance of the Government and Agency-Keren Hayesod. In 1935 Keren Hayesod funds made possible the establishment of the Bialik Foundation in memory of Chaim Nahman Bialik, to promote Hebrew culture, and in 1936 the Rav Kook Foundation, as a memorial to Chief Rabbi Avraham Yitzhak Kook (1865–1935) in order to advance research in Talmudic and other Judaic fields. Assistance was also given to the Palestine Philharmonic Symphony Orchestra (reorganised in 1936), the Habimah and Ohel theatres, the Palestine Conservatory of Music (now the Rubin Academy), the Bezalel Art School and other cultural institutions.



Deep concern was written on the faces of the leaders at the World Zionist Congress, Geneva, August 1939, as news of impending war reached them. *Left to right:* Moshe Sharett, David Ben-Gurion, Chaim Weizmann, Eliezer Kaplan. Dr. Weizmann rose in a few moments to bid the delegates farewell.

Opposite page: In the concentration camp and symbolic figure of Ghetto fighter.

CHAPTER V

WAR AND HOLOCAUST

The Twenty-first Zionist Congress at Geneva adjourned its sessions abruptly on August 24, 1939, two days after the Ribbentrop-Molotov non-Aggression Pact had been signed, neutralising the Soviet Union and making it possible for Germany to begin the war. In a deeply moving scene Dr. Weizmann rose to bid the delegates farewell. He could not refrain from saying: "Who knows whether we shall meet again, or when we shall meet again, and if we do meet, who knows whom we shall find?" No one could have imagined that six million Jews would be slaughtered in the concentration camps, the gas chambers, and in the heroic uprisings in the Warsaw and other ghettos, and that among them would be delegates who sat before him.

Weizmann wrote on August 29, 1939 to Prime Minister Neville Chamberlain that "the Jews stand at the side of Great Britain and will fight on the side of the democracies." He proposed that the Zionists "enter into immediate arrangements for utilising Jewish manpower, technical ability, resources..." Four days later came Neville Chamberlain's reply: "Britain can rely upon the wholehearted co-operation of the Jewish Agency", but five years passed before the Zionists achieved what they had asked for, namely a military organisation, fighting under its own flag as a distinctive national entity, representing the whole Jewish people in the struggle to destroy Nazism.

During the last tense hours of this Congress the Zionist Executive, in a meeting with the American delegates, charged Rabbi Solomon Goldman (1893–1953), president of the ZOA, with setting up a special emergency committee in the United States representing all Zionist bodies. Two reasons motivated its creation: the possibility that the headquarters of the World Zionist Organisation in Jerusalem would cease to be active in the event of an invasion, and the recognition that America would be decisive in determining the future of the Jewish national homeland. The Emergency Committee which adopted the name of the American Zionist Emergency Council was first headed by a presidium of Rabbi Stephen S. Wise, Louis Lipsky and Rabbi Solomon Goldman. Its Executive Committee chairman was Judge Louis Levinthal (1892–), successor to Rabbi Goldman as president of the ZOA. Subsequently Rabbi Wise and Rabbi Silver served either as the Council's chairmen or co-chairmen. The American Zionist Emergency Council became a mighty force in winning American public opinion and the support of American







Brigadier E. F. Benjamin





Left: Brigade soldiers pause for a hurried snack before going into action. *Right:* Brigade soldiers found children in monasteries, in forests and elsewhere. Soldier teaching children the rudiments of learning denied them by the war. The Agency's shlihim also rendered great service in expediting the Return to Zion.

political leadership for the establishment of the Jewish State.

Jews could not forget the White Paper. Ben Gurion proclaimed: "We shall fight the White Paper as if there were no war, and we shall fight the war as if there were no White Paper." Without waiting for the British order to organise a fighting force, within a month over 135,000 Jews, a quarter of the Yishuv's total population, had responded to the call of the Va'ad Leumi and the Jewish Agency for volunteers. Some 21,850 men and 3,930 women between the ages of 18 and 50 would serve in the British regular forces and an additional 6,000 in full-time home defence formations.

In 1940 the Jews were organised by the British into combatant companies, and two years later into battalions, but with duty to be performed only in the home country. Jews and Arabs were to be recruited only on an equal numerical basis, but the Arabs soon lagged in their readiness to respond and the number of Jews became preponderantly larger. During this period the Jewish soldiers were paid only two thirds of what the British received and were also denied the same family allowances. Jewish funds supplemented the Yishuv soldiers' earnings until they went overseas, when they received full pay and allowances. Finally, on September 19, 1944, the Jewish Brigade was formed and a regular British Army Brigadier, E.F. Benjamin, was assigned command. The Brigade fought its first battle against the Germans in the marshlands near Ravenna, Italy, under the overall command of U.S. General Mark Clark. Commending the Brigade's achievement on V.E. Day, Field Marshal Alexander said: "It has carried out every task allotted it. The Jewish soldiers were first-rate fighters."

Messengers of Rescue

Brigade soldiers served also as messengers of hope and bearers of succour to the Jews in Italy and in other Nazi-occupied lands. They followed the glorious example of the poetess Hannah Senesch, and of the equally heroic Enzio Sereni, both of whom were captured and shot, and other brave young Palestinians who, on British orders, parachuted in 1943 into Nazi-occupied territory to organise resistance and, on their own, sought out Jews to hearten, to feed and to rescue them. Even before the war's end the Jewish Agency organised the Missing Relatives' Bureau, which began the great humanitarian service of seeking out the hundreds of thousands of Jews who had disappeared in Europe. Through tireless efforts the Bureau was able to reunite countless families and continues the work even to this day.

The Biltmore Conference

Zionists were determined in their efforts to crown the war's end with the establishment of a Jewish State. At the extraordinary Zionist Conference at New York's Biltmore Hotel in May 1942 in which David Ben Gurion played an important part, the Conference adopted the resolution: "The Conference urges that the gates of Palestine be opened; that the Jewish Agency be vested with control of immigration into Palestine and with the necessary authority for upbuilding the country, including the development of its unoccupied and uncultivated land; and that Palestine be established as a Jewish Commonwealth in the structure of the new democratic world." The Biltmore Programme was hailed everywhere. In America, in 1943, virtually unanimous acceptance was achieved at the American Jewish Conference of delegates chosen by popular election and national organisation representatives. 502 delegates voted for a Jewish Commonwealth. Four "nays" were cast by delegates of the American Jewish Committee, which was not yet ready to approve a Jewish State. The Conference was active until 1949. Its Interim Committee





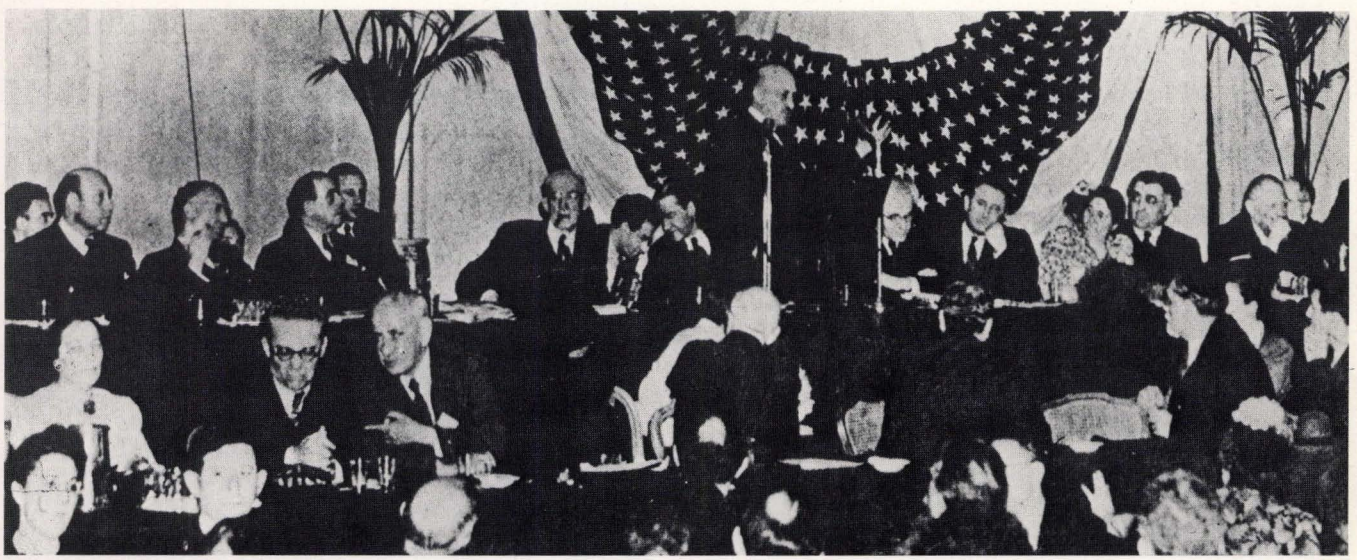
Left: Children who escaped death in Russia reached Teheran from where they were brought to the Land. *Right:* A "coffin" ship which came to Palestine but its passengers were removed to a detention camp (1939).

was led by Henry Monsky (1890–1947), president of International B'nai Brith; Louis Lipsky, representing the American Jewish Congress, of which Dr. Stephen Wise was president; and Dr. Israel Goldstein (1896–), then ZOA president, now head of Keren Hayesod.

Daring Every Peril

During the war 62,000 found refuge in Palestine, of whom 12,400 were "illegals". Among these immigrants were 14,000 Youth Aliyah youngsters and children. They came by tortuous routes, some from Europe's mainland by way of Sweden, Turkey, Siberia and Hong Kong. Twenty-six hundred Polish Jews, including children, escaped from Russia and its horrors of war, and made their way to Teheran, from where in 1943, with the Jewish Agency's help, they were brought to Palestine.

The first of the penalties that the British Government exacted for "illegal" immigrants as war broke out was a heavy one. It granted no immigration schedule for the half-year beginning October 1939, because it insisted that the previous "illegals" must be counted as part of the exhausted regular quota. Even before the war began the Jewish Agency had asked for the immediate admission of 20,000 children from Poland, and shortly after for the entry of 10,000 young men from the Balkans, chiefly on the grounds that the latter would increase Palestine's manpower to meet the war situation. Both requests were rejected. It is difficult to know how many



At Biltmore Hotel, New York, 1942, Zionist leaders adopted the Biltmore Programme for a Jewish Commonwealth. Dr. Weizmann, addressing the delegates. *Left to right:* Israel Goldstein, Judge Louis Levinthal, David Wertheim, General Secretary, American Labour Zionist Organization; Arthur Lourie, Louis Lipsky, Meyer Weisgal, Rabbi Wise, Dr. Weizmann, David Ben-Gurion, Nahum Goldmann, Tamar de Sola Pool, Hadassah President; Rabbi Abba Hillel Silver, Benjamin Browdy and Leon Gellman.

of the children and young men perished in the concentration camps as a result.

The most heartbreaking experiences were suffered by those "illegals" who tried to reach Palestine on leaky, decaying "coffin" ships. These ventures at times ended in disaster as vessels split in two or were smashed on reefs. Entry into Palestine was often prevented by British naval blockade or armed patrols on shore. Heroic action by the Haganah, Etzel and others sometimes succeeded in enabling immigrants to enter their homeland. However, large numbers were caught and held in detention camps, and later consigned to other places of confinement.

In November 1940 the SS Pacific and the SS Milos arrived with nearly 1,800 passengers. On reaching Haifa, they were transferred to the SS Patria to be reshipped to Mauritius. The ship was scuttled in protest and 257 immigrants were drowned. The survivors were permitted to remain in Palestine, but the price for the enjoyment of that right had been high. In December 1940 over 700 passengers on the SS Atlantic which reached Palestine were taken by force to the detention camp at Atlit, and then deported to tropical, disease-ridden Mauritius Island in the Indian Ocean. When they were permitted to return at the end of the war, they left behind a hundred dead. Most tragic of all was the fate of the 769 passengers on the SS Struma who had escaped death in the concentration camp at Transdnistria, Rumania. Their unseaworthy craft anchored off Istanbul for several weeks, awaiting entry permits from the British. These never came. The ship was turned back to sea again. It sank, and there was only one survivor, a witness to British inhumanity to the Jews.

The War Effort

On the eve of World War II raw materials and new equipment had to be bought abroad before shipping was cut off. With guarantees from Keren Hayesod, the Anglo-Palestine Bank and the Industrial Bank, which had been partially financed by Keren Hayesod, made loans to old and new enterprises to secure materials and new equipment in order to produce goods not only to meet the needs of the expanding population but also the requirements of the British and Allied forces stationed in Palestine and Egypt. More than $120,000,000 worth of goods were supplied to the military during the war years.

The war effort drew attention also to the need for developing home industries and handicrafts. Keren Hayesod established a Home Industries Fund in which WIZO also participated. A Home Industries Company was founded in 1942 to give credits to small workshops operated by individual owners. A training programme was instituted by the Agency in co-operation with other interested parties in the country. In May 1944 the Agency's Department of Crafts and Small Trades set up, with Keren Hayesod's assistance, Idud (Encouragement) to grant loans to new immigrants, enabling them to obtain housing and to earn a livelihood. Included among the beneficiaries were ex-soldiers, families of soldiers and supernumerary police. Later in 1945 Idud founded a special loan fund in co-operation with the Anglo-Palestine Bank and the Halvaah VeHisahon (Loan and Savings) Bank of Tel Aviv to assist new immigrants, who were artisans, small traders and factory owners.

Food for All

The war also restricted imports of food. However, the farmers were more prepared to meet this crisis than they had been in World War I. As the need became urgent, cultivation of the land was sharply extended. In the absence of farmers on military duty, school children and students were mobilised for agricultural work during lengthened holidays. The output of Jewish farmers was increased by 70 percent, and the cultivated area by 60,000 acres. At this time the Jewish Agency established tractor stations at a number of points throughout the country to supplement the equipment which the settlements already possessed. The tractors were loaned to the military for levelling and excavating operations.

The citrus industry was badly affected because of the lack of shipping for export. Loans were extended by the Jewish Agency's Agricultural Trust to help the citrus growers. Out of this crisis came the rapid expansion in processing and canning of citrus fruits and later of other types of fruit. Hakal, which had been founded in 1945 with Keren Hayesod's participation, played an important role in assisting the plantation owners to grow fruit for this industry.

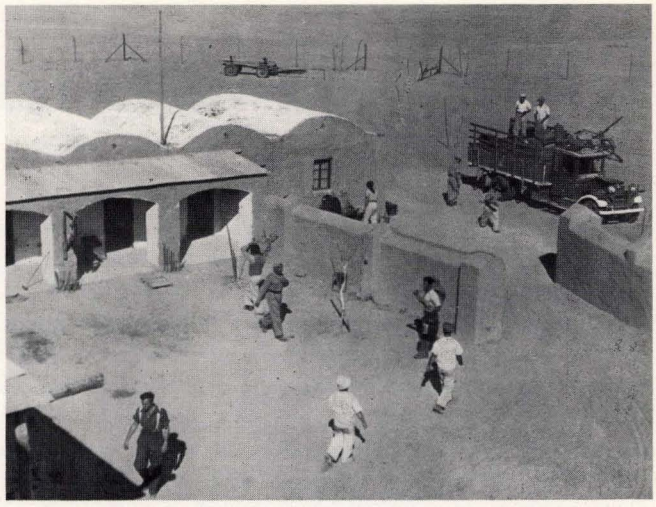


Home industry fostered by Keren Hayesod and Wizo.

Growth Despite Restrictions

The Land Transfer Regulations, which were a supplement to the White Paper, were a cruel blow for the Jews in violation of the Mandate. They severely limited land sales to them. About 63 percent of Palestine was completely proscribed for Jewish settlement. In a second zone of approximately 33 per cent Jews could buy land and settle on it only with the approval of the High Commissioner. What remained for the Jews was roughly five per cent of the Land of Israel, and that five percent was occupied by cities, towns and settlements in which they were already resident, so that actually what was left to the Jews was only 2.6 percent for new settlements. Grants of State lands were now specifically denied to Jews. However, the Land Transfer Regulations did not stop the Jews from buying land. The Jewish National Fund added to its holdings 60,000 acres between 1939 and 1944. On some of that acreage in the Negev three settlements arose in 1943 with a view to strengthening the Yishuv's defence and to establishing a position in a part of Palestine then uninhabited. An earlier attempt had been made by Jews to settle in the Negev, (Ruhama, 1912), but this settlement had not succeeded. It was re-established by Keren Hayesod in 1944. The number of new settlements established throughout the country during the war was forty. The Jewish Agency invested approximately $8,000,000 in agricultural expansion and the Government added another $3,200,000 in loans.

Twenty-five years after its founding in 1920 Keren Hayesod had to its credit the establishment of 157 settlements, with a population of 49,400 on 144,000 acres of cultivated and uncultivated land. During the same quarter of a century 46 other settlements which had not been founded by Keren Hayesod had received its financial assistance, making a total, fully or partially assisted, of 203 of which 112 were kibbutzim and 91 moshavim. The total Jewish population at the end of that period had reached 592,000.



Gvulot, one of three settlements established in the Negev in 1943.

The war effort had imposed heavy demands upon the Jewish Agency Executive and its financial arm, Keren Hayesod. The achievements in agricultural and industrial expansion were highly gratifying but required extraordinary expenditures. At the same time the budgets of all the Agency departments had to be met. The costs for recruiting for the Brigade and supplementary payments to those in uniform had to be covered. The social and cultural needs of tens of thousands of Jewish and non-Jewish military men and women in Palestine were also the responsibility of the Jewish Agency, entailing additional expenditures.



Processing and canning of citrus fruit.

Increased Support from the Diaspora

The war in Europe had drastically cut contributions from that continent, with the exception of Great Britain. Fortunately other English-speaking countries provided funds in considerably larger amounts than they had given previously. In all, Keren Hayesod's income for the six war years was $29,000,000, twice the amount received during the preceding six years. Keren Hayesod also took its third loan from Lloyds, with the limited participation of the Anglo-Palestine Bank, for £1,000,000 ($4,000,000) at four per cent interest for a term of ten years.

The Yishuv once again demonstrated its extraordinary generosity by raising in the war period the amount of $11,100,000 through three funds, the older fund, known as the Ransom of the Yishuv (Kofer Ha-Yishuv) and two new funds, War Needs and Rescue Fund (Magbit Ha-Hitgayasut) and the Emergency Tax (Mas Herum).

CHAPTER VI

TOWARDS THE JEWISH STATE

Twenty-five years after the historic Zionist Conference in London, at which the delegates had met for the first time after World War I and at which Keren Hayesod had been founded, another Zionist Conference gathered in that city on August 1, 1945, a month before Japan's formal surrender ended World War II. Ninety delegates from seventy-six countries reviewed the events of the tragedy-filled war years and planned for the realisation of the Zionist aim of a Jewish State. Dr. Weizmann declared that no people had paid such a high price in blood for victory as the Jewish people. This imposed a grave responsibility, and entitled the Jews to demand of the nations of the world "a fair deal and political wisdom."

The Conference also took stock of the great achievements wrought in Palestine with the funds Keren Hayesod had raised in its first quarter century. Its role for the future was foreseen when the Conference affirmed its intention to seek the admission of one million immigrants in the next ten years. It urged that the British immediately admit one hundred thousand immigrants, echoing a call that the President of the United States, Harry S. Truman, had voiced.

There were two hundred thousand men, women and children, broken, emaciated, languishing in the Displaced Persons' (DP) camps, "huddled, homeless humanity", desperately eager to flee the places which reeked of death and hate. Of Europe's 9,500,000 Jews, only a third had survived. In Eastern Europe living corpses returned to their devastated communities, where the Jewish legacy had been most lovingly preserved and gloriously enriched, and of which there now remained no outer sign or symbol of its survival. Jews who had felt the heel of the oppressor upon their necks longed only for a new life in the Jewish homeland.

President Truman had asked Earl G. Harrison, an American member of the Inter-governmental Committee on Refugees, to investigate the conditions in the DP camps. Harrison reported to the President that there was need for the admission of 100,000 into Palestine without any delay, stressing that "Palestine is definitely and pre-eminently the first choice of the Jewish survivors." British Foreign Secretary Ernest Bevin of the newly-elected Labour Government ignored the Harrison recommendation, although it was his party which had pledged its support to the Zionist cause before the British elections and had promised to permit immigration in such numbers that the Jews would become a majority in Palestine.

After the war had ended in Europe the Jewish Agency had requested that a hundred thousand immigration certificates be granted at once. Bevin determined on a mere 1,500 per month, a practice which the British Government had initiated when the White Paper quota of 15,000 annually for five years ran out in 1944. Jews in Palestine were desperate and felt betrayed by a govern-



1945 Zionist Conference in London. Dr. Weizmann presiding. *At his left:* David Ben-Gurion, chairman of the Agency Executive. Eliahu Dobkin, reporting movingly on the conditions in refugee camps he had visited. All three were present at the Keren Hayesod founding, 25 years earlier.



A DP Camp. The DP's ready to leave for a home in Palestine.

ment which had failed to keep its promise to them. Their natural response was defiance and the exercise of their right to make immigration possible by strong measures, if necessary. In October 1945 Haganah raided the detention camp at Atlit in order to release two hundred immigrants. On November 1 they cut the railway lines at 150 points. Before the month ended they blew up the coast guard stations at Givat Olga and Sidna Ali, which had been the centre of British operations against "illegal" immigration. In reprisal British troops with tanks surrounded and searched Givat Hayim, Shefeya and Rishpon in the hunt for hidden arms. Eight of the Jews from neighbouring villages who came to befriend the besieged settlers were killed, and hundreds were arrested, though they had offered no armed resistance. Other settlements would also be subjected to these infamous searches.

Proposals for Jewish Salvation

On November 13, 1945 Bevin informed the Jews that their problem could not be solved by the establishment of a Jewish homeland, but only by remaining in Europe and becoming assimilated and by contributing "their ability and talent toward rebuilding the prosperity of Europe." The trouble with the Jews, Bevin added, is that they always want to be at the head of the queue. It is their aggressiveness which provokes anti-Semitism. Anti-Semitism was then rampant in Eastern Europe and far from dead in Germany.

The Anglo-American Committee of Inquiry was then set up to study the situation of the survivors in Europe and "to examine political, economic and social conditions in Palestine as they bear upon the problem of Jewish immigration and settlement thereon." In May 1946 the Committee unanimously endorsed the Harrison proposal and further recommended that land restrictions should be removed and that Palestine be put under a trusteeship without any assurance of statehood. To the



British soldiers searching for weapons at Sdot Yam. Settlers were confined behind barbed wire while the search was on.

proposal of trusteeship the Zionist Executive responded firmly that only a viable Jewish State would be acceptable. The British Government rejected all of the Committee's proposals, although Bevin had promised that, if unanimous, they would be accepted. Prime Minister Attlee told Parliament that the matter would be more favourably considered if the Jewish "armies" in Palestine disbanded and surrendered their arms and if the United States shared in both the financial and military responsibilities of keeping peace in the Land. Neither the Jews nor the Americans accepted these conditions.

Then came the joint American-British Grady-Morrison Plan for the cantonisation of Palestine. The Zionists rejected it as a scheme "designed to perpetuate the existence of the British regime by conceding a very limited and unreal measure of self-government to the



David Ben-Gurion, chairman of Agency Executive since 1935, giving testimony before the Anglo-American Committee of Inquiry. *Behind him:* Moshe Sharett, co-head of Agency's Political Department (1946).



Dr. Nahum Goldmann



Leaders of the Yishuv confined in Latrun Detention Camp (1946). *Left to right:* David Remez, Moshe Sharett, Yitzhak Gruenbaum, Dr. Dov Joseph, David Hacohen with two Haganah leaders at his side.

Jews and Arabs in parts of the country." So limited were these "parts" that Jewish development and immigration would be impossible. Mr. Truman supported rejection.

President Truman Favours Partition Proposal

Shortly thereafter, at a meeting of leading Zionists from the Yishuv and from the United States and other countries, held in Paris under the chairmanship of David Ben-Gurion, it was decided to send Dr. Nahum Goldmann (1894–), later to become president of the World Zionist Organisation and the World Jewish Congress, to Washington, to explore the possibilities of securing the consent of President Truman to the proposal of a Jewish State in a part of Palestine. Dr. Goldmann having persuaded the non-Zionist Judge Joseph M. Proskauer (1877–), president of the American Jewish Committee, to accompany him, and with the help of David Niles, adviser to the President, succeeded in his mission.

The Black Sabbath

On June 29, 1946 British soldiers raided the Agency's offices and carried off its archives. On this Sabbath day, known as the Black Sabbath, the British arrested 2,700 Jews, among them the Executive members: Rabbi Yehudah Leib Maimon (Fishman, 1876–1962) who headed the Executive in Ben-Gurion's absence abroad (later Israel's first Minister of Religions); Moshe Sharett (Shertok, 1894–1965), head of Political Department, Israel's first Foreign Minister, second Prime Minister and later chairman of the Jewish Agency Executive; Itzhak Gruenbaum (1879–1970), Israel's first Minister of the Interior; Dr. Dov Joseph (1899–), Governor of Jerusalem during the Arab siege (1947–1948) and later a Minister of the State; and David Remez, Va'ad Leumi chairman. All were released by the end of the year.

