We must now turn our consideration to new problems of a wholly different order, arising out of the very success we have achieved. For more than half a century we have lived by the Basle program which was adopted at the first Zionist Congress and never altered or modified. The paramount aim of the Zionist Movement as there defined was to establish "a publicly secured, legally assured home for the Jewish people in Palestine." This is followed by a number of clauses setting forth the methods and activities whereby that goal is to be furthered and accomplished.

Despite the continuing efforts of our adversaries, we are confident that the Republic of Israel, has come to stay; and we must therefore address ourselves to the changes which must come about in the light of the realization of our paramount political objective.

Let me say at once that however real is the need for readjustment and re-organization, it is not to be assumed that all the necessary changes can be brought about abruptly. It will take some time for all of us to think through the questions now posed, to their logical conclusion, it will take even longer for conclusions to be translated into action. But the sooner the process is begun, the sooner will our Movement achieve the transformation which is now so clearly indicated.

I shall endeavor to share with you such thoughts as I have, on the subject. My suggestions will not necessarily take the form of concrete proposals. For the most part I will endeavor to indicate guiding principles rather than a detailed program.

The first and cardinal set of questions we must ask ourselves is "What shall be the future of the World Zionist Movement, its aims and activities and above all, its relationship to the Republic of Israel?"

Let us begin with the last. The Jewish State which has now come into being is the creation not only of the comparative handful
of Jews who have settled in Palestine, but of the Jewish people the world over. More specifically, it is the offspring of the Zionist Movement. At the time of the Balfour Declaration and the promulgation of the Mandate there were only some 60,000 Jews in Palestine. An instrument therefore, had to be provided by which the Jews of the world, rather than the Jews of Palestine, shall carry out the great work of resettlement and reconstruction and the upbuilding of the national home. It was a unique case of a dispersed people dwelling in many lands, endeavoring to re-establish their national life on the soil from which they had been physically separated for many centuries. The Mandate therefore contained a unique provision, giving recognition to a Jewish Agency as a public body representing the Zionist movement and all other Jews desirous of cooperating in the erection of the national home. This Jewish Agency was given a definite legal-political status, vis-a-vis the Mandatory Government and the League of Nations in all matters pertaining to the development of the National Home. Operating through the Jewish Agency, the Zionist Movement has functioned for many years in a quasi-governmental capacity, representing politically both the new nation emerging in Palestine and the world-wide Movement from whose loins it sprang. The Yishuv developed its own local institutions such as the Vaad Leumi; but they were wise enough to circumscribe their own authority, always yielding precedence to the Jewish Agency on the sound theory that the creation of the Jewish State was the affair, not of the Jews already in Palestine, but of the whole Jewish people.

This was something of a political anomaly which our opponents seized upon and denounced as monstrous and dangerous. The anomaly lay in the fact that members of the Jewish Agency, citizens of various countries to which they owed allegiance, nevertheless represented politically a somewhat inchoate Jewish entity having no territorial base and exercising no legal jurisdiction in any territory anywhere. They raised the spectre of dual allegiance and accused Zionists of setting the interests of the projected Jewish State above devotion to their respective countries. From a strictly technical legal standpoint, the situation was indeed anomalous, arising out of the abnormality of the Jewish position in the world. But it was this abnormality, the fact of National homelessness that the Zionist Movement had come to remedy by providing "a publicly secured, legally assured home." The enlightened world made an earnest effort to understand our unique position and not only tolerated our Movement, but treated it and the Jewish Agency with all respect.
When, therefore, the Palestine question came before the United Nations for review, that international organization brushed aside all the technical objections raised by the Arabs and by others to the appearance of the Jewish Agency as a body entitled to represent the Jewish people before the United Nations. Thus it was, for example that Dr. Silver and I, citizens— and, I hope, good citizens— of the United States, sat at the Council table at Lake Success side by side, with the representatives of all nations including those of our own government; and none but our enemies and a few traitors in our midst, raised the issue or dared to cast aspersion upon our American loyalty.

