If Nazareth took us back into the past, Tel-Aviv held us within the present, save when it swept us fast and far into the future. Twenty years ago there were miles of sand dunes on the shores outside the ancient city of Jaffa. Now, on these same dunes, there stands a municipality of thirty-eight thousand souls, as thriving and busy as any typical American town. Tel-Aviv is nearer one hundred per cent Jewish than a much-advertised soap is one hundred per cent pure. It is accurately described as the only one-hundred-per-cent Jewish city in the world. Its inhabitants, with a few scattered exceptions, are all Jews; its mayor, judges, police force, merchants, teachers, artisans, street cleaners, garbage collectors, all are Jews. Here is no segregation of Jews into a ghetto, into a few traditional trades, into circumscribed and traditional types of life. Jews in Tel-Aviv are occupying all the positions of society, and therewith proving their fitness for every type of leadership and labor. It is an amazing spectacle—this modern city of emancipated Jews.

John Haynes Holmes, *Palestine To-day and To-morrow: A Gentile's Survey of Zionism*

The development of the Jewish urban landscape of Palestine during the British Mandate was influenced by the ideological schism between pioneering Zionism and other schools of thought along the Zionist spectrum. Researcher Erik Cohen showed that the pragmatism of the pioneering ideology emphasized the rejuvenation and restructuring of Jewish society in Palestine rather than in the Diaspora. *Halutzim* advocated returning to the soil and developing the rural sector. They perceived the city as the embodiment of social evils and the deterioration of society. Among American Jewish immigrants to Palestine, this anti-urban view was held by only a small minority, and they were usually affiliated with the pioneering movements. Most American Jewish immigrants had resided in urban centers in the United States, and, on the whole, they did not see the city as a threat. Indeed, the Orthodox population—most of whom were associated with Kolel America Tiffereth Yerushalaim—not only accepted the city but were ideologically opposed to the concept of pioneering rural settlement. In 1927, 84 percent
Americans in the Urban Environment

of American Jews lived in cities of 100,000 or more, and 9 percent in cities between 25,000 and 100,000. Before leaving America, most of them searched for a city in Palestine in which to settle. They perceived the city as the focus of industrial and commercial development—essential sectors for the growth of a healthy economy. And American Jews were also attracted to the variety of cultural activities that were available in cities.

These immigrants from the United States brought with them to Palestine untainted views of investment in urban real estate, speculation, and development. They considered these kinds of investment as legitimate means of furthering the healthy economic growth of the Yishuv. They organized the purchase of urban tracts in much the same way that their compatriots organized the purchase of agricultural lands: individually or through associations. As with rural tracts, urban land purchases ranged from whole neighborhoods to sections of them and individual plots. During the period covered by this study, the most prominent American purchasing organization was the American Zion Commonwealth (AMZIC), which sometimes promoted its own projects and sometimes represented those of the Palestine Land Development Company (PLDC). The AMZIC and the PLDC were active in the three largest cities—Jerusalem, Tel Aviv, and Haifa—as well as in the new town of Afula.

When transactions were concluded in America, the agents in Palestine were usually local real estate agents or companies like the Palestine Land Development Company and Geula. These companies prepared elaborate brochures describing plans for the new neighborhoods, the advantages of site and relative location, and future amelioration. The prospectus generally included maps that depicted physical layout and available plots for purchase. Several American groups developed plans for “garden villages”—Migdal, north of Tiberias; Nahalat Itzhak, west of Jerusalem; and a section of Har Canaan near Safed. On a smaller scale, a number of real estate agencies were founded in Palestine with American capital or by American representatives for the purchase and resale of land and its development. Among these agencies were the American-Palestine Real Estate Agency, the Jerusalem-America Land Company, and the Menorah Palestine Building Corporation.

American investment in urban real estate was complicated by the distance between the United States and Palestine as well as by a poor communication apparatus. Americans' lack of familiarity with the landscape and situation in Palestine often led to misconceptions about the actual transaction. The real estate market was riddled with irregularities and false promises, and so Americans, like other immigrants, often fell prey to shady dealers, as exemplified in this American consular report.

A widow lady Mrs. Rebecca Schneider came recently from San Francisco to Palestine, imbued with Zionist ideas, and purchased a building lot in the
vicinity of Jerusalem upon which to construct a residence, paying therefor the usual inflated price. She complains that the organization (not American) which sold her the land is unable to locate it for her excepting on paper. She wishes now to return to the comforts of her San Francisco home, having changed her mind about residence in Palestine, and is trying to get her money back. The promoting organization offers a refund of 75% but requires 25% for expenses in encouraging her to assist in building up the new Zion. 3

This chapter focuses on American Jewish activity in the three urban centers—Jerusalem, Tel Aviv-Jaffa, and Haifa—and the new town of Afula. It examines the size and growth of the American Jewish immigrant population, spatial distribution, land purchase and development processes, and economic and other forms of activity. The American presence in Safed, Tiberias, and Hebron is also described, as are various attempts to develop garden villages.

JERUSALEM AND ITS ENVIRONS

From the mid-nineteenth century up to 1914, both spontaneous and planned development transformed Jerusalem from a densely populated, traditional Middle Eastern city confined within a walled area of less than one square kilometer to a vibrant, westernized city with a built-up area of over five square kilometers. By the outbreak of World War I, the population of Jerusalem had reached 70,000, but the war led to a decline in the city’s population. In 1922 Jerusalem had 62,700 residents, of whom 34,100 were Jews—a substantial decline from the estimated 45,000 Jews in 1914. By 1931, however, Jerusalem’s population had grown to 93,100 and the number of its Jewish inhabitants to 53,800. Eight years later, the Jewish population of the city was an estimated 80,850. 4

A number of American companies and organizations were active in the development of Jerusalem. Groups in Palestine also turned to America for investment and the sale of property. In addition, there was noncommercial development through Kollel America Tiffereth Yerushalaim.

Foremost in Jerusalem land sales to Americans was the Palestine Land Development Company. Its 1923 pamphlet, Building Plots at Jerusalem, advertised land in six different sections of the city—Talpiot, Givat Eliyahu, Amos Land, Zanzariah (Rehavia), the Garden of Antimos, and the business center. Sometimes the PLDC sold land directly to individuals and sometimes it sold tracts through the American Zion Commonwealth.

During his 1922–23 visit to North America, Arthur Ruppin met with Zionist leaders and convinced the American Zion Commonwealth to purchase urban tracts in Jerusalem. In March 1924, the AMZIC purchased 93,223 square meters for £E8,500 ($42,500) in the Givat Eliyahu neighborhood, and 18,750 square meters in the Talpiot neighborhood for £E3,600
Americans in the Urban Environment

### Table 20
Lands purchased in Jerusalem by the American Zion Commonwealth and the Palestine Land Development Company up to 1929, in square meters

<table>
<thead>
<tr>
<th>Area</th>
<th>Palestine Land Development Company</th>
<th>American Zion Commonwealth</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mount Scopus</td>
<td>124,186</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Talpiot</td>
<td>180,407</td>
<td>18,750</td>
<td>10.39</td>
</tr>
<tr>
<td>Mekor Haim</td>
<td>57,127</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Rehavia</td>
<td>125,501</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Givat Eliyahu</td>
<td>113,627</td>
<td>93,223</td>
<td>82.04</td>
</tr>
<tr>
<td>Ramat Rachel</td>
<td>90,348</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Business center</td>
<td>17,449</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Antimos, Ben Yehuda</td>
<td>50,199</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>758,844</td>
<td>101,973</td>
<td>13.44</td>
</tr>
</tbody>
</table>

($18,000). The AMZIC sold plots to individuals across the United States; *kushans* (title deeds) were issued for 36 plots—among them, fifteen to buyers in Los Angeles and fourteen to members of the Rabalsky Group of Boston.5

In 1926, to accelerate the growth of Talpiot, the Palestine Land Development Company decided to sell additional land in America. It wanted the American Zion Commonwealth to conduct this campaign, but if they were unwilling, the PLDC would do so itself. Moshe Ben Zeev Cohen, a member of Vaad Schunat (neighborhood committee) Talpiot, went to the United States to induce American owners to invest capital for building and to sell lands belonging to other (non-AMZIC) owners. The conditions of Cohen's activities were subject to the AMZIC's approval, since it was the sole agent in America for the PLDC. The agreement concluded with Cohen allowed him to add 25 percent to the list price. The terms of the sale were one-third upon signing the contract with the remainder due within a year-and-a-half.6

Land owned by foreigners who did not immigrate to Palestine often represented a deterrent to growth. Plots that were underdeveloped yet unavailable for purchase impeded the expansion of neighborhoods such as Talpiot. The merchant and philanthropist Nathan Straus was one of the Americans who had purchased land in Talpiot. In 1923 he was asked by the Vaad to donate his property for the construction of the Jewish National Fund headquarters and other projects that the Vaad believed would accelerate the growth of Talpiot. Straus denied their request. Three years later he was again
approached by the Vaad and asked to set aside 28 percent of his land for public use; he objected to this proposal as well. Another example of the problems caused by foreign ownership is the Kesselman family—Americans who in 1924 had purchased a plot in the Beit Hakerem neighborhood. As Robert Kesselman explained to his wife, “The people of Beit Hakerem demand of me to build, and if I don’t they want to take away from me the plot and give me instead of it another not so suitable.” About the same time he became interested in another garden suburb, Talpiot. He acquired a plot there too,
on which he eventually built his family house. Altogether, only a score or so Americans resided in Talpiot.

In 1920 American capital was used to form the American-Palestine Real Estate Agency for the purchase, parceling, and resale of lands in Palestine. Two years later, Mary Fels, a Zionist and widow of a millionaire industrialist, became interested "in promoting a building scheme—whether through the medium of a partnership, a limited company of otherwise." She entered an agreement with Israel Tannenbaum, Israel Blumenfeld, and Moritz Grunhut of the American-Palestine Real Estate Agency to act as intermediaries for land purchases in Jerusalem. Fels was particularly interested in lands on Mount Scopus, an area of 160 dunams. It is unclear if the company was able to purchase the sites she wanted, but in 1922 and 1923 a series of contracts was drawn up with various landowners on Mount Scopus. Mary Fels later donated some of this land to the Hadassah organization to augment its holdings there, and in 1934 the cornerstone was laid for Hadassah's Mount Scopus Medical Center.

In 1923 the American-Palestine Real Estate Agency agreed that Ittamar Ben-Avi would act for it by selling land on a commission basis during his business tour of Europe and the United States. Ben-Avi was probably chosen because he was well-known as the first Hebrew-speaking child in modern Palestine. No information has been found regarding the outcome of this venture. The agency also offered building plots in Jerusalem, Haifa, and Jaffa. Lots were advertised in Jerusalem on Mount Scopus and near the neighborhoods of Talpiot, Romema, and Beit Hakerem. The agency boasted of prominent American clients like Mary Fels, Nathan Straus, Solomon Rosenbloom of Pittsburgh, H. Simons of Detroit, and Samuel C. Lamport of New York. In addition, the company claimed to have agricultural land available in the Jordan Valley, in the vicinity of Hadera and other locations.

A number of Jerusalemites joined together with a group of Americans to establish the Jerusalem-America Land Company for the purchase of lands in Jerusalem, Tel Aviv, and Haifa. This company had over half-a-million dollars in capital, and in 1925 American stockholders included Aaron and Samuel Bernstein, Boris Hershenson, Michael Salit, Aaron Jacobs, and Joseph Kaplowitz, all of New York. The extent of the company's activities is unclear, but following the economic crisis of 1927–30, it was unable to honor its debts. It had purchased most of its lands on credit. Three of its eight unsold parcels were located in Jerusalem: the company owned 12,836 square meters at Mekor Baruch, 16,737 square meters at Kreisha, and 14,938 square meters at Beit Aharon near Rehavia. The Beit Aharon neighborhood, named in honor of the company's founder Aaron Bernstein, was located between the neighborhoods of Rehavia and Shaare Hessed (the houses along Haran Street). Because the Vaad Schunat Rehavia had fenced off the road passing through Rehavia to Beit Aharon, the Jerusalem-
American Land Company had difficulty selling plots in this area. It turned to the town planning commission to find some solution to the problem of accessibility, but the neighborhood’s construction did not begin until the 1930s. The neighborhood of Mekor Baruch, founded in 1926 and located near the Syrian (Schneller) Orphanage, was named in honor of an American, Boris (Baruch) Hreshenov, with reference to Proverbs 5:18. The company developed plans for 207 plots, but once again construction of houses did not begin until the 1930s.