Congress Refuses Further Negotiations

It was in a mixed mood of sadness and resentment that the Twenty-second Zionist Congress met in Basle in December 1946. A pall of grief hung over the delegates, who mourned the loss of the six million and of friends who had sat at their sides at previous sessions. The resentment was deepened when it was reported that the survivors of a wrecked "coffin" ship had been transported to Cyprus.

The Congress was divided on the issue of whether the Zionists should meet with the Arabs in London under British auspices to seek a solution to the problems which threatened the destruction of hope for statehood. The Congress resolved that "in the existing circumstances the Zionist movement cannot take part in the Conference. If a change should take place in the situation the General Council of the Zionist Organisation should reconsider the matter and decide whether the Executive is to participate." Dr. Weizmann favoured participation and had been strongly supported by Rabbi Wise, Louis Lipsky, Nahum Goldmann and Moshe Sharett. Opposed to Dr. Weizmann were Rabbi Silver and Ben-Gurion, whose respective groups joined them in the stand that further negotiations with the British would be futile. Dr. Weizmann was not returned to the presidency. No president was elected to succeed him. Ben-Gurion was re-elected chairman of the Executive and was also assigned the defence portfolio. The Mandate was dead, as could be seen from the resolution the Congress adopted: "Jewish statehood is the only form in which the original purpose of the Mandate for Palestine can be fulfilled in the event of the Mandate's termination."

Informal Conversations

The Agency Executive was not represented at the London Round Table Conference (January-February, 1947).

The British met formally only with the Arabs. The Zionists took part in informal conversations, which Dr. Weizmann described as a "back door" approach. Following the talks Bevin issued a plan (February 7, 1947) which was just a modification of the Grady-Morrison plan, calling for a five-year trusteeship over Palestine with "the declared object of preparing the country for independence." To encourage Zionist acceptance, Bevin included a provision for the admission of four thousand Jews monthly for a period of two years. The High Commissioner would then determine the rate in consultation with an advisory council in which Jews would be a minority. The Agency repudiated the Bevin Plan as "incompatible" with the basic purposes of the Mandate: immigration, land settlement and ultimate statehood. In Bevin's proposed independent state, after five years of trusteeship, the Jews would be a permanent minority. At that time there were 614,000 Jews in Palestine and 1,319,000 non-Jews.

Bevin Calls in the U.N.

On February 18, 1947 Bevin informed the House of Commons that, since he saw no prospect of an agreed solution, he had decided to refer the matter to the United Nations, adding that it was no fault of the British that the Mandate had proved unworkable. The Jews and the Arabs had shown themselves "irreconcilable".

At the Special Session of the General Assembly on April 28, 1947 the five Arab member-states proposed that, in addition to the British motion for the "constituting and instructing of a special committee for the consideration of the question of Palestine", their motion on "the termination of the Mandate over Palestine and the declaration of its independence" should also be considered. The Arab motion was rejected along with their request that the Jewish Agency for Palestine be denied a hearing before the Political Committee. The U.N. set a precedent when the non-Governmental bodies, the Jewish Agency and the Arab Higher Committee, were permitted to present their cases before the Political Committee.

The Jewish Agency had designated as its representatives David Ben-Gurion, chairman of the Jewish Agency Executive; Moshe Sharett, head of its Political Department; Rabbi Silver, chairman of the American Section of the Executive; Hayim Greenberg (1889–1953), Labour Zionist theoretician and journalist; Nahum Goldmann; Mrs. Rose L. Halprin, president of Hadassah and later chairman of the American Section of the Jewish Agency; and Dr. Emanuel Neumann. In brief but very impressive statements Ben-Gurion, Sharett and Rabbi Silver put forward the Jewish claim to a State, based on the need to solve the problem of Jewish homelessness and on the record of Zionist achievement in Palestine. All that the Political Committee heard from the Arabs were harangues and threats to use force to prevent the establishment of a Jewish State.

Most surprising was the statement made by Andrei Gromyko, the Soviet delegate: "It will be unjust if we do not take into account this aspiration of the Jews to a State of their own, and if we deny to the Jews the right to realise this aspiration. The denial of this right to the Jewish people cannot be justified, especially if we take into account everything that the Jewish people underwent during the Second World War."

The U.N. appointed the United Nations Special Com-





Left: Passengers on the rammed "Exodus 1947" forcibly removed from the ship and transported back to DP Camp in Germany. UNSCOP members, to the right, watch the cruel spectacle. *Right:* Dr. Weizmann testifying before UNSCOP; Abba Eban of the Agency's Political Department at his side (July, 1947).



The Advisory Political Committee, representing the Zionist General Council; Dr. Israel Goldstein was chairman. *At his right:* Moshe Sharett. *At his left:* Rabbi Wolf Gold and Dr. Nahum Goldmann (Autumn, 1947).



Rabbi Abba Hillel Silver, making his forceful presentation at the United Nations. *Left to right:* Dr. Emanuel Neumann, Moshe Sharett and Rabbi Wolf Gold (1889–1956), Mizrahi leader. Moshe Sharett and Dr. Weizmann were also strong advocates (Autumn, 1947).

mittee on Palestine (UNSCOP) to study the situation in Palestine and Europe and to recommend a solution. In Palestine (June-August, 1947) UNSCOP soon discovered how badly the situation had deteriorated under British rule. The "Exodus 1947", a ship carrying over 4,500 refugees, had been rammed by the British Navy at sea to block its approach to Palestine. A number of passengers had been killed and many were injured. The ship was conducted to Haifa, where the immigrants were transferred to three British vessels which were turned about and headed to Marseilles. Efforts to induce the Jews to land in France prompted only 130 sick and aged to accept French hospitality. Finally the ships took sail for Hamburg, Germany, from which point the refugees were returned to DP camps in British occupied-territory.

On September 25, 1947 UNSCOP reported to the Ad Hoc Committee set up to deal with its recommendations. At the same time an Advisory Political Committee headed by Dr. Israel Goldstein sat in New York, representing the Zionist General Council (World Actions Committee). It was available at all times for consultation with the Agency's leaders at the U.N.

UNSCOP offered two proposals. One submitted by a minority, for a federated state, was defeated by a vote of 29–12, with 14 abstentions. The majority favoured the partition of Palestine into two states—Arab and Jewish, with economic union and internationalisation of Jerusalem. The majority report was approved by a vote of 25–13, with 17 abstentions. The presentations by Dr. Weizmann, Sharett, and Dr. Silver had moved the Ad Hoc Committee to recognise the justice of the Zionist cause.

The Vote for Partition

On November 29, 1947 the Plenary Session of the General Assembly put the majority plan to a roll call vote. It was passed by a vote of 33 against 13, with ten abstentions. The United Kingdom abstained. The resolution provided for the termination of the Mandate on August 1, 1948, but Britain would actually end it on May 15, 1948. A United Nations Palestine Commission was created to implement the plan and the Security Council was made responsible for ensuring peace in the Land.

The passage of the resolution was jubilantly greeted by Jews in Palestine and throughout the world. The term "DP" was now rendered not as "Displaced Person" but as "Destined for Palestine".

Arabs Resist the Resolution

The rejoicing was swiftly dampened on the very morrow of the U.N.'s adoption of the resolution. On November 30 the Arabs began to carry out their threats to destroy the State before it was born. Ben-Gurion had anticipated

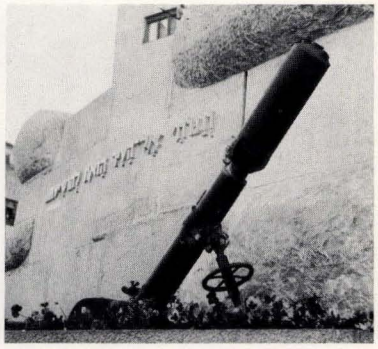
their action. A month before the resolution's passage he had urged the immediate increase of the Yishuv's defence forces and equipment. At the time, he later reported, "there were 8,720 rifles in the various settlements for local defence, 1,353 rifles for countrywide defence, and a total of 1,900 submachine-guns, 186 machine-guns and 444 Bren type guns. The entire 'heavy' equipment—the artillery, so to say—consisted of 672 two-inch mortars and 96 three-inch mortars. There was not a single piece of artillery, not a single heavy machine-gun, no anti-aircraft or anti-tank weapons. There were no armoured cars and there was not even a sign of any air or sea force. And there were scarcely any means of land transport." Immediately after the adoption of the U.N. Partition Resolution, Golda Meir (Meyerson, 1898–), then a member of the Jewish Agency Executive and later Minister of Labour and Foreign Affairs and the fourth Prime Minister, had gone to the United States where she raised $50 million dollars for the purchase of military equipment. She was assisted in her successful effort by Rudolph G. Sonneborn (1898–), who served as president of Material for Israel.

The United States had imposed an embargo on arms to the Middle East. Shipments ordered in Czechoslovakia would be delayed. Ben-Gurion had organised the secret production of sten guns, anti-tank guns, steel sheaths to convert motor vehicles into armoured cars, hand-grenades, etc. Among them was the famous davidka, a small mortar, more terrifying by its noise than by the damage it caused. In America, even in the face of the U.S. embargo, Jews were organising committees to make available equipment and planes of World War II vintage.

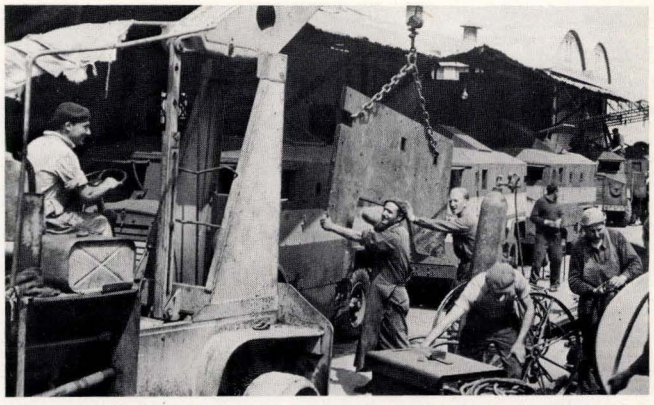
Ben-Gurion had not erred in his prediction that the Arabs would soon prepare to make war on the Jews. The terrorist Fawzi el Kaukji, a leader of Arab guerillas in the 1936 disturbances, had already begun, with the assistance of the Mufti, Haj Amin el Husseini, to organise in Damascus his "Army of Liberation" made up of Arab irregulars, veteran World War II Polish soldiers who had been stationed in Palestine, Nazis released in Egypt, and British army deserters. The



Golda Meir



Davidka mounted in Jerusalem.



Making steel sheaths for conversion of vehicles into armoured cars.



Jerusalem throng hails the passage of the U.N. Resolution (November 29, 1947).



Arabs set Jerusalem commercial centre afire (December 2, 1947).



Memorials to the heroic who sought to break the Arab blockade of the Jerusalem road to the coast.



Keren Hayesod building dynamited. Leib Jaffe was one of four Keren Hayesod fatalities.

British continued to supply the Arab states with military equipment.

Jordanian Legionnaires, trained by the British Brigadier Glubb Pasha, had already moved close to areas where Jews were heavily concentrated. The British had made no effort to prevent them. Iraqi units would soon follow, stationing themselves at a distance of about eight miles from the coast with the intention of slicing the narrow strip between Haifa and Tel Aviv. Jews were killed on the highways. Cities and towns were attacked, but the attackers were repulsed. Settlements were struck at, but not one was abandoned in the early stage of the war.

In Jerusalem another danger besides Arab violence menaced the population numbering 100,000. There was a rapidly diminishing supply of food and fuel. Escorted convoys bringing up the vital necessities from the coast were constantly ambushed. The wrecked vehicles along the sides of the Sha'ar Ha-Gai highway leading up to Jerusalem bear silent testimony to the lives sacrificed for Jerusalem's survival. A Jerusalem Emergency Committee was appointed by the Jewish Agency and the Va'ad Leumi. Its co-chairmen were Dr. Dov Joseph and Golda Meir. Dr. Joseph took full responsibility when Golda Meir was soon called to other duty. Supply convoys now began to reach Jerusalem but the operation became more costly in lives at every attempt.

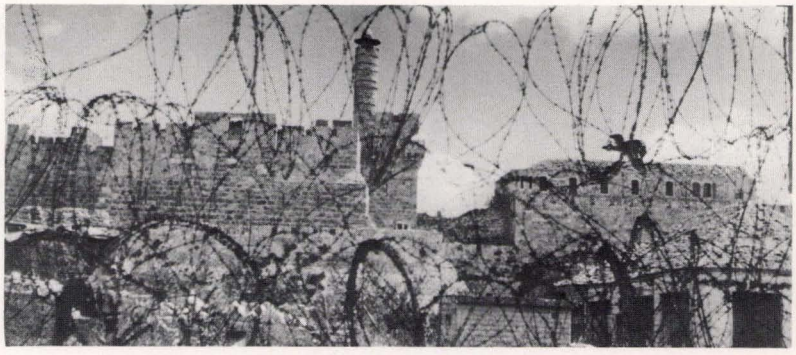
Keren Hayesod Building Dynamited

On March 11 the Keren Hayesod section of the Jewish Agency Compound was blown up. The explosives had been brought into the courtyard in a car driven by an Arab driver of the American consulate and left there by him. Thirteen were killed. Among them were Leib Jaffe, co-managing director of the Keren Hayesod and one of its most celebrated emissaries, and three staff members, Michael Goldenberg, Michal Rami-Berlin and Alice Lasker. Wounded seriously were Natan Mikhael Gelber (1891–), historian and Keren Hayesod emissary,



Dr. Dov Joseph

Barbed wire was one means of defending besieged Jerusalem.







Left: President Truman and Dr. Weizmann. The President gave assurance of his continued support of partition. Later he promised help to retain the Negev for the Jewish State. *Right:* Piper Cubs supplied harassed settlements.

and Benjamin Liberman (1898–), a senior financial official of Keren Hayesod, but both recovered.

Further Preparations for Defence

The Jewish Agency and the Va'ad Leumi began to recruit Jewish manpower. By February all doctors under 35 were mobilised, and all men between 17 and 25 were notified that they would be called shortly for full-time service. All groups capable of rendering any service were ready to do so as the need arose.

Two weeks before the U.N. resolution of November 29, 1947 the Va'ad Leumi had made the decision to set up a Mobilisation Fund of $2,000,000. Within a month a sum of $2,800,000 had been collected. On February 17, 1948 another campaign was initiated for ten million dollars. In both operations Keren Hayesod threw in all its forces. At the same time Keren Hayesod launched a series of emergency campaigns abroad to finance the Yishuv's defence. South Africa, Great Britain, the Argentine, Uruguay, Czechoslovakia, France, Belgium and Italy raised eight million dollars by the middle of February.

America's Reversal

With increasing Arab resistance, Warren Austin, United States delegate to the United Nations, proposed, on March 19, 1948, a temporary trusteeship for Palestine. A day earlier President Truman had assured Dr. Weizmann that there would be a Jewish State. The purpose of his proposal, Austin insisted, was to gain time in order to create a political atmosphere favourable for putting the partition into effect. The British Government had a hand in this proposal in the hope that the trusteeship would be put under its control. Austin also proposed that the Palestine Implementation Commission suspend its activities. Dr. Weizmann assailed the Austin proposal: "If we are left alone to face Arab aggression we shall not shirk the struggle. If we were to go down, the ideal of international order would perish with us and force would prevail against justice as the arbiter of human destiny." Dr. Abba Hillel Silver and Moshe Sharett told the U.N. Security Council that nothing would halt the Yishuv from establishing a Jewish State as guaranteed by the U.N. Partition Resolution. In Jerusalem Ben-Gurion denounced the proposal as a "surrender to the terrorism of the Arab gangs." A joint Jewish Agency-Va'ad Leumi statement declared: "The Jewish people extends the hand of peace to the Arab people. The Jewish State will be ready to co-operate with the neighbouring Arab States and to enter into permanent treaty relations... and to advance the development of their countries."

For the Arabs America's reversal was a source of encouragement. They intensified their attacks upon the Jews. Iraqi units assailed the settlements of Magdiel and Kfar Saba in the Sharon, but were driven off with heavy casualties. A turning point was reached when Fawji el Kaukji's "Liberation Army" was completely routed at Mishmar HaEmek (April 4–9), a strategic point on the road leading through the Emek to Haifa. For the first time the Haganah aerial service engaged in battle. The squadron consisted of two Piper planes, through the open doors of which the pilots dropped ammunition wrapped in burlap bags to the embattled

Haganah and settlers, and bombs made of lead pipe on the enemy's forces. The explosives caused more psychological than physical damage to Kaukji's irregulars.

Jerusalem Under Full Siege

In mid-March 1948 West Jerusalem was under full siege. In the Old City the Jewish Quarter had been cut off and had been constantly riddled by Arab machine gun and mortar fire. The 150 Jewish defenders returned the fire. On one occasion British soldiers, in an attempt to silence the shooting, shelled and damaged the ancient Hurvah Synagogue. This famous shrine would later suffer total destruction by the Arabs. In West Jerusalem food and fuel and other vital supplies were now almost exhausted; Dr. Joseph put rationing into effect. The water conduit to the city had been cut off. All cisterns and faucets were sealed and placed under control. Risking their lives men and women brought their buckets to points where water was distributed in measured quantities. The supply of electricity became sporadic when electric lines were cut. Local generators could only be used with permission. One Piper Cub provided the only safe transportation between Jerusalem and Tel Aviv. News-hungry Jews could hear broadcasts only with battery-powered radios. The Jerusalem Post building had been blown up, but Gershon Agron (Agronsky, 1893–1959), its founder and publisher and later Mayor of Jerusalem, saw to it that the paper appeared regularly. Ben Yehudah Street was laid waste by an Arab explosion. Fifty-two Jews were killed, and many injured.

Ben-Gurion recognised that the loss of Jerusalem would undermine the morale of the whole Yishuv. He determined that convoys must reach Jerusalem. A newly-organised brigade called Nahshon, equipped with the first arms from Czechoslovakia, cleared the route to Jerusalem when it captured Castel, a mountain fortress. Nahshon's victory opened the way for three convoys between April 13 and April 17. Thousands of tons of food, fuel, arms and ammunition were brought in by 750 trucks, the last of which were attacked, and a number of drivers were killed and wounded. The supplies for Passover made it possible for the Holy City's Jews to celebrate the Festival of Freedom appropriately. All the supplies brought in the convoy were purchased with Keren Hayesod and Va'ad Leumi Emergency Funds. Dr. Joseph had flown by Piper to Tel Aviv to place the orders. The supplies were intended to last for four weeks, but they had to be stretched for eight, until convoys could travel the "Burma" dirt road which was built parallel to the cut-off Latrun highway.

On April 13 the most outrageous event occurred when a convoy of doctors and nurses, professors and students on their way to the Hadassah Hospital and the University on Mount Scopus was ambushed. Seventy-seven Jews were killed or burnt alive in their trapped conveyances. The British police stationed nearby had been tardy in coming to their rescue.

Independence Will Be Declared

On April 6 the Zionist General Council met in Tel Aviv. It adopted a resolution to establish a State immediately upon the withdrawal of the Mandatory power, and not later than May 16, 1948. The resolution had been prepared by Zalman Shazar (Rubashow, 1890–) who



Rationing water.



Haganah charging Castel.







Left to right: Dr. Israel Goldstein as chairman of Council's Political Committee. Zalman Shazar, vigorous advocate of statehood. Gershon Agron.

would later serve as chairman of the Jewish Agency Executive and in 1963 become Israel's third President. It had been unanimously approved by the Council's Political Committee, which was chaired by Dr. Israel Goldstein. The General Council further resolved to create a National Council composed of the elected representatives of the World Zionist Organisation resident in Palestine, members of the Va'ad Leumi and of public bodies not represented in these two organisations. Arabs living within the area of the Jewish State who recognised its authority would also be given representation. The National Council would be made up of 37 members. In addition a National Administration of 13 members, responsible to the National Council, would be formed.

On April 10 a Jewish State Fund was launched by the Jewish Agency and the Va'ad Leumi to collect income taxes. The National Administration met for the first time in Tel Aviv on April 18. On May 2 postal services were opened, using at first Jewish National Fund stamps for postage. On May 4 the first train manned by Jews ran from Haifa to Hadera. A week later the Jewish Agency-Keren Hayesod publicly launched a twenty-million dollar national loan to be subscribed locally. A fifth of this sum had already been pledged. In contrast, in Arab areas there had been a run on the banks, foreign as well as local, leading to their closing.



After Nahshon Brigade's victory, trucks brought supplies to Jerusalem.

Beginnings of the Refugee Problem

Beginning in mid-April, Jewish forces occupied Tiberias, Haifa and Safed, where the Jewish population had been subjected to Arab attacks. In these places Jewish leaders had pleaded with the Arabs not to abandon their homes, but thousands fled across the borders in response to the bidding of their leaders who had given them assurance that they would return and share in the spoils after the inevitable Arab victory. In Jaffa, which had not been assigned as part of the Jewish State, 70,000 Arabs evacuated the city, swelling the ranks of the refugees—the problem which plagues Israel to this day, despite her many efforts to find a just solution. Acre, which had also not been assigned to the Jews, would fall to the Haganah three days after the establishment of the State.

The Yishuv suffered its most tragic loss with the fall of the Etzion Bloc. For weeks the settlements had been subject to attack. On May 13 the Arab Legion broke through Kfar Etzion's fortifications and after a valiant struggle its defenders succumbed to the greater numbers and power of the Jordanian Legion and the Arab irregulars. Only four Jews survived in Kfar Etzion; the rest of the defenders were massacred following their surrender. The three other settlements surrendered the following day, May 14, and the survivors were taken prisoner. The Etzion Bloc wrote one of the glorious chapters in the struggle for Israel's independence. After the Six Day War Kfar Etzion and Ein Tzurim (now known as Rosh Tzurim) would again rise as settlements.

The National Administration had met in Tel Aviv on May 12 to hear Moshe Sharett's report on the Agency's political activities at the U.N. The National Administration determined not to postpone the establishment of



David Ben-Gurion proclaiming establishment of the State of Israel.

the State. Sharett declared: "Sovereignty was to have passed from the Mandatory Government through the United Nations to the Palestine Commission and from it to the Jewish and Arab States. This intermediate body does not in effect exist and cannot fulfil its functions. There is need, therefore, for the direct taking over of the State's functions by the Jewish people. We are determined not to let a vacuum occur even for a split second." The Commission had failed because of British reluctance to co-operate with it. The Mandatory power would leave the country in a shambles. Government funds would be carried off to England. Some of the Mandate's immovable assets and property would be sold quickly, but much of what remained, including Tegart police fortresses, would find its way into Arab hands.

Independence Proclaimed

The State of Israel was proclaimed at a meeting of the National Council held in Tel Aviv Museum at four-thirty on the afternoon of May 14, eight hours before the British Mandate came to an end. Two hundred and forty were privileged to witness the rebirth of the Jewish State 1,878 years after the destruction of the Second Commonwealth. David Ben Gurion read the Proclamation of Independence, which included the following declaration:

> "The State of Israel will be open for Jewish immigration and for the Ingathering of the Exiles; it will foster the development of the country for the benefit of all its inhabitants; it will be based on freedom, justice and peace as envisaged by the prophets of Israel...it will guarantee freedom of religion, conscience, language, education and culture..."

Thirty-seven members of the National Council signed the Declaration of Independence. Rabbi Yehudah Leib Maimon, virtually overcome with emotion, made the traditional blessing of "Sheheheyanu": "Blessed art Thou, O Lord our God, King of the Universe, who hast kept us alive and preserved us and enabled us to reach this time." The session was closed with the singing of "Hatikvah" — "The Hope", which two months later was designated as Israel's national anthem.

The Law of Return

Jews hailed with exultation the fulfilment of the hope for national restoration. There was added reason to rejoice among the remnant in the DP camps and in the desolated communities of Eastern Europe, because the first act of the Provisional Council of State, which replaced the National Council, was the nullification of the White Paper, making it possible for Jews to come without let or hindrance into their own land as free men and not as "illegals". In 1950 the right of every Jew to enter and to live in the State of Israel would be guaranteed by the Knesset in the Law of Return.



Rejoicing in a DP camp over Israel's independence.



British troops heading for home after end of Mandate.

CHAPTER VII

ISRAEL REBORN

The joy in Jewish independence was quickly marred. At midnight on the day the State came into being, Israel was invaded by the armies of Lebanon, Syria, Transjordan, Iraq and Egypt, reinforced soon by contingents from Saudi Arabia, Sudan and Yemen. These armies came to carry out the threat made by Azam Pasha, Secretary of the Arab League, of "a momentous massacre which will be spoken of like the Mongolian massacres and the Crusades."