The proclamation of the Jewish State and the measure of international recognition it has won, has now transformed the position. The basic anomaly of Jewish life has been remedied—though not completely, as we shall see. If there is a Jewish State asserting its sovereign rights, then under universally accepted rules and practices, none but the citizens of that state are entitled to speak and act on its behalf and represent it politically to the outside world. If that is so, then the first principle which we must accept without reservation is that of a definitive political separation between the Jews of the world and the Republic of Israel. The separation must be clear-cut and unequivocal. We must hereafter pursue a strict policy of non-intervention in the political life of Israel, a matter which has now become the exclusive prerogative of its own citizens, both Jew and Arab— the Israelis.

It will not be easy for us to adjust ourselves intellectually and emotionally to this sudden and drastic change; as it is still difficult for us to realize fully that the period of enforced exile, the Galuth, is, politically speaking, at an end and that we have at last entered the era of the Third Jewish Commonwealth. But the policy which I advocate is necessary and inescapable not only as a matter of logic and correct procedure: it is essential in the highest interest both of the Republic of Israel and of the Jewish communities throughout the world. So far as Israel is concerned, it must be left free to work out its own destiny, to determine its own policies and orientation, the character and complexion of its social order— with due regard, we hope, to the position and welfare of Jews elsewhere; but without constraint or the exercise of undue influence on the part of the Diaspora.
It is equally essential, from the point of view of the Diaspora, comprising as it will, for many generations to come, the overwhelming majority of the Jewish people. We were fully entitled, in the past, to reject with scorn, the venemous accusation of the anti-Zionists on the subject of dual allegiance; but now that the Jewish State is a fact, now that its ministers and ambassadors are entering into normal political relations with those of other nations, it should be obvious that the Jews of the United States and of all other countries must not politically be involved in those relations and should in no manner be responsible for the acts and policies of a State which, in accordance with international practice, will necessarily be regarded and referred to as a "Foreign Power."

It need hardly be stressed in this company that such a clean-out political separation neither implies nor involves the severance of all ties between the Jews of the world and our fellow Jews in Israel. On the contrary the Jewish State has come to deepen and strengthen Jewish life throughout the world, not to weaken it. The spiritual bonds which have united us through the centuries will be stronger than ever. They will rest upon the grounds of our common past, our common faith and our common loyalty to a great cultural heritage. Upon that rock we will continue to build.

The Jewish Agency as such, has been the creature of the Mandate, to which it owed its unique status. The Mandate has now been liquidated. It therefore follows that the Jewish Agency in its former capacity has ceased to exist. You will have noticed that since the proclamation of the Jewish State, the members of the Executive, who are not citizens of Israel, have ceased to appear officially before the organs of the United Nations leaving that role to specially designated representatives of the Israeli Government. But the Jewish Agency as an institution dealing with multitudinous matters of a practical character, continues to function; although it may be more appropriate to refer to it henceforth as the Zionist Executive - the Executive arm of the World Zionist Organization - which in fact it is and has been for years.

What then shall be the role and the structure of the Zionist Movement in the future? When I asserted a moment ago that the basic anomaly of the Jewish position in the world has been remedied, I added the words, "though not completely."

I was alluding to the fact that at the moment, a very small part of
the Jews of the world dwell in the Jewish Homeland - actually less than 7%. The rest, 93%, make up what we term the Diaspora. I will not enter at this point into the old controversial question concerning the negation or affirmation of the Diaspora, or whether the majority of the Jewish people should dwell in Israel leaving only a minority outside its borders. What is of immediate and practical importance is the urgent need of settling in Palestine within the shortest possible time, hundreds of thousands and possibly millions of Jews of various lands who are now on the move or waiting for the opportunity to rebuild their lives under the protecting wings of the Jewish State. This monumental task remains the responsibility not of the young Republic struggling to its feet, with its meager resources, but of the Jews of the world; more especially of such great communities as our own, having the strength and resources to undertake the heavy burden involved. To facilitate Jewish immigration, to provide training for Chalutzim, to assist in their successful colonization and helping to promote the rapid economic development of Israel so that it may absorb them most rapidly - these constructive tasks will be in the province of the Zionist Movement.

