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# THE JEWISH NATIONAL FUND

WALTER LEHN \*

In the voluminous literature on Zionist colonization of Palestine, and the consequent and continuing conflicts, one rarely finds more than a passing reference to the role of the Jewish National Fund (JNF).<sup>1</sup> Yet by May 1948, next to the government, the JNF was the largest landowner in Palestine,<sup>2</sup>

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<sup>1</sup> A shorter version of this paper was presented at the Sixth Annual Convention of the Association of Arab-American University Graduates in Washington, DC in October 1973 and is appearing in the proceedings, *Settler Regimes in Africa and the Arab World: The Illusion of Endurance*, edited by Ibrahim Abu Lughod.

For providing information not otherwise readily available, I am grateful to the New York and the Jerusalem offices of the JNF. The Jerusalem office was particularly helpful in providing copies of documents in its archives and details of land purchases made annually from 1905-1948. Unless otherwise indicated, all figures relating to purchases and ownership are taken from this source (hereafter *JNF-Jerusalem*) and are used because they agree substantially with those given elsewhere, e.g., two publications by the Government of Palestine, *Village Statistics 1945: A Classification of Land and Area Ownership in Palestine* (Jerusalem, 1946), reprinted with explanatory notes by Sami Hadawi (Official Land Valuer and Inspector of Tax Assessments, Government of Palestine, 1935-1948), Beirut: PLO Research Centre 1970; and *A Survey of Palestine Prepared for the Anglo-American Committee of Inquiry*, 3 vols. (Jerusalem, 1946), and a *Supplement* (prepared for UNSCOP), (Jerusalem, 1947); also United Nations Official Records of the Second Session of the General Assembly, *Ad Hoc Committee on the Palestinian Question, 1947*. Useful interpretive studies are Sami Hadawi, *Palestine: Loss of a Heritage* (San Antonio: Naylor, 1963) and John Ruedy, "Dynamics of Land Alienation," in Ibrahim Abu Lughod (editor), *The Transformation of Palestine: Essays on the Origin and Development of the Arab-Israeli Conflict* (Evanston: Northwestern, 1971), pp. 119-38.

<sup>2</sup> On May 14, 1948, the JNF held 936,000 dunums; Efraim Orni, *Agrarian Reform and Social Progress in Israel* (Jerusalem, 1972), p. 62. A. Granott, *Agrarian Reform and the Record of Israel* (London: Eyre and Spottiswoode, 1956), p. 28, gives total Jewish ownership at the end of 1947 as 1,734,000 dunums; of this 933,000 were held by the JNF and the balance by other, including private, owners. The 1,734,000 figure (somewhat higher than mandate government figures) is not impressive if we note that even this represented only 6.59 per cent of mandated Palestine's total land area of 26,323,000 dunums (exclusive of Transjordan). Granott generally rounds figures to the closest 1,000, a practice observed in this paper also.

No attempt is here made to cope with the herculean task of reconciling varying figures on landownership given in different sources. Most writers simply do not give specific enough information to make this possible; e.g., different figures for land owned in a given year may simply reflect the fact that one source used January and the other December as the basis of counting for the year. A further source of uncertainty is the calendar used, the Jewish or

holding title to 54 per cent of Jewish-owned land on which 85 per cent of the Jewish settlements or establishments were located. It was thus clearly one of the major instruments of Zionist policy in bringing about the establishment of a Jewish state in Palestine. In the light of this fact, the absence of critical studies of the JNF is surprising. This paper — a survey of the development and of the land policies of the JNF — is a contribution toward filling this lacuna.

#### DEVELOPMENT OF THE JNF

The creation of a Jewish fund to acquire land and expand colonization was initially proposed by Hermann Schapira<sup>3</sup> at the First Zionist Congress at Basle in August 1897. Although a number of delegates repeatedly tried to bring the proposal to the floor for action, it met with the opposition — at least at that time<sup>4</sup> — of Theodor Herzl, who was supporting another Zionist economic project. This was for the organization of a Jewish bank, one of the two executive agencies that his own pamphlet, *Der Judenstaat*,<sup>5</sup> had envisioned

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the Gregorian; e.g., does 1905 mean the Gregorian year 1905 or is it a rough equivalent for the Jewish year 5665 (1904-1905)? Finally is the unit of measurement the Turkish dunum (919.3 sq. metres) or the metric dunum (1,000 sq. metres = .2471 acres) or acres? Equivalents among these are frequently only approximate, and some sources seem to be unaware that the dunum used in Palestine in the Ottoman period was not the same as that used during the mandate period. Unless otherwise stated, all figures in this paper are in metric dunums.

<sup>3</sup> Zvi Hirsch (later Hermann) Schapira was a rabbi, a professor of mathematics, and, to support himself, a bookkeeper and a watchmaker. He was born in Lithuania in 1840, educated in Prussia and Germany, and died in 1898. He was closely associated with the *Hibbat Zion*, "Love of Zion," groups and was an early advocate of the revival and use of Hebrew and of Jewish settlement in Palestine. As early as 1882 he proposed the establishment of a Jewish university in Palestine and in 1884 a fund to "redeem" the land of Palestine. This redemption could be effected only by Jews owning, living on, and cultivating the land. Like others of the Love of Zion groups, Schapira was opposed to Herzl's political Zionism and went to the First Congress intending to oppose his views. Israel M. Biderman, *Hermann Schapira: Father of the JNF*, vol. II, Zionist Personalities Series (New York: Jewish National Fund, 1962); Maximilian Hurwitz, "The Father of the National Fund: A Biographical Sketch of Hermann Schapira," and "The Jewish National Fund: Its Origin, Object, History and Achievements," in *Eretz Israel: Jubilee Volume of the Jewish National Fund* (New York, 1932), pp. 24-43; Raphael Patai (editor), *Encyclopedia of Zionism and Israel* (New York: McGraw Hill, 1971), (hereafter *E.Z.I.*), p. 620. s.v. *Schapira, Hermann (Zvi)*, and *Jewish National Fund*.

<sup>4</sup> This impression is based on Herzl's actions at the Congress and the fact that his account of it makes no mention of Schapira's address or the fund proposal; Raphael Patai (editor), *The Complete Diaries of Theodor Herzl* (New York: Herzl Press and Thomas Yoseloff, 1960), pp. 574-97. At the same time, since Herzl had nine months earlier recorded in his diary the need for a national fund "started through collections, donations, etc.... to make us independent of the big bankers," he was probably opposed not to the substance but to the timing of Schapira's proposal; see entries of November 8, 1896, *Diaries*, pp. 493-94.

<sup>5</sup> In his pamphlet, Herzl foresaw the need for a "Society of Jews" and a "Jewish Company," the former realized as the World Zionist Organization (WZO) and the latter as the Jewish Colonial Trust, Ltd. An English translation of *Der Judenstaat* is in Arthur Hertzberg

as necessary to effect the eventual establishment of a Jewish state. Herzl wanted the bank proposal to be accepted in principle, the details then to be developed by the Actions Committee (AC; later called the Zionist Executive) and presented to a following Congress for action. He believed that a Jewish fund such as that proposed by Schapira would not only weaken the bank proposal, but would misdirect resources to the existing, but small and struggling colonies of the *Love of Zion* groups in Palestine. In Herzl's view these were wasteful, and doomed to failure so long as they lacked legal safeguards and recognition by the Ottoman authorities, which he considered indispensable prerequisites for a sound Jewish colonization project.

Herzl hoped to avoid a vote on Schapira's proposal (at least until the bank had been organized) but despite his skill in parliamentary tactics, he was manoeuvred into a position of being unable to stall action any longer, and at the afternoon session of the last day of the Congress, Schapira was called upon to explain his suggestion.