At no time would the Israelis be able to match the Arabs in the extent of military equipment despite the additional shipments of arms and war materials, including some planes that would reach them. Their superiority would lie in their courage and determination to survive. Of immeasurable help would be the 4,500 Jewish and non-Jewish volunteers from abroad (Mahal, Mitnadvei Hutz la-Aratz), who came as experienced fighter pilots, aircraft mechanics, tank operators, radar technicians and infantrymen. These men took their places in the Israel Defence Forces (Zva Haganah Le-Israel — Zahal), which the Provisional Government of Israel created on May 26. The most famous Mahal volunteer was the West Point graduate, Colonel David Marcus ("Mickey", 1902–1948), who was killed in the Jerusalem area where he was in command.

On May 15 Jerusalem came under ceaseless bombardment from the Transjordanian Arab Legion. A week later they were joined by Egyptian "Moslem Brothers", who had come to the hills south of Jerusalem. In the Old City eighty Haganah members and local youngsters equipped with primitive weapons defended the community of 1,700 dominantly older people. After grim resistance the Jewish Quarter fell. All fighters were taken prisoner. The seriously wounded and others incapable of fighting were led out by U.N. representatives and were enabled to join their fellow Jews in West Jerusalem. The Arabs destroyed twenty-seven synagogues and later razed all remaining houses of worship and yeshivot.

In the first stage of the struggle Israel was on the defensive, lacking the necessary equipment and possessing no sea or air forces capable of taking the offensive. Jerusalem's continued survival was a source of inspiration to Israel's fighters and the whole population. It was becoming apparent to the Arabs that King Abdullah's prophecy that the war would be over by May 26 would not be realised, and they were ready to consider a truce.

"Peace...Only With the State of Israel"

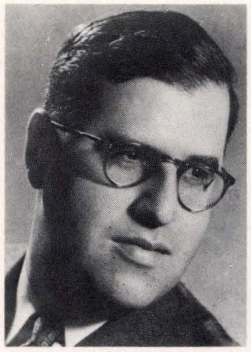
The U.N. Security Council delegates had already called for a cease-fire. The Arabs insisted on Israel's surrender of independence as a condition for their acceptance of a truce. Abba Eban (1915–), who represented Israel at the U.N. and later was Ambassador to the United Nations and to the United States and Foreign Minister, replied firmly at the Security Council: "It becomes my duty to make our attitude clear beyond ambiguity or doubt. If the Arabs want peace with Israel, they can have it. If they want war, they can have that too. But whether they want peace or war, they can have it only with the State of Israel." (May 26, 1948.)

The Arabs yielded to the U.N. and a cease-fire was





Left: Volunteers from abroad helped man planes. *Right:* General Yaakov Dori (Dostrovsky, 1899–), first Chief of Staff, with David Ben-Gurion, then provisionally Prime Minister and Minister of Defence, opening Road of Valour (Gevurah), December 1948.



Abba Eban

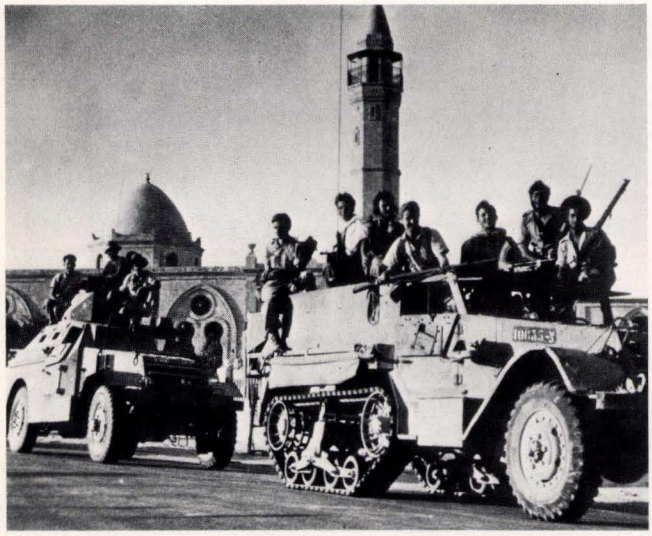


Yigal Allon

declared, to last from June 10 to July 9, which the Arabs broke a day earlier than agreed upon. The end of the truce found Israel now ready to take the offensive, since she had received and made more and better equipment. Israel went on to win victories over the Arab "Army of Liberation" in the north, the Arab Legion in the heart of the country and the Egyptians in the south. Only one settlement, Mishmar Hayarden, captured by the Arabs, was within the territory allotted to the Jewish State, but it was returned after the signing of the Syrian-Israeli Armistice.

The Practice of Breaking a Cease-Fire

A second cease-fire of "indefinite duration" went into effect on July 18. The Arabs broke it with renewed bombardment of West Jerusalem. The reorganised stragglers of the "Army of Liberation" attacked settlements in Galilee, as did the Egyptians in the Negev in an effort to isolate the kibbutzim. On October 21 the Israelis captured Beersheba, now the capital of southern Israel. The Egyptians, among whom was Gamal Abdul Nasser, were trapped in the Faluja pocket and stubbornly refused to be evacuated until the war was over.



Beersheba conquered by Israel Defence Forces.



Chaim Weizmann taking oath as first President of the State; Yosef Sprinzak, Speaker of the Knesset, administering oath (1949).

The first of the armistice agreements was signed by Egypt and Israel on February 24, 1949. Before the next Arab state signed, the Israel Defence Forces occupied the Aravah and Eilat (March 10), giving Israel an outlet to the Gulf of Aqaba and the seas beyond. All of the Negev had been liberated by forces fighting under the command of Yigal Allon (1918–), commander of Palmah and a future Deputy Prime Minister. Lebanon agreed to the armistice with Israel on March 23, and Jordan (April 3) and Syria (July 20) followed. Iraq refused to sign any agreement. Although the agreements were intended to lead ultimately to peace between Arabs and Jews, they led only to two additional wars.

Israel had achieved a victory which confirmed her independence, but for which she had paid a heavy price in the lives of some four thousand soldiers and two thousand civilians.

The Vital Question for the Future

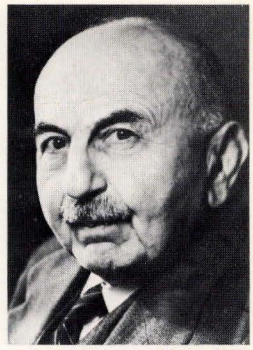
When the Zionist General Council met in Tel Aviv in August 1948 it was faced with a vital question: What should be the role of the Jewish Agency now that the State had been established? There could be but one answer — it must go on with its historic mission of the ingathering of the exiles and helping them renew their lives in the Promised and now Redeemed Land. With countless Jews still homeless in the world, and with


Moshe Sharett


Berl Locker


Eliahu Dobkin


Moshe Kol


Dr. Arthur Hantke

others eager to find self-fulfilment in the Jewish homeland, there was only one body qualified by dedication and experience to carry out this challenging task of redemption.

Specifically, as the Zionist General Council saw it, these were the functions that the Jewish Agency must perform: arranging for immigration, the reception of immigrants and their absorption, their settlement on the soil; the care of immigrant children and youth (Youth Aliyah); the quickening of the interest of world Jewry in the State, that it concern itself with Israel's security and economic development; the fostering of cultural and spiritual ties between the Diaspora and Israel, stressing especially education of Jewish youth, and instilling in them appreciation of Jewish and Zionist values; the supplying of information to non-Jews on Israel's achievements and aspirations and the winning of their understanding of the challenges which face the State, which is dedicated to work for peace among the nations and to bring light and blessing to all men.

Keren Hayesod's Role Confirmed

At this Zionist General Council Keren Hayesod was acknowledged as the principal arm of the World Zionist Organisation to finance the Agency's programme. The 1951 Zionist Congress, the first held in Jerusalem, would approve the programme as promulgated by the Council, and by this decision the Keren Hayesod would continue to serve as its main financial arm. That role was further confirmed by the Knesset's *Bill on the Status of the Zionist Organisation — Jewish Agency* (November 24, 1952), which recognised "the World Zionist Organisation as the authorised agency... for the development and the colonisation of the country and for the absorption of immigrants..." Additional confirmation of that role was given in the *Covenant between the Government of Israel and the Zionist Executive (also called the Jewish Agency Executive)*, signed July 26, 1954, by Moshe Sharett, the Prime Minister, and Nahum Goldmann and Berl Locker (1887–), co-chairmen of the Zionist Executive. The Covenant coordinated the activities of the Jewish Agency with those of the Government in matters involving the absorption of immigrants.

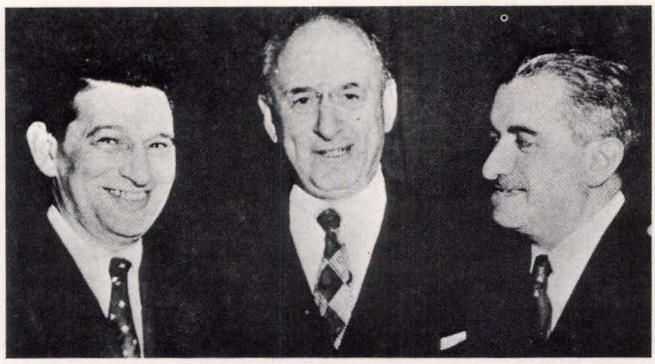
United Israel Appeal Created

The Zionist General Council of 1948 took another decision, that Keren Hayesod should organise a united campaign called the United Israel Appeal. Forty-five percent would be allotted for security purposes. Keren Hayesod and the JNF would each receive $22\frac{1}{2}$ percent, and Youth Aliyah 10 percent. When the State took over full responsibility for defence, a new arrangement in 1950 allotted $67\frac{1}{2}$ percent to the Keren Hayesod, $22\frac{1}{2}$ percent to the JNF, and again 10 percent to Youth Aliyah. In later years the JNF would continue to carry on its traditional collections but would receive no share of the United Israel Appeal funds, but allocations granted annually by the Jewish Agency. Youth Aliyah in the future would receive about a third of its budget from the Agency-Keren Hayesod.

Under the new arrangement the United Israel Appeal operated independently in all countries except the United States, Canada and Great Britain. In the U.S. the United Israel Appeal, which succeeded the United Palestine Appeal, continued its participation in the United Jewish Appeal together with the Joint Distribution Committee and the National Refugee Service Fund. In Great Britain Keren Hayesod and the JNF shared in the proceeds of the Joint Palestine Appeal. The same partnership continued in Canada until another arrangement was made later. In Palestine and later in Israel, Keren Hayesod had had an independent campaign since 1921, but in 1957 Keren Hayesod and the JNF combined in the United Appeal in Israel.

In 1948–1949 the central board of the UIA was headed by Eliahu Dobkin (1898–), later chairman of the Keren Hayesod United Israel Appeal. He was succeeded by Moshe Kol (1911–) as chairman of the central board (1949–1950). The latter was chairman of the Agency's department of Youth Aliyah and later Minister of Development and Tourism. Dr. Arthur Hantke continued to head the overall Keren Hayesod operation.

Three factors made the campaigns of 1946 through 1948 the most productive up to that date: the deep sense of oneness of world Jewry with their brethren in Eretz Israel, the sense of urgency in rescuing Jews from the DP camps and devastated European communities, and the feeling of pride in the birth of the State. In these three years net income of $155,000,000 was received from abroad. In 1946 Henry Montor (1905–), executive vice-president of the UJA, dared to insist on a goal of $100,000,000. That goal was passed. In 1948 UJA set a goal of $250,000,000 of which $143,000,000 was raised. Of this sum the Jewish Agency-Keren Hayesod recorded the receipt of $65,000,000, with more to follow as pledges were redeemed. UJA's 1948 campaign was led by Henry Morgenthau Jr. (1891–1967) who was UJA's general chairman, and Dr. Israel Goldstein, then chairman of the United Palestine Appeal, was a co-chairman. Golda Meir contributed greatly to this campaign by her energetic participation. Of the 1948 UJA collections, a good amount went to JDC in Europe, where Dr. Joseph Schwartz (1899–), Henry Montor's successor in 1951, as part of his responsibility as head of JDC operations, was directing the sending of DPs and other Jews who had survived Nazism to the Land. Under his direction 503,000 Jews were helped to find a home in Eretz Israel from 1945 to 1952.



Left to right: Dr. Joseph Schwartz, Henry Morgenthau Jr. and Henry Montor led UJA (of which Keren Hayesod was a partner) to new fund-raising heights.

Post-War Immigration

In the difficult time from 1946 to May 1948, 56,000 immigrants, of whom 40,000 were "illegals", sought a home in Palestine. After the creation of the State until the end of 1948 an additional 102,000 came, making a total of 158,000 for three years. Of these, 70,000 were refugees from the DP camps in Germany, Austria and Italy who arrived between September and December 1948.

From August 1946 through April 1948, 51,500 "illegals" had been deported to Cyprus by the British Administration. Before the founding of the State 27,500 had returned to Palestine, beginning with small numbers in November 1946 and increasingly after the adoption of the partition resolution of November 29, 1947. 24,000 internees from Cyprus were transferred to Israel after the State achieved its independence, but the last of them did not come until February 1949, because the British permitted no departures from the island during the cease-fires and at other times because some foreign shipping companies were reluctant to accept Jews as passengers for fear of offending the Arabs. Jewish Agency emissaries had instructed those confined in Cyprus in the ways of the new life ahead of them. With patience and love Youth



Last of "illegals" departing from Cyprus (February 1949).

Aliyah teachers had prepared the children to be future citizens of Israel. Among the newcomers from Cyprus 2,000 were children who had been born there.

The immigrants who started coming in 1946 were received by kibbutzim and moshavim, relatives, Youth Aliyah centres, and the four immigrant homes, which were soon overcrowed. More immigrant homes would be set up as the influx became greater. When the immigrant homes could no longer accept more newcomers a large immigrant camp was opened in Raanana. Jewish Agency-Keren Hayesod loans were given to the new immigrants for basic necessities: beds and blankets, as well as clothing for those who needed it, and for housing as soon as dwellings could be provided outside the camp. Medical and social services were also made available. Special kindergartens and schools were set up to train the children for entry into neighbouring schools. In 1947 fifteen hundred housing units were built for the immigrants.

When the British left, their camps and barracks, for which the Jews had paid a high price, were used to house immigrants. While the nation was still at war, and so many men in the services, employment was not difficult to find.

Housing for tens of thousands of immigrants was also found in Arab dwellings in cities, towns and villages which the Arabs had deserted. Unlike the housing in the cities and towns, the village houses were no better than hovels without sanitary facilities or a central water supply — except in one village. As rapidly as possible repairs and alterations were made by the Absorption Department of the Agency to make the dwellings habitable.



British barracks housed immigrants.

Settlements before and after the War

From Keren Hayesod's founding in 1920 to Independence Day in 1948 the number of Keren Hayesod settlements had reached a total of 257. An additional 29 were established during the remainder of that year bringing the total to 286. As hectic as were the years between 1946 and 1948, Keren Hayesod founded 74 settlements. Fourteen were established in the Negev, making 20 from 1943. Eleven settlements, seven of them in the Negev, were founded in a single October night in 1946 by kibbutz members and war-veterans with an eye to establishing new defence positions.

Ten settlements under the aegis of the Jewish Agency were destroyed by the enemy in the War of Liberation. Seventy-six were severely damaged. All of these were later reconstructed with the help of Keren Hayesod. Arab attacks on 151 settlements before and during the war caused an extraordinary outlay of funds to cover such



Abandoned Arab houses were rapidly filled.



One of seven Negev settlements founded in one October night (1946).





Left: Gonen. Nahal founded this settlement in Huleh Valley facing Syrian hills (1951). *Right:* Foreign Minister Moshe Sharett with Yemenite Jewish children in Aden (1950). *At his right:* JDC director, Max Lapides, who was in charge of relief during the "Magic Carpet" operation.

items as armour-plating of vehicles to transport products to market, repairing destroyed water pipelines and pumping stations and damaged roads. Losses were also caused by the neglect of the farms, because men were away on military duty and those who remained had to stand guard over the settlements day and night. To help the farmers meet the crushing burdens, the Jewish Agency created an emergency budget of $1,900,000 which Keren Hayesod supplied.

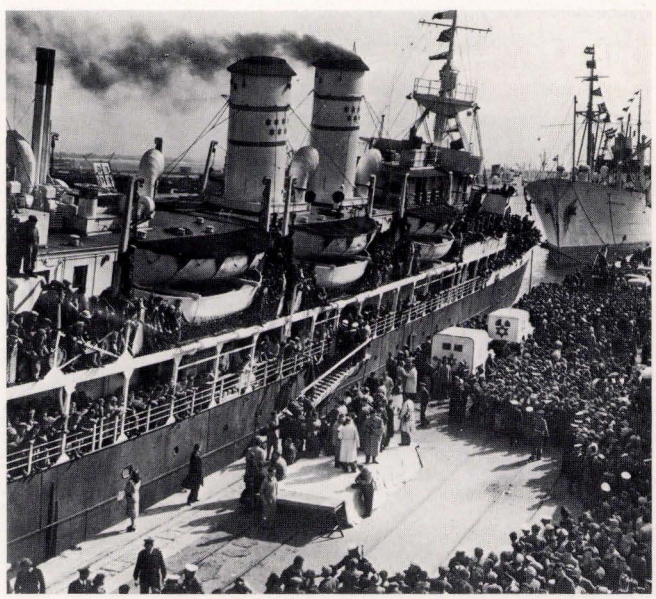
Beginning in 1946 the Agency undertook to consolidate 108 settlements in order to make them more economically secure if not entirely self-supporting. This programme lasted until 1950 and its implementation was greatly furthered by the Agency's receipt of $20,500,000 from the first loan which the American Government had made to the State of Israel.

By 1948 a distressing shortage of food set in as a result of the deterioration of farm production for the causes already cited. Austerity measures began to be enforced in that year, and were not lifted until 1952.

In order to ensure the safety of the State in those areas which the Arabs had abandoned, mass settlement was undertaken by pioneer youth and ex-servicemen. Here were the forerunners of Nahal (Noar Halutzi Lohem—Pioneer Fighting Youth), units of the Israel Defence Forces which received both military and agricultural training and devoted themselves to establishing settlements on the borders. Many of the new immigrants from Eastern Europe and Oriental countries also shared in establishing "the border settlements". Other immigrants who preferred life in a middle class village, and who had some cash of their own, fulfilled their aim with the help of loans directly from the Jewish Agency-Keren Hayesod or from its companies, Hakal (which operated jointly with Yakhin, a Histadrut Company), RASSCO, PASA and the Agricultural Trust.



Yemenite Jews on "Magic Carpet" flight to Israel (1949).



First immigrant ship reaching Haifa after independence was achieved. Passengers were no longer "illegals".

CHAPTER VIII

THE MOST MASSIVE IMMIGRATION

From May through August 1949 there was a lull in immigration due to a deteriorating economic situation and to demonstrations by immigrants over conditions in the Arab-abandoned towns and villages, which had their echoes abroad. The most massive immigration occurred in the years 1949 through 1951. In 1949 there were 240,000 immigrants, in 1950 — 170,000, in 1951 — 175,000, making a total of 585,000 in three years. By the end of 1951 the Jewish population had risen from 654,000 at the establishment of the State to 1,404,000, of which about four percent was due to natural increase. All told, since the State had been founded in May 1948, 687,000 Jews had entered the Land. The number of non-Jews at the end of 1951 was 174,000 (of whom many thousands were returned refugees) thus making the total population of Israel 1,578,000.

The immigrants came by ship and by plane. The Zim Navigation Company, which had been founded in 1945 by the Jewish Agency-Keren Hayesod and the Histadrut, used its own limited fleet and chartered vessels to transport the immigrants. El Al Israel Airlines, which had been established by the Government, Jewish Agency-Keren Hayesod and the Histadrut immediately after the founding of the State, put into service its few planes and chartered aircraft to bring Jews to the Land.

5,500 Jews who had fled from Yemen to Aden were brought to the State of Israel from mid-December 1948 to March 1949. For four years most of them had lived a miserable existence without a roof over their heads or in barracks, relying for survival on relief provided by the Joint Distribution Committee. Their departure had been delayed because the British denied them the right to leave while there was war in Israel. In May 1949 the Imam of Yemen permitted the departure of more than 45,000 of the 46,000 Jews in his country. By the end of September 1950 they had all left via Aden for Israel. They were flown in transport planes in the "Magic Carpet" operation. For those who had cherished the belief that they would return to Zion "on the wings of eagles", their flight appeared to be fulfilment of prophecy. Another 1,300 Yemenites followed in 1951, bringing to complete dissolution a community which had dwelt in the land of Yemen for two millennia.

In 1950 another magnificently organised airlift brought 59,000 Jews from Iraq, where they had been given a year to leave the country. From that same land, then known as Babylonia, 42,000 had returned from exile to Judea twenty-five centuries earlier. In 1951, 62,000 Jews came from Iraq, making a total of 121,000 out of a community of 130,000 souls.



Jews from Iraq arriving by plane (1950).



Iraqi and Indian immigrants at Shaar Ha-Aliyah reception camp (1950).



Moroccan immigrants on board ship to Israel (1950).



Distribution of baggage was a gigantic task for Agency workers.

Of some 70,000 Jews in Turkey, 37,500 left for Israel from the end of 1948 through 1950. The Jewish community of Bulgaria was practically dissolved in 1951 by the emigration of over 37,000, leaving behind a remnant of about 8,000. Sixteen thousand left Czechoslovakia for the Jewish State in 1949 and 1950. Of the 11,000 Jewish survivors in Yugoslavia, 7,000 came as olim, and more followed later, bringing an end to another Jewish community. Ten thousand Hungarians entered the country until emigration from that land was sharply limited in December 1951. 16,500 Jews from Egypt, over half of the 30,000 who were forced to leave after the War of Liberation, arrived in Israel, some coming from the Agency camp in Brindisi, Italy, and a large number from the camp in Marseilles, which for a number of years would serve as the Agency's most important transit centre.

About 4,500 Jews remained in Libya after 30,500 had departed for Israel. By the end of 1951 Libya was almost emptied of Jews when another 1,700 emigrated to Israel. Eighteen thousand olim came from Iran, including many from other lands who had taken refuge in that country. There were 36,000 olim from Morocco, and 10,000 from Tunisia and Algeria; the beginnings of a later exodus of vaster proportions from North Africa. During the same period five thousand came from China, by way of Hong Kong; these were Jews forced to leave during the civil War. 2,300 came from India.

From 1949 to 1951, 84,500 came from Poland. Immigration from that country became a trickle from February 1951, because Poland would not allow Jews to leave under a general permit scheme, but only upon individual application. From Rumania Jews were permitted to leave only in small numbers until November 1949, when immigration began on a vast scale. In the three-year period 101,000 came. Since the establishment of the State 118,000 Rumanian Jews had found refuge in the Land.

From the English-speaking countries a mere 4,500 came, but even this rate of immigration would be reduced when the excitement attending the rebirth of Israel had worn off. The Knesset took action in 1950 to encourage immigration from affluent countries. The year the Law of Return was passed the Knesset also approved the Law for the Encouragement of Capital Investment, intended to facilitate the bringing in of capital by prospective immigrants.

The Burden of Absorption

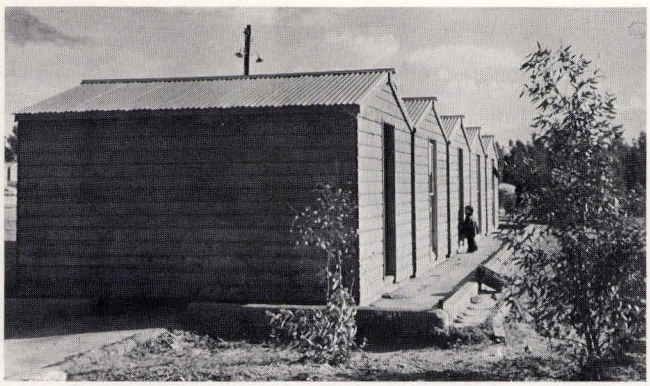
The uninterrupted great wave of immigration placed a heavy responsibility on the Jewish Agency to find immediate housing for the newcomers. There was no way of planning for any specific number coming from day to day. The remaining abandoned Arab houses were rapidly occupied and immigrant homes were filled to capacity.

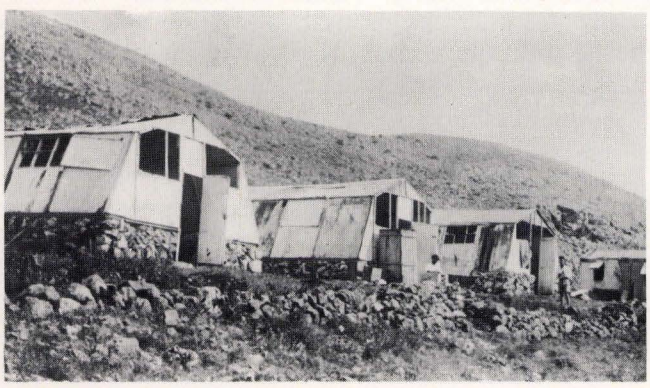
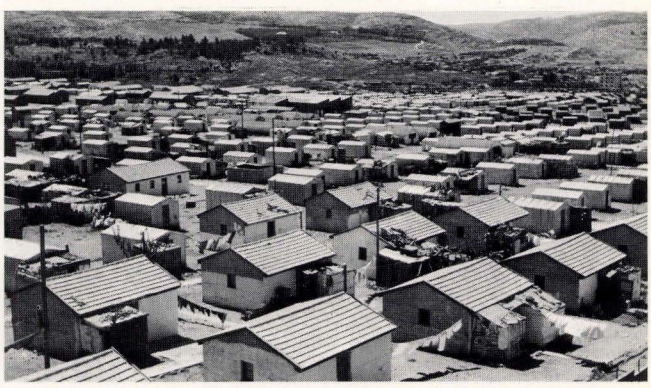
More and more immigrant housing became vitally necessary as the rate of Aliyah soared. Camps were set up with tents. The tents leaked in winter and were baked by heat in summer. The immigrants had a hard time disengaging themselves from the mud, and when rain or snow fell heavily, tents frequently collapsed. In April 1949 the classification camp Shaar Ha-Aliyah, near Haifa, was opened. Previously immigrants had been superficially examined at the port of arrival and then transferred to immigrant camps. At Shaar Ha-Aliyah they were examined medically and classified as to their needs and qualifications before being assigned to the places where they would live.