Upon the liquidation of the Jerusalem-American Land Company in 1929, irregularities were found in its records. Some of its managers were arrested and put on trial. An attempt was made to reach an arrangement with the debt holders—Barclays Bank and others—for the continued operation of the company. It was proposed that if lands could be parceled and developed, a large profit could still be achieved. The company’s American stockholders appealed to the court in Jerusalem to have liquidator Eliyahu Eliachar be sent to the United States to help clear up the matter. Under advisement from the attorney general, Judge J. M. de Freitas agreed to allow Eliachar to serve as the court-appointed representative, empowered to take statements and meet with the stockholders. In the end, the company’s lands were sold and developed by others.

Throughout the 1920s and 1930s, Americans purchased plots in various Jerusalem neighborhoods. References to American purchases are sporadic, but they do show an American presence in several parts of the city. For example, in 1926 Mischar Ve-Taasiah (Trade and Industry) reported that through the auspices of the Nahalat Bayit company of the Mizrachi Hatzair, the neighborhood of Sanhedriah would be expanded from 70 to 110 lots; an unspecified number of these were sold in America. As of 1928 only five structures existed in Sanhedriah. Its principal development followed the 1929 riots. The majority of Nahalat Bayit’s membership came from the Ashkenazi and Kurdish communities. No information has been found to verify American purchases or settlement, though one American, Shimon Lifshitz, contributed to the construction of the neighborhood synagogue.

Another example is the Binyan Hayishuv Company of Jerusalem. With Rabbi Yosef Rivlin acting as its agent, the company sold lots in that city to Americans. Binyan Hayishuv received the blessings of Chief Rabbis Avraham Isaac HaCohen Kook and Yaakov Meir, as well as the endorsement of the Mizrachi leader Rabbi Meir Berlin (Bar-Ilan). One American, H. Rubenstein of Kansas City, who bought land through this company, turned to the Zionist Organization of America to receive further information. As he explained, “I did not have the time to investigate this matter thoroughly but several of my friends in this City bought lots, including Rabbi Braver so I also bought a lot.” Although the project was said to be located “a few miles out of the City of Jerusalem,” it was actually adjacent to Mekor Haim in
southern Jerusalem, a residential area later named Mizpeh Yerushalaim. The 625-square-meter plots in this tract were mainly purchased by Americans. By the time of the outbreak of the 1929 riots, only one building had been completed, and the area was subsequently abandoned.  

Several Americans, including Mary Fels, were among the investors of Agudat Betar. This company was registered in May 1929 for the purpose of establishing a Jewish neighborhood and all that was necessary for its development on the lands of the Arab village of Battir. As the site of the ancient town of Betar, the center of the Bar Kochba revolt, it was especially attractive to investors. The company purchased 5/6 of a 139.6-dunam tract for £E414. Each investor was to receive 5 dunams. Although located at some distance from the city, the tract had the advantage of being near a station on the Jerusalem-Jaffa railroad line. The tract was not developed, however, and the company halted its activities. In 1936 the registrar of companies ordered an investigation into the company’s affairs, and this led to a decision to disband it. The company’s chairman intended to divide the land among the investors, but the troubles of the period and the riots prevented this; in 1945 the company sold the tract to the Jewish National Fund.

A number of individual American purchases are of interest. Moses Rabalsky, brother of Boston Zionist leader Benjamin Rabalsky, purchased plots in Rehavia. In the same neighborhood, Dr. I. J. Biskind constructed his home in the distinct architectural style developed during this period. In 1921 Mrs. S. I. Hyman and Alfred Kornfeld each subscribed for 2 dunams in the Bayit Vagan garden suburb, a 400-dunam project that was the initiative of the Mizrachi organization. After thirteen years the subscribers had still not received the kushan for this property—a not uncommon occurrence that was obviously a source of great anxiety to the purchasers. Another American, Aharon Mordechai Ashinski, was among the owners of land in Bayit Vagan. Also, David Klein of San Francisco owned a 635-square-meter plot in the Givat Shaul garden suburb.

In addition to these projects and purchases, American capital in the form of loans and mortgages was used to support the construction of houses in Jerusalem. The Brandeis-Mack group, through the Palestine Cooperative Company, extended financial backing to help found the Palestine Building Loan and Savings Association, which was registered in 1922 with an authorized capital of £E25,000. Located in Jerusalem, the association was managed by American engineer Emanuel Mohl. During its first year it provided loans for the construction of 300 houses, mainly in Jerusalem (in the Talpiot and Beit Hakerem neighborhoods) and Haifa (the Bat Galim neighborhood), as well as in Jaffa. Using the $36,000 capital extended by Judge Louis D. Brandeis, the company also provided loans for the 40-unit workers’ suburb of Kfar Brandeis near Hadera.

Among American immigrants to urban areas of Palestine, the American
ultra-Orthodox population was distinctive by virtue of its ideology, social organization, and economic activity. These immigrants were affiliated with the “Old Yishuv” and segregated themselves from most other Americans. The majority of this group was affiliated with a form of landsmanschaft, the Kollel America Tiffereth Yerushalaim. Others reestablished contacts with their Eastern European communities of origin and affiliated organizations in the Holy Land. The ultra-Orthodox contribution to the development of the landscape was limited, as their religious beliefs included opposition to the concepts of land redemption and up-building. Nonetheless, they supported a number of projects for urban and rural development. Some members of this group were involved in various economic activities. Perhaps the most important contribution of the ultra-Orthodox Jews was the import of capital; though this money was not necessarily invested in the development of settlement or other enterprises, it generated an economic ripple effect. Funds from abroad were used to purchase goods and services, and this provided employment for various sectors of the local population—Old Yishuv, New Yishuv, and Arab.

Kollel America Tiffereth Yerushalaim was founded in 1896 by American Jews in Jerusalem to support not only American Jews in the Holy Land, but needy Jews coming from other countries as well. American Consul Edwin Sherman Wallace reported that prior to 1896, the kollel collected $45,000 annually in America, but only $6,000 ever reached Jerusalem. Despite the opposition of Jerusalem rabbis, the fledgling kollel received the support of American Jewry and the American consul. An accord was reached with the Vaad Haklali (General Committee of the Kollelim) in Jerusalem stipulating that two-thirds of the money collected in America would go to the Vaad Haklali and the remaining one-third to Kollel America. 24

Membership in Kollel America increased in the early twentieth century. A report from 1912 listed 216 heads of families connected to the kollel—altogether about 550 souls. Of these 216 heads of families, 92 were non-Americans, and this led to claims that the kollel’s funds were not being used as intended. The organization’s basic principle was “that only American registered citizens who are without any means of support should receive the Hallukah, and other such necessary aid as a free house to reside [in] in his declining years.” 25 An attempt was made to exclude non-Americans, as well as those with independent means (45 family heads), from receiving financial support. By 1913 the kollel’s membership in Jerusalem was reported at 485. It was one of three kollelim that granted members an income “halfway adequate for decent living, though it is not the richest.” Although it also intended to provide housing, the kollel did not do so before World War I. In 1912 each individual received 6 francs ($1.14) per month support, but it was hoped that after reforms this sum would rise to 15 francs ($2.85). 26

The Chicago Kollel was another independent organization. In 1912 it
Americans in the Urban Environment

reportedly had 150 individuals connected to it. No additional information has been found about this group, nor has an explanation been found as to why a separate American kollel was established. It appears that the Chicago Kollel was disbanded after World War I, and that its members then joined Kollel America.

In the early years of the war, kollel members still resident in Palestine were supported by funds sent from America, but when the United States entered the war in 1917, funds could no longer be sent directly from America to Palestine. Instead they were sent via Sweden on behalf of the Joint Distribution Committee of New York. Some of the persons who received payment were kollel members.

As British forces approached Jerusalem, Americans in the city were ordered to report to the Turkish authorities, who would send them into exile in the interior. The Turks threatened them with charges of espionage if they failed to report within twenty-four hours. A few Americans reported at the fixed time, but many hid, hoping to be liberated by the advancing British troops. Approximately 200 Americans were rounded up and sent into exile. Not all returned to Jerusalem when the war ended.

Kollel America continued its activities under the British Mandate. Its new constitution opened with the following preamble:

The KOLLEL AMERICA is the only Organization of American and Canadian Jews residing in Palestine, and the home for every American Jew making his residence in the Holy Land.

The KOLLEL AMERICA takes care of the needful American Jews in Palestine supporting them in the form of decent monthly subsidies, free loans, to facilitate industry, to assist workers, etc., free dwellings, free medicines, etc.

There is no other institution nor an organization where the American or Canadian Jews can find help in his distress, except KOLLEL AMERICA . . . .

The KOLLEL AMERICA has in [its] possession own houses which are given free by casting lots for three successive [sic] years to poor American and Canadian Jews residents of Palestine.

A part of their income is being set aside to buy houses and settle them and thus, in addition employment will be given to workers, etc.

The Kollel has also in [its] possession a Synagogue, kept open day and night for prayer and study.

The three years following the war were prosperous ones for the kollel. Funds that had been collected during the war and held in the U.S. began to flow to Jerusalem after 1919. The more favorable dollar-to-pound exchange rate also increased the value of the kollel's funds. But with prosperity, the moral integrity of the kollel and the fair distribution of its funds became important concerns of Jewish communities in the United States and Canada. In 1923 the United States Consular Court ordered an investigation into
the kollel’s accounts and operations because of accusations of mismanagement and misappropriation of funds. The president of the Consular Court in Jerusalem appointed Israel Klaiman receiver and manager of Kollel America.

Klaiman opened his report with this statement: “It appears from the records and careful investigation that this organization, which pretends to have come into existence with a view of establishing better management and fairer distribution, has wasted all the funds, intended for the American poor, that have come into their hands.” A series of charges and countercharges were made by Kollel America members, who pointed to various persons as those responsible for abuse of funds. Palestine Weekly reporter Zalman White furnished Klaiman with a secret report on the kollel’s financial improprieties. He listed seven individuals who, according to his sources, had abused the process of distributing funds. In response, individual members attempted to explain why they deserved these funds although others had claimed that they did not.

Klaiman’s report alleged that there had been gross abuse of the money collected for the kollel: “It appears from the records of the Kollel that for each dollar paid out by the organization to the needy beneficiaries a sum of seven dollars is collected from donors in the United States.” As Klaiman described it, a significant amount of money had been diverted to pay commissions (of between 33 and 50 percent) to fund-raisers. The expenses of the New York offices (25 percent of the funds) were subtracted from the amount that remained after commissions were paid. Salary and office expenses in Jerusalem further reduced the sum by 44 percent. According to Klaiman, distribution of money to undeserving and well-to-do people accounted for 50 percent of the balance. This left only fourteen cents of every dollar for the truly deserving cases.

These specific claims of misuse of funds led to a general debate in the American Jewish community about the methods of supporting charitable institutions in Palestine. Judah Magnes served as the chairman of a committee investigating the problem. Its purpose was “to institute a thorough statistical investigation of all the charitable and educational institutions in Palestine not supported by the Keren Hayesod, with a view of safeguarding the Jews in America and elsewhere from any possible imposition and in order to bring about a general economy in both the method of collection and in the administration of the institutions.” As part of this investigation, the Klaiman report was presented to influential Jewish and Zionist leaders in the United States—Julian Mack, David de Sola Pool, Solomon Sorrenstein, Samuel Lamport, and Samuel A. Goldsmith.

According to a report issued in 1932, 249 families (about 500 persons) were receiving financial assistance from Kollel America. This consisted of monthly subsidies (500 mils for adults and 250 for children under the age of
six), assistance in times of need, medical services, rent for two to three years in kollel-owned apartments, and provisions for certain holidays (e.g., matzo and other necessities for Passover). Seven or eight years earlier, the number of kollel families receiving assistance had been 600; the sharp decrease reported in 1932 reflected the smaller number of remissions arriving from Depression-struck North America. The kollel's worsening financial situation led to stricter controls on its distribution of funds in Palestine. For example, when beneficiaries died or left Palestine, Kollel America did not accept new beneficiaries in their place.\textsuperscript{35}

In 1933, at a meeting of American and Canadian Jews residing in Palestine, four resolutions were unanimously passed that marked a turning point in Kollel America's assumption of financial responsibility for its members in Palestine who depended solely on contributions from abroad. The first resolution called for the registration of Canadian and American Jewish members of Kollel America who would make a commitment to contribute at least $50 annually. The other resolutions called for additional forms of support for the American and Canadian poor in Palestine. It was hoped that these reforms would impress potential and actual contributors in North America to continue to support this worthy cause. For the years 1920 through 1932, total income for Kollel America reached over $250,000.\textsuperscript{36}

This provided a significant flow of funds into the Palestinian economy. In addition, members' personal assets and other sources of income helped boost the local economy.