In his very brief address, Schapira noted that there was insufficient time left to deal with his proposal and expressed his willingness to have the AC study it and to present a more detailed plan for action at the next Congress. He enunciated what he regarded as three basic principles, emphasizing that he would be unwilling to depart from them: First, "that apart from the other fund [the bank proposal] a territorial fund shall be created. Second, so that this territorial fund cannot later be used for other purposes, that restrictions to this end be included in the articles of association. Thirdly the fund should never be exhausted."<sup>6</sup>

"Let us suppose," Schapira said,<sup>7</sup> "that our ancestors during their migration into exile had placed a sum of money, however small, in trust for future times; we would today be able to acquire large territories with it. What our progenitors partly could not do, and partly neglected to do, that we are obligated to do for ourselves and our descendants." Accordingly he proposed that funds be collected "from all Jews of the world" to establish a "general Jewish fund"; none of this was to be spent until a "minimum of ten million pounds sterling" had been accumulated; then two-thirds were to be designated as "territorial funds" and could be used only to acquire "Jewish territory."

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(editor), *The Zionist Idea: A Historical Analysis and Reader* (New York: Doubleday, 1959), pp. 204-26.

<sup>6</sup> Translated from the proceedings: *Stenographisches Protokoll der Verhandlungen des I. Zionisten-Congresses, Basel, 29. bis 31. August 1897* (Vienna, 1897), p. 166.

<sup>7</sup> The written proposal, from which the following quotations are translated, appears *op. cit.*, pp. 166-67, as a footnote to his address.

The remaining third was to be used for the "preservation and cultivation of this territory" as well as for other "equally important general Jewish purposes." The acquired territory was to be "inalienable" and "could not be sold even to individual Jews"; it "could only be leased" and only for periods "not exceeding 49 years." While the model for these restrictions on ownership and leasing was undoubtedly biblical (cf. Leviticus 25), the objectives were clearly national and political. Schapira further stipulated that the fund was to be under the control of the Zionist Congress.<sup>8</sup> Although Palestine is not named in his proposal, there is no question that both he and the other delegates understood that this was the territory to be acquired and to be made inalienably Jewish.

Following Schapira's address, the only action taken by the Congress was adoption of the following resolution: "The assembly declares that in principle it regards as essential the creation of a national fund and the establishment of a Jewish bank, and that to this end the Actions Committee to be elected present to the next Congress a carefully prepared plan."<sup>9</sup> Schapira died eight months after the First Congress and did not live to see the fund come into being.

In spite of this resolution, in the end Herzl had his way. The Second Zionist Congress (Basle, August 1898) approved a recommendation to organize the bank, incorporated in 1899 in England as the *Jewish Colonial Trust Limited* (of which a subsidiary called the Anglo-Palestine Company, subsequently the Anglo-Palestine Bank, was established in Jaffa in 1903). No action was taken on the national fund. At the Fourth Zionist Congress (London, August 1900), however, creation of the fund was again approved "in principle" and the AC was again instructed to prepare a detailed plan for adoption at the following Congress.

Finally at the Fifth Zionist Congress (Basle, December 1901), a proposal prepared by Johann Kremenezky<sup>10</sup> on behalf of the AC was presented for action, this time with the support of Herzl. At the morning session on December 29,<sup>11</sup> under the chairmanship of Yehiel Tschlenow,<sup>12</sup> after some four

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<sup>8</sup> The other provisions in Schapira's proposal appear less significant; in any case, they were not included in the JNF as eventually set up and hence need not concern us here.

<sup>9</sup> *Op. cit.*, p. 167.

<sup>10</sup> Also spelled Kremenezky; *E.Z.I.*, p. 688.

<sup>11</sup> For the text of Kremenezky's proposal, and the following debate, see *Stenographisches Protokoll der Verhandlungen des V. Zionisten-Congresses in Basel, 26. bis 30. December 1901* (Vienna, 1901), pp. 265-302.

<sup>12</sup> *E.Z.I.*, pp. 1136-37.

hours of at times heated and even acrimonious debate, a motion was adopted by a small majority to cut off debate, to accept the AC's proposal "provisionally," and to elect a committee to prepare the articles of association for the fund for adoption at the next Congress.<sup>13</sup> The legality of this vote was immediately challenged. At this point in the proceedings, Herzl returned to the meeting room, threatened to withdraw the proposal if it was modified in any way or adopted provisionally, and asked that the debate be continued. The chairman then called for a vote on a separate motion to cut off debate, and this was defeated. Herzl then took the chair and again threatened to withdraw the proposal unless it was adopted as proposed. Although some delegates complained about Herzl's highhandedness, the debate continued for another hour after which the proposal, slightly amended, was adopted by 105 to 82, and the JNF was voted into existence as "a trust for the Jewish people, which... can be used exclusively for the purchase of land in Palestine and Syria."<sup>14</sup>

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<sup>13</sup> Among the substantive objections to the proposal, the following appear to be the most significant: The funds should be used for Jewish purposes anywhere, not just for the purchase of land in Palestine; the fund-raising methods (sale of JNF stamps and donations) were attacked as unrealistic and unlikely to yield sufficiently large sums; "the Jewish people" was not an entity recognized in law, therefore the ownership of the fund and of lands purchased would be open to legal challenge. Since the phrase "the Jewish people" eventually became well established in the jargon of Zionism, it is interesting to note the misgivings concerning it expressed by Zionists at this Congress.

<sup>14</sup> Translated from Kremenezky's proposal, *op. cit.*, p. 266. The original reads: "Der Jüdische Nationalfonds soll ein unantastbares Vermögen des jüdischen Volkes sein, das erst in dem Zeitpunkte, wo eine vom Congresse zu bestimmende Höhe erzielt worden ist (etwa 200.000 Pf. St.), ausschliesslich nur zum Landkaufe in Palästina und Syrien verwendet werden darf."

The Hebrew name of the JNF is *qeren qayemet layisra'el*, "Perpetual Fund for Israel," popularly transliterated *Keren Kayemet L'Yisrael*, or (by the JNF) *Keren Kayemeth Leisrael*, hence the abbreviation KKL.

Anna & Maxa Nordau, *Max Nordau: A Biography* (New York, 1943), p. 172, give Nordau credit for assuring adoption of the fund proposal: "There is little doubt that Nordau's speech in its support swung the Congress to adopt it. He gave an impassioned description of the wretchedness of an uprooted people..., who were (quoting from Nordau's speech) "incomparably the poorest of all the peoples in the world" (p. 172), and whose wretchedness derived from the fact that "it has not a square foot of its own land" (pp. 173-74). The only "means of salvation" for this state of affairs was to provide the Jewish people with "their own soil under their own feet" (p. 176), an objective the JNF was to accomplish.

Herzl's brief account (*Diaries*, pp. 1187-93) of the Fifth Congress assesses the credit somewhat differently. Although he notes that Nordau's speech was "brilliant, but imprudent in places" (p. 1192), he records: "How the Fund fared in the Congress is a matter of record. From time to time I was absent; then Tschlenow, egged on by Bodenheimer [an opponent of the Fund as proposed by the AC], messed up the whole thing. They [the delegates] accepted the draft 'provisionally.' Then who would have made a donation? I came back, listened to the nonsense, annulled the decision, and put the draft through the way we need it" (pp. 1190-91).

The amendment adopted provided for a special committee to work with the AC on the legal status and incorporation of the JNF. As adopted, the proposal included the essentials of Schapira's 1897 draft with two exceptions: (1) the sum to be raised before purchases were made was now "to be determined by the Congress" (£200,000 was suggested); and (2) the funds were to be used "exclusively for the purchase of land." The latter provision was intended to keep the JNF from assuming any of the functions of the Jewish Colonial Trust.