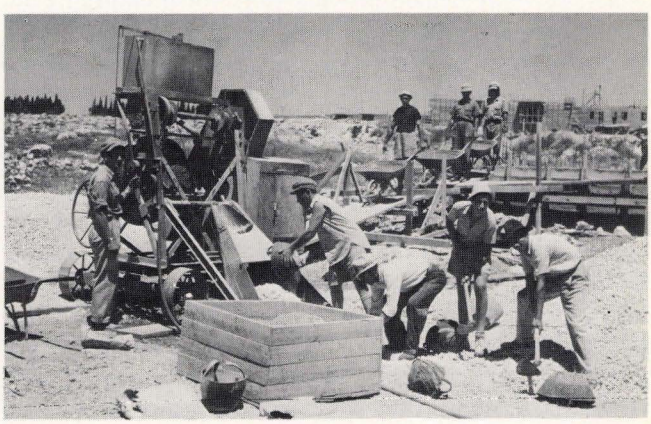
In September 1949, when the "Magic Carpet" operation began, two camps were especially opened for the Yemenite immigrants, since many of them were weak and diseased and required special care. By the end of October 1949 there were 92,500 immigrants in 35 camps. Work for many of these immigrants was then available in the Government's programme of post-war reconstruction,

Housing in Immigrant Camps and Ma'abarot







Top to bottom: Canvas tents; Canvas houses; Wooden huts; Tin huts; Fabricated huts; Concrete block houses; Dr. Israel Goldstein, Agency treasurer, presiding at meeting of Amidar of which he was the first chairman (1949); Amidar began building permanent housing rapidly.



Malben – JDC institution at Mahane Israel.



Malben cared for many aged, sick, blind and handicapped.

which included public works, road building, laying networks of irrigation pipes and expanding water systems as well as the preparation of extensive areas for housing purposes. Housing was gradually improved with the introduction of prefabricated huts from Sweden. With JDC's opening of its Malben institutions in 1949, operating at first in conjunction with the Jewish Agency Executive, and from 1950 on its own, care was provided for many of the aged, invalid, handicapped and blind. Life in the immigrant camps became a demoralising experience, to which being fed and cared for contributed. To improve this situation wooden huts were erected for thousands of immigrants near large towns and villages as well as kibbutzim and smallholders' settlements. Work was found for the immigrants in workshops in the towns and in farming in the settlements. The wooden huts were replaced as rapidly as possible by concrete block dwellings. To supplement the incomes of those living near the agricultural settlements Keren Hayesod loans were granted to immigrants to enable them to engage in auxiliary farming on small plots near their homes. Keren Hayesod funds were not only used for building houses but also for investments in industry which not only helped provide work for immigrants but strengthened the country's economy.

In November 1949 immigrant camps began to be transformed into labour camps, where the immigrants had to fend for themselves. Common kitchens in the camps were gradually closed. If the immigrants lived near towns, the Agency and labour exchange helped them to find jobs. A strenuous effort was made to provide decent housing and for this purpose Amidar (National Housing Corporation) was set up in 1949 by the Government, the Jewish Agency-Keren Hayesod and the Histadrut. Dr. Goldstein, then treasurer of the Jewish Agency, served as its first chairman. By the end of 1950 Amidar, in association with RASSCO and other construction companies built 17,780 housing units for more than 70,000 people. The size of these apartments was 28 square metres. These houses were constructed mostly of locally-made cement blocks. The immigrants paid about a third of the cost of construction and for the remainder they were given mortgages which required payments of $15 to $30 per month. Where flats were available for renting, the rental charge was $16 per month. (These charges were based on the rate of three dollars per Israeli pound in 1949.)

The Ma'abarot

In 1950 a new kind of immigrant camp called the ma'abarah (crossing or transit, plural ma'abarot) was introduced. There each family had its own private accommodation, first in tents and then in canvas huts (badonim), both of which later gave way in very large measure to wooden huts, except in the north where tin huts were built for protection against inclement weather. As speedily as possible central shops, synagogues, kindergartens, schools, clinics and club-rooms were provided to make life as normal as possible. The Agency also made itself responsible for the provision of social and medical services.



Agency's Absorption Department provided mobile clinics for medical services, where clinics had not yet been built in the camps.

The ma'abarot were generally located near centres of industry where employment could more readily be found for many of the immigrants. Others who could not find work in industry or were unfitted for heavy work were given the opportunity to open a shop, a kiosk or an artisan's workshop. The immigrants in the ma'abarot were brought into active, close relationship with the neighbouring local or municipal council, a move which gave them a sense of dignity and belonging, which had not been felt by former camp-dwellers. Committees were elected by the ma'abarah dwellers who were given the right to be represented in local institutions and to consult with the Government and the Agency on matters affecting their interests.

Nevertheless, despite every effort made by the Government and Agency to amalgamate into one community the immigrants who came from dozens of lands, bringing varying tongues, cultures and folkways, tension and friction arose in the camps, particularly, between East European Jews and those from North Africa and Asia. The divisiveness grew as the Europeans moved more rapidly ahead in their economic and social adjustment to the life of the country because of their education and training, which unfortunately had been denied to most of those who had dwelt in Oriental countries. The dread of "Two Israels" began to be felt, presenting a problem with which the Government and Agency grappled and continue to do so until this day. Mixing of children in schools and of young people in the Army helped to attenuate the dividing lines, but the problem is still with the nation, and strenuous efforts are being made to solve it so that disparities which separate the ethnic communities shall be eliminated.

By November 1951, 227,000 immigrants lived in 123 ma'abarot. The number in the ten immigrant camps had been reduced to 29,000; many had gone to the settlements, others had been given permanent housing and still others had been moved to the ma'abarot. Of the more than 600,000 who had immigrated from May 1948 to the same month in 1951, two thirds had been housed and had begun to earn a livelihood. In the years from 1948 through 1951, 78,000 housing units with 165,000 rooms were built, but still more than three people were frequently crowded into a single bedroom.



Immigrants found work in industry close to Ma'abarot.

The mass immigration brought a good number in the liberal professions, including physicians, lawyers, journalists, accountants and others. To prepare them to become self-supporting, the opportunity was provided to learn Hebrew as rapidly as possible. The first ulpan (studio) for the study of Hebrew opened in 1949 at the Etzion immigrant home in Jerusalem. Ulpanim were soon established also in a number of towns, in kibbutzim and in the ma'abarot.

Record Settlement

From 1949 through 1951, 260 new settlements were established for 16,000 families numbering 60,000 people. The number of settlements was greater by three than the total established in the 28 years before the founding of the State. The new settlements were dominantly mosha-



Outdoor instruction in ma'abarah at Rosh Pinah until schoolhouse was built.



Etzion Ulpan in Jerusalem, for Hebrew instruction (1949).





Left: Immigrant ploughing at moshav (1951). Agency's tractors soon provided an easier way. *Right:* Keren Hayesod's 30th Anniversary Conference (1950). *Left to right:* Rabbi Mordechai Nurock (1884–1962), veteran shaliah; Dr. Hantke, Berl Locker, Dr. Halpern, Israel Ritov and Moshe Ussoskin.



Moshe Ussoskin



Zvi Herman



Yehuda Yaari



Yehuda Yaari (1900–) succeeded Leo Herrmann as general secretary in 1951 on the latter's passing. *Right to left:* Herrmann conversing with Professor Martin Buber and sister Emmy, then director of KH's Information Department.

vei ovdim, smallholders' settlements, which the new immigrants preferred because their backgrounds and past experience had not prepared them for the collective life in the kibbutz. To increase the income of the settlers during slack seasons a new company, IDUD (Encouragement), was established by the Jewish Agency-Keren Hayesod. IDUD provided loans to establish industry and workshops for handicrafts in the settlements. IDUD also helped make available machinery, tools, materials and training.

With full understanding of the burdens which fell upon the Agency in the three years of the greatest immigration, world Jewry contributed a net total of $162,750,000 of which UJA gave a little over 80 percent. The balance came from other countries where Keren Hayesod campaigned. In 1949, Moshe Ussoskin (1899–) became Keren Hayesod's treasurer. From 1960 until retirement in 1968, he was also its director general.

When the Twenty-third Zionist Congress met in Jerusalem in August 1951, the first Congress held in the Holy City, it reaffirmed formally the role of the Keren Hayesod United Israel Appeal as the financial arm of the Zionist movement, solely entitled to launch campaigns on behalf of the World Zionist Organisation in Israel and in the Diaspora on behalf of Israel. It charged the next Zionist General Council with the election of the Fund's officers and Board of Directors. In the meanwhile a sub-board was to be elected by the Executive of the Jewish Agency to act until the first session of the Zionist General Council which would be in May 1952.

At the Congress, the following officers had been proposed for the Fund: presidents of the Fund, Dr. Nahum Goldmann and Berl Locker, both of whom had been elected co-chairmen of the Jewish Agency Executive; and a Presidium consisting of Eliahu Dobkin, Dr. Arthur Hantke and Zvi Herman (1915–), who had headed the Agency's Absorption Department (1948–1951).

In 1951, a new fund-raising instrument for Israel was established when Prime Minister Ben-Gurion went to the United States to launch the first campaign for Israel Bonds, long-term loans to Israel at modest interest rates and redeemable at the end of ten years. Campaigns for Israel Bonds were also introduced in a number of other countries. By mid–1970 sales totalled one and a half billion dollars, and half of the bonds had been redeemed.

CHAPTER IX

THE EXODUS BEGINS FROM NORTH AFRICA

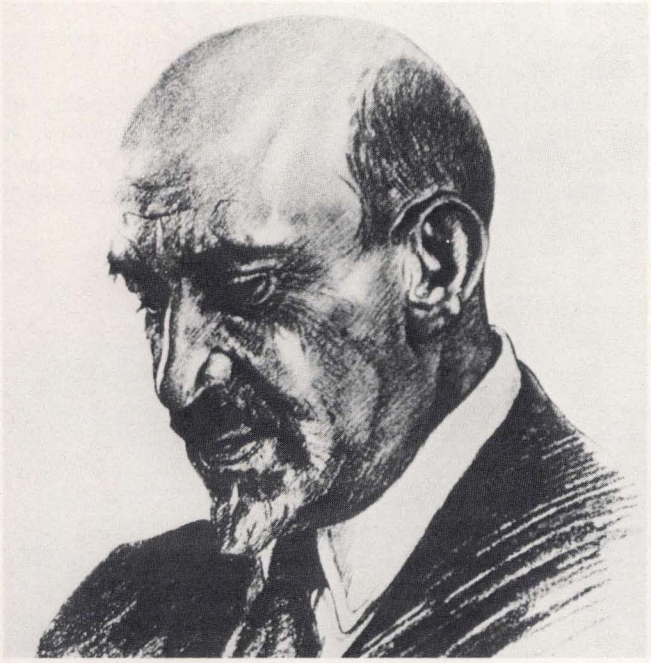
In the five years from 1952 through 1956 the total influx amounted to 148,000, or 27,000 less than the number that came in the single year of 1951. Rumania shut her gates at the end of 1952, and from that year through 1955 a mere one thousand Jews were permitted to leave. This was at the height of the intense persecution of Zionists, many of whom were imprisoned for their ardent activities. Poland had also closed her gates in 1951, except on individual application.

The great mass came from North Africa between 1952 and 1956: 77,500 arrived from Morocco, where the Jews were living under severe political and economic pressure. 18,500 came from Tunisia, 1,700 from Libya's remaining 3,000 Jews, and only 1,100 from Algeria. The problem in Algeria, where assimilation among Jews was extensive, was basically the lack of Zionist education, a failure which the Zionist movement would later acknowledge. The rest of the immigrants came from Europe and other parts of the world.

Encouragement to Leave the Camps

In 1952 the Agency began to put on a drive to get immigrants to leave the labour camps, the immigrant camps and the ma'abarot, which then had a total population of 172,500, and to settle in the border villages or in the development areas. In August 1954 about 100,000 lived in 64 ma'abarot, 800 were in the reception centre of Shaar Ha-Aliyah and 3,200 in the two remaining camps, Pardes Hannah and Shimon, which were used for social welfare and medical cases. At this time most of the immigrants from North Africa were directed to immigrant settlements and 85 percent of them remained there. From 1950 until the middle of October 1956, 540,000 persons lived in the ma'abarot at one time or another. Of the 817,000 immigrants who came after the establishment of the State 690,000 had been permanently housed and had found employment. 16,000 had studied Hebrew in the Jewish Agency's ulpanim.

In 1953 Diyur la-Oleh was founded by the Agency-Keren Hayesod. It erected tin huts in the ma'abarot, repaired canvas houses, maintained other structures, and built baby-homes, kindergartens, schools, clinics, synagogues, etc. When immigrants began to leave the ma'abarot, Diyur la-Oleh supervised dismantling of the vacated buildings and the reassembling of the materials into new structures in localities where the Absorption



Chaim Weizmann died on November 9, 1952. The State and all Jewry mourned the passing of Israel's first President.



Yitzhak Ben-Zvi sworn in as President of the State. Oath read out by Yosef Sprinzak, Knesset Speaker (December 1952).

or Settlement Department required them. It also began to establish workshops, such as the one in the Lakhish area, where furniture was made by immigrants for sale to newcomers. Another shop was set up in Pardesiya, a moshav in the Sharon, for the production of metal-work items to be used for constructing housing. In 1953 the Bitzur Company, which had been established by Keren Hayesod in 1936, financed home-building for those who had left the towns to settle in the villages in the programme known as "Town to Village".

A large-scale programme to encourage immigrants to leave the ma'abarot and to engage in farming was undertaken in 1952 with the creation by the Jewish Agency-Keren Hayesod of Yitzur uFituah (Production and Development) in co-operation with Ihud Ha-kibbutzim veHakvutzot (United Collective Settlement Movement) and Hevrat Ovdim (Histadrut's economic body). This company developed farms intensively which were turned over to settlement organisations or to groups of immigrants. While the immigrants toiled as hired workers to prepare the soil for cultivation, they were taught farming. They were also employed in building dwellings for themselves in the nearby villages where they would be settled. These houses, of which the floor space measured at first only 24 square metres, were made of concrete blocks, but were a definite improvement on the tents and huts in the ma'abarot. In the beginning the homes lacked kitchens and sanitary facilities, but in time larger dwellings of 45 square metres were built and sinks and running water were installed.

During the same period younger people were enrolled in a number of new agricultural schools with the intention that the youngsters would join their families on the farms, and not be tempted to leave for the cities.

From 1952 to 1956, 125 dominantly border settlements were established in the southern plain (Lakhish area), the Hebron and Judean hills, in the Negev, and in the Galilee. In addition to housing, immigrants also received livestock and farming equipment. Agency instructors and sons of veteran farmers, who lived with the newcomers, not only taught them how to farm but also counselled them on personal matters. Dubious farmers who had no real faith in agriculture as a sure source of a livelihood were instructed to grow quick-ripening products for their own use and for sale in the market.

A new type of farming was introduced for those in the hill country, namely, the growing of Turkish tobacco, which had played no role in the Jewish economy hitherto. In 1954 Alei Tabak was founded by the Jewish Agency-Keren Hayesod (the Government later became a shareholder) to "plan, organise, guide, encourage and finance" the growing of Turkish tobacco in the new settlements and to buy their crop for sale in Israel and abroad. Tractor stations were set up by the Jewish Agency in the same year to operate and maintain tractors for settlements throughout the country. In 1955 Keren Hayesod shared in establishing the Saadna La-Oleh Loan Fund to assist artisans to establish themselves.

In order to occupy the settlers who had no work to do at certain seasons and who needed supplementary income, the Agency's Department of Absorption and the Ministry of Labour established the Employment Centre. The Centre found work for them in clearing the land of stones and ruins, rehabilitation of plantations, and building roads and paths within the settlement villages. This programme supplemented that of the JNF in its work to prepare the ground for agricultural settlement. The interest shown in keeping the new settlers at work and the help given them to earn additional income gave the immigrants a greater sense of security and faith in their future as farmers, and, it may be added, discouraged many from returning to the ma'abarot or seeking other work in the towns.

In the early 1950s the Government pursued its policy of dispersing the population throughout the country. It directed the Housing Division of the Ministry of Labour (in 1960 a separate Ministry of Housing was established)







Left to right: Immigrant settlers helped build their own concrete block houses. Alei Tabak guided and assisted tobacco growing in hill country. Employment Centre provided varied work for immigrants. Men digging new path for the stream at Dan.

to co-operate with the Jewish Agency to plan and to finance jointly the construction of housing for immigrants in outlying areas. Population dispersal was dictated by the Government's decision to prevent crowding in large urban centres, to develop uninhabited areas, and to strengthen the State's security. A major result of this programme was the conversion of a number of ma'abarot into development towns, as, for example, Yeruham in the Negev, the Halsa ma'abarah in Upper Galilee, which became Kiryat Shmonah and Gabim Dorot near the Gaza strip, which is now known as the town of Sderot. Completely new towns were also established, such as Kiryat Gat and Dimona. Tens of thousands left the ma'abarot and were housed in the development towns. Others began coming to development towns through a new procedure of bringing immigrants into Israel — the "Ship to Village" scheme.

"Ship to Village"

By this scheme immigrants were enabled to by-pass the classification camp at Shaar Ha-Aliyah. They came on ships (planes were also later included in this programme) and were taken directly from the port of arrival to a development town or settlement. Applicants for immigration were selected by the Agency's representatives in the countries of origin. Doctors from Israel's Ministry of Health or approved local physicians examined the prospective immigrants. In Morocco, when the Ministry's personnel were denied the right of examination, the JDC staff took over this responsibility. One member of every family intending to emigrate had to be capable of earning a living, apart from being sound in body and in mind. This rule was introduced because of the Agency's inability to cope financially with the overwhelming number of immigrant social cases. If there was any danger to an individual by his remaining in his country, the rule was waived. Shortly after the "Ship to Village" scheme was introduced, the Agency's representatives travelled with the immigrants on the ships and the planes, interviewed them during the journey, and learned about their characteristics and qualifications. This enabled the representatives to guide the immigrant in the choice of a place where a home would await him.

In the development towns the immigrants found upon their arrival a flat with two bedrooms, kitchen and corridor. The unit now measured 45 square metres instead of 28 as it had in the past. The apartment was equipped with simple furniture, basic kitchen ware and other household items. The immigrants bought their apartments for what they had cost to build with a small down payment. For the balance of the purchase they were given mortgages at a low interest rate on a long-term basis.

Social workers helped them to adjust to the new life.



The Halsa Ma'abarah in Upper Galilee became Kiryat Shmonah, a development town (1956). Tin huts giving way to permanent housing. 1970 population – 16,000.



Dimona, another development town in Negev, founded in 1955. By 1957 its housing had begun to improve. 1970 population – 22,000.



North African immigrants in "Ship to Village" scheme, while still on board, were provided assistance by Agency's shlihim to facilitate their first steps toward absorption.



Immigrants came directly from the ship to a new home in a settlement village or in a development town.



Golda Meir, then Minister of Labour (1953) addressed gathering at founding of a new section of Ashkelon, called Afridar, which was developed by a South African Jewish company by that name. The Jewish Agency gave every assistance.





Left: Rose L. Halprin, member of the Agency Executive, speaks at opening of Jerusalem's first hostel for immigrants (1953). *Right:* Dr. Giora Josephthal. A new hostel in Jerusalem bears his name (1963).

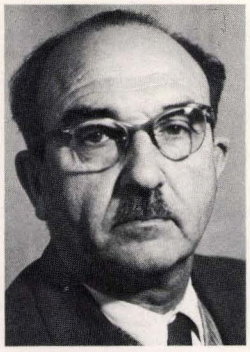
Families were given food packages to help tide them over for several days until the breadwinner found employment. The immigrants were also provided with pocket money and assured of medical services by Kupat Holim for three months on the basis of an arrangement made by the Jewish Agency. Public works were initiated so that the newcomers could begin earning enough to maintain themselves until they found permanent employment. Keren Hayesod loans made it possible for those eager to engage in trade to open shops. Industry subsidised by the Government was gradually introduced. Everything possible was done to keep the immigrants in the development towns, since to many the city appeared to be a greater attraction. Schools were erected for the children, synagogues and medical clinics established, playgrounds laid out for the children and clubs organised. Scholarships were provided by the Government and the Agency to enable children to continue their education. Subsidies were given to families so that they would suffer no loss from their children's attendance at school. For the larger families of Oriental background with as many as six and more children, the problem of preparing homework in an overcrowded apartment was difficult, if not impossible. That difficulty was partially overcome by the schools which arranged additional hours for their pupils. The Jewish Agency's Youth Aliyah Department and the Ministries of Labour and Education established youth centres which offered courses in general subjects and vocational training. These courses were planned for young people of 14 to 17 whose schooling had been limited, due to no fault of their own but to the conditions under which they had lived in the lands of their birth. The youth centres played an important role in keeping the rate of juvenile delinquency low.

Regional Agricultural Settlement

In the early 1950s the Government and the Jewish Agency Settlement Department, headed by Levi Eshkol (Shkolnik, 1895–1969), later Minister of Agriculture, Finance, and Prime Minister, recognised that there had to be a radical change in rural settlement. Under the Mandatory Administration, which had imposed stringent restrictions on land purchase, villages had been established only where land could be bought. As a result, settlements, frequently remote from each other, had become independent social, economic and cultural units. They were almost all engaged in mixed or diversified farming, mainly in the dairy and poultry branches. On a small plot set aside for his use the farmer grew vegetables and fruits for his household needs and for the market.

With the establishment of the State, settlements could be founded wherever national economic, social and security interests dictated. The opportunity was now ripe for regional co-operation in agriculture. Regional co-operation would save expense by common use of farming equipment, warehouses, other facilities, schools, clinics, communal halls, shops, etc., located at a central point. There was also the urgency of reducing surplus products grown by the diversified farms and of increasing production of industrial crops such as cotton, sugar beet and ground nuts, which could be processed at a nearby central point, thus saving transportation costs. A further factor was the necessity of establishing settlements within the region where immigrants of the same ethnic community and practising the same traditions could live together without the tension and friction which had arisen in the villages where immigrants of varying backgrounds had been settled.

In 1954 a comprehensive rural settlement plan was



Levi Eshkol



Dr. Raanan Weitz

adopted for the Lakhish district which would serve as a model for other regions, and later as a pattern for developing countries in Asia, Africa and elsewhere. The plan's author was Dr. Raanan Weitz (1913–), Rural Development Planner and head of the Jewish Agency's Land Settlement Department. This plan had been tested a year earlier in the Ta'anakh region, south of Afula in the Jezreel Valley, and was in the process of being more fully implemented.

The Lakhish regional settlement plan provided that in each settlement village there would be about 80 to 90 families, with a grocery, synagogue, kindergarten and clinic. A cluster of five or six of these villages would be linked to a rural centre, where there would be a co-operative consumers' market and a store for agricultural supplies, an elementary school, a clinic, a communal hall for cultural purposes, a tractor station and other farming facilities. Housing would be provided in the rural centres for the experts responsible for the operations there. They would also counsel the villagers on their economic, social, cultural and training needs. It was in the rural centre that the settlers would become acquainted with each other and in time overcome the tensions and the conflicts which had been experienced in the villages of mixed ethnic communities.

The nucleus of the region would be an urban centre or town; here the processing of industrial crops such as cotton, sugar beet and ground nuts would be carried out. In the Lakhish area the town of Kiryat Gat was built from the ground up to serve as the region's urban centre. It was soon provided with its cotton gin and sugar refinery. Later other plants were set up as its industry developed and its population grew (reaching over 18,000 at the beginning of 1970). Within the town were the regional administrative and Government offices, banks, a shopping centre, hall for cultural programmes, cinema, secondary school, and all that a town requires to make it a thriving urban centre.