The available quantitative information describing Kollel America is limited. Various sources provide numbers of family heads supported by the institution; they do not, however, indicate the number of people who were affiliated with the kollel but were not supported by it. Following World War I there was a steady increase in the number of heads of families supported by Kollel America. No clear reasons have been found for this trend, although suppositions can be advanced, including greater longevity due to better sanitation and medical services in Palestine, and increased economic mobility of the American population, for example.

From the responses to questionnaires distributed to Kollel America members in 1932, some characteristics of this population can be discerned. This data has limited application, since it represents the responses of only 148 family heads (60 percent), comprising 371 persons (74 percent). Nonetheless, it appears to be an accurate reflection of certain attributes of the kollel society: members were elderly, with 56.8 percent over the age of 61. The vast majority were not born in American (only 1.4 percent were). Of this group, 4.1 percent had lived in North America for less than five years, 33.8 percent between five and ten years, 32.4 percent between eleven and twenty years, and 27.0 percent more than twenty-one years. This points to the temporary nature of kollel members' residence in North America; as previously argued,
TABLE 21
Number of persons supported by Kollel America Tiffereth Yerushalaim for various years

<table>
<thead>
<tr>
<th>Year</th>
<th>Family heads</th>
<th>Individuals</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>1912</td>
<td>216</td>
<td>500</td>
<td></td>
</tr>
<tr>
<td>1913</td>
<td>—</td>
<td>485</td>
<td></td>
</tr>
<tr>
<td>1921–22</td>
<td>155</td>
<td>[321]³</td>
<td></td>
</tr>
<tr>
<td>1922–23</td>
<td>164</td>
<td>[339]</td>
<td></td>
</tr>
<tr>
<td>1928</td>
<td>Over 200</td>
<td>[414]</td>
<td></td>
</tr>
<tr>
<td>1932</td>
<td>249</td>
<td>Approximately 500</td>
<td>Jerusalem, Safed, Tiberias, Jaffa, Tel Aviv, Petah Tikvah</td>
</tr>
<tr>
<td>1937</td>
<td>270</td>
<td>Approximately 525</td>
<td>Mainly Jerusalem, but also Jaffa, Tel Aviv Haifa, Tiberias, and the moshavot</td>
</tr>
</tbody>
</table>

³Estimates of the population are based on an average family size of 2.07.

America was for them just a place to stay while they accumulated some wealth to insure their final resting place in the Holy Land. This supposition is strengthened when viewed in conjunction with the occupations of Kollel America’s members in Palestine: 52.7 percent had no occupation, 23.0 percent were involved in Jewish ritual occupations (scribes, kosher butchers, and so on), and 11.5 percent were merchants. A small group of wealthy members of the kollel probably were not included in these statistics; members of this type had been mentioned in the 1925 report as undeservedly receiving funds. Included in the list of undeserving was a landlord worth $100,000; the owner of two clothing stores, one in Jerusalem and the other in Haifa; the Palestinian representative of the American Manischewitz Matzo Factory; and an accountant employed by Solei Boneh, to name a few.³⁷

In the possession of Kollel America was property for public use. A synagogue, called Tifferet Yerushalaim, was located in the Mea Shearim quarter, which also served as a yeshiva for its members. There was also property for the use of a select part of the membership. After World War I, Kollel America purchased houses in the Achvah neighborhood that had been founded in 1908. The first phase of that neighborhood’s development was the purchase of land by twenty-two members of Achvah, the secret religious organization, in 1906. Two years later, twenty-five houses were completed by this group. After the war, construction continued in this neighborhood,
TABLE 22
Age of family heads of Kollel America, 1932

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;16</td>
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<tr>
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<td>9</td>
<td>6.1</td>
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<tr>
<td>Total</td>
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<td>100</td>
</tr>
</tbody>
</table>

but it was carried out by individuals, not by the original Achvah organization. In the southern section of the neighborhood, construction was sponsored by Kollel America, which transferred its offices to this sector. 38

The kollel owned houses in Jerusalem which it allocated to needy members (selected by lot every two or three years), rent-free or for a small payment to cover taxes. The property included fourteen apartments: six units on Meah Shearim Street, one in the Kerem Quarter, three in the Knesset Yisrael neighborhood, two in the Milner Quarter, and two in the Wittenburg Quarter. 39 Most Kollel America members resided in privately owned homes in Jerusalem. In some cases they received interest-free loans from the kollel for the construction or purchase of their homes. In the mid-1920s, 126 kollel family heads indicated that their place of residence was in Jerusalem. Of these, 32 reported that they resided in the Meah Shearim Quarter and another 12 in the Beit Yisrael Quarter. A population cluster is evident: 54 percent resided in the Meah Shearim Quarter and adjacent neighborhoods, and 20 percent in neighborhoods along Jaffa Road. In addition, smaller clusters of 5–6 percent each were located in the Old City and in the Yemin Moshe and Shaarei Hesed quarters. Almost no Kollel America family heads were listed as residing in the newer and garden suburbs. 40

In 1928 a group of local Orthodox Americans organized the Agudath Achim, Anshei America, a mutual aid society. These American Jews, rooted in Jerusalem, had found needy individuals among their ranks and decided to take responsibility for their plight. This landsmanshaft-like society planned to develop an American neighborhood in Jerusalem. The society invested £P1,700 of amassed funds in a four-dunam cemetery on the ridge of the Mount of Olives. It advertised the plots in the United States and went so far as to state that the cemetery was “like paradise.” The society recouped £P1,000 after having sold 12 percent of the plots, and intended to use the profits to build houses for the American poor and Torah scholars. The society also promoted visits to the American sick and elderly. Members of Agudath Achim, Anshei America met regularly in the home of a Newark immigrant, Zvi Arie Loewe, in the Jerusalem Achvah Quarter and studied Torah together. 41

Although the members of Kollel America Tiffereth Yerushalaim and
like-minded Americans in the city represented a substantial segment of the American Jewish population in Jerusalem, their involvement in the development of the city was limited. Most lived out their lives studying Torah. They had little desire to transform the economy or the landscape.

Yet some American businessmen were actively involved in a variety of ventures for the commercial and industrial development of Jerusalem. For instance, the Palestine Securities Company entered into negotiations over the construction of a hotel in Jerusalem, with George Barsky as their first partner. Steps were taken to proceed with the organization of a corporation, under State of New York laws, to erect this hotel. The required capital was $1,000,000, and the proposed location was on a rise between the Allenby Hotel (near today's Kikar Davidka) and the train station. Leading local citizens promised $100,000 in subscriptions. Barsky found other investors and left the association, but he did not build the hotel. Instead, Palestine Securities entered into an agreement with [?] Amdursky, who operated the second-best hotel in Jerusalem. Together with Louis J. Rosenblatt, he purchased a lot on King George V Boulevard (today's Kikar Hachserat Hayishuv). Other investors were approached, including Sir Elly Kadoorie of Shanghai and the Anglo-Palestine Company. Arrangements were made with Solel Boneh (the building and contracting organization of the Histadrut) to construct the hotel, but this was not realized.42

Americans helped develop the King David Hotel through the PEC, which invested in Palestine Hotels, Ltd.—a company founded in 1921 by the wealthy and influential Mosseri family of Cairo and Alexandria. In 1929 the company purchased 18 dunams half-a-kilometer from the Old City; two years later the six-story, 200-room hotel was completed. It had the most up-to-date facilities, including hot and cold running water. In 1934 the Palestine Economic Corporation's investment in the King David Hotel stood at $117,000.43

Americans were also involved in smaller-scale enterprises. Prior to World War I, a handful of American Jews in Jerusalem were engaged in small retail businesses (groceries, dry goods, books, crockery, glassware, and clothing stores); in manufacturing (flour mills and bakeries); finances (money exchange); and in services (bath houses).44 Following the war, many prospective immigrants to Palestine expressed their intention to engage in business there. Some meant to transfer their special backgrounds to their new surroundings, while others planned to take up a new vocation. Projects proposed by applicants for immigration included importing and exporting, retailing, hotel operation, automobile maintenance, and manufacturing of hats, lace, shoes, soap, and preserves. Some prospective immigrants indicated they wanted to engage in such activities in Jerusalem.45

Records reveal that during the period of this study, American businessmen established a wide variety of manufacturing operations in urban
Americans in the Urban Environment

areas of Palestine. In 1921, for example, Menachem Mendel Freidman of Norfolk, Virginia, after investigating local cigarette manufacturing, decided to enter a partnership with a local producer. Freidman relocated their £E200 business, with six workers in one room, to five rooms in Jerusalem’s Sucat Shalom neighborhood. This new plant was in full compliance with government health department standards. The tobacco, packaging, and other production material were imported from Egypt. Because of the owners’ lack of personal experience in the field and an inept manager, the company could not compete with the cheaper, inferior foreign cigarettes. Additional competition came from the Ketura factory in Safed, which, unlike Freidman’s enterprise, received full backing from the Zionist Organization’s Department of Commerce and Industry. (The Safed factory was deemed important in that it was one of the few industries employing Jews and it used tobacco produced by Jewish settlers in northern Palestine.) Freidman’s options were either to modernize—switch from a hand-made to a machine-made product—or to close the workshop, and in 1923, having absorbed substantial losses, he shut down the factory. In a critique of Palestine industries, Moshe Novomeysky—a chemist, industrialist, engineer, and later the founder of the Dead Sea Works Company—suggested that Freidman failed because of “the lack of funds required for a rational organization of the work.” It also appears that Freidman’s efforts were premature; only two years after the failure of his venture, there was a boom in the cigarette manufacturing industry. From 1925 to 1926, exports of locally produced cigarettes increased seven-fold with the introduction of new factories and the expansion of existing ones.46

Throughout the 1920s, other manufacturing companies began operations in Jerusalem. The Palestine Knitting Works was the first and only power-driven plant of its kind in the Near East when it was established in 1921. It had first-rate machinery and an expert in charge. The factory produced scarves, shawls, jumpers, blankets, underwear, dress materials, ties, and other clothing from wool, artificial silk, and a mixture of the two. The business was founded by Robert Kesselman’s friend and Zionist coworker Alexander Landsberg. Originally from Brooklyn, Landsberg returned to America to settle his affairs after being demobilized from the Jewish Legion. He sold his long-established business in New York and returned to Palestine via Poland, where he purchased a fully equipped knitting factory. He also arranged for the immigration of a staff of mechanics to install and operate his plant. Kesselman helped his friend establish the factory in the Kerem neighborhood by negotiating with customs authorities and with national groups who were promoting support for “home industries.” One of Landsberg’s difficulties was a lack of working capital; another was his decision to use artificial silk, for he soon discovered that local demand for woolen goods was heavier. Yet his business expanded to an annual production of £E10,000 and employed twenty-five workers. Demand for the factory’s
products was so great that it could have operated three shifts, but lack of skilled labor allowed only one full and one partial one. The Arab boycott after the 1929 disturbances brought this flourishing enterprise to a ruinous end, when an order from Damascus worth over £P4,000 was withdrawn because the material was a Zionist product. Despite all the skill and energy that had been invested, this factory was forced to shut its doors.47

American investment often tapped the skills of the local population. Eight months after the liquidation of the Marbadia Carpet Company, the New Marbadia Carpet Company was established in Jerusalem to produce handwoven carpets and rugs. New capital was infused, and the company was incorporated in New York State with capital of $300,000. According to American Zionist Julius Haber, the men involved in this project were Philadelphia manufacturer Israel Greenblatt, Pittsburgh builder B. Pearlman, and I. Z. Josephson of New York. Another source from 1927 lists an investment of £P2,550 in New Marbadia by two Americans—Pearlman of Pittsburgh with £P700 and Felix Warburg of New York with £P200. New Marbadia took advantage of skilled labor among the Persian, Bukharian, Algerian, and Tunisian immigrants living in Jerusalem. The plant was located in the city's Bukharian quarter. In 1926 it had over 100 employees, mainly women, at its factory, and others working in their own homes. In the first half of that year, New Marbadia exports reached £E2,000.48

One American entrepreneur—and his European partner—attempted to gain a foothold in Palestine's furniture industry. Judah Leib Kazan, a representative of the New York Achooza Aleph, lived in Jerusalem from 1921 to 1927, during which time he managed the Danish-American furniture company. His memoirs describe the factory as employing some 150 persons directly and many indirectly. He emphasized that the business trained many workers who themselves became experts and instructors. In a second reference, Kazan mentioned that there were more than 100 Jewish workers at this facility; he noted the contribution made by this factory in providing employment for new immigrants. In his words, it was “an Aliyah Bureau.”