There can therefore be no talk of the dissolution of the World Zionist Organization. Indeed were such a thought to enter our minds we would be confronted at once with a further series of interesting, but difficult questions. In the course of the years the World Zionist Organization has created many institutions. It has legal title to many valuable assets which it holds in trust for the Jewish people. There are funds, banks, movable and immovable properties. Shall they be turned over at once to the Republic of Israel - that is to its Jewish and Arab citizens - as their outright property, or shall they be turned over to a new trustee to be created as the successor to the Zionist Organization?

What is infinitely more important, the World Zionist Organization is itself one of the most valuable assets which the Jewish people has created by the expenditure of an inconceivable amount of toil, treasure and devotion. It has proved a most effective instrument for Jewish survival and rebirth, - a veritable fortress of Jewish strength, buttressed and fortified by a long discipline. We have not built this citadel so laboriously for fifty years in order to demolish it at the moment of triumph. It has become a vast storehouse of energies and resources and accumulated experience the repository of moral and spiritual power which has been fructifying Jewish life in the remotest corners of the globe. It must and will live on until its historic mission has been completely accomplished.

Certainly the time has come to widen the portals of our Movement so that all may enter who are of kindred mind and spirit. We shall welcome them most heartily in our midst. Not only that, we must make it easier for them to enter than it has been in the past.
This leads to one of the most delicate points to be considered -- the actual relationship between the Zionist Movement and the Republic of Israel. Here I would quote a famous saying of the late Justice Brandeis: "If we would act by the light of reason we must let our minds be bold." If we accept the thesis of political separation, then the new relation to be established must conform fully with that principle. The World Zionist Organization must be so reconstructed as to remove the temptation and the possibility of involving the Diaspora unduly in the affairs of Israel, or conversely of involving Israel unduly in the affairs of the Diaspora. Both should have complete autonomy and freedom of action in their respective spheres. This must lead to the conclusion that the Zionist Movement should henceforth become a purely Diaspora organization. In relation to the Jewish State it would bear the character of a world-wide association of friends of Israel, which would make its maximum contribution by being left free to organize its own activities and order its own affairs in the manner it deems best.

What is the alternative? If in the future as in the past, the Zionist Organization will comprise Jews of Palestine as well as Jews of the Diaspora how are lines to be drawn and how shall we ever disentangle the affairs of the State of Israel from the affairs of the Zionist Movement? How will we avoid a confusion of competences? Let us visualize future Zionist Congresses attended by an ever-increasing proportion of Delegates from Israel together with Delegates from the countries of the Diaspora. The Israeli Delegates will not come as individuals but as compact groups representing their respective political parties. The political alignments existing in Israel based on its domestic issues and divergent social and political views - these alignments will inevitably be carried over to the Zionist Congress. The political groupings in Israel will seek allies among delegates from other lands. Inevitably the Congress will be drawn into discussions affecting the internal life, the policies and the political orientation of Israel and will even be tempted to legislate in that regard. And on the other hand the Delegates from Israel will be drawn into discussion of Zionist and Jewish affairs in the Diaspora and will be tempted to legislate in that sphere.

All of this, to be sure, has happened in the past. But now that the Jewish State is a reality, how will we avoid, in practice, that intervention in the affairs of Israel which we accept in theory?
And how will we obviate a situation whereby Zionist groups, affiliated with the World Organization, may come to be regarded in their respective countries as the agents of a Foreign Power? I need not amplify the implications of that question.

There is no escape from this dilemma except by a radical departure. Let the Jews of Palestine be organized as citizens of Israel. Let the Jews of the Diaspora be organized as friends of Israel. It will then be necessary for appropriate agreements to be worked out between the World Zionist Organization and the Government of Israel regulating the manner and procedures by which we will assist and cooperate in clearly defined areas and under such rules and regulations as the Government of Israel may properly prescribe. Representatives of the Government of Israel or of Israeli organizations and institutions, will of course, be most warmly welcomed at Zionist Congresses and at our National Conventions. They will be listened to with the deepest respect. Their advice will be sought and considered. But they will not legislate for Zionist life in the Diaspora anymore than Diaspora Zionists will legislate for Israel.