In the Face of Emergencies

World Jewry was called upon to meet a dual challenge



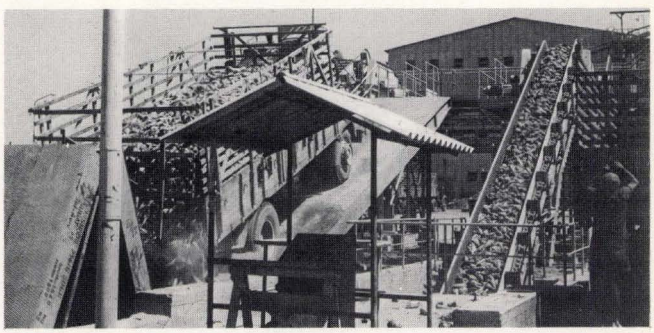
Even Shmuel, Lakhish settlement (1956), named in honour of Samuel Bronfman (Canadian leader, 1890–). The idea of sign-posts pointing to all Keren Hayesod settlements was conceived by Max Lion in the early 1950s.



Dedicating Beit Am (Communal Hall) at Even Shmuel (1962). Bronfman speaking. *Left to right:* Woolf Perry, KH deputy chairman; Baroness Minda de Gunzburg, Bronfman's daughter; Dr. Goldstein, KH chairman who presided; and Mrs. Bronfman.



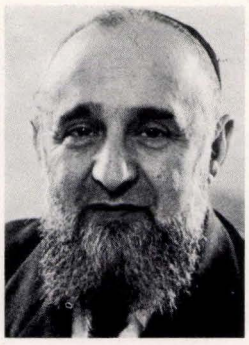
Cotton picking at a Lakhish settlement. Hand-pickers were later replaced by mechanised cotton-pickers.



Beets grown in Lakhish region were turned into sugar at Kiryat Gat. Cotton and peanuts were also processed there.



Arye Leon Dulzin



Shlomo Zalman Shragai

at this time — to cover the tremendous cost of absorbing the great number of North African immigrants and to relieve the State of Israel as far as possible from expenditure for this activity so that it would be free to use more of its own resources for security. Dr. Giora Josephthal (1912–1962), who was the Agency's treasurer from 1952 to 1956 (later Minister of Labour), brought the challenge personally to many communities.

In 1956, the year of the Sinai Campaign, the net income of Keren Hayesod was $66,000,000, an increase of more than 25 percent over that of 1955. All told from 1952 through 1956 the Jewish Agency received $261,000,000, 80 per cent of which came from the UJA and the balance from Keren Hayesod collections. This sum covered about 60 percent of the Agency's budget; the remainder came from the Agency's share in German reparations, heirless property, repayment of loans owed to the Agency, Youth Aliyah funds, etc. In 1956 under the direction of its treasurer Moshe Ussoskin, Keren Hayesod issued the first of a series of debentures to increase funds for the Jewish Agency programme. The first issue amounted to $6,660,000 at 6.5 percent interest. The Israel public as well as bankers, co-operative institutions and pension funds rapidly absorbed the issue as they did in subsequent years when additional debentures were issued.

In 1956 the Knesset unanimously passed a law for the registration of the Keren Hayesod United Israel Appeal, converting it to an Israel Company from the British Limited Company, which it had been since incorporation in 1921. Pinhas Rosen, Minister of Justice, in presenting the bill to the Knesset, paid tribute to Keren Hayesod for the role that it had played as the principal financial arm of the World Zionist Organisation. The spokesmen for all parties joined in this tribute.

In 1956 at the second Zionist Congress (the twenty-fourth since its creation) held in Israel, further endorsement of Keren Hayesod's role was enthusiastically given. At this Congress Dr. Nahum Goldmann was elected president of the World Zionist Organisation, the first to fill that post since Dr. Chaim Weizmann in 1946. The following were placed at the head of Keren Hayesod: Eliahu Dobkin, chairman; Arye Leon Dulzin (1913–), then head of the Agency's Economic Department; Moshe Kol and Shlomo Zalman Shragai (1899–), the chairman of the Immigration Department.



Dr. Hantke congratulated on his 80th birthday by Rahel Janait Ben-Zvi, pioneer agronomist, participant in KH's founding (1920) and a founder of Haganah (1921). *Second row:* Dr. Hantke's secretary, Mimi Meyerstein; Israel Ritov, co-chairman of the first United Appeal in Israel (KH and JNF, 1957); and President Ben-Zvi. Hantke was active until his death in 1955.

One Hundred Hours

Seven years had passed since the signing of the Arab-Israel armistice agreements in 1949. The Gaza Strip had been occupied by Egypt, and Judea, Samaria and East Jerusalem had been annexed by Jordan. No room remained for an independent state for Palestinian Arabs, as had been provided for by the U.N. Partition Resolution. Israel had frequently expressed her readiness for peace, but the Arab States had rejected every bid. Instead, Egypt's President Nasser, who had come to power in 1953, had sought to rally the Arab world around himself with inflammatory slogans of hatred of Israel. In January 1954 King Saud of Saudi Arabia had proclaimed that the Arabs would "sacrifice ten million men to eradicate Israel... a cancer on the Arab body." In defiance of international law, shipping to and from Israel through the Suez Canal and the Straits of Tiran to the Gulf of Aqaba was blocked by the Egyptians. Eilat, Israel's port on the northern shore of the Gulf of Aqaba and the country's only direct outlet to the Red Sea and the Indian Ocean, could not be used. A boycott of Israel international trade was also invoked by the Arabs.

Egyptian-trained Fedayeen (translated "self-sacrificers") infiltrated across the borders to steal from settlements,





Left: Grieving family at coffin of Fedayeen victim (Ma'aleh Akrabim, 1956). *Right:* General Dayan addressing soldiers on occasion marking reopening of the Straits of Tiran after victory in Sinai Campaign (1956). *At his left:* Brigadier General Avraham Yoffe.

murder and destroy. By 1953 there had already been 7,900 instances of Arab infiltration, sabotage and murder, with 639 Jewish casualties. In 1955 an arms deal with Czechoslovakia had brought Egypt massive quantities of armaments. Russia's most modern planes increased her military power. Israel was now preponderantly outweighed in military equipment, although France did provide her with tanks and planes. Egypt and Syria joined in a military alliance and then Egypt made a second alliance with Jordan. All the Arab armies were put under a joint command headed by Egypt.

The need for breaking the vice around her moved Israel to strike at Egypt's forces and guerilla bases in Sinai on October 29, 1956. In one hundred hours, under the command of General Moshe Dayan (1915–), who would later be Minister of Agriculture and Minister of Defence, Israel's Defence Forces swept swiftly through Sinai and drove the Egyptian armies across the Canal. The blockade of the Straits of Tiran was lifted. The British and French who had joined in the fray occupied the Suez Canal area. France had joined in the war because Cairo had had a part in undermining her position in Algeria and the British had acted in response to Egypt's seizure of the Suez Canal. Pressure by the United States and the Soviet Union caused the British and French to withdraw. Subject to the same pressure, Israel later evacuated Sinai and the Gaza Strip, but only after she had been assured of free passage through the Straits and that there would be no more armed incursions. A U.N. Emergency Force was set up in Sharm e-Sheikh and in the Gaza Strip to see that these assurances would be honoured.

This brief but history-making campaign had cost Israel 172 killed, 817 wounded, three missing and one captured. The Egyptians lost 3,000 dead and 7,000 prisoners were taken.





Left: Immigrants expelled from Egypt after Sinai Campaign, arriving in Israel by way of Athens, an Agency assembly point (December 1956). *Right:* Immigrants going to new homes in port town of Eilat (1956). Population of Eilat (founded in 1950) 14,000 in 1970.

CHAPTER X

A TIME FOR ABSORPTION

The number of immigrants during 1957–1960 was 148,500. Forty thousand came from Poland; this influx was made up of various age-groups and occupations, members of the liberal professions, scientists, managers, technicians, senior government officials, workers and artisans. Rumanians, who at first came in small numbers for the unification of families, counted 28,300 before the end of 1960. Under strict supervision, the Rumanians were allowed to leave with only 55lbs of personal baggage. Among the latter there were many intellectuals and professional people, but also a number who lacked special skills, for whom finding work was a problem, and some very old people who were cared for by Malben. Eight thousand of the 20,000 Jews who fled from Hungary during and after the revolution in 1956 were in this Aliyah. The Jewish Agency and the JDC provided for them in Vienna until their departure for Israel. Among the Hungarians were many university graduates, scientists and skilled artisans. They faced a problem of adjustment, since they knew no other language but their own, and had not been brought up in the Zionist tradition.



Immigrants from Asia.

Eighteen thousand came from Morocco. That newly-independent state had begun to deny Jews the right to leave for Israel. 4,800 immigrated from Tunisia. Algerian Jews responded in the limited number of 1,400. Assimilation and relatively good economic conditions still detained them despite turbulence in that country. There were two martyrs to the cause of emigration in Algeria, Yaacov Hassan and Raphael Ben Gera, representatives of the Jewish Agency's Immigration Department, who were kidnapped, presumably by Algerian rebels, while en route to villages in southern Algeria. Evidence exists that they were slain, but no trace of their bodies has ever been found.

Thirteen thousand Egyptian Jews of the 27,000 who had been expelled by Nasser after the Sinai Campaign were among the new immigrants. Another 1,050 came in the three succeeding years. Many of the Egyptian Jews were skilled craftsmen, professional people and successful merchants. However, among them were also old and sick people, who required extensive Jewish Agency medical and social services.

From Asia 16,000 immigrated, over half from Persia (Iran). From India 2,375 arrived, among whom were Jews from Cochin. Included among these immigrants were older, sick and impoverished folk, for whom care would be provided. During these four years (1957–1960) 850 came from the United States and 117 from Canada. From South America there were 3,000, of whom about 1,800 were Argentinians. Western European countries accounted for 3,000 of whom 750 were British. 325 immigrated from South Africa, making a total of 1,382 since the establishment of the State.

Over this period an average of 50 per cent went to the development areas. This represented a sizeable drop from the 80 percent of the preceding years. 18 percent joined their relatives, leaving as soon as they found permanent housing. Five percent settled in the kibbutzim and slightly more in the moshavim. Professional people from Europe and the West were not attracted by agriculture. Fifteen percent settled on the coast between Nahariya and Ashkelon. Until permanently housed they lived in asbestos-walled structures which were fitted with all conveniences. The technicians and artisans received loans to purchase tools and materials to make a new start and were provided, when possible, with a

separate hut for a workshop. Those whose work required speaking Hebrew were given loans to pay for tuition at an ulpan.

Absorbing the New Immigrants

5,700 temporary asbestos-walled huts were built for the new immigrants. When additional permanent housing was ready in the coastal area, the immigrant could buy a flat with a down payment of between $200 and $900, depending on the size and location. To cover the balance of the cost of construction he was provided with a loan by the Jewish Agency-Keren Hayesod to be paid over a long period at low interest. Fifty ma'abarot accommodating 123,000 souls were entirely cleared. By April, 1960 only 59 ma'abarot with 13,600 families or 63,500 souls remained. There were still many who were not ready to leave the ma'abarot because of their unwillingness to accept the additional burdens which rested on families who had established themselves permanently. Social services were extended at this time. With the help of the Agency's Absorption Department and women's organisations, kindergartens and day nurseries were opened in the development towns and in the coastal areas to free mothers for employment in order to supplement the family income. Camps for children were organised for the summer holidays. Orphaned, sick, physically handicapped and backward children were placed in homes for their care. Malben's institutions accepted many sick and old people. A joint fund was established in 1958 by the Ministry of Social Welfare, Malben, the Jewish Agency and the Local Government Association to finance old-age grants for immigrants who did not qualify for National Insurance because of over-age. Medical services provided by Kupat Holim and financed by the Jewish Agency-Keren Hayesod were also extended from three months to six months. Two



Immigrants from Poland (1957).

homes were opened in Tel Aviv to accommodate elderly couples. Qualified older men who could do only light work were given employment in business offices. Partially disabled persons were also provided with special work, such as gardening and caring for property, by Hameshakem Association, which was established by the Agency's Absorption Department, the Ministry of Labour, the Labour Exchange Administration and the Histadrut.

Professional people and their families were placed at hostels which the Jewish Agency established. The study of Hebrew at the ulpan was also made possible. While learning Hebrew, employment was sought for them. Professionals requiring additional training in their fields were given an opportunity to do so by the Jewish Agency. When the professional was ready for work, suitable housing was provided for him. If a man lacked the resources to open an office, a loan was extended and a budget allocated for a year.





Left: North African immigrants (1957). *Right:* Beit Brodetsky, immigrant hostel in Tel Aviv, named after Professor Selig Brodetsky, British WZO and Agency Executive member (1928–1951); President of Board of Deputies of British Jews (1940–1949). The hostel has been considerably enlarged by a spacious addition.



Kibbutz Yotvata (1951) in the Aravah, north of Eilat. One of the settlements where out-of-season produce is grown.



Welcome to new settlers at Even Menahem (1960), moshav in Upper Galilee, on Lebanese border, named for Arthur Menahem Hantke.

Progress in Settlement

By 1960, 440 settlements had been established since the founding of the State and 40 expanded, making a total of 480 which had received full or partial assistance through Keren Hayesod loans. These settlements comprised 33,000 farm units with approximately 130,000 inhabitants. With the 257 settlements which Keren Hayesod had helped to found since its beginnings in 1920 up to May 1948, it now could show an impressive record of having had a part in the establishment of 737 settlements. On April 1, 1960, 406 settlements were under the care of the Jewish Agency's Agricultural Department. The rest had received sufficient aid to enable them to maintain themselves.

Many changes had taken place in agriculture. There was no longer concentration on a few branches of agriculture such as dairying, poultry-raising and growing vegetables. There had been a definite turn to the production of industrial crops such as cotton, sugar beet and ground nuts. The variety of fruits and vegetables had been enlarged. More effort was expended on breeding livestock for meat and wool and fattening poultry for home consumption. Farms were no longer crowded into the coastal plain, the Valley of Jezreel and the Jordan Valley. They were now spread in the various regions of the country and the type of farming had been adjusted to the differences in topography, soil and climate. The Negev, the Lakhish and the hill areas had become peopled with farmers. There were beginnings of settlement in the southern Negev and the Aravah (the wilderness bordering on Jordan south of the Dead Sea). An increasing number of middle class immigrants were eager to engage in agriculture. They had some means to share in establishing a farm but required assistance in the form of loans and guidance. In most cases these immigrants were approached while still in their own countries by the representatives of the Keren Hayesod-financed RASSCO. RASSCO was prepared, as it had been since 1934, to serve these prospective olim by choosing the location of their farm, preparing the soil, erecting their dwellings and farm buildings, installing the irrigation systems and paving the roads. When the immigrant settled on his farm the Agency's Agricultural Department guided him until he became self-supporting.

Encouragement of Industry

An equally important service was rendered by the Economic Department of the Jewish Agency for middle class immigrants interested in industry. Considerable



Agency's Economic Department assisted immigrants to engage in industry.

attention was given to immigrants with small or medium amounts of capital, whose expertise and initiative were important to the development of the national economy. Two funds were established, the Fund for the Encouragement of the Immigration of Members of the Middle Class and the Free Professions, and the Fund for Productive Absorption of the Middle Class in Industry. Loans were given by the first fund to new immigrants for up to seven years at 7 percent interest in amounts not exceeding $4,000. Those who benefited from this fund not only secured a source of livelihood for themselves, but also provided employment for over 2,000 additional workers. Over 95 percent of the borrowers made payments on time. The second fund, created by the Jewish Agency together with the Bank Otzar Le-Ta'asiya Ltd., was used to encourage the absorption of immigrants in small and medium-sized industry. Loans from this fund were limited to approximately $7,000 if the middle class immigrants had at least $5,000 and were prepared to invest it in new or existing industrial enterprises. The loans were for a term of up to 12 years at $7\frac{1}{2}$ percent.

Campaigns on a Sound Basis

When the operations on the Sinai battlefield ended and the pace of mass immigration slowed down, Keren Hayesod showed itself fully cognizant of the fact that its campaigns could not depend upon reaction to dramatic events and soul-stirring slogans. It initiated a broad information campaign to help its contributors to understand the urgency of meeting the still unmet needs of the immigrants and to provide for the absorption of others who would reach Israel's shores. Tens of thousands still lacked adequate housing, a situation which was particularly distressing for families with large numbers of children and for young people eager to marry and have an apartment of their own. A quarter of the population were still beneficiaries of social welfare assistance. Many could be removed from the rolls only if rehabilitation programmes and employment opportunities were increased.

Keren Hayesod's 40th Anniversary Celebration

Keren Hayesod celebrated, in December 1960, its fortieth anniversary at a World Conference in Jerusalem under the chairmanship of Eliahu Dobkin, then head of the Keren Hayesod United Israel Appeal. One hundred and forty delegates from 40 of the 54 countries where Keren Hayesod conducted campaigns participated. The Conference was convened under the title of "The Challenge of the Future." That challenge was put tersely in the greeting of the President of the State of Israel, Yitzhak Ben-Zvi, who had succeeded Dr. Weizmann upon his death in 1952: "To the workers let it be said: By virtue of your labour and of your faithfulness



Above: Immigrants in slums and in other inadequate housing looked forward eagerly to new homes in shikhunim (housing projects) such as this one below.





Training men for work as mechanics and lathe operators (1959).



Dr. Nahum Goldmann, president of WZO and Agency Executive, addressing 40th Anniversary Keren Hayesod World Conference (1960). *At the table, left to right:* S.Z. Shragai, Kurt Blumenfeld, Zalman Shazar, Moshe Sharett, Eliahu Dobkin, chairman; Rose L. Halprin, Levi Eshkol, Dr. Dov Joseph, Moshe Kol, A.L. Dulzin, Mordehai Ish-Shalom. Rear panel shows founding session (1920).

we have reached this point, but this is not yet the concluding hour."

At the Conference it was announced that three quarters of a billion dollars had been raised by Keren Hayesod and the United Jewish Appeal since the founding of the State in 1948. $143,000,000 had been collected from 1920 to the birth of the State. In 40 years a total of $893,000,000 had been contributed by the Jews of the world to lay the foundations of the State and to build upon them with the help of Jews who had found a home in Eretz Israel. In the four years preceding the Conference the Agency received $220,000,000 of which UJA had provided 73 percent and Keren Hayesod the remainder. During this period the treasurer of the Jewish Agency, who was involved not only in the raising of funds but also in the fund-raising, was Dr. Dov Joseph who participated in a number of campaigns abroad.

In 1960 the United Jewish Appeal of the United States was offered the opportunity by the Jewish Agency to share the responsibility for budgeting and allocating funds raised in that country for immigrants' needs in Israel. A body was created called the Jewish Agency for Israel Inc. in which leaders of the UJA and members of the Agency were brought together. An office was established in Jerusalem to enable the representative of the Jewish Agency for Israel Inc. to be available for discussion with the treasurer of the Agency, to determine how the funds should be expended in connection with the Agency's programme for immigration, absorption, agricultural settlement and social welfare. A further step was taken for the unification of forces serving the Jewish Agency in the United States when in 1966 the Jewish Agency for Israel Inc. merged with the Keren Hayesod United Israel Appeal in the United States under the name of the United Israel Appeal Inc. The chairman of the new body was Dewey D. Stone (1900–), a leading American Zionist and a national UJA chairman. His successor after the Six Day War was Max Fisher (1908–), former general chairman of the United Jewish Appeal. In Canada there was also created a United Israel Appeal Inc. in which the partners were leaders of communal fund-raising organisations and the Keren Hayesod United Israel Appeal. Its functions were the same as those of the American body, and it likewise set up an office for its representative in Jerusalem. The Joint Palestine Appeal of Great Britain also established close relations with the Jewish Agency through regular visits by officers of the Society of Friends of Jewish Refugees, which represents the Joint Palestine Appeal in connection with its servicing of immigrant welfare needs in Israel. The Joint Palestine Appeal also named Michael Barzilay executive vice-chairman, resident in Israel, to deal with matters involving its relations with the Jewish Agency and Keren Hayesod. In 1970 the resident representatives of the UIA Inc. in the United States and the UIA Inc. in Canada were respectively Rabbi Zelig Chinitz and Sol D. Granek.

CHAPTER XI

THE RISE AND FALL OF IMMIGRATION

There was a steep rise in immigration from 1961 through 1964. 232,500 settled in Israel. The departure of 114,200 from North Africa speeded the dissolution of some of the oldest and most isolated of Jewish communities. 100,000 came from Morocco. A tragic episode occurred when 43 Moroccans, failing to receive permission to leave the country, set sail to a Mediterranean port in a tiny craft which capsized on a stormy sea. All went down to a watery grave, to be remembered eternally for their indomitable courage and faith. Of the more than 125,000 Jews in Algeria before the end of French rule only 7,700 were ready to renew life in Israel during the years 1961–1964. Instead the overwhelming mass settled in France, taking advantage of their French citizenship and financial assistance granted to them as French expatriates. The impoverished received substantial supplementary support from the Joint Distribution Committee. Some of their sons and daughters began to come soon afterward to study under the Agency's programme of Oded (Encouragement), and most of them remained. Asian Jews, half from Persia, numbering 18,000 emigrated to Israel.

Over 75,000 left Rumania, reducing the number of Jews in that country to some 130,000, a sixth of the Jewish population before World War II. Nazism had exterminated one half of its pre-war numbers of 780,000.

North African Jews were gathered at Jewish Agency assembly points, principally at Marseilles and Naples, where they were medically examined and processed for absorption in Israel. Rumanians and other East Europeans were assembled at Vienna. Zim's ships and El Al's planes bore the brunt of transportation to Israel. Chartered craft were also used to hasten the immigration. 7,500 tourists in Israel decided to stay and share their lot with their fellow Jews. Since the establishment of the State to the end of 1963 the number of tourists who settled in Israel totalled 17,600. There were also 9,200 temporary residents at the end of 1964, many of whom would subsequently decide to remain in the Land.

Still disappointing numbers came from the free countries in these four years: 4,000 from the United States, 450 from Canada, 2,100 from Britain, 5,200 from Western Europe and 1,651 from South Africa. However, there was a sudden spurt in immigration from Latin America, from where came 12,700, about two thirds from Argentina. In the single year of 1963, a year marked by a violent outbreak of anti-Semitism, 4,600 left Argentina. The Agency's shlihim made every effort to encourage the immigration of Western Jews possessing professional and technical skills. In all during the four years over 4,000 professional people, including physicians, engineers and experts in various fields, immigrated. Roughly 75 percent came from Eastern Europe, 20 percent from the American continent and the rest from other countries. The need for knowing Hebrew to prepare these professional



Rumanian immigrants at Vienna station on way to Israel (1964).



Moroccans and Tunisians boarding ship at Marseilles (1964).



The Altschul Ulpan in Beersheba (1962).



Opening session of the 44th Anniversary Keren Hayesod World Conference. *Left to right:* Chief Rabbi Unterman, Jerusalem Mayor Ish-Shalom, Pinhas Sapir, Dr. Israel Goldstein, chairman; Dr. Nahum Goldmann and Chief Rabbi Nissim, standing in tribute to the late Kurt Blumenfeld and other leaders.

people grew so that in 1963, 28,000 studied at 74 ulpanim as against 52 in 1960. Fifty-seven ulpanim were located in the kibbutzim and the rest in cities and towns on both a boarding and an external basis.

Most of the newcomers underwent a form of "occupational revival". Their typically Jewish age-old trades such as tailoring, shoe-making, etc. were disappearing. The immigrants were given special training for industry, agriculture and construction work and placed in those fields.

Immigrants with one or two children were now generally housed in apartments of 56 square metres with one room for the children to live, play and do their homework, and one living-cum-bedroom for the parents. Generally in these smaller families there were two breadwinners, for both husband and wife worked. Immigrants who came from North Africa and Asian countries brought with them large families of five and more children. Their larger apartment of 76 square metres proved inadequate for they were too small for seven or eight beds. With no room for study and play their children frequently fell behind at school, and often "dropped out". Many of these youngsters would have received their education on the streets if there had not been youth centres, Youth Aliyah villages, agricultural schools and youth clubs to prepare them for productive lives.



Goldstein Youth Village in Katamon, in Jerusalem. Established in 1949.

Dispersal of immigrants continued throughout the country, particularly, in the development areas which now had 25 development towns. Their total population had increased by more than 100,000 in four years. The number of immigrants going to the coastal belt doubled, reaching 30 percent, and the percentage going to relatives dropped by more than half. The percentage going to kibbutzim and moshavim was also cut by half, dropping to 2.6 percent.

Only eight settlements were established in this period, and five which had remained empty were repopulated. Despite the fact that very few new immigrants turned to farming, the settlement population grew to 137,000, an increase of 10 percent over that of 1960. Production had also grown by 50 percent.

56,000 dwelling units were built in this period for the immigrants. While the rate of building was one of the highest in the world, it still fell short of requirements. Even professionals continued to live in temporary huts. Many elderly people in the ma'abarot still had not received decent housing. Tens of thousands of large families who immigrated earlier were still in two small rooms.

"Facing Forward"

Dr. Goldstein, having made his aliyah with Mrs. Goldstein at the end of 1960, was elected chairman of Keren Hayesod early in 1961 with Woolf Perry (1919–), formerly chairman of the British Zionist Federation, as his deputy who served from 1961 to 1968.