Theoretically, the woodworking industry in Palestine had certain advantages: freight costs on wood were cheaper than those on furniture; moreover, import duty on wood was 3 percent, while for furniture it was 12 percent. In addition, wood need not be packed, whereas furniture demanded elaborate and comparatively expensive packing. Unfortunately, with the depreciation of the currencies of Germany, Austria, and Czechoslovakia—the major suppliers of furniture to Palestine—prices for these goods dropped sharply, and local producers were unable to compete. It was hoped that once these currencies were stabilized, the cost of imported furniture would rise and Palestinian enterprises would succeed. Moshe Novomeysky explained that the failure of the Danish-American Company was a combination of competition with the aforementioned European producers and irrational working
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methods. Although the owners suffered a financial loss with the factory’s failure, Kazan noted that his former workers opened a smaller, cooperative operation, with private factories and workshops. Some of these workers were able to purchase the tools and machinery of the liquidated business.49

In the food service sector, a number of American establishments attempted to capture a specific niche—the American tourist and resident trade. Near Zion Circus (now Zion Square), an American named Bill owned a small shop where he served American chocolate sodas, hamburgers, and percolated coffee. His establishment became a rendezvous for Americans and eventually was popular among Jerusalemites as well, who took a liking to these American delicacies.50 Libby Berkson, in partnership with Lillian Friedlander, opened an American-style tearoom, “Al Cos Te” (Over a Cup of Tea). It provided the clientele—locals and American tourists—with apple pie and American coffee in a pleasant setting. At the time, “there was no shortage of rather ugly, but otherwise adequate, eating places,” explained Sylva Gelber. “We welcomed the proposal for a congenial establishment, where we could obtain wholesome American-style meals in friendly surroundings.”51

In addition to fostering business enterprises, American philanthropic activity had a dramatic effect upon Jerusalem’s landscape. The Hadassah organization founded and maintained hospitals, day care centers, health stations, infant welfare stations, school luncheon programs, and playgrounds. The Hadassah Medical Center on Mount Scopus was inaugurated in 1939. Between 1917–45, Hadassah was responsible for 9.1 percent (£P3,915,000) of the £P42,758,000 in income of Jewish funds and institutions in Palestine. During this period, 17.3 percent of the organization’s expenditure was for education and culture, and 82.7 percent for health care and social work. Nathan and Lina Straus funded the establishment of the health center that bears their name and which opened its doors to all races and creeds in 1929. The Strauses contributed over $2,000,000 to various Palestinian causes, mainly in Jerusalem.52

A survey of American activities in Jerusalem leads to the question of whether some parts of the city had higher concentrations of Americans. Clearly one group of Americans, members of Kollel America, organized themselves in one section of Jerusalem, in and around the Mea Shearim Quarter. Other groups of Americans were not as highly concentrated. Edwin Samuel mentioned a number of Americans (including Dr. Israel Kligler, Dr. Judah Magnes, and archaeologist Dr. Nelson Gluck) who lived among British and Jewish families outside Herod’s Gate as tenants of Muslim Arab landlords. The Americans were part of the local elite. However, Jewish families left the area after the riots at the Wailing Wall in August 1929. Correspondence of the American consulate in Jerusalem during the period of the 1929 riots indicates that there was one group of American Jews in the Rehavia neighborhood and another in Talpiot. Available statistical information does
not provide details, but various descriptive sources suggest that while there were pockets of Americans, there were no exclusively or mainly American projects or neighborhoods. These pockets were not the result of the activities of real estate ventures or of settlement organizations such as the American Zion Commonwealth. Rather they were formed because Americans were drawn to neighborhoods that had amenities which appealed to persons with their socioeconomic backgrounds. Thus, for example, pockets of Americans existed in Jerusalem’s Talpiot, Rehavia, and Romema neighborhoods.\(^53\)

**Tel Aviv-Jaffa and Vicinity**

Jaffa underwent rapid growth as a commercial center in the late nineteenth century. Its population increased from roughly 8,000 in the 1870s to approximately 50,000 at the outbreak of World War I. The 1922 census
Americans in the Urban Environment

placed the population of Jaffa-Tel Aviv at 47,709, of whom 20,699 were Jews. Over the following nine years the population more than doubled. The 1931 census enumerated 97,967, of whom 52,773 were Jews. The built-up area of Jaffa expanded from 108 dunams in 1841–42 to 1,550 dunams in 1917–18. Tel Aviv underwent two development booms, the first in 1924–25 and the second between 1932–37. By 1939 the Jewish population of Tel Aviv-Jaffa had grown to 177,000, more than triple its size at the beginning of the decade.

Beyond Jaffa’s numerical and spatial growth, the city developed as the social and cultural center of the new Jewish settlement in Palestine. In the late nineteenth century, it rose to become the chief town of the New Yishuv, with a cosmopolitan atmosphere. Concepts of productive labor and Hebrew culture found a nurturing surrounding for their development. Jaffa embodied the range of institutions involved in the transformation of Jewish society from conservative Orthodoxy to its national revival. This was extended and then transferred to Tel Aviv. In 1909 the Jewish garden neighborhood of Achuzat Bayit, originally a suburb of Jaffa, became the focal point for Tel Aviv, the first new Jewish city. Tel Aviv became an independent entity under the Township of Tel Aviv Order issued on 11 May 1921, symbolic of a new beginning. In contrast to its sister city Jaffa, Tel Aviv was the city of the future, a site in which new concepts of planning and urban life could be initiated.

Pioneer Zionist circles viewed the growth of Tel Aviv with considerable apprehension since the city drew a large proportion of Jewish immigrants away from rural surroundings and agricultural pursuits. Tel Aviv was criticized as being “built on sand” with no solid economic foundations. Zionists in America, on the other hand, were proud of this new city. Author and reporter Ludwig Lewisohn viewed Tel Aviv as “A City Unlike New York.” His 1924 description actually compared Tel Aviv to the summer resort town of Far Rockaway, New York; he likened their seaside locations and their strongly Jewish environments. Lewisohn also remarked: “The houses in Tel-Aviv are not beautiful. Some of them are cheap and pretentious and seem to have been built in imitation of the worst period of American domestic architecture.” Despite the unattractiveness, Lewisohn found beauty in the gardens, the light, and the sea. Certain streets reminded him of Charleston, Savannah, and New Orleans. He took pride in the fact that the street names honored famous Jews. Lewisohn was well aware of the city’s problems—its shaky economic foundations and land speculation. But he noted that “The city glows with life, with a spontaneous and powerful will to be. . . . The people are building the city with joy.” He differed from his radical Zionist friends in that he saw the need for both rural and urban development in Palestine; he opposed the “romantic myth that the country is pure and the city foul, that a merchant is essentially and necessarily more ignoble than he
TABLE 23
Floor area of new buildings, selected years from 1923–40, in square meters

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<tr>
<th>Year</th>
<th>Area m²</th>
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<td>33,507</td>
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<td>23,612</td>
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<td>91,134</td>
<td>1929</td>
<td>28,710</td>
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<td>1925</td>
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<td>1930</td>
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<td>53,983</td>
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<td>65,795</td>
<td>1938</td>
<td>150,994</td>
</tr>
<tr>
<td>1927</td>
<td>12,720</td>
<td>1932</td>
<td>128,079</td>
<td>1940</td>
<td>42,045</td>
</tr>
</tbody>
</table>

Source: Palestine and Middle East Economic Magazine 8 (January 1933): 39; David Gurevich and Aaron Gertz, Statistical Handbook of Jewish Palestine, 1947 (Jerusalem: Jewish Agency for Palestine, 1947), 266.

who cultivates the soil, that the work of the hand has a moral value which the work of the mind lacks.” Many of his sentiments were shared by other Americans, who were pleased by the development of this exclusively Jewish, growing urban center.

American Zionists assisted in the development of Tel Aviv in various ways. For example, they provided financial assistance for the improvement of the municipal infrastructure through the Tel Aviv Bond Issue. In the spring of 1922, Bernard Rosenblatt, while serving on the Palestine Zionist Executive, proposed to Mayor Meir Dizengoff that a loan could be procured in America for public works—the development of a water supply as well as a sewage system and road improvements. The loan was approved by the local council of the Township of Tel Aviv and sanctioned by the High Commissioner Sir Herbert Samuel. Rosenblatt was empowered to negotiate with well-established banking institutions for floating the Tel Aviv Bond Issue. The terms of this £75,000 bond issue were 6½ percent per annum for twenty years, with repayment on a semiannual basis. The interest rate was lower than bonds issued at that time by other municipalities—e.g., Copenhagen at 8 percent and Paris at 7 percent. According to Rosenblatt, the low rate was possible because “only when we have a sentimental appeal, with the business aspects emphasized, can we succeed in a substantial way.”

American investment in Tel Aviv was poured into the construction of homes, commercial buildings, and neighborhoods, both during the booms and in slower periods. The American Zion Commonwealth developed land on the fringe of Tel Aviv. In 1921, a workers’ neighborhood, Schunat Borochov, was founded east of the Yarkon River on Jewish National Fund land. An additional 600 to 700 dunams to the south of this neighborhood
came on the market, and a host of investors—including Mr. Schuldinger of New York, the AMZIC, and the JNF—took an interest in the tract. In 1922 Charles Passman expressed a preference for this site over the Jelil tract (Herzlia) as the spot for an AMZIC garden city. Two years later, the JNF wanted to purchase the tract but did not possess the necessary capital. Passman suggested that the AMZIC purchase it in order to prevent Schuldinger or other investors who did not have the well-being of the Zionist enterprise in mind from acquiring it. He pointed out that the land could either be sold to the JNF or to investors in Palestine at a considerable profit.61

In October 1924, the AMZIC purchased 679 dunams at a price of £E15 ($75) per dunam, plus approximately 10 percent for expenses, to be paid in installments over two years. An accord reached with the Jewish National Fund gave it a five-month option on one-half of the tract, which it subsequently exercised. This tract was named Schunat Sheinkin after Menachem Sheinkin, a Zionist figure popular among Americans for his cooperation with the American Zion Commonwealth. The AMZIC considered purchasing an adjacent 600-dunam tract for future expansion, but this proposal was not concluded.62

After deducting space for wadis, parks, streets, public spaces, and buildings, plans were drawn up for 470 one-dunam building plots. Setting aside land for the Jewish National Fund, 240 dunams remained in the possession of the American Zion Commonwealth, which grappled with such issues as price and market strategy. The New York office proposed selling the land in America at $400 per dunam, but Passman suggested that marketing be oriented toward the local population and the price set at $175 per dunam. At the lower price, the AMZIC would have realized a profit of $34,000 on the transaction. At the higher price, company profits would have been increased by $135,000—to $169,000.63

One potential purchaser for part of Schunat Sheinkin was the Tel Aviv Town Council, which was seeking 40 to 45 dunams for slaughterhouses, quarantines, and a cattle market. The mayor hoped that the abattoir would provide job opportunities for several dozen families as well as lower the price of kosher meat. The American Zion Commonwealth agreed with the council’s proposal, on the condition that the AMZIC would receive half the purchase price immediately. The accord fell through, however, since the Tel Aviv Town Council did not have the necessary funds. The AMZIC then objected to having an abattoir near its development: not only would it be a nuisance, it would surely lead to a decrease in property values.