Indeed the logic of this position leads further. The question may well be asked, "Will there be room in such a reconstructed Zionist Movement for Zionist parties in the Diaspora?" The parties of the right and left which have branched from the parent stem have justified their separate existence in the Diaspora on the ground that they represent a special point of view, a particular ideology, or "Weltanschauung" as it was technically described. To the Zionist program, as laid down in Basle platform and subsequently developed, they added special programs of their own, frankly designed to influence the development of the Jewish National Home in a particular direction. The future Jewish State as they envisaged it, was a projection of their social and economic conceptions, their political and religious doctrines. In the course of time, and to a very moderate degree, General Zionists occasionally attempted to emulate their example. Yet, as I see it, it has always been of the very essence of our position as General Zionists that the Jews of the Diaspora, while extending every possible moral and political assistance, should refrain from imposing upon the Yishuv, their various preconceptions regarding its forms of life. We have maintained that it was for the Yishuv to determine freely, its own social and political structures, the character and complexion of its institutions.
The only real duty imposed upon us, the Jews of the Diaspora in that connection, was to ensure that the resources which we made available should be fairly and equitably applied to provide equal opportunities for Jews of all classes and all shades of opinion to settle in the land and to fashion their lives in accordance with their own desires. It was therefore a vital part of our function, as General Zionists to provide a much needed balance, to mitigate the severity of party conflicts and class struggle, to adjust the claims of all competing groups without identifying ourselves completely with any one of them. We sought to synthetise all constructive ideas from whatever source they emanated and weave them harmoniously into the pattern of a creative national life.

But now that the Yishuv has grown into nationhood, now that the Jewish State has been established, and assuming a sincere desire on the part of all Zionists in the Diaspora not to intervene in its affairs, and to influence its social and political development from without as little as possible, what further justification is there for perpetuating Zionist parties in the Diaspora? The time has come for all parties to sink their ideological differences which have lost so much of their former validity and to coalesce into one united Zionist Organisation, without hyphens and divisions. It would be naive to assume that such a complete coalescence can take place at once. It is admittedly easier for us, General Zionists, with our philosophy, to assent to such a merger, than it will be for parties with highly developed ideologies and sharply defined social and religious programs. Yet it is toward such an eventful unification that we must definitely move.

Meanwhile as long as the party system continues, every group tending in its particular direction and each concerned with special aspects of life in Israel, we, General Zionists, must likewise retain our own freedom of action and continue to exercise our role as the great center party in Zionism, insisting as we have always done upon priority for the general and collective interest above the special interest of any group or party.

The question has also been mooted whether there should not be a complete reorganization of the financial instruments of the Movement, particularly of its fund-raising institutions. The question merits earnest consideration but I would point out that it is not necessarily related to the major problems I have discussed. Whether or not the Keren-Kayemeth and Keren-Hayesod should continue to operate as separate fund-raising agencies or be definitely merged in a single institution, a permanent U.P.A., is certainly debatable.
But it was just as debatable prior to the establishment of a Jewish State as it is now. It may be argued that the system of institutions we have created over the years has become complicated and cumbersome and needs to be re-organized or, as some would say, "streamlined". But on the other hand, in such matters it is wise to make haste slowly. Our various institutions have become rooted in Jewish life; Deep loyalties and strong sentiments have clustered about each of them. They also have distinct operational functions in Palestine. We certainly should not hasten to dismantle existing institutions in a general rush for change and innovation. It is a matter to be carefully studied and to be considered in the company of our Zionist colleagues in other lands.

Bearing all this in mind and guided by the basic concepts of our Movement we can now attempt to formulate a program for our own Organization for the proximate future and the years to follow. For an unspecified period we shall still have to be concerned with political affairs, though in a different and more limited sense than in the past. To be sure, the immediate struggle is by no means over; but assuming that a full and satisfactory settlement will now be reached, the position of the young Republic of Israel will be such, that it will need friends and the favor of public opinion. It will continue to be surrounded by Arab States and will have a substantial Arab minority within its own borders. Difficult problems may arise in its internal and external relations. It cannot, for a long time to come, completely dispense with the moral and political support of the Great Powers and of the community of nations. Clearly therefore it should remain our task to promote good will and sympathy for it and to maintain a favorable climate of opinion. We must continue to keep watch and ward so that the rights and position of Israel, acquired at such heavy cost shall be guarded and preserved.