Another stirring World Conference, presided over by Dr. Goldstein, was held in December 1964 and brought together in Jerusalem over 200 Keren Hayesod campaign leaders representing Jewish communities in 50 countries. The key-note of that Conference was "Facing Forward". At the closing dinner of the Conference the delegates heard a message from Moshe Sharett, chairman of the Executive, whose illness prevented his attendance. It contained a moving tribute to the delegates, whom he described as constituting "the order of knighthood of Keren Hayesod and the United Jewish Appeal."

An additional $190,000,000 had been received for the Jewish Agency's budget from the campaigns of Keren Hayesod and the United Jewish Appeal in the four years following the World Conference in 1960. $63,000,000 had come from Keren Hayesod's 54 countries, and the larger share from the United Jewish Appeal. The total raised since the establishment of the State had reached $940,000,000. From Keren Hayesod's founding in 1920, the total now amounted to over a billion and 80 million dollars.

In 1961 Louis Aryeh Pincus (1912–) became the treasurer of the Jewish Agency. In 1965 he was designated chairman of the Jewish Agency Executive after the death of Moshe Sharett. Pincus retained both the post of chairman and that of treasurer until 1968 when he was succeeded as treasurer by Arye Leon Dulzin. In addition to holding the Agency Executive chairmanship, Pincus heads the Department of Aliyah and Absorption. Both Pincus and Dulzin are among the most active of fund—raisers in many countries abroad, apart from their onerous duties in the Agency.

Deeper Involvement

Keren Hayesod now engaged in intensifying its efforts to achieve more informed involvement of its campaign leaders, key-workers and contributors in fund-raising. It saw the importance of deepening and broadening their understanding of Israel's needs and problems through first-hand study. Moreover, Keren Hayesod recognised the urgency of preparing new leadership for the future as well as the necessity of securing contributions which would be made more readily if based on an intimate knowledge of how these were used. To fulfil these aims Keren Hayesod organised study missions which spent two or more weeks in Israel and met with Government, Agency and Keren Hayesod leaders to learn directly what the needs in Israel were, particularly as related to the Agency's programme. The mission members visited the Agency's installations and were informed by the people responsible for their operation exactly how the immigrants were being integrated into the life of the State. The first of the missions came in 1957 from Canada. In 1970 forty missions were welcomed by Keren Hayesod.

In order to impart to key-workers of Keren Hayesod the awareness of belonging to a world institution dedicated to the common goal of expediting the return of Jews to the State of Israel and enabling them to share in its development, Keren Hayesod inaugurated an Annual Key-Workers' Day to be observed in their communities on November 29, the anniversary of the U.N. Partition Resolution. On the Key-Workers' Day the latest information on the needs and achievements of Israel is reported. The key-workers also use this day to begin planning for the next campaign.



Louis Aryeh Pincus



Key-workers' Day (Yom Ha'Askan) celebration in Buenos Aires, Argentina (1970). *Sixth from right:* S.J. Kreutner, KH director general; *at his right:* Dr. Gregorio Topolevsky, honorary chairman of Argentina's Keren Hayesod and formerly ambassador to Israel; *at Kreutner's left:* Leon Mirelman, chairman of Keren Hayesod in his country.

The First Study Mission and some Latest Missions (1969–70), from Various Corners of the Keren Hayesod World



First mission came from Toronto in 1957; Leon Weinstein, leader.



Prime Minister Golda Meir briefing Montreal mission: leader, Morley Cohen. *To her right:* Leah Doll, director of Keren Hayesod's English Speaking Countries Department.



President Shazar welcoming French mission leaders: Baroness Alix de Rothschild and Michel Topiol, president of the Comité-Directeur of Appel Unifié Juif.



Defence Minister Dayan with British mission; Rosser Chinn, vice-chairman, Joint Palestine Appeal, leader; *Behind Minister Dayan:* Michael Barzilay, executive vice-chairman for JPA affairs in Israel.



Mission from Venezuela; its Keren Hayesod chairman Herbert Hirschfeld, speaking. *At his right:* Dr. Goldstein, who presided. *From right:* Paul Beer, head of KH's Guest Department and Nora Aviad, head of the Latin American Department.



A mission of professional people from Mexico.

Special Projects

Two other programmes were adopted to deepen the involvement of the contributors in their service to the State of Israel and its people. One was the Special Projects programme through which a donor making a contribution over and above his annual gift helped to establish a project to facilitate the integration of immigrants into the life of the country. If the donor chose, the project bore his name, and thus linked him personally with the Land. Among the 175 projects made possible by contributors in a decade are kindergartens, secondary schools, youth centres, communal halls and other facilities for the use of immigrants. Among notable projects have been the putting of an existing settlement on a sound economic and social basis, the founding of a residential home for elderly immigrant couples and of the building of entire housing neighbourhoods. The second programme involved the establishment of the Hall of Remembrance in the Keren Hayesod building in Jerusalem to honour those whose contributions had served the State in their lifetime and who left bequests for the continuance of Keren Hayesod's work. The names of those who are gratefully remembered are inscribed on the walls of the Hall and are recorded in Keren Hayesod's Books of Remembrance. The idea of the Hall of Remembrance was conceived by Henry Bernstein (1903–), executive vice-president of New York's United Jewish Appeal, which also honours in the Hall and the Books of Remembrance those who, by their own wills or by gifts of their families in their memory, help the building of the State beyond their own lifetime.



Zalman Shazar taking oath of office after President Ben-Zvi's passing in 1963. Kaddish Luz (1895–), Knesset Speaker, conducting the ceremony.

The Fall

The number of immigrants fell precipitously between the years 1965 and 1967, dropping to less than a third of what it had been in the three previous years. Altogether only 54,700 entered Israel directly, reaching a low of 12,275 in 1967. 21,000 came from Eastern Europe, 16,500 from North Africa and 9,600 from Asia. It was clear that the reservoir of Jews in the lands of distress was drying up. From the approximately nine million Jews in the free world, only 3,300 came from Western Europe and 4,200 from both the Americas, of whom just under half were Argentinians and about a fourth were from the United States. 1,425 came from South Africa. The number of tourists who settled was 6,800 and the number of temporary residents was 8,200. By the end of 1967, of the almost 1,300,000 immigrants



Swiss mission. *At Dr. Goldstein's right:* Dr. Veit Wyler, president of KH in German-speaking Switzerland (Zurich), and Annie Levy, director, French-speaking KH. *At extreme right:* Jean Brunschvig, honorary president of French-speaking KH (Geneva).



Press mission from Holland (first of its kind). *Third from left:* Isaak de Vries, former Zionist and Keren Hayesod leader in Holland, now a member of KH's Council of Directors in Jerusalem. *At his left:* Mr. Kreutner, KH director general. *At extreme left:* Yitzhak Rogov, KH Information head.

Five of Keren Hayesod's 175 Projects (1962 to Mid-1970)





Left: Dr. Goldstein speaking at the dedication of the Kiryat Wolfson housing project in Acre, in the presence of Sir Isaac Wolfson, Lady Edith, their family and friends. *In centre, second row:* Ben-Gurion, *and to his right:* . . . . Abraham Cygel (1910–), then head of the Agency's Absorption Department. *Right:* Omarim School in Omer village near Beersheba – a Canadian project.





Left: Kiryat Wolfson includes homes, synagogue, schools and other communal facilities. *Right:* Mr. Kreutner greets leader of "Second Generation" Argentinians who established the Youth Club in Carmiel, a development town, to honour their shaliah, Haim Brande, killed in the Six Day War. *Between them:* Arieh Kraus, Projects Department director.





Left: The Shirene Home – a British project for housing elderly immigrants in Herzliah Pituah. *Right:* Youth Centre at Kiryat Shmonah – a Canadian project.

who had found their places in Israel since 1948, only 85,000 Jews who did not need a refuge from oppression or destitution had settled in the country. Of the 7,200 volunteers from abroad who came to assist Israel in the Six Day War only 600 remained as settlers.

Trend to Coastal Areas

The trend of new immigrants to settle in the coastal areas rose to 46 percent by December 1967. The number going to the development areas fell from 45 percent in 1964 to 28 percent in 1967. The kibbutzim showed a gain of nearly 3 percent in 1967, an increase of about 2 percent since 1965. The Government and Amidar, the National Housing Corporation, strove to build urgently needed housing but could not maintain an adequate pace. There were still some 4,900 families, or more than 15,500 people, in the ma'abarot.

Immigrants in the development towns joined the tide to the coastal areas, particularly those who had not been able to find employment, or who wanted to be with their kin. Many could not meet their mortgage payments, and even an offer of assistance did not in all cases reduce their eagerness to leave their homes. Nor did the measures taken by the Government and the Agency to alleviate the discomfort of the immigrants' congested quarters by adding a room always deter them from making the move to the coast.

The Economic Cut-back

Unemployment became serious throughout the country halfway through the period as a result of a Government cut-back in its economy ("mittun"). Especially affected were older immigrants without skills or professions. Even younger immigrants who were qualified for work, as well as native and long-settled Israelis, had a poor chance of securing employment at that time.

The need for extending social services for the immigrants grew in this period, rising from 17 percent of the immigrants in 1965 to 23 percent in 1967. One form of aid was the Scholarship Fund, a joint venture of the Government and the Agency, which enabled immigrant children to continue their schooling. Loans were also given to families to help meet the needs of their children. Needy students at universities and colleges were given scholarships as well as loans. Travelling expenses for 200 days of study were also allowed.

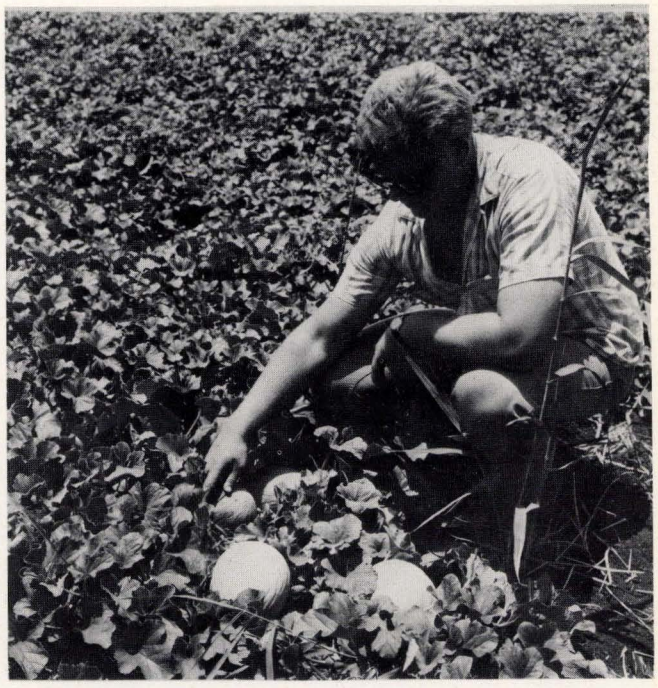
The constructive funds of the various parties, provided by the Jewish Agency in order to obviate the necessity of their having to conduct separate campaigns, gave assistance to skilled artisans and tradesmen, members of the academic professions and to many others who were not making their way economically. These funds granted loans to rent a flat, to finance a mortgage for an apartment, for studying Hebrew or for additional training in one field or another.

Increasing Number of Professionals

The number of professionals increased during this period. In three years over 3,750 had entered, more than half from the free world. Every endeavour was made to help these immigrants adjust themselves. They were provided at low cost with maintenance at hostels or residential ulpanim where they studied Hebrew. Scholarships were granted to academicians in an amount roughly from $1,300 to $1,600 to be used for advanced study or retraining. Immigrant teachers were given further training at a college in Beersheba. A school was also established to retrain lawyers and courses were offered for accountants. The Government and the Agency gave loans to unemployed engineers and supplied grants to artists in various fields.

"Down on the Farm"

From 1965 through 1967, seven new Keren Hayesod settlements were established, bringing the total to 491 since the founding of the State. These included 286 moshavim (co-operative smallholders' settlements) which had outpaced the growth of the collective kibbutzim, of which there were 118, and 13 moshavim shitufi'im, which combined the characteristics of the collective village and the private domestic life of the moshav, 11 agricultural institutions, 11 administered farms, 50 extensions of farms and two ma'abarot, where farms had been set up for their inhabitants. At the beginning of 1967 there were over 139,000 persons dwelling in the agricultural settlements. 116 settlements which had been consoli-



Growing melons for export.

dated with Jewish Agency-Keren Hayesod loans had reached the stage where they no longer required the assistance and supervision of the Agency's Agricultural Settlement Department. They had in effect achieved economic and social independence.

Produce for Export

The settlements now produced far more than the home population required and, as a result, there were large surpluses in the markets. The Department felt that the excess could be turned into a blessing of increased foreign currency for the State by extensive promotion of exports, particularly of out-of-season produce, for countries abroad. Thus more emphasis was placed on the establishment of settlements in the Aravah and the southern Negev where such produce could be grown. The Settlement Department also turned its attention to the problem of keeping young people in the rural areas and away from the cities — a problem which disturbed all western countries. The number of the younger generation who could not make a living in their home settlement or in a new village was increasing. The solution appeared to be to encourage these young people to go to the rural settlement regions where in the centres industry was being developed, and where they would find not only work but also the social and cultural life they desired. Village Industries Ltd. (Ta-asiot Kfar), established in 1961 by the Government and the Executive of the World Zionist Organisation, using Keren Hayesod's resources, provided capital to industrialise agricultural areas. In 1964 the Government transferred its shares to the Industrial Development Bank of Israel Ltd. Another solution for keeping the younger generation "on the farm" was the founding of resorts attached to settlements. The Agency, in co-operation with the Ministries of Tourism and Agriculture, succeeded in establishing such resorts, and assisted other settlements which had taken the initiative in developing such places.



Moshe Sharett, chairman of the Agency Executive, congratulates Joseph Tchornitzsky, the retired head of the Latin American Department, after more than 25 years of service to Keren Hayesod (1963).



Wrecked homes in Kibbutz Gadot, after violent bombardment by the Syrians (April 7, 1967).





Left: Moshe Haim Shapiro (1902–1970). Minister of the Interior, who played the leading role in bringing about a National Unity Government on the eve of the Six Day War. *Right:* Yosef Burg (1909–) who succeeded Minister Shapiro. For many years Minister Burg has regularly been a Keren Hayesod emissary to many countries.

CHAPTER XII

THE SIX DAY WAR

Since Egypt's defeat in 1956 Nasser had cautiously avoided direct confrontation with Israel but had been unrestrained in threatening her with extinction, for which he prepared himself with every form of assistance from the Soviet Union. Meanwhile Israel had been greatly strengthened in numbers, in her economy and in her deterrent defensive power. Israel showed herself ready again and again to help establish an enduring peace, but she was equally ready to strike back at ever-recurring Arab attacks.

Syria took the offensive. Torn by an incessant series of revolutions, Syria diverted her people from the nation's own troubles by inciting the Arabs to war against Israel. From the heights above Israel's terrain she poured her fire on farmers and fishermen on the Sea of Galilee. In 1965 Syria began despatching to Israel the trained guerillas of el-Assifa, the striking branch of the terrorist organisation el-Fatah, to lay mines on roads and in fields, and to blast homes and installations. Most often the terrorists made their way across the Jordanian and Lebanese borders. Israel held these countries also responsible for the incursions, because they permitted their territory to be used for launching raids. Israel's complaints at the U.N. Security Council were met not only by the Soviet Union's veto, but by a hail of poisonous calumny against the complainant, which the Soviet Press unfailingly reiterated.

Syria appeared bent on war on April 7, 1967, when her forces bombarded the villages of Ein Gev, Tel Katzir and Ha'on on the Sea of Galilee and Gadot in Upper Galilee, on the west bank of the Jordan. On that day Israel's air force knocked out six Syrian Russian-made Migs.

Now the Soviet Union undertook to persuade the Arabs that Israel had massed her troops on the Syrian border. The Russian Ambassador to Israel declined Prime Minister Levi Eshkol's invitation to see for himself whether this was the case. U Thant, the Secretary General of the United Nations, would later announce that no Israeli forces were to be found there.

On Israel's Independence Day Nasser ordered his armies to reinforce the divisions already in Sinai. On May 18 the Egyptians asked U Thant to remove the U.N. Emergency Force from the Gaza Strip and Sharm e-Sheikh. The next day the Emergency Force was withdrawn. Israel then began to mobilise her reserves. On May 23 Nasser closed the Straits of Tiran to Israeli shipping and to foreign ships carrying "strategic materials" sailing under their own flags. Prime Minister Levi Eshkol denounced this as a gross violation of





Left: Menahem Begin (1913–), at a cabinet meeting, *(second from right)*. He joined the Coalition Government as his party's first representative. *Right:* Israeli armoured forces swept the Egyptians from Sinai.





Left: Keren Hayesod's Hall of Remembrance after shelling by Jordanians (June 5, 1967). *Left to right:* Deputy chairman Woolf Perry, chairman Israel Goldstein, and director general Moshe Ussoskin. *Right:* June 7, 1967 – Victorious entry of Israel's military leaders into the Old City. *Left to right:* Brigadier General Uzi Narkiss, Defence Minister Moshe Dayan and General Itzhak Rabin, Chief of Staff of the Israel Defence Forces.

international law and an act of aggression against Israel. Israel's Foreign Minister, Abba Eban, went to Paris, London and Washington in order to seek a peaceful solution. President De Gaulle advised Israel that she should restrain herself and later announced that France was committed to neither side. To this pronouncement he would shortly add an embargo on French planes which Israel had already bought and paid for. Prime Minister Harold Wilson offered sympathy and little more. President Johnson joined in the denunciation of Egypt's violation of international law and promised to arrange for running the blockade of the Straits with the co-operation of the maritime powers using their own ships, a plan which came to nought. U.N. Ambassador Arthur Goldberg (1908–), formerly U.S. Supreme Court Justice, reiterated America's position before the U.N. Security Council, which proved itself utterly incapable of doing anything, particularly in the light of the Soviet Union's veto power.

At Nasser's request Algeria began mobilising her forces. Morocco promised support. Hussein was reconciled in Cairo with Nasser, sealing the reconciliation with a kiss. Iraqi troops moved into Jordan. Prime Minister Levi Eshkol turned over his additional post as Minister of Defence to General Moshe Dayan, the hero of the Sinai Campaign. A National Unity Government was quickly formed in which for the first time a representative of Herut, Menahem Begin (1913–), who had commanded Etzel and was founder of his party, was included. The nation was united for war, if it should come.

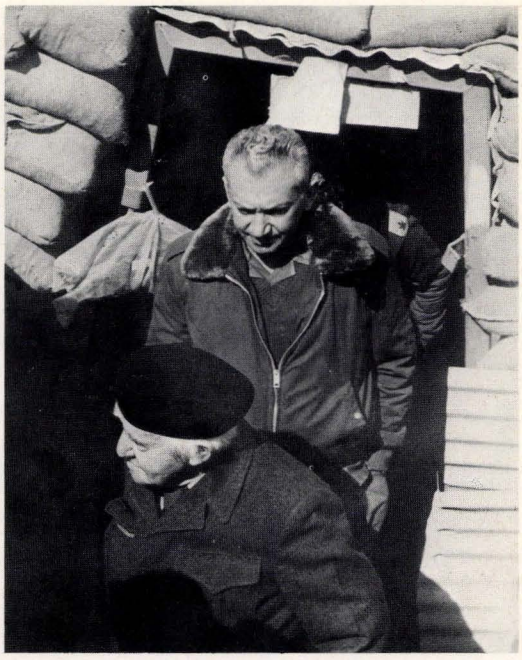
War

On June 5 at 7.45 a.m. the war began. General Itzhak Rabin (1922–), Chief of Staff, commanded the Israel Defence Forces. Three hours later most of the Egyptian planes had been destroyed by Israel aircraft, of which Brigadier General Hod was in command. Hussein was informed by Eshkol that Jordan would be spared if she did not attack. Hussein listened instead to Nasser's false reports of near-victory, and began shelling Jerusalem.

In Sinai the war was over by June 8 when Israel's forces reached the Suez Canal. In flight the defeated Egyptian soldiers discarded their shoes to increase their speed. Egypt's Russian tanks and other equipment were smashed by the divisions of Brigadier Generals Tal, Sharon and Yoffe under the overall command of Brigadier General Gavish of the Southern Sector.

In Jerusalem it was all over on June 7. With Brigadier General Uzi Narkiss in command of the Central Sector, Colonel Mordechai (Motta) Gur's men liberated the Old City. At 10 a.m. they were at the Western Wall. Battle-scarred, weary soldiers who had fought like lions wept at its sight and kissed its stones tenderly — the stones of the Wall which the Jordanians had permitted no Jew to approach for 19 years. Chief Chaplain Goren made the "Sheheheyanu" for a generation that was privileged to see Jerusalem, the City of David, in Jewish possession after 1900 years of captivity. The Chaplain blew the shofar to signal Jerusalem's deliverance and the flag of Israel was unfurled above the Western Wall.





Left: Chief Chaplain Shlomo Goren blowing the shofar at the Western Wall, proclaiming Jerusalem's redemption after 1900 years in foreign hands. *Right:* Chief of Staff, General Haim Bar-Lev, showing the young-old warrior David Ben-Gurion the Bar-Lev Line fortifications in Sinai.

When that afternoon General Dayan, accompanied by General Rabin and Brigadier Uzi Narkiss, reached the Wall, he turned to the soldiers and proclaimed: "Today we have reunited Jerusalem... We have returned never to part from it again."

Victory at Hand

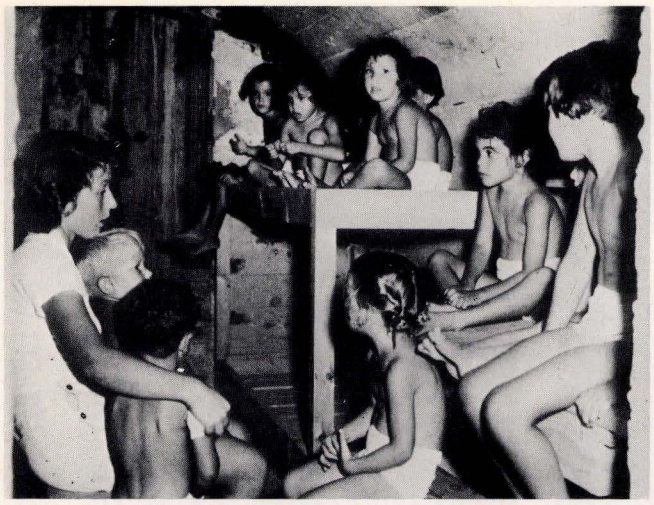
Israel's forces swept the Jordanians across the Jordan River. On June 10 the 36-hour struggle in the North ended with another victory. There, under the command of Brigadier General David Elazar, Israeli tanks climbed the steep slopes of the Golan Heights. Elazar's men destroyed the bunkers and trenches of Syria's Maginot line, drove into flight all the enemy north of Israel's borders and did not halt until they reached a point 30 miles south of Damascus. Syria now agreed to observe the U.N. cease-fire as Egypt and Jordan had done. In Jerusalem, on the night of June 10, at a victory concert confidently scheduled three days before the war's end, Zubin Mehta, who led the Israel Philharmonic Orchestra, joined the Israelis in singing Hatikvah, the national anthem of hope. The price of victory was 679 soldiers killed and 2,663 wounded, a tenth of them with serious wounds of varying degree. On Shavuot 300,000 thronged to the foot of the Western Wall to offer their thanksgiving. On June 27 Jerusalem was formally reunited.

A first budget of over $30,000,000 was approved by the Government to provide for the special economic and social needs of Arabs in the liberated areas, the victims of Hussein's folly. A plan was put into execution for the reunion of Arab families who had fled the country. Less came back than were expected, because of the Jordanian Government's obstruction. At the U.N. Ambassador Michael Comay (1908–) informed a special committee of Israel's five-year plan for the Arab refugees, but there was no response.

From 1948 to the end of the Six Day War Israel had lost 7,506 lives in three wars for survival and independence. The close of the Six Day War did not bring peace. Marauders soon invaded the Land again. Egypt bombarded Israel's defences on the east bank of the Suez Canal, the strongest of which would be the Bar-Lev Line, bearing the name of the Chief of Staff Haim Bar-Lev (1924–), who succeeded General Rabin. The Jordanians and Syrians shelled border villages, and children were compelled to spend their nights in the shelters. In October 1967 the Israeli destroyer Eilat was sunk by the Egyptians using Russian missiles. Of the 198–man crew there were 19 dead, 28 missing and 91 wounded. Israel did not fail to respond to every attack upon her.

Victory Without Peace

The U.N. continued to wrestle with the problem of finding a solution to the violation of cease-fires and adopted on November 22, 1967 a resolution which called for, among other things: "Termination of all claims or states of belligerency and respect for and acknowledgement of the sovereignty, territorial integrity and political independence of every State in the area



Children spend nights in shelters in border towns and settlements.



UN Special Envoy Gunnar Jarring and Foreign Minister Abba Eban.

and their right to live in peace within secure and recognised boundaries free from threats or acts of force." The Secretary General was authorised to designate a special representative "to establish and maintain contacts with the states concerned in order to promote agreement and assist efforts to achieve a peaceful and accepted settlement..." Dr. Gunnar Jarring, the Swedish Ambassador to Moscow, was designated the special representative. Despite his persevering endeavours Dr. Jarring would not achieve success in his mission.