As mentioned above, the AMZIC believed it would reap higher profits by selling the land in America.64 Yet by 1926 American sales had proved extremely disappointing. American Zion Commonwealth correspondence does not explain prevailing consumer attitudes. The shortfall in sales may simply be a reflection of the loss of public confidence in the company due

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to its well-publicized financial difficulties. The AMZIC received requests for cancellation and the return of money. Although forty-one Americans entered into contracts for land purchases in Schunat Sheinkin, in the end only twenty-seven Kushans were issued. In 1929 the adjacent neighborhood, Schunat Borochov, attempted to expand and wanted to purchase 100 to 150 dunams from the AMZIC, but because of disagreement over the price, no accord was reached. Nonetheless, the AMZIC cooperated with Schunat Borochov by developing infrastructure for both communities. By 1936 the 367-dunam neighborhood had a population of 400, of whom 70 earned their livelihood from agriculture; citrus groves had been planted on 18 dunams. No Americans have been identified as having settled in this neighborhood.65

In an effort to thwart speculation in an uncontrolled market, four equal partners—the Anglo-Palestine Company, Geula, the Palestine Land Development Company, and the American Zion Commonwealth—founded the Tel Aviv Development Company in 1925 with a combined capital of £10,000 ($50,000). The Township of Tel Aviv also entered into this arrangement; though it put up no capital, it received a share of the profits. The principal purpose of the partnership was to purchase large tracts of land in order to curb speculation. The consortium sought land near the mouth of the Yarkon River, an area where it believed a port would eventually be built.66

The expansion of the Tel Aviv real estate market served as an avenue of activity and investment for individual Americans. Some of this coincided with the boom of the mid-1920s, although in general the tone of reports on these investments does not allude to maximization of profit. While some Americans sought sound investments, others wished to participate in the Zionist enterprise and utilize experience they had gained in the United States. Researcher Natan Harpaz emphasized that many American immigrants to Tel Aviv were experienced businessmen with capital and a knowledge of American commercial construction methods, which served as a thrust for economic development. The American projects that have been identified are outlined below; however, since more than 700 American Jews lived in Tel Aviv-Jaffa in 1931, it is likely that there were more projects of varying scale.

After his first visit to Palestine in 1924, Louis Rosenblatt (Bernard’s father) decided to return and spend his last years there. After attempting to develop various business activities, Rosenblatt formed a partnership to purchase land from Arabs in the area of Tel Aviv and resell it in small plots to prospective Jewish homeowners. As few settlers had ready cash, he furnished them with long-term mortgages, conditional upon the building of houses on the premises. He was responsible for opening up the area near the Geula land company’s Lev Tel Aviv project; his development work occurred along Rothschild Boulevard, west of Allenby Street up to the area of Habimah Theatre. Rosenblatt presented the land for Habimah Theatre to the Tel Aviv
Map 13. American activities in Tel Aviv up to 1939

1. Burkski Leather factory
2. Argaman factory
3. Mekhi factory
4. S.S. Bloom Artificial Tooth factory
5. American Economic Corporation
6. Casino
7. Parnok building

- Railroad
- Municipal boundaries
- Road

- Tel Aviv
- Ramat Gan
- Bnei Braq
- Sarona
- Jaffa
- Shapira neighborhood
- Shatzkin neighborhood
CHAPTER 10

Town Council as compensation for the construction of roads through his lands. According to his son, Rosenblatt reaped only a modest profit on the resale of these lands, but the interest and amortization of mortgages allowed him to live comfortably. Bernard claimed that "in this pioneer work he was employing methods learned in America." 67

Although Rosenblatt's marketing orientation was not necessarily toward Americans, one example of a purchase by an American in this area is that of Dr. Jacob P. Norman, originally of Boston, who decided to purchase a plot for £E550 ($2,750) in cash in 1924. He built a two-story house with ten rooms for £E1,500 ($7,500). Norman wanted construction to begin immediately, for, in his opinion, renting a house at £E12–15 ($60–75) a month was too expensive. 68

In the early 1920s, the Menorah Palestine Building Corporation also undertook the development of land adjoining Bayit Vegan, an area south of Jaffa. It sold plots to "a large number of Jews from America." Two areas—Menorah Aleph and Menorah Bet—were offered, but they were not developed at the time. In 1926 the urban settlement of Bat Yam was founded on the Bayit Vagan lands. The economic crisis in the late 1920s slowed development, but by the 1930s, growth in this section took off, new homes were built, and land prices increased. 69

Another American initiative was that of immigrant Meir Shapira, who purchased 15 dunams between Tel Aviv and Jaffa that was later known as Schunat Shapira. One fifth of the land was set aside for roads and public space, and the remainder was divided into 36 plots of 333 square meters each. Shapira attempted to have this area incorporated in the Jaffa municipal jurisdiction instead of that of Tel Aviv, since taxes in Jaffa were lower. This caused a rift between Shapira and Tel Aviv mayor Meir Dizengoff, who lobbed the insult that Shapira was not a Zionist. 70

The Jerusalem-American Land Company owned a 9,724-square-meter tract in Jaffa near the railway station; its exact location has not been identified. 71 The company, it appears, sought to develop the area, but the collapse of the real estate market in Tel Aviv in 1926 probably arrested any such attempt.

Two other American-initiated projects were the Casino and the Pansak Passage. In 1921, to allow direct access to the casino, Allenby Street was redesigned so that it would curve toward the beachfront. The casino building was destroyed in 1939 because it blocked the view of the sea. The second structure, a commercial center on Herzl Street, was initiated by Mordy Pansak in 1921. This three-story building, to which a fourth floor was later added, included stores and workshops. Within its courtyard was the first freight elevator in Tel Aviv. This was a typically American enterprise, creating rentable floor space and the necessary amenities for small industry and commerce. 72
The Fish Family of Brooklyn found a special niche in providing hospitality services for visitors to Palestine, particularly American Jews. Sarah Fish originally went to Palestine in order to provide her three young children the opportunity to live and learn in a Hebrew-speaking environment. She intended to remain for a year, but instead she extended their sojourn, and the family's father Avraham eventually joined Sarah and the children. With worsening economic conditions in the United States, the couple decided to seek a life in Tel Aviv and earn their livelihood there. Sarah truly enjoyed entertaining. On one occasion, she opened her home to members of the American team participating in the 1932 Maccabiah Games, and when she ran out of rooms she made beds for them on the floor. According to Sarah's youngest son, it was at her initiative that they opened their first family business in Palestine: Pension Fish on Ben Yehuda Street in 1933. Two years later they moved their business to Yarkon Street and renamed it Hotel Fish. In 1941 the Fish family procured the “American House” on Yehuda Halevi Street, a modern hotel that had been established in the late 1930s with American capital. Occupying the upper two floors of a three-story building, this twenty-five-room hotel had all the modern conveniences: an elevator, central heating, and showers in every room. The Fish family kept the hotel's original name, since it reflected the owners' country of origin and the type of hospitality one could expect at this hotel.  

Americans were also engaged in the industrial development of Tel Aviv-Jaffa, but there were numerous barriers to the success of these ventures. In March 1927, the Urban Settlement Department of the Palestine Zionist Executive organized a meeting of American capitalists who were visiting Tel Aviv. Mr. Stone, the secretary, and Mr. Rodovsky expressed their trepidation regarding investment in Palestinian industries. Stone complained of high salaries, wasted money, and unfair administration. Rodovsky expressed a need for change. The Mandatory government, he charged, did nothing to assist the development of industry; indeed, in certain instances it actually hindered growth—for example, by placing heavy duties on raw materials. Second, he saw a need for public participation through the purchase of locally manufactured goods. Third, Rodovsky called for the Histadrut to cooperate in the endeavor and not obstruct it.  

Another example of private American initiative is Shimon Zeev Levine of Chattanooga, Tennessee, who immigrated to Palestine in 1922. Until he relocated to Herzlia in 1924, he operated a cigarette factory called Ashna on Ahad Haam Street in Tel Aviv. He also marketed his products in a retail store in Tel Aviv.  

The Jewish leather processing industry in Palestine began on a small scale under primitive conditions but expanded during the 1920s. The 1921–22 census of Jewish industry listed only one tannery with three workers; this was located at Motza, on the outskirts of Jerusalem. The industry increasingly
specialized in cattle hides and became geographically focused in the Tel Aviv-Jaffa area. By 1926 there were six Jewish tanneries: three in Tel Aviv, and one factory each in Motza, Haifa, and Acre. Three years later, however, only four of them remained in operation—three in Tel Aviv-Jaffa and the one in Motza. American entrepreneurs were involved in the expansion of this sector. In January 1923 it was reported that “[The Shapiro Tannery in Tel Aviv] is a new concern, with paid-up capital of $10,000, that is manufacturing cheveau, chrom and other kinds of leather. The Near East are heavy importers of leather articles. This fact is of vital importance to those interested and experienced in the leather business, for they can see that the ‘Tannery Co.,’ properly financed, will, after enlarging its plant and providing better machinery, be in a position to gain possession of the leather markets in the whole of the Near East.” A year later, however, the tannery had closed; the chief reason for its failure was the lack of funds required for rational organization of the work.

David Naphtali Diamant and Ch. Kvasnievsky developed the Bourskai, Palestine Leather Factory in a building in Jaffa rented from Arabs; its offices were in the Wilson House on Ramban Street in Tel Aviv. As of 1923, £E1,900 was invested: £E1,100 in immovable property and cisterns, and £E800 in liquid capital, tools, implements, chemicals, skins, and leather. The factory received loans from the Zionist Organization, Kupat Milveh, and Louis Topkis. Topkis’s interest provided the factory with certain advantages. As Zeev Jabotinsky explained to the Palestine Zionist Executive, Topkis was an important supporter of the Keren Hayesod and other Zionist projects. Jabotinsky suggested that the executive help the operation by obtaining an appropriate site for the factory in Tel Aviv and assist in the process of rescheduling its loans.

Various reports describe attempts by Americans to invest in the leather industry. According to one active American Zionist, Julius Haber, “A Chicagoan named Leopold Lowenstein sought the authorization from the Zionist Organization of America to raise funds for establishing a saddle-making shop in Jaffa, to employ fifty Jews.” Haber also mentioned that “a group in Syracuse organized a $50,000 corporation to open a tannery in Jaffa for the processing of native hides.” Another report describes the Association of American and Palestinian Leather Workers established in New York to develop the leather industry in Palestine. The organization’s members each invested $20 for a total of $20,000, and then entered into negotiations over the development of the industry in Palestine.

Americans attempted to transfer textile industries to Palestine, but only one took root in the Tel Aviv area. In 1932 the building of the “Meshi” artificial silk factory commenced at Ramat Gan. The owner of the factory, Isaac Sacks of Paterson, New Jersey, operated a similar concern in the United States. To insure a sufficient supply of energy for the factory and other new
developments nearby, the Palestine Electric Corporation set up a transformer nearby. It is noteworthy that Sacks purchased £P4,000 in shares in the utility. To assist the new factory, which was to provide employment for 100 workers, the Ramat Gan Council provided certain tax exemptions and reduced water rates. Sacks invested over £P150,000 in Palestine, including £P77,320 in the factory. It must be emphasized that from the outset, the factory operated at a disadvantage, particularly vis-à-vis international competitors. The cost of Japanese labor, for example, was one-fifth that of Palestinian labor. High duty on raw material and low tariffs on manufactured goods would further hinder the growth of this industry. Nonetheless, the factory held out the promise not only of employing Jewish workers but also of encouraging the growth of cocoon production by the agricultural sector. In 1933 there were sixty-six mechanical looms in Sacks’s factory, with another twenty en route from the United States.81

One of the most successful American enterprises established in Palestine was the American Porcelain Tooth Manufacturing Company, Ltd.—although it was initially expected to fail because of the limited market for its products in Palestine. Lithuanian-born Samuel Simon Bloom immigrated to the United States in 1882 at the age of twenty-two and slowly built up a successful artificial tooth factory. He developed strong Zionist sympathies, visiting Palestine and taking an active role in fund-raising. As early as the 1909 American Zionist convention in New York, he expressed his intention to open a branch factory in Palestine. Bloom later became affiliated with the Brandeis group.82

In 1926 Bloom settled in Palestine, founding a factory on Maged Street, Nahalat Itzhak, Tel Aviv. At that time, international demand for artificial teeth exceeded the supply. The factory required no specialists, and Palestine afforded relatively cheap labor. Eighty percent of the employees would be girls aged fourteen to twenty, whose work would be clean and easy. By February 1927, it employed 42 workers and was operating at 50 percent capacity, producing 15,000 teeth a day. It was hoped that the factory would eventually employ between 200 and 250—possibly even 500 workers. However, conditions in Palestine were not conducive to this industry, for the raw materials it needed—feldspar, gold, and platinum—had to be imported with a 12–15 percent ad valorem duty. Since completed artificial teeth were admitted into Palestine custom-free, Bloom thought that it was illogical to tax the raw materials.83

On 26 February 1927, Bloom, “very bitter,” announced that he would soon close the factory, in which he had already invested £P10,000. He believed that his efforts to succeed had been hindered by many factors. He protested to the Executive Council of the Zionist Organization in London, writing, “I am compelled to seriously consider giving up my task and closing the factory. And why? Because the mismanagement of the Zionist Office
holders here is unbearable for any truthful Zionist.” He went on to explain that he had been promised assistance regarding exemption from duty on raw materials. Furthermore, he had gotten caught up in the rivalry between different national bodies—for example, the mayor of Tel Aviv had prevented High Commissioner Lord Plumer from visiting the factory. Bloom was warned that to avoid trouble he should join the Histadrut and hire only Histadrut workers.  