Although initially on a small scale, the JNF became active immediately. The headquarters were established in Vienna and Kremenezky was named its head.<sup>15</sup> 1902 saw the creation of three fund-raising devices: the blue collection boxes for homes, the JNF stamp,<sup>16</sup> and, for large contributors, inscription of their names in the Golden Book (now on exhibit at JNF headquarters in Jerusalem).

The disagreements concerning the tactics — but not the objectives — of Jewish colonization of Palestine continued even after establishment of the JNF. The view of Herzl and his close associates on the AC was that colonization rights, i.e., a charter, should be secured first, followed by land purchases and settlement. Accordingly they viewed the small settlements in Palestine by the Love of Zion groups as experimental, and were opposed to the founding of more until, in the words of the 1897 Basle Programme, "a home in Palestine [had been] secured by public law."<sup>17</sup> Herzl had evinced this attitude at the First Congress with his reluctance to have Schapira's proposal acted on; he was opposed probably more to the timing than to the substance of the proposal. Others, especially the Russian Zionists, saw Herzl's position as belittling

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Alex Bein, *The Return to the Soil: A History of Jewish Settlement in Israel* (Jerusalem: Zionist Organization, 1952), p. 16, notes: "At the suggestion of Johann Kremenetzky, the Fourth Congress (London, 1900) decided to set up the Jewish National Fund, and the Fifth Congress (Basle, 1901), under pressure from Herzl, implemented the decision." Another brief but useful summary of the development of the JNF is in Orni, *op. cit.*

<sup>15</sup> The headquarters were later moved to Cologne (1907), then to The Hague (1914), and finally to Jerusalem (1922). Following Kremenezky, the JNF was headed by Max Bodenheimer (beginning in 1907), a provisional committee (1914), Nehemia de Lieme (1919), Menahem Ussishkin (1921), an executive committee (1941), Abraham Granott (1945), and currently Jacob Tsur (1956).

<sup>16</sup> These fund-raising stamps, overprinted "post," were used as postage stamps in the early days of the state of Israel, and were sold for this purpose on the streets as early as May 9, 1948; Terence Prittie, *Eshkol: The Man and the Nation* (New York: Pitman, 1969), pp. 130-31.

<sup>17</sup> Emphasis added. J. C. Hurewitz, *Diplomacy in the Near and Middle East: A Documentary Record* (Princeton: Van Nostrand, 1956), vol. I, p. 209; for the original see *Verhandlungen des I. Zionisten-Congresses*, pp. 114, 119.





than real, due to the fact that Herzl and his supporters on the AC were by no means ready to concede defeat and saw to it that no purchases of land were made. In addition, the assets of the JNF at this time were too limited to engage in large purchases in any case. As of August 1, 1903 the net assets were reported as £19,767 and 200 (Turkish) dunums in Palestine; the land had not been acquired through purchase but had been a gift.<sup>20</sup> Two years later at the Seventh Congress (Basle, July-August 1905) the net assets were reported to have grown to £41,997 and the same 200 dunums of land,<sup>21</sup> and the arguments between the practical and the political Zionists again surfaced.

At this Congress two resolutions of note were adopted. The first put the Congress on record as rejecting “unplanned, unsystematic, and philanthropic small-scale colonization, which does not fall within the scope of Point I of the Basle Programme.”<sup>22</sup> The advocates of the political approach attempted to clinch this victory by a second motion prohibiting any land purchases until they could be made on a “firm, legal basis” — a clear reference to Herzl’s notion of securing a charter first. This attempt in effect failed; as adopted, the motion included an amendment authorizing the JNF to make the determination “in every individual case” of whether or not “this basis existed.”<sup>23</sup> Accordingly, eight years after Schapira’s proposal and four after the Fifth Congress, and having been criticized for making no purchases, the JNF made its first purchases later the same year, 1905, acquiring a total of 5,600 (Turkish) dunums, 2,000 at Kefar Hittim (northwest of Tiberias), 2,000 at Hulda (south of Ramle), and 1,600 at Ben Shemen (east of Lydda).<sup>24</sup>

Since under Ottoman law these lands could not be left uncultivated without their being liable to reversion to the state, and leasing them to Palestinian Arabs had been prohibited by action of the Sixth Congress (in addition to which long-term tenants could under the law establish a claim to continued possession), having embarked on a programme of land acquisition the World Zionist Organization (WZO) had no alternative but to proceed with colonization and to regularize the legal status of the JNF. To accomplish the latter, the

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<sup>20</sup> *Op. cit.*, p. 252.

<sup>21</sup> *Stenographisches Protokoll der Verhandlungen des VII. Zionisten-Kongresses und des Ausserordentlichen Kongresses in Basel, 27. Juli bis 2. August 1905* (Berlin, 1905), pp. 224-25.

<sup>22</sup> *Op. cit.*, p. 238. Point I of the Basle Programme called for “the promotion on suitable lines of the colonization of Palestine by Jewish farmers, craftsmen, and manufacturers.”

<sup>23</sup> *Op. cit.*, pp. 237, 264-65.

<sup>24</sup> *JNF-Jerusalem*; Bein, *op. cit.*, p. 23. Israel Cohen, *A Short History of Zionism* (London, 1951), p. 64: “A modern secondary school was built in 1905... on a site on the border of Jaffa provided by the Jewish National Fund. It was called the ‘Herzl Gymnasium’ ... .”

JNF was incorporated in England in April 1907 as the *Juedischer Nationalfonds (Keren Kayemeth Le Jisroel) Limited*, an “association limited by guarantee and not having a capital divided into shares.”<sup>25</sup> According to the *Memorandum of Association*, the “primary object” for which the JNF was organized was “to purchase, take on lease or in exchange, or otherwise acquire any lands, forests, rights of possession and other rights, easements and other immovable property in the prescribed region (which expression shall in this Memorandum mean Palestine, Syria, any other parts of Turkey in Asia and the Peninsula of Sinai) or any part thereof, for the purpose of settling Jews on such lands.”<sup>26</sup>

According to the *Articles of Association*, “members of the Association” had to be holders of Founders’ Shares of the Jewish Colonial Trust (Articles 4-6), thus assuring that the JNF and the Trust would cooperate closely and effectively. Control of the JNF by the WZO was absolute, since the “Controlling Committee of the Association” was the Small AC (Art. 25). The powers of the Controlling Committee included “at any time” prohibiting “any action or course of action intended or proposed to be taken by the Directors; then and in that case the action or course of action so prohibited shall cease to be within the powers of the Directors” (Art. 26). In addition, the Controlling Committee was empowered to appoint up to three “Governors” who could “attend and vote at meetings of the Board of Directors” (Art. 27); if the Governors “at any meeting of the Directors shall vote against any resolution proposed at such meeting such resolution shall be deemed to be lost and shall be of no effect” (Art. 31); the Governors’ tenure of office was “such time as the Controlling Committee shall determine” (Art. 33). The members of the Association were to elect the Directors, one-third of whom were to retire every year, but were eligible for re-election (Arts. 35-38); the number of Directors could vary from a minimum of three to a maximum of seven (Arts. 27, 41).<sup>27</sup>

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<sup>25</sup> The name was subsequently officially changed to *Keren Kayemeth Leisrael Ltd.* and a new certificate of incorporation was issued in June 1936. *Report on the Legal Structure, Activities, Assets, Income and Liabilities of the Keren Kayemeth Leisrael, Jewish National Fund* (Jerusalem, 1973), p. 17; (hereafter *Report on the JNF*). The full text of the *Memorandum and Articles of Association*, both the 1907 version and as subsequently amended, is here given on pp. 15-45. Unless otherwise indicated, all quotations are from the 1907 text.

<sup>26</sup> Clause 3, subclause 1, *op. cit.*, p. 17. This is identified as “the primary object” in the final paragraph of clause 3.