Nasser's response, the day after the adoption of the U.N. resolution, echoing the declaration of the Khartoum Conference in September 1967, did not suggest that peace would come readily: "We will not recognise Israel. We will not make peace with it, or negotiate with it. We will not permit Israeli navigation in the Suez."

Israel Emergency Appeal

After the general mobilisation of the reserves in Israel's Defence Forces on May 19 and May 20, 1967, Keren Hayesod undertook to mobilise world Jewry for a gigantic Emergency Fund Campaign. The Government had to be relieved entirely of its share of the costs for the absorption of the immigrants so that all its resources would be at its disposal to meet the defence requirements and other needs for which it was alone responsible.

An Emergency Campaign delegation set out from Israel to the Jewish communities in the West. It was headed







Left: S.J. Kreutner, as Keren Hayesod European director; since 1968 director general. *Right:* Gordon Brown, Montreal campaign leader for many years and now president of the United Israel Appeal Inc. of Canada.

Celebration in Paris of Israel's victory. The enthusiasm was reflected in the greatest giving to the Israel Emergency Campaigns everywhere.



1967 UJA's Emergency Campaign initiated in the United States. *Left to right:* Edward Ginsberg, Louis A. Pincus, Max Fisher, Pinhas Sapir, Rabbi Herbert A. Friedman and Louis Fox. *Second row, between Ginsberg and Pincus:* Gottlieb Hammer UIA Inc. executive vice-chairman. *Between Fisher and Sapir:* Dewey D. Stone, then UIA Inc.'s chairman. *At Fox's left:* Irving Bernstein, assistant UJA executive vice-chairman.

by Finance Minister Pinhas Sapir (1906–), and included the chairman of the Jewish Agency Executive Louis Aryeh Pincus, Dr. Israel Goldstein, chairman of Keren Hayesod, and other leaders of the Government and the Jewish Agency and commanding officers of the Israel Defence Forces. To lose no time the delegation met the representatives of communities in the airports of the metropolitan centres of Europe and America and at other hastily convoked meetings in order to set together the quotas for the Emergency Campaigns. Thus was laid the groundwork for what was to be the greatest fund-raising achievement in the history of the Jewish people. S. J. ("Shai") Kreutner (1916–), now director general of Keren Hayesod, who was an active participant, describes it aptly:

> "...Those who were privileged to see this campaign carried through will never forget it. Long queues of contributors formed outside the offices of Keren Hayesod and outside the Israel Embassies in many countries. Every mail delivery brought thousands of cheques running into many figures, and coming in many cases from people who had never before contributed to Israel, including non-Jews: recipients of restitution funds from Germany contributed the greater part of their receipts; old people brought in their life savings, in many cases set aside for the acquisition of a home for their grown-up sons and daughters; communities and synagogues realised some of their assets; Jewish housewives and children contributed their savings and took on extra jobs contributing the proceeds to the Emergency Campaign; women divested themselves of their jewellery and taxi drivers contributed the earnings of a whole day's work. There was no end to volunteer service."

The Israel Emergency Campaign in 1967, including regular annual campaigns which were conducted before the Emergency Campaign was initiated, brought to Keren Hayesod $151,477,500, twelve times its income for the previous year. In the 1967 Emergency Campaign the number of contributors in all Keren Hayesod countries rose to 400,000 or twice the number who had contributed in 1966. Almost every Jewish family was accounted for. In the United States the UJA raised, early in 1967, $67,000,000 in its regular annual campaign and, during and after the Six Day War, $178,000,000 for the Israel Emergency Campaign, making the unprecedented combined sum of $245,000,000. Max Fisher was general chairman of this campaign; Edward Ginsberg (1917–), who would succeed Max Fisher as general chairman, was associated with him in the leadership; and Rabbi Herbert A. Friedman (1918–) was the executive vice-chairman. For the full three years (1965 through 1967) the Jewish Agency received from Keren Hayesod net income of $185,351,000 and from the UJA in the United States $258,760,000 for a total of $444,111,000.

To attest Keren Hayesod's appreciation to its contributors who had responded so magnificently to the Emergency Campaign, Keren Hayesod sponsored, with the approval of the Ministries of Education and Defence, a series of concerts abroad by Israel's Gadna (paramilitary organisation) Youth Orchestra. At the invitation of deputy chairman Woolf Perry and Moshe Rivlin (1925–), director general of the Jewish Agency, Danny Kaye volunteered to conduct the orchestra. Yitzhak Rogow, director of Keren Hayesod's Information Department, served as impressario. The Gadna Youth Orchestra performed 24 concerts in 22 countries in Europe and in North and South America.

CHAPTER XIII

THE CRUCIAL YEARS

The three years preceding Keren Hayesod's Fiftieth Anniversary witnessed Israel's struggle to find a way of living in peace with her Arab neighbours. The State's eagerness to achieve an accord with the Arabs was made clear by Golda Meir, who succeeded to the premiership after the death of Levi Eshkol in February 1969. "To attain peace, I am ready to go at any hour to any place, to meet any authorised leader of any Arab State — to conduct negotiations with mutual respect, in equality and without preconditions, and with a clear recognition that the problems which are the subject of debate can be solved, for in the Middle East there is room for the fulfilment of the national aspirations of all the Arab states and of Israel; that it is possible to hasten progress, development and co-operation amongst all nations, in place of barren bloodshed and wars..."

The Arabs responded with terrorist incursions into Israel, hi-jacking of planes, Egypt's war of attrition, and breaking of cease-fire agreements. In support of Israel's determination to preserve her sovereignty and security America was her firmest ally. Prime Minister Eshkol visited President Johnson and Golda Meir visited President Nixon to win their understanding of Israel's position and of her insistence upon a directly negotiated peace, with secure, recognized and agreed borders. That understanding took a tangible form in a decision to provide planes, other military equipment and economic aid to Israel on reasonable terms. A precedent for such assistance had been set by their predecessor President John F. Kennedy when he sanctioned the sale of Hawk anti-aircraft missiles to Israel.

Despite (or perhaps because of) the tense situation in Israel, immigration increased sharply from 1968 through 1970. 106,500 came up to October 1970, with another ten thousand expected before the year's end. Only 13,500 came from Eastern Europe and 15,000 from North Africa, showing that the reservoirs in the lands of distress had indeed been almost emptied. There were 18,200 from Asia, 23,900 from Western Europe, mostly from France, 2,000 from South Africa and 28,700 from both Americas, of whom 3,300 came from Argentina and 17,900 from the U.S. — a greater number from that country by 3,000 than the total of all who had come in the preceding 19 years. 6,800 tourists settled in the country, and 7,000 returning Israelis, classed as immigrants. In October 1970 there were 13,000 temporary residents in Israel.

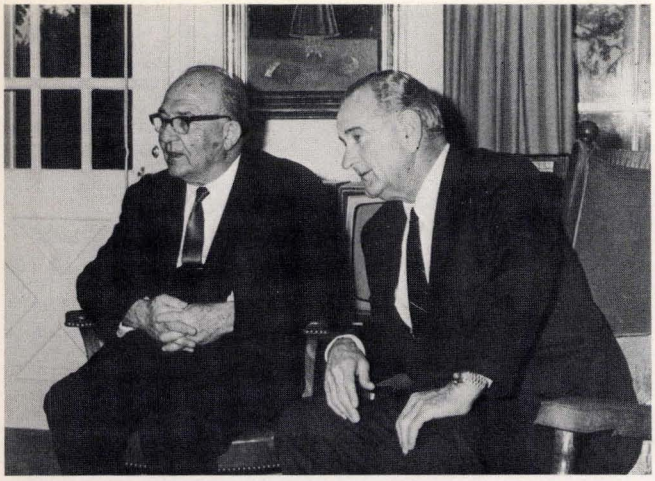
The number of immigrants since the founding of the State had now reached approximately 1,400,000. Adding the 487,000 who came beginning with the Third Aliyah starting in 1919, the total number of immigrants to Israel during Keren Hayesod's history amounted to



Mahane Yehuda market place in Jerusalem is devastated by explosion of Arab "death car".



Mourning the loss of a beloved one, a victim of Syrian shelling of Kiryat Shmonah.





Left: President Johnson and Prime Minister Levi Eshkol at the President's ranch house in Texas. *Right:* Prime Minister Golda Meir in earnest conversation with President Nixon at the White House.

1,887,000 (by October 1970), all of whom, in one way or another, had benefited from the funds which Keren Hayesod and the United Jewish Appeal had provided to help integrate them into the life of the Yishuv and of the State.

About three billion dollars had been spent to make that achievement possible. To reach that gigantic amount Keren Hayesod, which now operates in 71 countries, and the United Jewish Appeal in the United States had raised two billion 100 million dollars, of which over $500,000,000 came from the UJA and Keren Hayesod in the last three years. In 1970 fifty Keren Hayesod emissaries from Israel helped the campaigns abroad: 12 cabinet ministers, eight senior army officers, four members of the Knesset, seven Israeli ambassadors and 19 other high-ranking government and public officials (not including Keren Hayesod personnel). In 1967 there were 21 emissaries, and only 19 in 1966.

For 1971 the United Jewish Appeal has taken for its goal $400,000,000 and the Keren Hayesod, $200,000,000. Adding the $400,000,000 which Israel Bonds has undertaken to sell, world Jewry is called upon to provide another one billion dollars for the programmes of the Agency and the Government. How the balance of the funds between receipts and expenditures was obtained is explained in the capsule summary in the appendix. The population of Israel (as of October 1970) consists of 2,550,000 Jews and 430,000 non-Jews. Of the latter





Left: American immigrants began coming in larger numbers in 1968. Agency's Absorption Department arranging for their temporary stay at an Absorption Centre. *Right:* Ben-Gurion, on a mission in London, with leaders of the Joint Palestine Appeal and Ambassador Aharon Remez. *Left to right:* J. Edward Sieff (JPA chairman, 1949–1965); Michael Sacher (1968–), Ambassador Remez, and Hyam Morrison (1965–68).





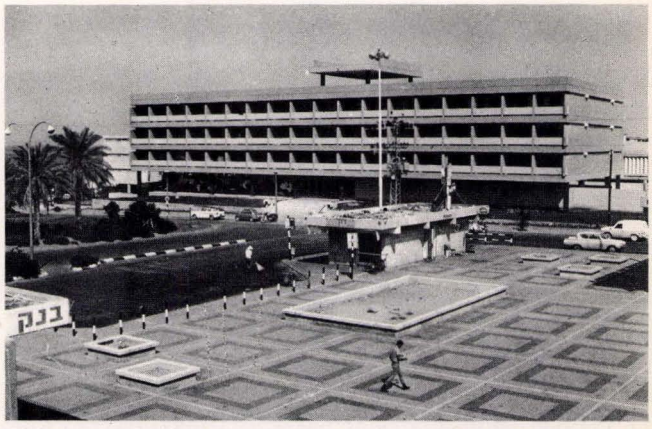
Left: Mayor Teddy Kollek unveiling a new sign in Jerusalem's Kikkar Zion (Zion Square), name changed, for the day, to USSR Jewry Square, as an expression of solidarity with Russian Jews seeking freedom to leave for Israel. *Right:* Protesting, in Tel Aviv, denial of the right of Russian Jews to emigrate.

figure 74% are Moslems, 18% Christians, and 8% are Druse.

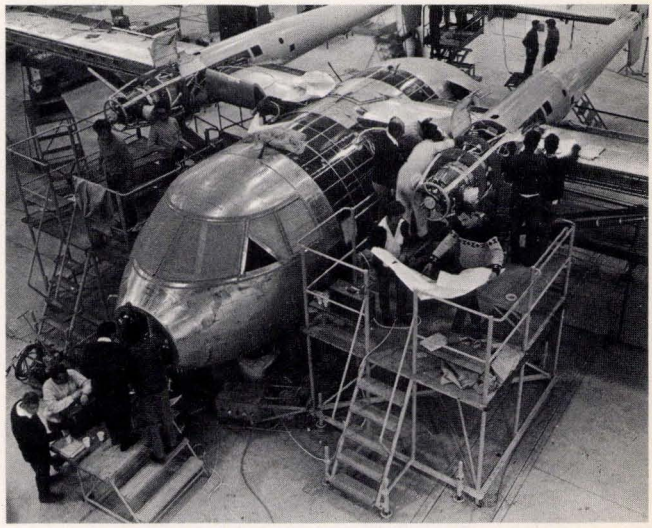
The challenging fact still confronting Israel is that there are today three and a half million Jews in the Soviet Union among whom many passionately desire to leave for Israel but are denied that basic human right. Jews risking all — imprisonment, exile to Siberia, loss of livelihood and pension — have addressed themselves in written appeals to the State of Israel, the governments of the world, to the United Nations and to international organisations dedicated to fighting for human rights, and other groups and individuals to help make possible their return to the land of their fathers.

Israel, world Jewry, governments and men of good-will everywhere have responded to Russian Jewry's call to do all within their power to prevail upon the Soviet Union to open its gates for Jewish emigration.

In 1970 to facilitate the absorption of the new immigrants there were 24 absorption centres, 4 urban ulpanim, 26 hostels and 64 kibbutz ulpanim, through which 15,000 people passed annually in two six-month courses. 5,500 students from abroad and a thousand yeshiva students were the responsibility of the Ministry of Absorption and the Jewish Agency. In the one year 1969, 400 physicians had entered the country and were helped to find places of work. It was reported in that year that the aviation industry had absorbed 1,160 immigrant experts who have made an inestimable contribution to its development.



United Israel Appeal Inc. of Canada made possible this Absorption Centre in Ashdod.



Expert American immigrants helped to build the Arava, first Israeli designed and manufactured short-take-off and landing aircraft.

Improvement in the Development Towns

In the development areas and towns, of which there were 27, unemployment with its accompanying bitterness had already been largely reduced as Minister of Finance Pinhas Sapir reported: "Today there are two thousand factories and workshops in the development areas,





Left: Making garments in a development town. One of the expanding industries on which Finance Minister Pinhas Sapir reported. *Right:* Children in a development town.

comprising investments totalling more than $425,000,000 and employing 63,000 workers."

Settlement Record

Thirty-four settlements were established in the last three years (1968 through 1970). At the time when Keren Hayesod celebrated its 50th Anniversary in July, 1970, it had a record of establishing 257 settlements before 1948 and 525 in the period thereafter. The total number of settlements founded by the Jewish Agency-Keren Hayesod from 1920 to 1970 reached 782 (27 settlement villages grew into towns; this is in addition to the 27 development towns). Today, after consolidation by the Jewish Agency of an additional 96 settlements in 1968, there remain as its full responsibility 286 settlements, though many still receive its assistance and guidance. Israel's farmers not only produce more than the country needs to feed its population but have steadily made the export of their products an increasing source of needed foreign currency. A people landless for seventy generations had in three generations become one of the most productive farming nations in the world.



Nazaret Elit, one of the 27 development towns, founded in 1956, as seen in 1970.

Jewish Solidarity

The sense of solidarity engendered in world Jewry by the Six Day War was fortified by a number of events and decisions during the three years which followed it. The first of the events was the International Economic Conference which Prime Minister Levi Eshkol convened in Jerusalem early in April 1968. This Conference brought together five hundred leading Jewish industrialists and businessmen for deliberations which lasted four days. It was aimed at devising joint projects and providing means of co-operation to promote Israel's economic development and foreign trade. One of the decisions made by this Conference led to the creation



Nahal girls working as farmers on one of the new settlements of this period.



Louis A. Pincus, chairman of the Jewish Agency Executive, addressing Human Needs Conference (June 1969). *Left to right:* Dr. Israel Goldstein, Yigal Allon, then Minister of Absorption and now Deputy Prime Minister and Minister of Education and Culture and Ze'ev Sharef (1906–) then Minister of Finance and now Minister of Housing.

of a company which would mobilise $100,000,000 to be invested, partly in enterprises which had already proved their successful earning capacity, and partly in new enterprises which would be established.

The second event was the Twenty-seventh Congress in Jerusalem in June 1968. For the second time since the First World Zionist Congress in 1897 some major aims of the Zionist movement were redefined. "The unity of the Jewish people and the centrality of Israel in Jewish life" was now proclaimed as one aim, and another no longer called for the "ingathering of the exiles" but "the ingathering of the Jewish People in its historic homeland, Eretz Israel, through Aliyah from all countries."

Uniting World Jewry

A third event which took place, in January 1969, again at Prime Minister Eshkol's invitation, was the gathering of representatives of communities and synagogues, Zionist and non-Zionist organisations from all over the world, including the Presidents' Conference in the United States, representing the leading Zionist and non-Zionist organisations in that country; the Conference of Jewish Organisations (COJO) which embraces the World Zionist Organisation, the World Jewish Congress and the B'nai Brith; and individuals who were invited in a personal capacity, representing the United Jewish Appeal and the Israel Bond Drive in the United States. This gathering was another instrument for the welding of Jews of the world for service to the State of Israel and the Jewish people. The sense of solidarity was expressed succinctly in one of the resolutions of the Conference: "It is our conviction that Jewry is united today as never before. We consider this Conference as an expression of the eternal unity which Israel symbolises for every Jew."

Human Needs Conference

Another event that added further testimony to the solidarity of Jews in the service of Israel was the history-making Conference on Human Needs (abbreviated, COHN) under the chairmanship of Louis A. Pincus, chairman of the Jewish Agency Executive. Two hundred delegates from the United Jewish Appeal and the Council of Jewish Federations and Welfare Funds in the United States and from Keren Hayesod bodies in other lands, in all from 23 countries, assembled in Jerusalem from June 16 through June 19, 1969 for the first conference of this kind. The purpose of this conference was to analyse and assess Israel's major needs and to project programmes to meet them on a long-range basis, at least for a period of five years. The problems that were dealt with involved immigration and absorption, agricultural settlement, development towns, social welfare, health, education and culture, housing, manpower and

fund-raising. Thus far fund-raising for immigration and absorption had been of an emergency character which had not permitted planning ahead. It was now felt that the time had come to learn what the nature, causes and dimensions of the major needs were and what goals should be set for the raising of funds to serve them effectively.

Reconstitution of the Jewish Agency

The spirit of unity revealed at the Human Needs Conference reinforced the determination of chairman Pincus to reconstitute and broaden the Jewish Agency. With the encouragement of leaders of Government and of fund-raising bodies, the Zionist General Council held in Jerusalem in February 1970 approved an agreement for the reconstitution of the Jewish Agency. In August 1970 the agreement was accepted at the meeting of the Planning Committee for the Reconstitution of the Jewish Agency for Israel. Among the participants in that meeting were the chairman of the Jewish Agency Executive, Louis Aryeh Pincus, Max Fisher, chairman of the United Israel Appeal Inc. in the United States, Dr. Israel Goldstein, chairman of the Keren Hayesod, and representatives of the Keren Hayesod United Israel Appeal of Western Europe and of the major national Keren Hayesod organisations in a number of countries. In the presence of the President, Zalman Shazar and the Prime Minister, Golda Meir, the agreement for the reconstitution of the Jewish Agency was initialled on August 27, 1970 by the representatives of the World Zionist Organisation and of the largest organisations raising funds for Israel throughout the world. That agreement, said Louis Aryeh Pincus, will "consolidate all factors in Jewish life for the upbuilding of Israel and the assurance of its future as a Jewish State." After a lapse of 35 years the Jewish Agency, which Dr. Weizmann the Zionist and Louis Marshall the non-Zionist had led in founding, was recreated with the confident hope that it would serve the Jewish people in its national homeland as Dr. Weizmann had envisaged.

On the basis of the agreement the World Zionist Organisation would designate 50 percent of the members of the Jewish Agency; the United Israel Appeal Inc. of the United States, 30 percent; and leading Keren Hayesod fund-raising organisations the remaining 20 percent. The Implementation and Planning Committee for the Reconstitution of the Jewish Agency is now engaged in making its plans for the convening of the renewed body in mid-summer 1971. Judge Israel A. Maisels (1905–), honorary president of the Israeli United Appeal (Keren Hayesod) of South Africa, is the chairman of the Committee on Organisation and Structure, and his co-chairman is Avraham Schenker (1918–), head of the Organisation Department of the World Zionist Organisation and a member of the Jewish Agency Executive. Melvin Dubinsky, vice-chairman of UIA Inc., is chairman of the Finance Committee and Dr. Israel Goldstein is co-chairman. Moshe Rivlin, the Agency's director general, serves as the co-ordinator.



President Shazar greeting Prime Minister Golda Meir on the occasion of initialling of the agreement for the reconstitution of the Jewish Agency for Israel (August 1970). *Standing to the right:* Louis A. Pincus, Max Fisher, and Dr. Israel Goldstein.



Judge Israel Maisels



Avraham Schenker



Melvin Dubinsky



Moshe Rivlin

CHAPTER XIV

KEREN HAYESOD'S GOLDEN JUBILEE

At a special session of the Zionist General Council (July 1, 1969), the celebration of Keren Hayesod's Jubilee in 1970 was announced. Ehud Avriel, the Council's chairman, presided and addresses were made by Louis A. Pincus, Sir Barnett Janner (later Lord), Yitzhak Ben-Aharon, Moshe Krone and Dr. Israel Goldstein.

The formal pronouncement of Keren Hayesod's celebration of its planned Golden Anniversary was made by Dr. Israel Goldstein, chairman of Keren Hayesod, at a reception held at the President's House on July 23, 1969. Addressing the distinguished members of the Honorary Committee for the Celebration and other leaders drawn from every walk of life, President Zalman Shazar said: "There is not one stage in the development of the stable and lasting structure of our home in which Keren Hayesod failed to play an important role... Keren Hayesod may have the justified feeling that in aliyah, agricultural settlement, internal organisation, educational and cultural activity in Eretz Israel as well as in the Diaspora, there is not a single tier in the building of the State to which it has not contributed in money, in inspiration and in the devotion of the people which Keren Hayesod rallied about itself... Keren Hayesod carried the message of the Zionist enterprise; it became the mouthpiece for the enterprise itself, and gathered around itself Jewish hearts and sentiments. That was the work of Keren Hayesod."

The President urged that the Keren Hayesod Jubilee Year, which, he pointed out, would coincide with the 1900th anniversary of the Destruction of the Second Jewish Commonwealth, be declared a period for Keren Hayesod's rededication "to the task of rallying all Jewry for the building of an everlasting Jewish State."

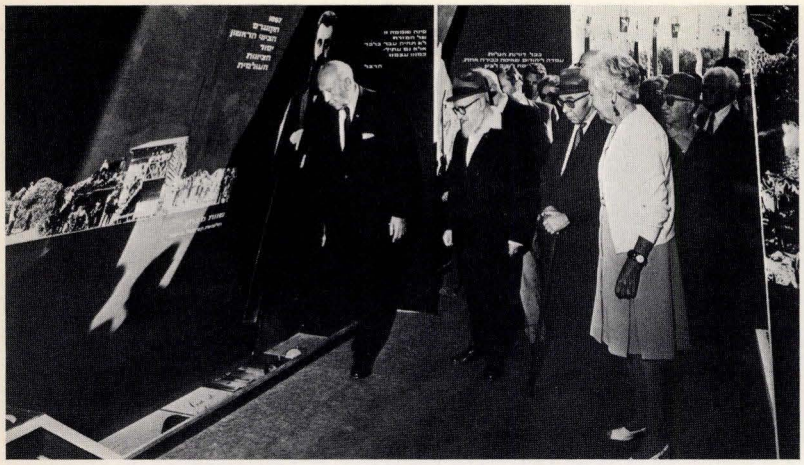




Left: Sir Barnett Janner (now Lord) speaking at the Zionist General Council (July 1969) on the occasion of the announcement of Keren Hayesod's Golden Jubilee year to be celebrated in 1970. *Left to right:* Dr. Goldstein, Ehud Avriel, chairman; Yitzhak Ben-Aharon, Pincus and Krone. *Back row:* Zuckerman, Dulzin, Marom, Shragai and Kreutner. *Right:* Dr. Goldstein presenting scroll to President Shazar proclaiming the Jubilee year, at a reception in the President's House for the Honorary Committee for the Celebration.

The celebration embraced a series of events in Israel and abroad: the dedication of the Keren Hayesod Pavilion at the International Fair in Tel Aviv; a reception in Jerusalem for the mayors of fifty-five cities, which named one of their streets or squares "Keren Hayesod"; a festival concert to honour Keren Hayesod by the Israel Philharmonic Orchestra (which in its earliest years had been the beneficiary of Keren Hayesod assistance); a quiz-contest for thousands of Gadna members throughout the country; a Keren Hayesod Development Town Day and a Keren Hayesod Day in tribute to the Israel Defence Forces; and a session of the Knesset at which the Minister of Finance, Pinhas Sapir, and the Speaker of the House, Reuven Barkatt, expressed the Government's appreciation of Keren Hayesod's services to the State and its people. Minister Sapir said:

> "I would not wish to imagine how the Medinah would look today, without the millions which





Left: After formally opening Keren Hayesod's Exhibition House at the Tel Aviv Fairgrounds. Dr. Goldstein, accompanied by S.J. Shragai and Israel Marom, both of whom were present at Keren Hayesod's founding in London (1920); Mrs. Goldstein and Meyer Weisgal view the exhibits. *Right:* Finance Minister Pinhas Sapir is conducted through the exhibition by S.J. Kreutner.