Secondly, we shall have to put forward a maximum effort in the years to come to ensure the flow of those public funds which have been the very life-blood of the nascent Jewish State. A truly magnificent effort is now in progress in the form of the United Jewish Appeal with its unprecedented goal of $250,000,000, the better half of which is destined for the work in Palestine. In view of the strenuous exertions which the attainment of this goal requires, we must face the fact, that the goals in future years will have to be set even higher.
Assuming a program for moving and settling in Israel, no more than 1,000,000 Jews during the next decade—and we should aim at a more rapid pace than that—competent economists have estimated that the funds required, and which will have to come from many varied sources, will run into billions. A large part of the huge total will have to be derived from free-will offerings in the future, as in the past. These funds will be used by the World Zionist Organization chiefly to finance immigration and land acquisition and colonization, both rural and urban.

The raising of these central public funds must continue to enjoy top priority. But it is a safe conclusion that they alone will not suffice and that new sources of capital must be tapped on a scale never attempted before. One project which will, I think, merit early consideration in Israel and here is that of launching a Freedom Loan to Israel to be repaid, principal and interest, by the Government of Israel. The very heavy capital investments which will have to be made in the near future, will be in large part, revenue-producing and self-liquidating. For such purposes it should be feasible and appropriate to borrow substantial sums and to spread the repayment over a period of fifteen or twenty years.

That too, has its natural limitations. For one thing it will impose upon the young Republic a considerable burden of debt and the service of the debt, may in the early years, consume a disproportionate part of the public revenues. It must also be weighed, whether and to what extent such a loan, if it is secured not from banks and governmental agencies, but from individual Jews, may affect the collections for the central public funds.

There is yet another method of financing Israel which holds seemingly unlimited potentialities: The investment of private capital in productive enterprises on the initiative of private investors and at their own risk. Surely the time is past when such investment on sound business lines, could be regarded as another form of philanthropic contributions. For years Palestine has offered many attractive opportunities for those who are prepared to make sound investments, yielding reasonable return, without indulging either in speculation or exploitation. Much pioneering work, along this line, has been done by American Zionists under the initial impulse given to it by the late Justice Brandeis. But the results thus far have fallen far short of the possibilities. Now that the Mandatory regime has been succeeded by a Jewish Government, there is no longer the slightest reason why hundreds of millions of dollars should not be invested in Israel by American Jews—in housing projects, in public utilities, in industries, in commerce, in transportation and tourist trade—thus creating new opportunities for employment in Israel and greatly accelerating its economic development.
Such investments can and should be made both through companies formed for that purpose and by individuals. In either case it is imperative that along with American capital should go American management, American technology, and what is aptly described as "American know-how." Israel's need for managerial and technical skills is hardly less than its need of capital. At the last Zionist Congress Mr. Eliezer Kaplan, now Minister of Finance dealt with this subject at considerable length.

We have been gratified to learn that a group comprising some of our most prominent and devoted co-workers, members and officers of our organization, have recently been consulting with a view to the launching of a large corporation designed to provide some of this much needed capital. They propose to set the initial goal at $25,000,000. They are all sound and experienced business-men and industrialists who have managed their own affairs prudently and successfully. They are equally good Zionists and can be trusted to develop their program with scrupulous regard for the public good. Their generous personal contributions to the U.J.A. is eloquent testimony of that. If they meet with success, as I am confident they will, their initiative may open a new chapter and new horizons for the membership of our organization. There is no good reason why this activity should not develop at a rapid pace, attracting the interest and cooperation of thousands, through all our districts and regions. The Zionist Organization of America as such, cannot and will not go into business, but it does represent a great reservoir of strength and resources which we have hardly begun to tap.