<sup>27</sup> Subsequently the maximum was increased to fifteen. However, *Report on the JNF*, p. 6, gives the size of the Board as thirty, and the *Israel Government Year Book 5732 (1971-72)* (Jerusalem, 1972), p. 343, shows a Board consisting of a governor, a chairman, a deputy chairman,

Since the WZO had no office in Palestine capable of overseeing Jewish settlement of the acquired lands, the Eighth Zionist Congress (The Hague, August 1907) decided to open a *Palestine Office* in Jaffa, which began operations in early 1908. At the same time, the WZO founded a land-purchasing and development company. It was incorporated in England as the *Palestine Land Development Company Limited*, with a capital of £50,000 in £1 shares. The Company was to serve private individuals as well as the JNF as a central land-purchasing agency. By this means it was hoped to check speculation and to avoid random and unsystematic purchases of small and/or scattered parcels of land unsuitable for large-scale colonization. The Company made its first purchases in 1909 and in time became the principal purchasing agent for the JNF.

The expenses of the Palestine Office were provided largely by the JNF, which also provided assistance and loans to settlers. Although the JNF was severely criticized for these departures from its land-acquisition mission, it defended them on the ground that its charter “provided for investment in any project that would further the rebuilding and resettlement of Palestine.”<sup>28</sup>

Another milestone in the history of the JNF was provided by the Zionist Conference held in London in July 1920. At this Conference, the basic notions of land holding and leasing were developed (details in following section), the JNF was authorized to commit all of its funds for the purchase of land, and Zionists were called on to multiply their fund-raising efforts on behalf of the JNF. It was also decided to organize an immigration and colonization fund of £25,000,000 known in Hebrew as *qeren hayasod* (popularly transliterated *Keren Hayesod*). The following year it was incorporated in England as the *Palestine Foundation Fund Limited*, like the JNF, an association limited by

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and twenty-two additional members. The governor listed is also chairman of the Zionist Executive and of the Executive of the Jewish Agency.

<sup>28</sup> *E.Z.I.*, pp. 627-28. This claim appears to be based on the *Memorandum of Association*, clause 3: “to promote any companies for any purpose which may seem likely to directly or indirectly benefit the Association...” (subclause 14); “to make advances to any Jews in the prescribed region upon any security which may be thought fit” (18); and “to do all such other things as are or may be deemed by the Association ...to be incidental or conducive to the attainment of the above objects” (22); *Report on the JNF*, p. 21.

Prittie, *op. cit.*, p. 50: “It is still a matter of doubt whether the kibbutz movement would have succeeded but for the financial help which came from the Jewish National Fund.” Cohen, *op. cit.*, p. 65: “The systematic development of colonization in Palestine by the Zionist Organization began in 1908 with the establishment of the Palestine Office in Jaffa... . The first undertaking promoted by this office was the building of a Jewish residential suburb on the border of Jaffa with the help of a loan of £10,000 given by the Jewish National Fund. The suburb was named Tel Aviv...”

guarantee and not having a share capital.<sup>29</sup> It was to be Jewry's central financial institution, seeking the participation of all Zionist and non-Zionist Jews, and deriving its income principally from an annual tax to be paid by all Jews. At least 20 per cent of its funds were to be turned over to the JNF. Of the remainder, one-third was to be spent on colonization and two-thirds invested in "permanent national institutions or economic undertakings."<sup>30</sup> The establishment of the Foundation Fund, as of the earlier Palestine Land Development Co., represented an attempt — not wholly successful — to restrict the activities of the JNF to its original purpose: land acquisition.

In its early years, JNF acquisitions were modest. By 1920 it held title to only 16,366 dunums.<sup>31</sup> Several events, however, in 1920 prepared the stage for a new phase of activity and for increased purchases. In July the British Military Administration (not always in sympathy with the Zionist cause) was replaced by a Civil Administration headed by Sir Herbert Samuel, "a Jew and a Zionist," who enjoyed the confidence of the WZO and of the Zionist Commission in Palestine.<sup>32</sup> In September this new government issued a Land Transfer Ordinance, the effect of which was to make it easier for Jews to purchase land.<sup>33</sup> In October the Land Registry Offices were reopened, thus removing legal impediments to the transfer of ownership. In addition, the government certified the JNF "as having purposes of public

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<sup>29</sup> *E.Z.I.*, p. 659. According to its *Memorandum of Association* it was: "(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') incorporated in the Treaty of Sèvres, dated 2nd day of November, 1917, as to the establishment of a Jewish National Home in Palestine (Eretz Israel). (b) To appeal for and to receive subscriptions, loans, gifts, legacies, bequests and donations in money or any other form and to hold, realize and invest the same or any part thereof ..." (*ibid.*).

As established, the Foundation Fund was to be governed by a Board; half of its members were to be nominated by the WZO and half by a Council "chosen by all contributors," including non-Zionists. Such a Council was never organized and the Fund "remained completely under the World Zionist Organization's control." Ben Halpern, *The Idea of the Jewish State*, 2nd ed. (Cambridge: Harvard University Press, 1969), p. 190.

<sup>30</sup> *E.Z.I.*, p. 735.

<sup>31</sup> *JNF-Jerusalem*.

<sup>32</sup> John Marlowe (pseudonym for Jack Collard), *The Seat of Pilate: An Account of the Palestine Mandate* (London: Cresset, 1959), p. 87.

<sup>33</sup> The Commission of Inquiry headed by Sir Thomas Haycraft found that Palestinian Arab opposition to the Land Transfer Ordinance was among the contributory causes of the May 1921 uprising. The Commission reported that the Arabs regarded the Ordinance "as having been introduced to keep down the price of land and to throw land which is in the market into the hands of the Jews at a low price..." *Report of the Commission of Inquiry on the Disturbances of May, 1921* (Cmd. 1540; London, 1921), p. 51.

utility”<sup>34</sup> and registered it as a foreign company authorized to engage in business, specifically the purchase and development of land in Palestine. As a consequence JNF holdings began to increase steadily, from 22,363 dunums in 1920 to 278,627 in 1930, 515,950 in 1940, and 936,000 by May 1948.

The period since 1948 has seen several developments of consequence for the JNF. One result of the 1947-49 fighting in Palestine was “the evacuation from the State [of Israel] of the vast majority of its Arab inhabitants.”<sup>35</sup> The Israeli government accepted “this miracle” and made a “bold decision”: “under no circumstances should the Arabs return to Israel.” Thus “the minority problem liable to weigh heavily upon Israel’s upbuilding and development” was disposed of and, since “most of the Arab absentees were owners of rural land,” large amounts of land were now made available for “redemption.” Since for security as well as development reasons this so-called “abandoned land” could not be left unattended, the government appointed a Custodian of Abandoned Property who “acted in the place of the former owners, ... collecting and recording the property and freezing it under one authority.” At the same time, to avoid having the action “interpreted as confiscation of the abandoned property,” the government created “a sort of legal fiction” and established an “independent” Development Authority to which the Custodian transferred, but did not sell, the abandoned land. The Authority — which undertook to pay the former owners as a consequence of an eventual settlement between Israel and the Arab states — was empowered to do virtually anything with the land, including selling it, but only to (1) the state, (2) the JNF, (3) local municipal authorities, or (4) an “institution for settling landless Arabs.” This institution was never established, and in fact the major purchaser of land was the JNF. Accordingly, under agreements negotiated in January 1949 and October 1950, the JNF bought 2,373,676 dunums of abandoned land, thus more than trebling its 1941 holdings. These agreements gave the JNF clear title to the land and guaranteed that it would not be held liable in any way as a result of any eventual settlement with the Palestinian Arabs.

In November 1953 the Knesset adopted the *Keren Kayemeth Leisrael Law, 5714-1953* which authorized the Minister of Justice “to approve the

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<sup>34</sup> *Report on the JNF*, p. 5.