Left: Dr. Goldstein and Denis Shifrin and Yitzhak Rogow, KH Information Department head, who together with Dan Reisinger, a gifted artist, had planned and prepared the exhibition; and Arye L. Dulzin, treasurer of the Jewish Agency, and Mrs. Dulzin. *Right:* Israelis and visitors from abroad entering the Exhibition House.





Left: Festival concert by the Israel Philharmonic Orchestra in Jerusalem to honour Keren Hayesod. *Right:* Dimona named this square to honour Keren Hayesod. Other development towns and towns that sprung from KH settlements named a square or street to mark the 50th Anniversary.





Left: David Ben-Gurion receiving Golden Jubilee Medallion from Dr. Goldstein. In 1920 David Ben-Gurion had participated in the founding of the Keren Hayesod. *Right:* Dr. Goldstein presenting a Jubilee Medallion to the Jabotinsky Museum in memory of Vladimir Ze'ev Jabotinsky who in 1920 was a member of the first provisional Board of Keren Hayesod and the first director of its Information Department. *Left:* Joseph L. Klarman, head of Agency's Youth Aliya Department. *Right:* Menahem Begin.





Left: The Keren Hayesod Jubilee Commemorative Israel State Medallion was designed by the Jerusalem artist Yitzhak Pugacz. It depicts immigration, housing, agricultural settlement and education – Keren Hayesod's principal achievements over the past 50 years. *Right:* Celebration of the Golden Jubilee, in London. *At the speaker's table, left to right:* Lord Janner, Hyam Morrison, Donald Silk, chairman of the British Zionist Federation; Lavy Bakstansky, Dr. Goldstein, and Eva, Marchioness of Reading.

have been contributed throughout the world for Israel.

"A special chapter, even in its own extraordinary history, was written by Keren Hayesod in the Six Day War. That period saw the establishment of the Emergency Campaign, the dimensions of which were unprecedented. The epic of this campaign has not yet been written, but the memory of those days, in which I had the privilege to participate, will long remain. The writing of that story is better suited for poets than for historians...

"Yet we are still at the beginning of the road... We are in the midst of a difficult war. In other states war would interrupt non—military building and would cause slow—down in the development of most other branches of the economy. But not with us... We must be ready not only to defend our borders but also to develop within our borders, to encourage aliyah and absorption, to advance science, to fortify the spiritual side of life, to strengthen our economy... We have undertaken the heavy burden, by blood and by financial resources... to prepare the ground for building our homeland in peace, for all the generations, in the spirit of our old —new vision."

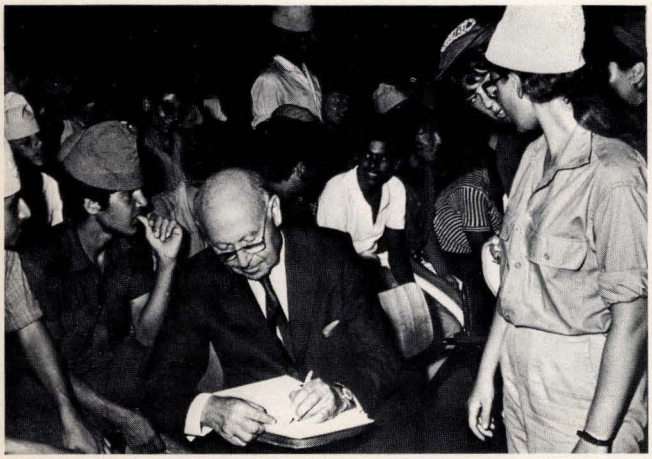
Celebrations were also held in major centres of Keren Hayesod activity on five continents. The chairman and the director general of Keren Hayesod, addressed festive functions in various communities. The Government minted a special medallion which was distributed to the leaders of the nation and the Zionist movement and to key-workers and contributors who had rendered extraordinary service to Keren Hayesod. The Israel Ministry of Posts (today Communications) issued a special Keren Hayesod stamp.



South African Israeli United Appeal celebrated Keren Hayesod's 50th Anniversary at the Biennial Conference of the Zionist Federation in Johannesburg. Dr. Goldstein *(sixth from left)* was guest of honour. *To his right:* Judge Israel Maisels, honorary IUA president, and *(at his right)* Chief Rabbi Bernard Caspar. Former Chief Rabbi Louis Rabinowitz, a KH emissary of long standing, is second from right *(front row)*.

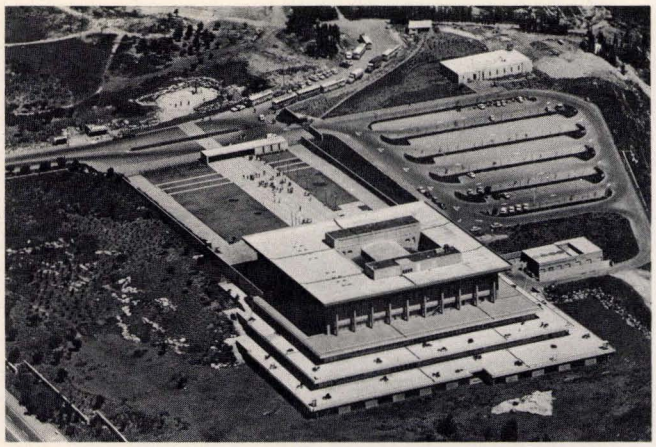


Australia: S.J. Kreutner, KH director general, addressing 50th Anniversary Celebration at the Federal Keren Hayesod Conference in Melbourne. *To his right:* K. Beville, A. Zablud, J. Solvey, Louis Klein, deputy chairman; Bernard Ferster (president, Zionist Federation); Isador Magit, chairman; Henry Krongold, president; D. Mar-Mor, Israel Consul General; Max Freilich, honorary president; Nathan Jacobson, vice-president; P. Amir *(in rear)* and M. Eshel, KH directors.





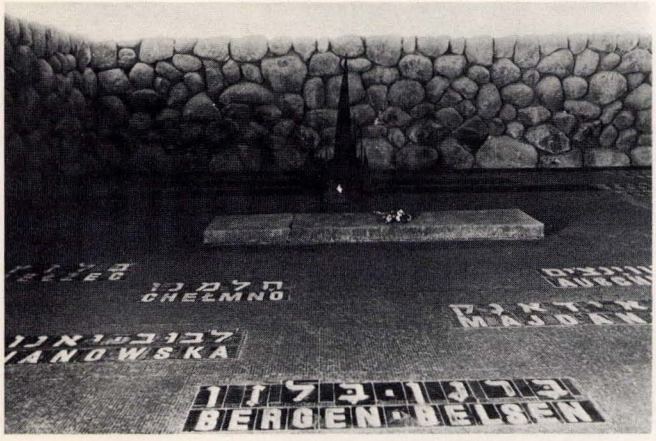
Left: Gadna engaged in a special quiz on Keren Hayesod's work. Dr. Goldstein signing a Gadna member's autograph book, *Right:* Finance Minister Pinhas Sapir pays tribute to Keren Hayesod at a special Knesset session. *At his left:* Reuven Barkatt, Speaker of the Knesset.



The Knesset, Israel's Parliament, in the fast growing united city of Jerusalem. 1970 population – 283,000.



Tel Aviv–Jaffa. 1970 population – 383,000.



Yad Vashem – memorial to the 6 million whom Jews will never forget. In the Eichmann trial, Gideon Hausner, the chief prosecutor, helped the world to understand why all mankind must remember.



Haifa, port and industrial city. 1970 population – 214,000.



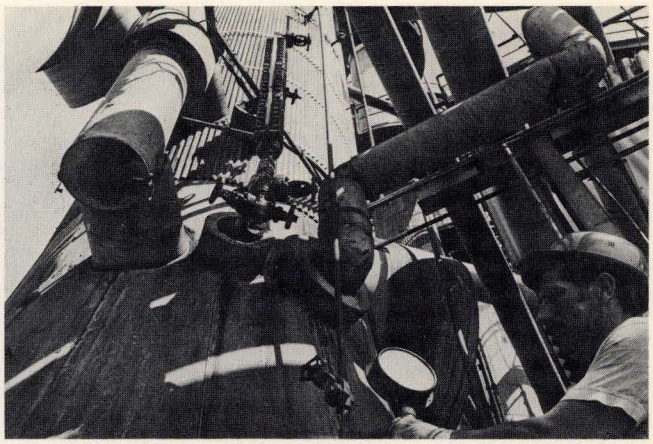
Kibbutz Lohamei Hageta'ot, "Fighters of the Ghettos" who shared in building this settlement, founded in 1949, near Naharia.



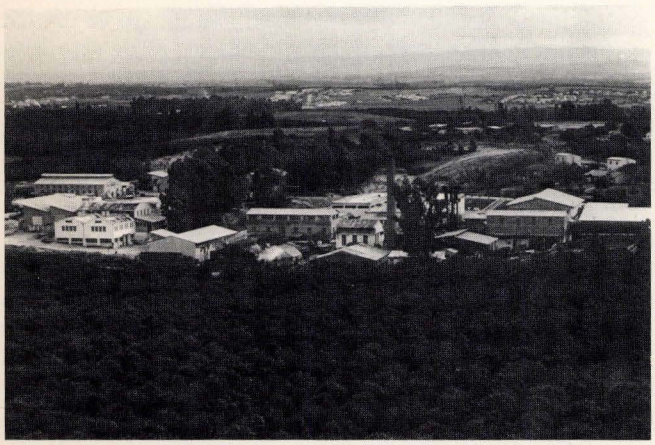
Beersheba, a city which immigrants began building in 1949. 1970 population – 74,500.



Kiryat Anavim, first Keren Hayesod settlement, a kibbutz founded in 1920.



Latest development in the chemical industry which Keren Hayesod helped to promote as early as 1929.

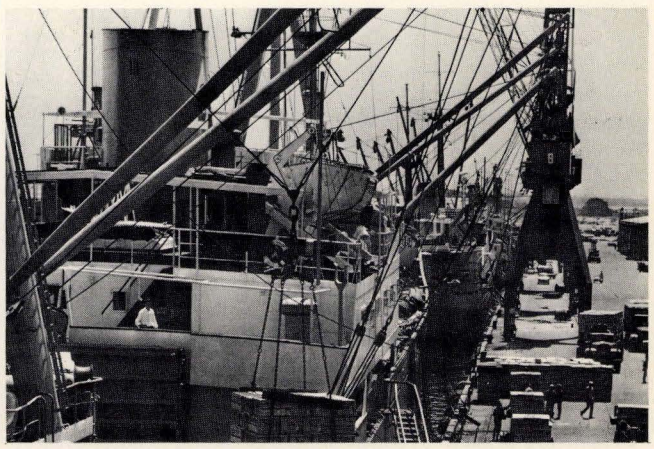


Givat Brenner, largest of the kibbutzim, established in 1926 with Keren Hayesod's help; named after Joseph Chaim Brenner (1881–1921), author and leader of workers' movement, who was murdered by the Arabs in the riots of May, 1921.



Electronics – one of the thriving industries in which expert immigrants and Israelis are enabling Israel to attain a foremost place.

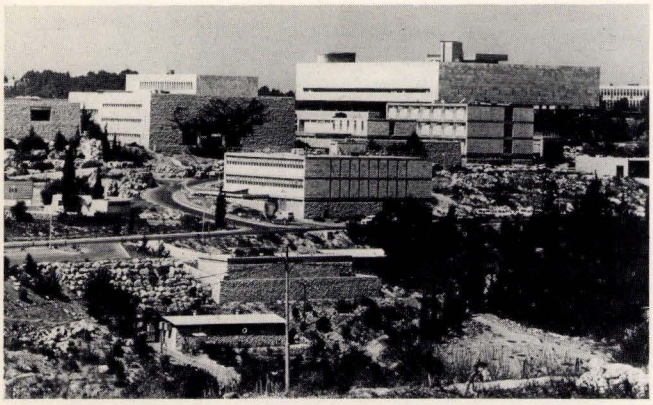




Left: Kfar Vitkin, a moshav established by Keren Hayesod in 1932 on drained swampland in Emek Hefer, a vast area purchased for the JNF by Canadian Zionists led by Archibald J. Freiman, who was president of Canada's Zionist Federation and his wife, Lilian Freiman, who was president of Hadassah-Wizo. Both were also founders of Keren Hayesod in Canada in 1920. *Right:* Ashdod port, fastest developing outlet for the export of agricultural and industrial products. 1970 population of the development town (founded in 1957) – 35,600.



Technion – Israel Institute of Technology in Haifa (1924). Its 1970 enrollment is 11,500 with about 12,000 in its extension courses.



The Hebrew University in Jerusalem on Givat Ram in Western Jerusalem. Opened in 1925 on Mt. Scopus. When its use was denied by Jordan in 1948, the Givat Ram campus was built. 15,000 are enrolled in 1970. The campus on Mt. Scopus is now being restored to accomodate another 10,000 students.



Tel Aviv University, founded in 1956, has 11,000 students.

Additional institutions of higher learning: the world-famous Weizmann Institute of Science, previously referred to, with a total scientific community numbering 1,800; Bar-Ilan University at Ramat Gan (1955), with 5,000 students; University of the Negev in Beersheba (1965), with 1,300 students.

What of the Future?

What of Keren Hayesod's future? Great and challenging are still the human needs of immigrants and immigrant children which must be met. Many of these needs were dramatically pointed up in the resolutions adopted at the Human Needs Conference, but await additional resources before they can be met. In the area of housing there are still 250,000 living in grossly inadequate, dangerous conditions, physical as well as social.

There is need for the improvement of services in the development towns and the raising of the standard of their physical environment. There is need for training the unskilled, that their opportunities for regular work may be enhanced. There are still not enough pre-kindergartens for the number of children that require them. There is need to provide longer school days, junior community colleges, fully-equipped libraries, club-rooms for activities, science laboratories and workshops. More scholarships are necessary for young people who, for lack of resources, cannot go on to the institutions of higher learning. Many more facilities must be provided for the special education of the mentally, emotionally or physically handicapped. The needs are urgent of those who must be given mental health care, psychiatric treatment, opportunity for rehabilitation and long-term provision for chronic illness and old age.

There are human needs, too, to be served in the rural areas. Settlers must be helped to improve their conditions, and the younger generation must be encouraged to remain in the countryside by increasing opportunities for income and housing, for education, culture and recreation. These are some of the pressing needs that still have to be met as quickly as possible to make life healthy, secure and rewarding for those who are building Israel.

There are also the future needs of immigrants who will continue to come and who must be absorbed, housed, and their children educated. There is the great hope that the Jews of Soviet Russia may one day come and for whom Israel and her people are prepared to make every sacrifice that they may be at home and at one with them. For the present and the incalculable future the fulfilment of the obligation to serve these needs is that of Keren Hayesod and UJA contributors and the hundreds of thousands, old and young, who are capable of joining them in the great undertaking of continuing to build the State and recreating the lives of those who require rebuilding. Israel is strong in the confidence that the Jews of the world will not fail the challenge of the future.

STATE OF ISRAEL

PROVISIONAL STATE COUNCIL

PRESIDENT

1948–1949 Chaim Weizmann

PROVISIONAL GOVERNMENT

PRIME MINISTER

1948–1949 David Ben-Gurion

PRESIDENTS

1949–1952 Chaim Weizmann

1952–1963 Yitzhak Ben-Zvi

1963– Zalman Shazar

PRIME MINISTERS

1949–1953 David Ben-Gurion
1953–1955 Moshe Sharett
1955–1963 David Ben-Gurion
1963–1969 Levi Eshkol
1969– Golda Meir

WORLD ZIONIST ORGANISATION AND JEWISH AGENCY (From 1929)

PRESIDENTS

1897–1904 Theodor Herzl
1905–1911 David Wolffsohn
1911–1920 Otto Warburg
1920–1931 Chaim Weizmann
1931–1935 Nahum Sokolow
1935–1946 Chaim Weizmann
1946–1956 No President
1956–1968 Nahum Goldmann
1968– No President

THE EXECUTIVE OF THE WORLD ZIONIST ORGANISATION AND THE EXECUTIVE OF THE JEWISH AGENCY (From 1929)

CHAIRMEN

IN LONDON

1920–1931 Nahum Sokolow

1921–1923 Menahem Mendel Ussishkin
Palestine Zionist Executive

1933–1935 Arthur Ruppin
Palestine Zionist Executive

1935–1948 David Ben-Gurion
1948–1956 Berl Locker
1956–1961 Zalman Shazar
1961–1965 Moshe Sharett
1965– Louis Aryeh Pincus

AMERICAN SECTION (NEW YORK)

1947–1949 Abba Hillel Silver
1949–1956 Nahum Goldmann
1956–1961 Rose L. Halprin
1961–1968 Rose L. Halprin*
1961–1968 Emanuel Neumann*
1968– Emanuel Neumann

**served alternately*

TREASURERS

1920–1921 Joseph Cowen
1923–1925 Joseph Cowen and Louis Lipsky
1925–1927 Col. Frederick H. K. Kisch
1927–1929 Siegfried Van Vriesland
(Also, Palestine Zionist Executive, 1921–1929)
1930–1932 Werner Senator
1933–1948 Eliezer Kaplan
1948–1949 Israel Goldstein
1949 Yitzhak Gruenbaum
1949–1952 Levi Eshkol
1952–1956 Giora Josephthal
1956 Peretz Naftali
1957–1961 Dov Joseph
1961–1968 Louis Aryeh Pincus
1968– Arye Leon Dulzin

THE EXECUTIVE OF THE WORLD ZIONIST ORGANISATION AND THE EXECUTIVE OF THE JEWISH AGENCY FOR ISRAEL 1970

CHAIRMAN

Louis Aryeh Pincus

MEMBERS AND HEADS OF DEPARTMENTS

Mordechai Bar-On — Youth and Hehalutz
Arye Leon Dulzin — Treasurer
Jaime Chaim Finkielsztejn — Education and Culture in the Diaspora
Israel Goldstein — Keren Hayesod
Raya Jaglom — Without Portfolio
Mordechai Max Kirshblum — Aliyah and Absorption
Associate Head
Joseph Leib Klarman — Youth Aliyah
Moshe Krone — Torah Education and Culture in the Diaspora
André Narboni — Without Portfolio
Louis Aryeh Pincus — Aliyah and Absorption
Avraham Schenker — Organisation and Information
Raanan Weitz — Agricultural Settlement
Moshe Rivlin — Director General

AMERICAN SECTION

CHAIRMAN

Emanuel Neumann

MEMBERS

Leon I. Feuer
Ben Halpern
Arthur Hertzberg
Charlotte Jacobson
Emanuel Rackman
Samuel Rothberg
Dewey D. Stone
Isadore Hamlin, *Director*

KEREN HAYESOD 1920—1970

MANAGING DIRECTOR
IN LONDON

1920–1926 Berthold Feiwel

JOINT MANAGING DIRECTORS
IN JERUSALEM

1926–1955 Arthur Menahem Hantke
1926–1948 Leib Jaffe
1936–1951 Kurt Yehuda Blumenfeld

DIRECTORS GENERAL

1960–1968 Moshe Ussoskin
1968– S.J. Kreutner

GENERAL SECRETARIES

1920–1951 Leo Herrmann
1951–1955 Yehuda Yaari

TREASURERS
IN LONDON

1920–1926 Abraham Ulitzur
(under Berthold Feiwel's direction)

IN JERUSALEM

1926–1948 Abraham Ulitzur
1949–1968 Moshe Ussoskin
1968– S.J. Kreutner

CENTRAL BOARD OF UNITED ISRAEL APPEAL

CHAIRMEN

1948–1949 Eliahu Dobkin
1949–1951 Moshe Kol

KEREN HAYESOD UNITED ISRAEL APPEAL

PRESIDENTS

1951–1956 Berl Locker
Nahum Goldmann

CHAIRMEN

1951–1956 Eliahu Dobkin
Arthur Menahem Hantke
Zvi Herman

PRESIDIUM

1956–1961 Eliahu Dobkin, Chairman
Arye Leon Dulzin
Moshe Kol
Shlomo Zalman Shragai

CHAIRMAN

1961– Israel Goldstein

DEPUTY CHAIRMAN

1961–1968 Woolf Perry

KEREN HAYESOD UNITED ISRAEL APPEAL 1970

COUNCIL OF DIRECTORS

CHAIRMAN
Israel Goldstein

Menahem Bader
Izaak S. de Vries
Eliahu Dobkin
Arye Leon Dulzin
Yehuda Ellinson
Edward E. Gelber
Kurt Gruenwald
Tony Hauser-Zeisler
Joseph Leib Klarman
Raphael Kotlowitz
André Narboni
Louis Aryeh Pincus
Israel Ritov
Avraham Shechterman
Avraham Schenker
Shlomo Zalman Shragai
Israel Moses Lord Sieff, London
David Tabachnik

SECRETARY
S.J. Kreutner

DIRECTORATE ("DIRECTORION")

CHAIRMAN
Israel Goldstein

Arye Leon Dulzin
Jaime Chaim Finkielsztejn
Mordechai Max Kirshblum
Joseph Leib Klarman
André Narboni
Louis Aryeh Pincus
Avraham Schenker
S.J. Kreutner

UNITED ISRAEL APPEAL, INC. 1970

IN THE UNITED STATES

BOARD OF DIRECTORS

Dewey D. Stone
Honorary Chairman
Max M. Fisher
Chairman
Melvin Dubinsky
Vice Chairman
Emanuel Neumann
Vice Chairman
Merrill Hassenfeld
Treasurer
Jack D. Weiler
Treasurer
Ralph Wechsler
Secretary
Albert B. Adelman
Isador Breslau
Victor M. Carter
Raymond Epstein
Jacob Feldman
Herman Fineberg
Edward Ginsberg
Abraham Goodman
Rose L. Halprin
Charlotte Jacobson
Ludwig Jesselson
Morris Levinson
Joseph M. Meyerhoff
Rabbi Israel Miller
Louis Aryeh Pincus
Ezra Shapiro
Louis Stern
Gordon Zacks
Philip Zinman
Gottlieb Hammer
Executive Vice Chairman

KEREN HAYESOD UNITED ISRAEL APPEAL 1920—1970
A CAPSULE SUMMARY

	1920—1948 28 YEARS WORKING TOWARDS ISRAEL.	1948—1970 22 YEARS WORKING FOR ISRAEL.
IMMIGRATION AND ABSORPTION	487,000 immigrants, including 28,700 children brought to Palestine by Youth Aliyah, settled and absorbed in the country.	1,400,000 immigrants, including 95,800 children brought to Israel by Youth Aliyah. Like their predecessors they became productive citizens of the State. (Many of the children came with parents and Youth Aliyah accepted them as its wards.)
AGRICULTURAL SETTLEMENT. DEVELOPMENT TOWNS AND HOUSING	257 agricultural settlements were established with a population of 90,000 working some 175,000 acres of land.	525 new agricultural settlements and 27 development towns built; 275,000 new housing units provided permanent homes for a million four hundred thousand immigrants.
TOTAL FUNDS RAISED	$ 143,000,000 – 70% from the United States through United Jewish Appeal. – 30% from other countries through Keren Hayesod.	$ 1,990,000,000 – 65% from the United States through United Jewish Appeal. – 35% from 71 other countries through Keren Hayesod.
TOTAL EXPENDITURES OF THE JEWISH AGENCY 1948—1970	Immigration and Absorption $ 573,900,000 Health Services $ 77,100,000 Education $ 74,600,000 Youth Aliyah $ 156,200,000 Immigrant Housing $ 432,500,000	Agricultural Settlement $ 945,800,000 Educational Activities $ 294,200,000 Overseas Operations $ 160,500,000 Various Activities $ 301,000,000 *Total* $3,015,800,000
GRAND TOTAL OF FUNDS RAISED	1920–1948 $ 143,000,000 1948–1970 $1,990,000,000 $2,133,000,000 *	

* *The balance of the expenditures not covered by the income of Keren Hayesod United Israel Appeal and the United Jewish Appeal came from additional sources, such as German reparations and heirless property, collections on account of the repayment of loans from Jewish Agency-Keren Hayesod funds; the realisation of property; special Youth Aliyah campaigns; participation by the Government of Israel in agricultural settlement and long and medium term loans.*

KEREN HAYESOD HEAD OFFICE — OCTOBER, 1970

CHAIRMAN
Israel Goldstein

DIRECTOR GENERAL AND TREASURER
S.J. Kreutner

ASSISTANT TO THE DIRECTOR GENERAL
Aaron Abrahamson

DEPARTMENT DIRECTORS

Nora Aviad	Latin American Countries
Arieh Bar-Zion	European Countries
Paul Beer	Guest
Leah Doll	English-Speaking Countries
Arieh Kraus	Projects, Legacies and Bequests
Arieh Lewine	Personnel and Property
Yitzhak Rogow	Information
Mordechai Schwartz	Finance
Solomon Seruya	English-Speaking Countries

SECRETARIES

Zidkia Herne	Council of Directors
Hasida Rozen	Directorion

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Jewish Agency Photo-Archives.

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