Despite Bloom’s threat to shut down the factory, his product gained a good reputation among dentists in Britain and was much in demand. In 1929 the factory had fifty-eight employees receiving £P3,250 in wages annually. The capital invested in the factory was £P7,003. Expenditures on raw material and energy were £P3,536 and £P459 respectively, with principal expenditures totaling £P7,245. That year production reached £P10,776. At the end of 1932, seventy-two workers were employed and were considered highly skilled in their trade; in fact, the high quality of their products led to

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Fig. 34. Interior of the American Porcelain Tooth Manufacturing Company, 1931. (CZA photograph collection 696)

attempts to imitate the company's trademark. By 1934 approximately 180 workers were employed, and artificial teeth held an important place in the Palestinian export economy. Louis Brandeis took particular pride in this enterprise: "The sale of £10,000 [in 1930] of artificial teeth to England is an indication of what Jewish ingenuity, courage and determination can achieve for Palestine."

The local construction industry attracted Samuel Wilson, who had been a mason and contractor in Hartford, specializing in bakers' ovens. Wilson began to build private homes in Palestine in 1909, and after World War I, his early initiative provided the foundation for a successful building career in Tel Aviv. He emphasized the professionalism and integrity of his enterprise by including the words "American Contractor" in his logo. Wilson may well be the entrepreneur mentioned in this excerpt from an American consular report: "A Palestine-American factory in Jaffa which has supplied building materials for 40 houses intends to increase its production and improve its equipment."

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TABLE 24
Palestinian exports of artificial teeth and industrial products

<table>
<thead>
<tr>
<th>Year</th>
<th>Exports of artificial teeth (£P)</th>
<th>Industrial exports (£P)</th>
<th>Artificial teeth as percent of industrial exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>1930</td>
<td>10,325</td>
<td>365,350</td>
<td>2.82</td>
</tr>
<tr>
<td>1932</td>
<td>13,429</td>
<td>312,392</td>
<td>4.30</td>
</tr>
<tr>
<td>1934</td>
<td>28,585</td>
<td>294,243</td>
<td>9.71</td>
</tr>
<tr>
<td>1936</td>
<td>34,431</td>
<td>417,078</td>
<td>7.72</td>
</tr>
<tr>
<td>1938</td>
<td>30,732</td>
<td>639,604</td>
<td>4.80</td>
</tr>
</tbody>
</table>


Tel Aviv attracted numerous American professionals. In 1922 there were twelve American professionals out of 383 enumerated. In the field of education, New York-born Isaac Meir Kanowitz studied at Columbia University and the Teacher’s Seminary, New York. Arriving in Palestine in 1924, he taught in Tel Aviv and eventually became headmaster of one of the city’s high schools.

Americans were elected to the municipal council as well. Nathan D. Kaplan, a Chicago attorney and leading Zionist in the American Midwest, immigrated to Palestine in 1927. He was a member of the Tel Aviv municipal council from 1936 to 1941. He was chosen to be mayor but refused the post, saying that it should go to a native-born citizen. Zvi Lavon also served on the Tel Aviv municipal council. Samuel Wilson served as the chair of the Tel Aviv building committee, as a member of the town’s executive, and as the head of the volunteer firefighters.

From the activities detailed above, it is clear that Americans played a variety of roles in the development of Tel Aviv and its vicinity. They helped expand the housing supply through the redemption of lands as well as the construction of houses and neighborhoods. Moreover, they also expanded the industrial and commercial sectors. Two factories were especially significant in the period between the two World Wars. Between them, Mersh and the American Porcelain Tooth Manufacturing Company employed hundreds of Jewish workers and helped facilitate the absorption of new immigrants.

HAIFA AND MOUNT CARMEL

Haifa developed rapidly during the late Ottoman period, eventually overtaking its neighboring rival Acre in population and the amount of built-up area. In 1880 it had 6,500 inhabitants; this number increased to 24,000 in 1922. Linking the Hijaz railroad to Haifa in 1905 gave further impetus to
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its progress. From 1895 to 1922, the city's Jewish population multiplied at an even faster pace—from 810 to 6,230, close to an eightfold increase.

British intentions to transform Haifa into the principal port of Palestine augmented the city's status, inducing interest and drawing investment in land and industrial projects. Discussions in the 1930s concerning an oil pipeline from Iraqi deposits to Haifa enhanced the city's importance. New industries and the Palestine Electric Corporation benefited the city and attracted new residents. Government and Jewish institutional administrations for the Northern District of Palestine were located in Haifa. In 1931 the city had 50,500 residents, of whom 31.7 percent were Jews. Over the following eight years, the Jewish population grew to 69,000, chiefly because Haifa attracted a large portion of the Central European and Polish Jewish migration. Advertisements placed Haifa in the center of the world, with the Levant and Iraq as its hinterland. American Jews invested in the development of new residential neighborhoods and in commercial structures such as the business center. However, only a small percentage of Jewish American immigrants settled in Haifa.

The Palestine Land Development Company played a pivotal role in the city's development. It purchased over 10 million square meters in the first decade of British rule and, in turn, commissioned the planning of neighborhoods, their parceling, and initial development. Plots were sold directly to purchasers or buyers abroad through agents, such as the American Zion Commonwealth. Additional companies, some of questionable repute, offered other tracts for foreign investors.

The American Zion Commonwealth purchased various tracts in the Haifa area with the intention of reselling them in America. Although it took no active role in the development of these tracts, the company assumed a moral responsibility toward the American Jewish consumer. It realized that if it did not fully serve the requirements of the American public, potential purchasers would turn to other real estate agents, some of whom had rather questionable business practices. By contrast, the AMZIC demanded that honest business practices be followed in this mission of national importance. Through the efforts of the Palestine Land Development Company, plans were drawn up and the new neighborhoods subdivided into plots, with areas set aside for roads, parks, public space, and buildings. The AMZIC was provided with maps and detailed lists of the lots it could sell in America.

The Palestine Land Development Company and the Palestine Real Estate Company purchased the land of Hadar Hacarmel before World War I, and conducted parceling and development. A provisional committee was organized to steer the area's development and expansion. Acknowledging the sizable number of owners who lived abroad, the PLDC arranged that two of the nine committee members represent the interests of foreign owners. In 1924 the American Zion Commonwealth purchased 15,625 square meters,
the equivalent of 25 lots, for £E3,300 ($16,500) for sale in America. The price per lot ranged from £E100 ($500) to £E180 ($900). Due to the heavy demand, seven additional plots were offered and sold in the American market. This led to problems, however, as these seven plots were occupied by local inhabitants who had built wooden barracks there. Although they were squatters, they intended to eventually pay for the land, and their tenancy had received the approval of the Vaad of Hadar Hacarmel. The PLDC had full knowledge of the sale of these seven plots, but since it had not received immediate
payment from the American purchasers, decided to sell the land right from under them.

The Vaad viewed with trepidation the purchase of lands under its jurisdiction by Jews residing in the Diaspora. The committee was wary of purchasers abroad who did not intend to take up permanent residence but rather were involved in speculative activities. This would likely escalate land prices and retard development by creating a market out of reach of potential buyers who did intend to take up residence there. Moreover, foreign owners generally did not pay taxes to the Vaad, and these were necessary for the development of the area’s infrastructure. Further complications had arisen because the PLDC sent incomplete information to the AMZIC in New York. The AMZIC then sold lots at incorrect prices, in some instances with the wrong area being quoted or the wrong zone, and this led to confusion among the purchasers.  

By the 1930s, Hadar Hacarmel had become an affluent neighborhood. Bernard Rosenblatt, the founder of the American Zion Commonwealth, settled there with his family in 1930. At first he rented a house while building his own at the corner of Balfour and Melchett streets. Rosenblatt’s memoirs outline some of the difficulties he experienced in building his house and link these to his being an American: “We wanted to build a modest home,” he explained, “but our architect would have none of it. He was building for an American family, he said, and he was no more to be overruled than the typical American Jewish waiter in a restaurant in New York. The result was that three years later we sold the house because my wife objected to rented quarters.”  

A larger transaction, lands in the Central and Western Carmel, was negotiated between the Palestine Land Development Company and the American Zion Commonwealth. Architect and planner Richard Kaufmann designed the schemes for these areas. In 1924 the AMZIC bought 140,000 square meters, the equivalent of 140 lots, for £E6,600 ($33,000). Although this area was deemed attractive by foreign investors, local settlers disagreed with this judgment. They thought it was too isolated, too far from the city center, and suffered from antiquated and inefficient road connections. In addition, they pointed out, the topography would make it more difficult to develop. Only in the 1930s, with the large wave of German Jewish immigration, did development take place in these areas.  

Another portion of Mount Carmel in which the American Zion Commonwealth sold lands was the “Red Carmel,” better known as Neve Shaanan. Founded in 1921, this area had the advantage of a subtle topography and protection from maritime winds, yet its disadvantages included proximity to the swampland of the bay and the lack of a road connecting it to Haifa (this was not constructed until 1926). Although there were 230 members of the organizing group, its first settlers numbered approximately 100. By 1926
Neve Shaanan's population had increased to 600. The AMZIC offered 85 one-dunam plots in this settlement, located in four zones. The prices were $400, $500, $550 and $600 for each area. By 1926 only 22 plots had been sold, the majority in the most expensive zone.\(^9\)

Another campaign for Haifa land sales, Carmelia, began in July 1926. This area lay west of the Central Carmel area. As it became increasingly evident that the American Zion Commonwealth was undergoing financial difficulties, the company looked to serve as an intermediary rather than as a developer. It justified this transaction because it recognized the considerable interest in the American market for lands on Mount Carmel. In addition, the AMZIC could combat so-called real estate agencies selling so-called “Carmel land” at very high prices. Moreover, sales could be conducted simultaneously with the Afula and Haifa Bay campaigns without hindering them. Finally, it was argued, this transaction would not entail additional expenditures; on the contrary, it would yield extra profits that would cover the company’s budget and increase its capital reserve.

The owner of the Carmelia land, Yehuda Itin, was intent on selling it in the United States. So as to block or eliminate competition, the AMZIC was willing to purchase the entire holding, which consisted of 439,425 square meters divided into 303 plots. The transaction involved $270,000 worth of land, 49 percent of which was already sold by November 1926. Solomon J. Weinstein considered this sale “somewhat satisfactory,” but a downward trend in the land market was apparent. Over the following year, only an additional 5 percent of the land was sold in the United States. With the financial failure of the AMZIC, a syndicate was created to take over the Carmelia project. This group assumed the $92,057 debt for the balance of payments of plots previously sold and the sale of 140 unsold plots valued at $123,500. The entire tract of land was transferred and registered in the name of the group’s treasurer in May 1928. Two years later, the administration of sales was transferred to the New York Achooza Aleph.\(^9\)

The America-Palestine Agency for Land Transactions was also involved in Mount Carmel land sales. In a detailed brochure, the agency described its aim as the redemption of building plots and agricultural lands at inexpensive prices and on easy terms. It announced the redemption of more than 4,000 dunams on Mount Carmel from non-Jews. Noting that one of the agency’s principles was “carefulness and exactness,” it emphasized that this area included lands for which they actually had kushans—not land in the process of being purchased. The agency claimed 2,000 plots atop the Carmel in an area it called Rom Hacarmel. The three-dunam plots would assure light, air, a view, and no crowding. In addition, lands were set aside for public gardens and forests, as well as roads wide enough to accommodate electric trams. The brochure claimed that the majority of the plots were sold to American Jews, who would be pioneers in building the city, investing
their energies in its improvement. This advertising campaign was in fact chiefly directed toward the Jewish population of Palestine. Tracts were also marketed in Europe.\(^9\)

In 1924 the Palestine Land Development Company had this tract investigated. Richard Kaufmann was convinced that because of the large number of gullies, it would be impossible to carry out the original plans. Engineer Nahum Paper claimed that the company had misrepresented the extent of its holdings. The map of Rom Hacarmel included parts of Achuzat Herbert Samuel and Abu Dib, neither of which belonged to the company. Precisely because of its difficult topography, Rom Hacarmel had been rejected by the PLDC. All in all, the land was inappropriate for the proposed development. A 30 percent building allowance was deemed more fitting; the agency’s plans—designed as if for a flat terrain—were grossly unsuited to the topographic reality.\(^9\) Moreover, the America-Palestine Agency was entangled in a legal dispute over the tract’s northern boundary. In the end, this area was not developed during British rule.