<sup>35</sup> Granott, *Agrarian Reform*, p. 95. A useful summary of “Developments since the Rise of the State” is provided, pp. 85-112, from which the following quotations and details are taken. For a detailed account by an Israeli Arab attorney of post-1948 developments with regard to acquisitions of Arab-owned land, see Sabri Jiryis, *The Arabs in Israel: 1948-1966* (Beirut: The Institute for Palestine Studies, 1968), pp. 55-90.

Memorandum and Articles of Association of a company limited by guarantee to be submitted to him by the Existing Company [the JNF incorporated in England] for the establishment of a body incorporated in Israel with a view to continuing the activities of the Existing Company that had been founded and incorporated in the Diaspora.”<sup>36</sup> The new *Memorandum and Articles of Association* were submitted and approved on May 20, 1954,<sup>37</sup> under which the new Israeli corporation acquired all the assets, liabilities, etc. of the JNF, incorporated in England in 1907. The “primary object of the Association” was now “to purchase, acquire on lease or in exchange, or receive on lease or otherwise, lands, forests, rights of possession, easements and any similar rights as well as immovable properties of any class, in the prescribed region (which expression shall in this Memorandum mean the State of Israel in any area within the jurisdiction of the Government of Israel) or in any part thereof, for the purpose of settling Jews on such lands and properties” (Clause 3, Sub-clause a). As a comparison of this text with that of 1907 shows, the new *Memorandum and Articles* generally closely parallel the earlier ones.

Another significant post-1948 development has been a gradual shift in the emphasis and activities of the JNF from land acquisition to (1) land reclamation, (2) road building (since 1967 also in the occupied territories),<sup>38</sup> (3) various forms of assistance to new settlements, including well drilling, construction of dams and irrigation systems, and (4) large-scale afforestation.<sup>39</sup> The JNF’s fund-raising, information and education activities have, of course, continued substantially without change.

In November 1961 the JNF and the Israeli government signed a *Covenant*<sup>40</sup> clarifying the relationship of the JNF to the state and spelling out their respective powers and responsibilities. Under this Covenant, based on legislation enacted by the Knesset in July 1960,<sup>41</sup> two bodies were set up:

<sup>36</sup> Article 2; for an English translation of the full text, see *Report on the JNF*, pp. 49-51.

<sup>37</sup> *Op.cit.*, p. 55. For an English translation of the *Memorandum and the Articles*, see *op.cit.*, pp. 56-76.

<sup>38</sup> E.g., a highway through the West Bank linking Jerusalem with the upper Jordan valley, with the JNF providing half the cost, begun in November 1972; Terence Smith, “Israel is Quietly Building a Highway on West Bank,” *New York Times*, February 20, 1973.

<sup>39</sup> *E.Z.I.*, p. 629.

<sup>40</sup> For what is identified as an “unofficial” English translation of the Covenant, see *Report on the JNF*, pp. 78-83, from which all following quotations are taken.

<sup>41</sup> *Basic Law: Israel Lands* (enacted July 19, 1960), *Israel Lands Law, 5720-1960* (July 25, 1960), and *Israel Lands Administration Law, 5720-1960* (July 25, 1960), *op.cit.*, pp. 85-94; also Government of Israel, *Laws of the State of Israel*, vol. 14 (5720-1960), pp. 48-52.

an Israel Lands Administration and a Land Development Administration. The Lands Administration, headed by a Director subordinate to the Minister of Agriculture and responsible to a Board of thirteen (seven representing the government and six the JNF), was to manage in accordance with an agreed uniform land policy all state and JNF lands; the expenses of the Lands Administration were to be borne by the government. The Development Administration, headed by a Director subordinate to the JNF and responsible to a Board of thirteen (seven representing the JNF and six the government), was responsible for "reclamation, development and afforestation" of all state and JNF lands; the administrative expenses were to be borne by the JNF. Costs of reclamation, etc., were to be borne by the registered owners, i.e., the JNF or the state.

The Covenant further stipulated that the JNF and the state would each retain title to its lands, and that the JNF "shall continue to operate, as an independent agency of the World Zionist Organization, among the Jewish public in Israel and the Diaspora, raising funds for the redemption of land... and conducting informational and Zionist-Israel educational activities..."<sup>42</sup>

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<sup>42</sup> See also Jacob Tsur (chairman, JNF Board of Directors), *Old Concepts and New Realities* (Jerusalem, 1962), pp. 9-17, and *E.Z.I.*, p. 629.

In addition to the blue collection boxes for homes and the sale of JNF stamps and of Golden Book inscriptions, JNF income has been derived from a variety of sources. Notable among them are: sale of *Tree Certificates*, establishment of various fund-raising clubs, bequests, sale of annuity trusts, issues of debentures, short-term loans from individuals, banks, and insurance companies, deficit financing (especially during World War II), and, from members of the *Yishuv*, an annual tax and indirect taxation levied on public entertainment tickets, bank checks, hotel accounts, and on crops raised on JNF lands. Another source of income has been a share of the collections in the USA of the United Palestine Appeal (1926-39) and of the United Jewish Appeal, begun in 1939 with the JNF receiving 22.5 per cent of the UJA receipts. In view of the size of the contributions of American Jews, the latter amount is not insignificant; e.g., from 1901 to September 1946, American Jews contributed the equivalent of £7,863,200, representing 51.8 per cent of JNF net income from direct contributions; Keren Kayemeth Leisrael Ltd. (Jewish National Fund), *Report for 5700-5706 (1939-1946)*, submitted to the Twenty-Second Zionist Congress, Basle, December 9, 1946 (Jerusalem, 1946), pp. 57-64; (hereafter *JNF Report 1946*).

According to the *American Jewish Year Book, 1972* (New York: The American Jewish Committee, 1972), p. 285, Table 7, JNF "collections in the US" in 1971 totalled \$4,703,322. For some current details see the UPI dispatch from New York, "Private Gifts to Israel Dwarf Official US Aid," *Los Angeles Times*, September 3, 1973. According to this, of the \$2 billion (exclusive of Israeli bond sales) raised for Israel by American Jews since 1948, \$1.47 billion has been raised through the UJA.

JNF disbursements have covered four general types of activity: (1) land purchases, (2) land reclamation and afforestation, (3) loans and grants to settlers and settlements, and (4) information and education. The latter includes funds used for political lobbying; e.g., the American Zionist Emergency Council, "the political action wing of the four major American Zionist organizations," had in the early 1940's a "budget of more than \$500,000 a year ...

Thus through the JNF, as through the Jewish Agency, the WZO shares with the state of Israel a curious sort of condominium<sup>43</sup> over what was once known as Palestine. Probably the most significant consequence of this Covenant was that JNF restrictive policies regarding the sale and leasing of land were applied to all state lands,<sup>44</sup> which together with JNF lands constitute 90 per cent of the land in Israel. The implications of this for non-Jewish Israeli citizens, as for any settlement of the conflict, are obvious.

#### LAND POLICY AND ACQUISITIONS

Although the JNF purchased its first land in 1905, and the first kibbutz on JNF land was established at Deganya (south of Tiberias) in 1909,<sup>45</sup> progress prior to 1920 was very modest for a number of reasons. In the first place, the JNF lacked sufficient funds for large purchases. In the second place,

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underwritten by the Jewish National Fund and the Palestine Foundation Fund... Contributions donated for use in Palestine thus were diverted to an organization devoted to spreading Zionist political propaganda in the United States...” Robert Silverberg, *If I Forget Thee O Jerusalem: American Jews and the State of Israel* (New York: Morrow, 1970), 232-33; similarly Samuel Halperin, *The Political World of American Zionism* (Detroit: Wayne State University Press, 1961), pp. 270-78.