Henceforth I recommend that in addition to our various standing committees, there be established a standing committee on economic affairs. It should give close and continuous study to the economic problems and conditions in Israel and its requirements. It should disseminate reliable information among our members and the general public and make them fully aware of the needs and the immense possibilities in this field. I would further recommend that adequate provision be made in our budget to provide for the administrative requirements of this new committee.
Considering the many able businessmen in our midst, the varied and invaluable experience they represent in so many fields of industry and commerce and the unparalleled interest which has been aroused among American Jews in the Jewish State and its future, I see great promise for this new program of activity. It will fill the life of our membership with new content and provide a sound and legitimate outlet for their healthy desire to have a personal stake in Israel, to establish a direct and concrete relationship with Israel by developing their own projects and enterprises, making their distinctive contributions and giving expression to their own specific talents. If such a policy is initiated and pursued, it will open up a vast field of endeavor which will in time, occupy a foremost position in the program of Zionist activities and be a blessing to Israel.

Fellow Delegates, I have painted, perhaps, a rather broad canvas - but nothing that is beyond our present and future capacity. Organizations thrive and grow strong not by contracting their activities to their present capacities but by setting themselves goals which call for the stretching of their capacities to meet their widening program. Earnestly, I recommend to you, my fellow Delegates, that you think not of the contraction, but of the expansion of our work in the directions indicated. I am aware that I have but indicated the barest outline rather than a detailed program, which is still to be developed.

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Moreover it is at least doubtful whether this Convention, pressed as it is for time, can elaborate such a program here and now. I would therefore further recommend that we constitute three commissions to consider three major problems:

1. The reconstruction of the World Zionist Movement and its institutions, including the problem of its relationship to the Republic of Israel.

2. A financial and economic program.

3. Our future activity in the cultural and educational field.

The commissions should work during the next two or three months and present their reports to a meeting of the National Administrative Council in the fall. Subject to such resolutions as this Convention may adopt, on any of these questions, the Administrative Council should be empowered to act upon the reports and recommendations of the commissions. With that I have concluded, save for a closing word.

My good friends:

Rarely has it been given to any Movement to achieve its aims so largely within less than two generations. There are still many in our midst who recall the first Zionist Congress and the magic personality of the immortal Herzl. What we have achieved has been accomplished not by a few men, however gifted and consecrated, but by the whole Jewish people, led and inspired by the Zionist Movement.

I have not attempted to evaluate the significance of what has so recently transpired. It would have been futile to attempt it. But we have witnessed a turning-point in history whose consequences, not for the Jewish people, but for mankind, are incalculable and impossible for us to envisage. It has become trite to say that civilization is in crisis. Unimagined technological progress has proceeded hand in hand with moral disintegration. The combination is terrifying to contemplate. With frenzied haste civilization is perfecting the technical means of its own annihilation while it is pulverizing its moral defenses. Increasingly, "things are in the saddle", riding mankind to perdition. At such a juncture in human affairs, and in this spiritual wilderness what is more urgently needed than a renewal of faith and the ascendancy of moral force over physical might? And what people has contributed more powerfully in our days to the vindication of faith and the triumph of spirit over brute force, than has been done by the Jewish people in our generation?

What we undertook to do was the impossible, contrary to the laws of nature and in defiance of the laws of history. But we staked all upon our indestructible faith.
"Credo quia impossible". Because it was impossible, we believed, Our people was dispersed; its ancient land, a desert. It was coveted by many nations. We had no armies to occupy it. We had not the means to colonize it. We had no peasantry, no traditions of physical pioneering. We had no concentrated political power, no common spoken language, no parliament, no flag. We had nothing but a Divine Promise and an unconquerable soul. All else had to be created ex-nihilo. What we were attempting, had never been attempted in human history. Nations that were destroyed died and there was an end to it. Yet Israel has lived through nineteen centuries of trial and agony. It has risen from the grave and recaptured its place among the family of nations. In an age of science and machines we have given to the world a miracle, proclaiming to all men and to all eternity the triumph of the human will and the ultimate ascendancy of spirit over matter.

That this miracle should have happened in our day and before our eyes, should fill us with gratitude and with awe. As our ancestors stood at the foot of Mt. Sinai when God revealed himself and sanctified them, so we, our generation, standing before a new Sinai, have witnessed this revelation of Divine Power. Henceforth there must ring in our ears with renewed insistence the injunction which came to our forefathers through the crash of thunder and the flash of lightning: "Kedoshim Tiheyu!" Ye Shall Be Holy! For the Lord Your God Is Holy! May we and our children's children prove worthy of this glorious consummation.