The Menorah Palestine Building Corporation offered Americans the opportunity to purchase building plots in its development of Hod Hacarmel A, adjacent to Rom Hacarmel. Its circular suggested to purchasers: “Take a direct part in the upbuilding of Palestine. Become an owner in one of the most beautiful parts of the Carmel in Haifa. Every Jew should possess a home in the Jewish Homeland. It is a praiseworthy step towards its upbuilding. A safe and profitable investment for you.” The company conducted its affairs through a New York office. Two-dunam plots were offered in an area that also included space set aside for public buildings and parks. Roads, water, and sewage were to be provided at the company’s expense. No information has been found regarding prices, although the period of payment was specified as one year. The Menorah Corporation’s advertising campaign succeeded in attracting some American purchasers, including Louis Abrahamson of St. Paul, Minnesota, for example, but details have not been uncovered as to the extent of sales in America. This area was also undeveloped during the British Mandate.\(^9\)

The Jerusalem-American Land Company also focused its activities in Haifa. Abraham Aaron Spector, a prominent Haifa resident, was involved in the process. In miscellaneous documents, references to a few tracts have been found. As of the end of 1928, the company had three unsold tracts in Haifa: the 13,409-square-meter Keller parcel and the 13,256-square-meter Rehald tract, both near the government building; and the 1,588-square-meter Suliman-Bey Nassif parcel on the Carmel. With the liquidation of this company, two other tracts near Kiryat Eliyahu (Ard El Hayeh) were sold. The first was subdivided into thirty-three parcels varying in size from 19 to 1,500 square meters, totaling 15,222. The second tract measured 12,772 square meters.\(^9\)
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Real estate investment was not limited to residential neighborhoods. A local consortium of Jewish businessmen, with Shmuel Pevsner as its president, acquired land from the Palestine Land Development Company to build a commercial center, which the consortium felt would be instrumental in furthering the development of downtown Haifa. This three-story structure was to include shops, flats (later to be converted to offices), banks, a cinema, a hotel, and two restaurants. Arthur Ruppin and Max Shoolman of Boston negotiated the funding for this commercial center, and in 1925 Shoolman’s son arrived in Haifa to supervise the project. An article in *Palestine Correspondence* explained Shoolman’s involvement.

Max Shoolman of Boston did not stage a full-dress debate on the question of investments versus money provided for Jewish Reconstruction in Palestine, a fond perdu. A hard-headed business man, accustomed to doing things on a large scale, Mr. Shoolman was attracted to Palestine via his work as Chairman of the Keren Hayesod in Boston. He had come, he said, to look things over and concluded his visit by advancing to the Jewish businessmen of Haifa, the town that is beginning to throb with new life and hope, about $200,000 for a period of about 15 years. The one to interest Mr. Shoolman in Haifa and its possibilities was Mr. Isaac Harris, a prominent Boston Zionist, who has come to Palestine for a year and Mr. Harris became interested in Haifa because his three children are going to school there. Both Mr. Harris and Mr. Shoolman, having become interested in Haifa are now Haifa boosters. They are contemplating the building of a school-house and theater [and] have purchased some land on Mt. Carmel and are proud of everything in Haifa.

In 1933 a syndicate was organized to buy the properties of the Count Selim Jedid of Alexandria. In 1925 the count had purchased large tracts in northern Palestine. He died in 1927, and his estate remained unsettled until September 1933, when, through a decision by the Privy Council in London, it became possible for his heirs to dispose of the larger part of these lands. The syndicate was headed by Bernard Rosenblatt and Joseph Loewy, and relied on information from Dr. Abraham Weinschall, the lawyer handling the estate. Loewy was a Rumanian-born Jew, educated and trained in Germany. He pioneered the development of Haifa Bay lands and was among the founders of Nahariya and Yaarot Hacarmel. The count’s lands included a tract stretching from Hadar Hacarmel to the Central Carmel, a large stretch of land near the port of Haifa, and large areas in and around the old town of Tiberias.

All in all, Haifa was a most attractive place for American investment in urban properties in Palestine. However, as noted above, the city was home to only a small number of Americans—272 in 1938. Among their ranks were a number of professionals who found homes and employment.
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opportunities in this rapidly developing port city. In 1922, five American professionals (two doctors, two engineers, and one nurse) resided in Haifa. A few examples will illustrate the achievements of American professionals in Haifa. Aaron Joseph Agranat, an American dental surgeon, practiced in Haifa and was elected president of the Palestine Association of Dentists. Perz Willard Etkes was a prominent engineer who arrived in Palestine in 1920. His previous experience included work at General Electric Company workshops at Harrison, New Jersey, and the Public Service Commission of the State of New York. In Palestine he started as clerk of works in the Public Works Department and was promoted to senior execution engineer in 1929. During his career, his achievements included the building of 500 kilometers of main roads and most of the important bridges in Palestine. He was also involved in the maintenance of Haifa harbor from 1933 to 1943. Eliyahu Einzelbauch, a leader of the American Mizrachi, immigrated in 1931 and served as a rabbi at Eliyahu Hanavi synagogue in Haifa.

American Jewish settlement and investment were underrepresented in Haifa. The city had a positive image as an aesthetically attractive city offering economic opportunity. Further, Haifa symbolized the modernization of Palestine. Yet it appears that these factors were not sufficient to rival the attractiveness of Tel Aviv or Jerusalem, the two cities where American Jews were overrepresented.

Hebron

Toward the end of World War I, the Jewish community of Hebron numbered some 700, declining to 430 in 1922. American Jews attempted to reinforce the Jewish presence in this holy city, and in 1924, with the financial assistance of a group of New York Jews, Knesset Israel Yeshiva of Slobodka was relocated in Hebron. This signified the return of one of the centers of religious study to Palestine and the revitalization of the holy city of Hebron. Students from Lithuania, Poland, and even the United States attended the yeshiva there, and some of them settled permanently in Hebron. In 1929, thirty-six of 194 yeshiva students were Americans. Rabbi Leo Gottesman, an American himself, explained the attraction to Hebron.

It would have been unnatural, therefore, if our practical efforts to reclaim Palestine as [a] national homeland had not included an earnest endeavor by the contemporary leaders of Jewish Torah-culture to rehabilitate the land in its deeper sense as Palestine. . . . One of the noteworthy undertakings of this character has been the transfer of part of the Yeshivah of Slobodka to Hebron. Long famous as a seat of the highest Torah-culture, this Yeshivah had been a center to which many of the most promising young scholars of Eastern Europe flocked to imbibe Torah at the feet of revered teachers. One perceives, however, the importance of Palestine to modern Jewry from the
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fact that no sooner did the Slabodka Yeshivah become the Hebron Yeshivah than it took on a broad national character and began to attract young men even from America—devoted students of Torah even from the land which, it had once seemed, could produce only pessimists and skeptics on the subject of traditional Judaism. 102

The transition to Hebron was trying for Americans; the standard of living there was low, for the infrastructure had not developed as in other cities and the local Arab population was hostile. Gottesman continued,

I had found a good deal of difficulty in locating permanent quarters in Hebron that would suit my tastes and standards. Many of the young men who came to study in the yeshivah were easily accommodated in the not very comfortable homes of some of the Hebron Baale Batim [homeowners]. Where they came from they had not been accustomed to better living conditions. In my case, as with a number of other American boys, I was not easily suited; and most of those who owned modern homes were disinclined to take in roomers. 103

The Brooklyn-based kosher food manufacturer Israel Rokeach attempted to establish a colony for Orthodox Jews (not necessarily Americans) in the vicinity of Hebron. Originally he “intended to give $20,000 to a fund which should give to twenty Jewish artisans $1,000 on a first mortgage” for houses that would be established near a large Jewish colony. Wives and children could assist in supporting the family by cultivating a small plot of land. After a conversation with Rabbi Moses Mordechai Epstein, the head of the Knesset Yisrael Yeshiva in Hebron, Rokeach agreed to the idea of establishing such a settlement near Hebron. These plans coincided with the 1924 relocation of the yeshiva from Slobodka, which had been made possible through contributions from American Jews. Thus the new settlement Rokeach agreed to sponsor would be “in the same form as Tel-Aviv near Jaffa”—a new Jewish town near a predominantly Arab city—and he considered buying a tract and donating some of the land to the yeshiva. 104

To this purpose Dr. Isaac Levy, manager of the Anglo-Palestine Company, was engaged to buy 100 dunams near Hebron. Levy, an agronomist by training, served as an inspector of agriculture for the Ottoman government and then as the manager of the Jewish Colonization Association colonies in Judaea from 1901 until 1904. He was later employed by the Geula Company to locate lands for purchase, survey them, and negotiate with the Ottoman authorities. In 1904 he began his many years in the employ of the Anglo-Palestine Company. In 1926 he obtained 500 dunams approximately six or seven kilometers from Hebron, but this tract proved unsuitable for Rokeach’s purpose, and Levy hoped to recover at least part of the deposit. 105

It appears that further attempts to establish a settlement near Hebron were aborted in 1929, when the Jewish community in that city suffered a
catastrophe during the riots. As conveyed in a telegram from the American consulate in Jerusalem, Americans in Hebron were among the victims: "Moslem attacks on Jews at Hebron Friday and Saturday resulting in 45 Jews killed, 51 seriously wounded, 20 slightly wounded of which Mr. Simon, of the Consulate General recognized a number of wounded and 12 dead all American students Slovodka-Talmudic school." Following these attacks, the entire Jewish population abandoned the city, bringing an end to the American Jewish presence in Hebron during the British Mandate.

**SAFED AND TIBERIAS**

Because of their status as holy cities, Safed and Tiberias attracted American Jewish residents. The Jewish populations of these cities were mostly affiliated with the Old *Yishuv* and numbered 2,700 and 3,100 respectively in 1918. During the British Mandate, Safed's Jewish population declined, to 2,000 in 1939, while Tiberias's Jewish population steadily increased, reaching 7,000 in 1939. Information is scanty regarding American residents of these two cities, although it is known that their settlement predated the British Mandate. They too suffered from events connected to the war, and some were exiled. The majority of American inhabitants were members of the Orthodox community; for example, the *mohel* (ritual circumciser), Rabbi Wolf Lauterbach, was originally from New York. As of 1923, twenty-five individuals from America were receiving support from Kollel America in the two cities. By the mid-1920s at least thirty-two families were registered by Kollel America. The American consulate registered three Americans in Safed and two in Tiberias who obtained provisional certificates of Palestinian citizenship. As with Jerusalem, these cities generally attracted an elderly American population who desired to live out their last days in a holy place. Not all the American population was connected to the Old *Yishuv*, however. The Hadassah medical organization operated a hospital in Safed, and among its personnel were some American doctors and nurses.

Americans invested in land on the outskirts of Tiberias. Beginning in 1927, Bernard Rosenblatt organized the purchase of the Tiberias Hot Springs concession. He was the largest stockholder in the company that was formed to develop the spa, which tapped into subterranean thermal springs. Rosenblatt organized a holding company with an authorized share capital of £P55,000 in 1929. He found investors in Palestine and South Africa but not in America, because of the economic crisis there. In the mid-1930s, Africa Palestine Investments assumed a large financial stake in the company. Unfortunately, the enterprise did not produce the profits anticipated in the company's prospectus, for the spa failed to attract a large number of visitors.
As previously discussed, the Afula purchase consisted of two sections, 5,000 dunams to be developed into an urban center and an agricultural area of 11,000 dunams. Afula was to become an industrial and shopping center for the Plain of Esdrelon.\textsuperscript{109} It was assumed that Afula's development was guaranteed to accelerate due to its prime location on transportation routes, both rail and highway, within Palestine and internationally.