<sup>43</sup> Tsur, *op. cit.*, p. 22, calls it a “partnership between the Government and the Keren Kayemeth.”

<sup>44</sup> Tsur, *op. cit.*, pp. 11, 15; also *Report on the JNF*, p. 6, and various articles of the Covenant. The sale of state and JNF lands is explicitly prohibited by the *Basic Law: Israel Lands*, Section 1: “The ownership of Israel lands, being the lands in Israel of the State, the Development Authority or the Keren Keyemet Le-Israel, shall not be transferred either by sale or in any other manner.” *Laws of the State of Israel*, vol. 14 (1960), p. 48.

The application of JNF leasing policies to state lands was formalized by the *Agricultural Settlement (Restrictions on Use of Agricultural Land and of Water) Law, 5727-1967*, enacted August 1, 1967; *Laws of the State of Israel*, vol. 21 (1966-67), pp. 105-110. This law, Section 2, states: “A person occupying or entitled to occupy agricultural land, being Israel lands within the meaning of the Basic Law: Israel Lands, under a lease agreement or by authority (such a person hereinafter referred to as ‘the occupier’), shall not make non-conforming use of that land save under a written permit from the Minister of Agriculture ...” (Section 3 similarly prohibits the transfer of an occupier’s water quota.) In the *First Schedule* to the law, “non-conforming use” is defined, *inter alia*, as “the transfer, vesting or charging of any right which the occupier has in the land or in any part thereof...” However to appreciate the impact of this law, it is necessary to keep in mind (1) that under the 1961 Covenant between the state and the JNF a non-Jew is *not* “a person ... entitled to occupy ... Israel land ... under a lease agreement...”; (2) that this law prohibits a legal occupier (i.e., a Jew) from transferring his rights under lease to anyone; thus the state under colour of law effectively prevents any non-Jew from leasing or holding any rights in state or JNF land; and (3) that this applies to 90 per cent of the land in Israel. One is tempted to wonder under what circumstances the Minister of Agriculture might be induced to permit non-conforming use of agricultural land by an Arab.

For the effect of this law on Arab citizens of Israel, see John K. Cooley, “Israeli Arabs do well, but...,” *Christian Science Monitor*, May 3, 1973.

<sup>45</sup> Israel Cohen, *The Zionist Movement* (New York, 1946), p. 104.



the JNF had to contend with restrictions or prohibitions on the purchase of land by Jews during the Ottoman period, at the end of which came the disruptions caused by World War I. After the British military occupation in 1917, the Military Administration closed the Land Registry Offices, which remained closed until the Civil Administration took over in 1920. In the third place, no clear land policy had been developed, and purchases were made wherever and whenever lands and funds were available. The policy during the early years appears to have been a vague one of buying as much and as soon as possible. As a result the quality and agricultural potential of the land acquired varied, the costs of acquisition and of development tended to be high, and the parcels were relatively small and often widely separated — at best a costly, inefficient, and slow means of furthering Jewish colonization of Palestine.

All of these matters were discussed at length at the 1920 Zionist Conference in London, as was that of private vs. public ownership: was land in Palestine to become the property of Jews or of the Jewish people? At this Conference agreement was reached, on the basis of which policy regarding acquisition, holding, and leasing of land was developed. The Conference declared that “the guiding principle of Zionist land policy is to transfer into common possession of the Jewish people those areas in which Jewish settlement is to take place,” and that the JNF was to be “the instrument of Jewish land policy.”<sup>46</sup> Thus while private ownership by Jews was not prohibited, it was also not to be encouraged and supported with the resources of the WZO. The adopted resolutions further stated that the 49-year leases could (1) be renewed for an additional 49 years, and (2) be inherited, but only by one heir to prevent fragmenting the holding. In addition, the lessee had to agree (3) to live on the land, (4) — in the case of agricultural land — to cultivate the land himself, and (5) to pay an annual rent amounting to 2 per cent of the value for agricultural and 4 per cent for urban land. The land was to be reassessed every seven years and the rent adjusted accordingly. Further, (6) the size of the leasehold was to be determined by the amount the lessee and his family could cultivate without hiring help, and (7) no lessee could hold more than one lease.

Beginning in 1921, the JNF developed what Granott calls “a rational and considered land policy,”<sup>47</sup> and, under the climate created by the Samuel

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<sup>46</sup> Orni, *op. cit.*, pp. 21-22; see also Granott, *Agrarian Reform*, pp. 49-53, and *E.Z.I.*, s.v. *Land Policy in Israel and London Zionist Conference of 1920*.

<sup>47</sup> *Agrarian Reform*, p. 31. Abraham Granott (formerly Granovsky/Granowsky) was

administration, began to make larger purchases. In 1921 it purchased 43,021 dunums,<sup>48</sup> thereby doubling its previous holdings. The new land policy was dictated by several considerations. Land for agricultural settlement remained, of course, an important objective. This required the acquisition of large, or small but contiguous, tracts of land. However, agricultural settlement was no longer the only objective. Strategic, security and national political objectives now became important considerations in making land purchases. However, the three objectives — agricultural settlement, security, and national political — did not always indicate the same tactics. The first two suggested the desirability of large and/or contiguous acquisitions; the third, on the other hand, suggested acquisitions in border areas, hence at times widely separated parcels of land. In time the third objective became increasingly the major one, and, after the Peel Commission in 1937 recommended partition of Palestine, “it became JNF policy to acquire land in areas excluded from the proposed Jewish state and to form settlements there.”<sup>49</sup>

In 1940 the JNF suffered an apparent setback and again was faced with restrictions on land purchases. In accordance with the policy enunciated in the 1939 White Paper by the British government, new Land Transfer Regulations (effective from May 1939) were published in February 1940.<sup>50</sup> The Regulations divided Palestine into three zones. In Zone A (63 per cent of Palestine), Jewish purchases were virtually prohibited, while in Zone B (32 per cent) they were severely restricted. Thus in only a small Free Zone (5 per cent) were there no restrictions on land purchases, and in this area just over half of the land was already Jewish owned. However restrictive these Regulations may appear, and whatever the intent of the mandate government, the Regulations had little discernible effect on continued purchases by the JNF, which increased its holdings from 473,000 dunums in September

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closely associated with the JNF from 1919 until his death in 1962, serving as chairman of the Board from 1945-1956; *E.Z.I.*, pp. 409-410.

<sup>48</sup> *JNF-Jerusalem*. For full details based primarily on this source, see the appendix to this paper.

<sup>49</sup> *E.Z.I.*, pp. 628-629; *JNF Report 1946*, p. 15: “During the war years the J.N.F. strove to open up new areas for settlement, particularly those which might be cut off by any partition plan.” Similarly Granott, *Agrarian Reform*, pp. 34-35. The so-called “stockade and tower” settlements were begun during this period as an outgrowth of this policy.

<sup>50</sup> *Palestine Gazette*, February 28, 1940, and *Laws of Palestine 1940*, vol. II, p. 327; although published in February 1940, the Regulations were “deemed to have come into force on the eighteenth day of May 1939.” See also Robert John and Sami Hadawi, *The Palestine Diary: 1914-1945* (Beirut: Palestine Liberation Organization Research Centre, 1970), pp. 332-34, and George Kirk, *The Middle East in the War*, Royal Institute of International Affairs Survey, 1939-1946 (London, 1952), pp. 232-35.

1939 to 835,000 in September 1946 (although less than one-third of this increase is reflected in government records of purchases by Jews during this period). Of the new acquisitions, 270,000 dunums (i.e., 79 per cent) were in Zones A or B, 75,000 formerly owned by Jews and 195,000 by Arabs, including non-resident Lebanese and Syrians.<sup>51</sup> While not all, many of these acquisitions were undoubtedly in violation of the Regulations, testimony to the effectiveness of the JNF in pursuing its objectives, to the laxity of enforcement of the Regulations by the government, and to the economic conditions prevailing in Palestine at that time.

Although not the only possible explanation for any discrepancies, one measure of the effectiveness of the JNF in circumventing the Regulations is provided by a comparison of purchases claimed by the JNF with total Jewish purchases recorded by the government during 1939-1945.<sup>52</sup> Details in dunums are summarized in the following table:

|        | <i>JNF Purchases</i> | <i>Recorded Jewish Purchases</i> |
|--------|----------------------|----------------------------------|
| 1939   | 53,499               | 27,973                           |
| 1940   | 43,180               | 22,481                           |
| 1941   | 45,460               | 14,530                           |
| 1942   | 48,981               | 18,810                           |
| 1943   | 67,265               | 18,035                           |
| 1944   | 67,357               | 8,311                            |
| 1945   | 65,644               | 11,000 (est.)                    |
| Total: | 391,386              | 121,140                          |

The 1947 UN partition recommendation demonstrated the wisdom of JNF policy. In the words of Granott:

The frontiers [i.e., the 1949 armistice lines] of the new State, which march in so curiously winding a fashion, were largely determined by the success of the Jews in creating *faits accomplis*. All those parts to which the Jewish settlers had penetrated were included within the state, whereas those where they were not strong enough, or did not have time to plant stakes, remained for the most part outside. Proof of this is seen in a comparison of the two proposals for the Partition of Palestine, of 1937 and

<sup>51</sup> *E.Z.I.*, p. 629; *JNF Report 1946*, pp. 14-21; Orni, *op. cit.*, p. 60. Among the methods used to circumvent the Regulations, a common one practised from the early settlement days was to have the land registered in the name of an individual who would give the JNF an irrevocable power-of-attorney. British and South African Jews as well as some Arab land brokers were willing to help in this manner; Amos Elon, *The Israelis: Founders and Sons* (New York: Harper and Row, 1971), p. 94.

<sup>52</sup> Based on *JNF-Jerusalem and Government of Palestine, Survey of Palestine*, vol. I, p. 244.

1947... . Developments during the ... ten years are reflected in the boundaries drawn in the United Nations partition plan of 1947... . Thus the various objectives — national policy, security, and strategy, were linked through land acquisition with the settlement objective, all being welded together into a united, systematic, purposeful, and far-seeing policy... .<sup>53</sup>

Since title to the land purchased by the JNF was to be held in perpetuity, “as the inalienable property of the Jewish people,”<sup>54</sup> use of the land required the development of a system of long-term leasing, the lessor being the JNF. Under the terms as they eventually developed — whereby the land could be leased for specified purposes for periods up to 49 years, at the end of which the lessee could renew the lease for a similar period, a total of 98 years — the lease itself had considerable value and could, subject to the lessor’s approval, be subleased, sold, mortgaged, bequeathed, or given as a gift. As noted above, the lessor had the right to make periodic reassessments of the land, and to change the rent accordingly. The lessor had the further rights, which could be exercised at its discretion, to inspect the property, to decrease the amount of land held, and to take back the land if the lessee was held to have violated the terms of the lease. In the latter instance the lessee might, depending on the nature of his violation of the terms, receive compensation for improvements he had made.<sup>55</sup>

All of these terms, including the lessee’s rights, were subject to one overriding condition, made explicit in the lease: the lessee must be Jewish. Accord-

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<sup>53</sup> Granott, *Agrarian Reform*, pp. 37-38; Orni, *op. cit.*, p. 63. Similar claims can be found repeatedly in JNF literature; e.g., Herbert Freedman: “The Fund’s land policy was amply vindicated: in November 1947 the United Nations drew the boundaries of the proposed Jewish state almost entirely in accordance with the land holdings of the Jewish National Fund. In the War of Independence settlements on land, bought by the JNF in strategic areas, helped to stop the invaders.” “The JNF in 25 Years of Statehood,” in I. M. Biderman (editor), *1973 JNF Handbook: Israel’s 25th Anniversary* (New York, 1973), p. 2.

<sup>54</sup> Article 3, *Constitution of the Jewish Agency for Palestine*, adopted August 1929; quoted in John Hope Simpson, *Palestine: Report on Immigration, Land Settlement and Development* (Cmd. 3686; London, 1930), p. 53. The same Article also states: “The Agency shall promote agricultural colonization based on Jewish labour, and in all works or undertakings carried out or furthered by the Agency, it shall be deemed to be a matter of principle that Jewish labour shall be employed...” Although the enlarged Jewish Agency was established by the Sixteenth Zionist Congress (Zurich, August 1929) to draw support from Zionists and non-Zionists, and both groups were to share in its governance, “when the original non-Zionist leaders who joined the Jewish Agency dropped out one by one in the natural course of events, they were not replaced by new non-Zionists, and the Jewish Agency reverted gradually to what it was at first — another name for the Zionist Organization.” Halpern, *op. cit.*, p. 195.

<sup>55</sup> Granott, *The Land System in Palestine: History and Structure* (London: Eyre and Spottiswoode, 1952), pp. 315-26, gives the most detailed account of the system of leasing developed by the JNF. He does not, however, state explicitly the overriding condition that all of this is applicable only to Jews.

ingly, the land could not be leased to a non-Jew, nor could the lease be sub-leased, or sold, or mortgaged, or given, or bequeathed to any but a Jew. Non-Jews could not be employed on the land or even in any work connected with the cultivation of the land. Violation of this term of the lease rendered the lessee liable for damages to the lessor, and the third violation gave the lessor the right to abrogate the lease without any compensation to the lessee.<sup>56</sup>

Since the JNF eventually became, next to the government, the largest landowner in Palestine, its practices were adopted by, or at times imposed on, other Jewish landowners.<sup>57</sup> The result, hence, of JNF activity was — as noted by John Hope Simpson in 1930 — that the “land has been extraterritorialized. It ceases to be land from which the Arab can gain any advantage either now or at any time in the future.” This was “not only contrary to the provisions ... of the Mandate, but ... in addition a constant and increasing source of danger to the country.”<sup>58</sup> In spite of these and subsequent criticisms

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<sup>56</sup> The JNF lease, article 23, states *inter alia*: “The lessee undertakes to execute all works connected with the cultivation of the holding only with Jewish labour. Failure to comply with this duty by the employment of non-Jewish labour shall render the lessee liable to the payment of a compensation of ten Palestinian pounds for each default. The fact of the employment of non-Jewish labour shall constitute adequate proof as to the damages and amount thereof, and the right of the Fund to be paid the compensation referred to, and it shall not be necessary to serve on the lessee any notarial or other notice. Where the lessee has contravened the provisions of this Article three times the Fund may apply the right of restitution of the holding, without paying any compensation whatever.” Quoted in Hope Simpson, *op. cit.*, p. 53. The prohibition of any non-Jewish workers was also included explicitly in the repayment agreements for advances to Jewish settlers made by the Palestine Foundation Fund; *ibid.* Among the conclusions in this *Report*, the terms under which the JNF purchased and leased land were described as “objectionable,” and it was recommended that they “should be radically altered” (p. 142).

The prohibition of non-Jewish workers did not of course originate with the JNF. Herzl foresaw the need as early as June 12, 1895: “We shall try to spirit the penniless population across the border by procuring employment for it in the transit countries, while denying it any employment in our own country.” *Diaries*, p. 88.

<sup>57</sup> Hope Simpson, *op. cit.*, p. 55. As Israeli Member of Knesset Uri Avnery relates it: “Hebrew Labour meant, necessarily, No Arab Labour. The ‘redemption of the land’ often meant, necessarily, ‘redeeming’ it from the Arab *fellahin* who happened to be living in it. A Jewish plantation owner who employed Arabs in his orange grove was a traitor to the cause, a despicable reactionary who not only deprived a Jewish worker of work, but even more important, deprived the country of a Jewish worker. His grove had to be picketed, the Arabs had to be evicted by force. Bloodshed, if necessary, was justified.” He further notes that Arab tenants “were simply evicted when the land was redeemed by the Jewish National Fund in order to set up a kibbutz.” *Israel Without Zionists: A Plea for Peace in the Middle East* (New York: Macmillan, 1968), p. 85.

<sup>58</sup> Hope Simpson, *op. cit.*, pp. 54 and 55 respectively. The *Mandate for Palestine*, Article 6, states that Jewish immigration and settlement are to be facilitated and encouraged, “while ensuring that the rights and position of other sections of the population are not prejudiced...” Hurewitz, *op. cit.*, vol. II, p. 108. The Anglo-American Committee of Inquiry on Palestine and Related Problems in 1946 recommended (No. 7 b) “that steps be taken to render nugatory

of the JNF, and of repeated Palestinian Arab protests, nothing was done by the mandate government to prevent the JNF from continuing to place restrictive covenants on its land. This practice continues to this day in Israel, where the JNF remains the second largest landowner, the largest being the state.

In conclusion, the achievements of the JNF in "redeeming" the land of Palestine, for which purpose it was established, can be evaluated only within the larger context of the conflict for control of Palestine. Such an evaluation falls beyond the scope of this paper. Suffice it to say here that according to JNF sources (already cited, and accepting their claims at face value), the JNF made its first purchases in 1905 and by May 1948 held title to 936,000 dunums, the result of 43 years of land acquisition, representing 3.55 per cent of the total land area of mandated Palestine (exclusive of Transjordan). In view of the fact that from October 1920 (date of reopening of the Land Registry Offices in Palestine) to May 1939 (effective date of the restrictive Land Transfer Regulations), a total of nineteen years, the JNF had no legal impediments to its activities to contend with, and the further fact that the impediments after May 1939 were obviously not very effective — since it acquired almost half of its holdings as of May 1948 (460,000 out of 936,000 dunums) during this period — the extent of its land acquisitions is hardly impressive.

An interesting and by no means irrelevant question concerns the vendors of land to the JNF. Granott estimates that of total Jewish (including JNF) landownership in 1947, 57 per cent had been purchased from "large Arab landowners," 16 per cent from the "government, churches and foreign companies," and 27 per cent from "the *fellahin*."<sup>59</sup> However, the only detailed information he provides does not seem to support his estimates. The Statistical Department of the Jewish Agency provided details on former owners of Jewish-owned land as of March 1936. According to this, 52.6 per cent was purchased from "large absentee landowners," 24.6 per cent from "large resident land-

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and to prohibit provisions in conveyances, leases and agreements relating to land which stipulate that only members of one race, community or creed may be employed on or about or in connection therewith." *Op. cit.*, p. 266.

The JNF considered such criticisms unfair and pointed to its motivation: to provide employment for Jewish immigrants and to prevent them from becoming large landowners, hence potential exploiters of the labours of others. Those who made these criticisms, however, were fully cognizant of the motivations of the JNF. They criticized not the motivations but the effects of JNF policies, and as such the criticisms were warranted. In addition it should be noted that ultimately JNF policies derived from the objective of Zionism — to establish in Palestine a state for Jews, and, ideally, exclusively for Jews.

<sup>59</sup> Granott, *Land System*, p. 278.

owners," and 13.4 per cent from "various sources" such as the government, churches, and foreign companies, making a total of 90.6 per cent. This leaves only 9.4 per cent acquired from small Palestinian Arab farmers, and 40 per cent (25,741 out of 64,201 dunums) of this had been acquired during 1891-1900, i.e., before the JNF was established.<sup>60</sup> It seems fair to conclude, therefore, that the JNF was not at all successful in purchasing land from small Palestinian Arab landowners. Nevertheless it was precisely these Palestinians who eventually paid the highest price for JNF efforts to "redeem" the land of Palestine. That they accordingly feel a deep and abiding sense of injustice is surely less than surprising.

At the present time, although the redemption of the land of Palestine envisaged by Schapira some 90 years ago would appear to have been largely completed, it has not been accomplished by the means he foresaw. The JNF deserves only a limited amount of the credit; the largest share of this goes to military conquest, the cost of which in part has been the lives of many, both Arabs and Jews, and the national identity of all Palestinian Arabs.

APPENDIX  
JNF LAND ACQUISITIONS<sup>61</sup> 1905-1950

| <i>Year</i> | <i>Acquisitions</i> | <i>Total Held at End of Year</i> |
|-------------|---------------------|----------------------------------|
| 1905-1914   |                     | 16,366                           |
| 1920        | 5,997               | 22,363                           |
| 1921        | 43,021              | 65,384                           |
| 1922        | 6,977               | 72,361                           |
| 1923        | 18,459              | 90,820                           |

<sup>60</sup> *Op. cit.*, p. 277, Table 32. This agrees substantially with the account given by Orni, *op. cit.*, p. 52: Of total land purchases by the Jewish Colonization Association, the Palestine Land Development Co., and the JNF from 1880 to 1935 (JNF purchases included are only to 1930), "about 80 per cent consisted either of large tracts sold mostly by absentee owners... or government concessions... Even of the land purchased by individual Jews...and of that bought by the JNF between 1931 and 1947...50 per cent at least were again large tracts..." Orni concludes (p. 61): "The JNF acquired the great majority of its land, from the outset of its activity and until 1948, from proprietors of large estates who were in many cases absentee landlords."

<sup>61</sup> Based on and compiled from JNF sources: *JNF-Jerusalem*; Orni, *op. cit.*, p. 62; Granott, *Land System*, p. 281, and *Agrarian Reform*, pp. 28, 107-112. All figures are in metric dunums. The total figure for May 1948, and the acquisitions during 1946, 1947, and 1948, appear to be rounded off; if so, I have not been able to obtain the exact figures. The 1949 and 1950 acquisitions were of abandoned land purchased from the Development Authority. Although details are not available, the JNF has apparently acquired relatively little land since 1950; Granott, *Agrarian Reform*, p. 112, states that as of mid-1954 the JNF held "3 1/2 million" dunums.

| <i>Year</i> | <i>Acquisitions</i> | <i>Total Held at End of Year</i> |
|-------------|---------------------|----------------------------------|
| 1924        | 40,225              | 131,045                          |
| 1925        | 33,090              | 164,135                          |
| 1926        | 13,744              | 177,879                          |
| 1927        | 18,779              | 196,658                          |
| 1928        | 5,433               | 202,091                          |
| 1929        | 59,549              | 261,640                          |
| 1930        | 16,987              | 278,627                          |
| 1931        | 9,978               | 288,605                          |
| 1932        | 8,305               | 296,910                          |
| 1933        | 32,371              | 329,281                          |
| 1934        | 12,575              | 341,856                          |
| 1935        | 16,524              | 358,380                          |
| 1936        | 13,161              | 371,541                          |
| 1937        | 13,507              | 385,048                          |
| 1938        | 34,223              | 419,271                          |
| 1939        | 53,499              | 472,770                          |
| 1940        | 43,180              | 515,950                          |
| 1941        | 45,460              | 561,410                          |
| 1942        | 48,981              | 610,391                          |
| 1943        | 67,265              | 677,656                          |
| 1944        | 67,357              | 745,013                          |
| 1945        | 65,644              | 810,657                          |
| 1946        | 52,000              | 862,657                          |
| 1947        | 63,000              | 925,657                          |
| May 1948    |                     | 936,000                          |
| 1948        | 97,000              | 1,022,657                        |
| 1949        | 1,101,942           | 2,124,599                        |
| 1950        | 1,271,734           | 3,396,333                        |