The Valley City (Afula) was designed by Richard Kaufmann as a focal point for the Jezreel Valley. Situated at the crossroads of the north-south axis from Jenin to Nazareth and the east-west axis from Haifa to Damascus, it possessed the advantage of superior location. It was also in the heart of a growing hinterland of Jewish agricultural settlements. Kaufmann envisioned the development of the city through the introduction of industry: canning factories would process fruits and vegetables from the surrounding agricultural settlements, and there would be tobacco, sugar, and textile industries as well. Furthermore, Afula was intended to serve as a center for the repair and improvement of farm machinery and implements, and possibly their manufacture. Afula could also function as the site of hospitals, asylums, and other medical and veterinary services. Kaufmann wanted to create a city that would develop organically.
A city organism must be compared to a human or to an animal organism, an organism whose life center is fed by means of a certain system, which divides into certain sections of the organism which streams out and together which concern [sic] in the building of the system and upon this foundation, the whole mass becomes a living organism. So is the system of this place to be compared which from the heart of the organism streaming from larger canals leads into the finest arteries [and] carries the living elements of the district into the structure of the organism of this place. Also to be compared is the inhalation system of the city with the lung and respiratory system in order that the organism of the city may be completely supplied with fresh air.  

With the railroad station at its heart, Afula was divided into distinct sections—commercial, heavy industry, light industry, workmen’s neighborhoods, and garden neighborhoods—spreading out in a radial pattern. This design would segregate different land uses in different areas and insure sufficient space for future expansion.

Raising funds for this project was a drawn-out affair. In 1925 the American Zion Commonwealth had entered into negotiations with Sir Elly (Eliezer Silas) Kadoorie, a millionaire philanthropist who was the president of the Keren Hayesod in Shanghai. Kadoorie was asked to organize a group
of Far Eastern Jews who would provide financial support for a new garden and industrial city, which would be named “Kadooria” in his honor. At the outset, the intent was to develop 3,000 dunams in the radial section on the road to Haifa, which could later be enlarged and grow toward the port city. The AMZIC agreed to provide the land without receiving any compensation; money for settlement would be collected through a special fund of the Keren Hayesod. Dr. Ariel Bension, a local Sephardi leader and Keren Hayesod emissary to the eastern Jewish communities, was to serve as the managing director of the project in Palestine. But less than half-a-year after the agreement was signed, the AMZIC appeared to have doubts whether Kadoorie would fulfill his commitment to raise a minimum of £15,000 per annum over five years. The AMZIC later offered him an opportunity to select an alternate location for the project either in the vicinity of Tel Aviv or Haifa Bay. However, nothing came of this project.111

The first stage of Afula’s development was the razing of the Arab village to allow for the development of the modern Jewish city. The land was transferred in October 1924, then it was surveyed and the town plan laid out. In November of that year, when sixty Jews went out in a wagon convoy to plough the land, hostilities erupted. Some fifty Arabs attacked the convoy, and a skirmish ensued, leaving one Arab dead and a number of persons wounded on both sides.

Despite this setback, the American Zion Commonwealth began to develop Afula’s infrastructure. A well was bored, and when water was found at 90 meters, the boring continued to 110 meters. Engineers erroneously presumed that they had tapped an underground river originating at Mount Hermon, and thus early reports claimed sufficient water for 15,000 inhabitants. Streets and roads were laid out. The position of Afula was augmented when it became a township on 1 May 1925, under section 2 of the Town Planning Ordinance of 1921. The township comprised land in a radius of 1.5 kilometers from the railroad station, together with all lands within a 2.5 kilometer radius to the south and southwest of the same point. On 1 July 1925, the founding of Afula was celebrated, and several notables of the Yishuv were in attendance.112

To enhance the new city’s status and accelerate its expansion, the American Zion Commonwealth negotiated with Pinhas Rutenberg to erect an electrical substation at Afula. The AMZIC offered the government of Palestine four dunams near the railway station for a police station with stables. The government agreed and constructed the station, which served the entire Jezreel Valley. In addition, a postal, telegraphic, and telephone office was built. In 1926 government authorities decided to establish a regional hospital for the Jezreel Valley. The AMZIC lobbied various organizations in Palestine and the United States in an attempt to have Afula chosen as the site. Kupat Holim, the main financier behind the project, preferred other
sites in the vicinity, near Kfar Hayeladim or at Kfar Yehezkel, and the latter location was chosen. This decision dealt a serious blow to the new urban center by removing a potentially major employer and an important service from the city. However, another event proved more auspicious. On 16 April 1926, Rabbi Dov Kook, brother of the chief rabbi of Palestine, was inducted into office as the rabbi of the town’s new synagogue. This eminent scholar’s presence enhanced the settlement’s status, particularly for the religious population. 113

By June 1926 a number of stores and small industries were established in Afula that engaged in transactions with farmers in some of the surrounding villages. Yet Afula did not develop at the rate expected nor to the dimensions envisioned. In 1931 its population reached 874, and grew to only 1,354 by 1936. In 1941 the population stood at 1,650. 114

There were a number of reasons for the city’s stagnation. Some contemporary observers saw its lack of growth as an expression of the general economic crisis of the period. Zionist settlement policy was also blamed for showing preferential treatment to rural settlement over urban. 115 Later observers pointed out that the American campaign had begun to falter: “Due to the fact that Afula is at present entirely discredited and therefore, unpopular with the public, the sales in the colony are extremely disappointing.” Sales were poor, and requests were received for the cancellation of contracts and return of money paid in. Shimon Levine of Herzlia learned from Afula’s experience. “I saw to it that we’d (in Herzlia) have none of the sort of goings-on that I saw in Afula,” he asserted, “where they sold corner plots opposite the site designated for the opera house for $995.” 116

It appears that Afula’s development was hindered by the attitudes of the socialist organizations in Palestine as well. Afula represented a capitalist venture in contrast to the kibbutzim and moshavim in the surrounding areas. The city offered religious services, adding to the ideological contrast between urban and rural settlement. 117 Furthermore, many of the outlying settlements had developed closed economies, and thus they were less in need of the services offered by the new town. When outside services were needed, rural settlers often turned to Haifa instead.

**American Garden Villages**

During the British Mandate, a series of garden suburbs or garden villages was planned in areas around cities throughout Palestine. The idea was clearly drawn from the work of British town planner Ebenezer Howard. In *Garden Cities of To-Morrow*, Howard reintroduced a concept of city planning drawn from the ancient Greek tradition that recognized a natural limit to the growth of an organism or organization. His scheme represented a reaction to the uncontrolled organic expansion of cities, with attendant congestion, slums,
and pollution. Howard was of the opinion that from the beginning a city must be limited in size, density, and number of inhabitants. It should have all the essential urban functions—namely, business, industry, administration, and education as well as parks and private gardens—to insure a pleasant and healthy environment. An important aspect of this planning was that the new urban unit would be encompassed by a permanent agricultural greenbelt. This would guarantee close proximity of the rural surroundings and inhibit urban sprawl. Howard figured that a garden city would ideally have a population of 32,000, with 2,000 in the neighboring agricultural zone.\(^{118}\)

In the Palestinian setting the garden city took on the form of a garden suburb. The Ahuzat Beit project, the area of Jaffa that developed into the city of Tel Aviv, has been referred to as the first garden city in Palestine. In essence, this 1909 pioneer project created a relatively spacious residential area, with formal by-laws that controlled density and land use and promoted a green setting. Building was permitted on only 30 percent of the land. Furthermore, a building setback of at least three meters from the road was required, and this was reserved for gardens. However, the by-laws did
not integrate the wide range of urban activities that Ebenezer Howard had foreseen in his conceptualization. For example, no provision was made for commercial activities.119

Following World War I, the garden city concept found greater acceptance and expression in Palestine as new neighborhoods were developed with the intention of providing a pleasant environment for residents. The principal stipulations of the garden suburb plan were low densities and large green areas in the form of public parks, boulevards, private gardens, and even green gardens for raising fruits and vegetables that would supplement the income of the inhabitants. Richard Kaufmann, who was well-acquainted with Ebenezer Howard’s ideas and those of the garden city movement in England, integrated many of these ideas into the garden suburbs that he designed for Jerusalem.120 Although Americans were not actively engaged in developing these garden suburbs, many of them chose to live in such neighborhoods because of their attractiveness.

Another form of the garden city, the garden village, was also developed in Palestine. It differed from the garden suburb in that it was located at a greater distance from the city and had a higher level of agricultural activity. This hybrid between the village and the garden suburb found a welcome market among American buyers and immigrants. It allowed residents to live in a rural setting yet have many urban amenities and services. Furthermore, the garden suburb offered inhabitants the opportunity to engage in agriculture to varying degrees, from full-time farming to working in the city and living in a house with a large garden.

The principles behind the development of the garden village are outlined in a document found in the American Zion Commonwealth archives; this document lists ten points important in the proper development of garden villages. Although it is unclear who drew up this proposal, the ideas provide a framework for studying three American-initiated garden villages. The suggested location was 9 to 10.6 kilometers from a large town with a strong economy. Travel time to the town by bus should not exceed twenty to thirty minutes. The site should have an ample supply of water and not suffer from malarial infection. Before settlement, a proper infrastructure of roads, water supply, and sewage system must be completed. The document distinguishes four categories of settlers: (1) those who are exclusively dependent on agriculture; (2) those mainly dependent on agriculture but possessing other sources of income; (3) those mainly dependent on nonagricultural income but supplementing that through agricultural work; and (4) those who earn their income in urban occupations but who seek better and healthier living conditions. The land to be allocated to each type of settler was: (1) 25 dunams, of which five to ten must be irrigated; (2) 10 dunams, of which two to three must be irrigated; (3) 5 dunams, of which one to two should be irrigated; and (4) 1.5 to 2 dunams. In cases where all the land had inferior
agricultural potential, provisions should be made for larger allotments. The proposal included total capital expenditure for each type of settler, taking into account the amount and type of land ($50 per dunam for agricultural and $125 for building plots), first improvements (roads, water supply, drainage, and so on), building, and inventory. Estimates for these capital expenses and improvements were $5,000, $3,500, $2,675, and $1,950 respectively.¹²¹

The settlement of Migdal, originally established as an estate in 1910, was developed into a garden village in the 1920s. It had been founded through the investment of Moscow Jews, including Professor Otto Warburg, and covered about 5,000 dunams. During its first years, this strip along the shores of the Sea of Galilee, six kilometers north of Tiberias, was transformed from a barren and distant estate to one planted with fruit trees and irrigated for vegetable cultivation. From the beginning, Moshe Glikin managed the estate, training and employing Jewish men and women. Even though Migdal marketed some of its produce, it was burdened with heavy debts, like the ahuzot of Poria and Sarona. Moreover, regular infusions of capital from Russia ceased with the outbreak of World War I.¹²²

By 1922 Migdal’s liabilities totaled £E100,000 ($500,000); 90 percent of this was owed to the Anglo-Palestine Company and the remainder to the Palestine government. Many of the original Moscow investors had either died or were financially ruined, so Warburg and the shareholders put forward a proposal to develop the estate. Glikin approached Robert Szold, president of the Palestine Cooperative Company, with the request for a loan of $60,000 to help underwrite the proposal. Under the shareholders’ scheme, Migdal would be transformed into a settlement for over 100 families. It would consist of two parts. The first, along the coastline, would be divided into thirty-five to forty residential lots of 10-dunams each that would be sold to private individuals for villas and orchards. The second section was planned for intensive farming; 100 lots of varying size, from 10 to 12 dunams, would be developed there. These plots would be sold in installments. The plan also called for the construction of houses and other buildings, the purchase of equipment, the improvement of irrigation and sewage systems, and provision of communal services.¹²³

Unable to persuade the Palestine Cooperative Company to invest in the scheme, Glikin sold 500–1,000 dunams to the newly established Migdal Corporation, which purchased the land from Glikin at £E10 ($50) per dunam for resale at £E40–50 ($200–250) per dunam in America. In its prospectus, the Migdal Corporation pledged certain improvements, such as streets, boulevards, and planted trees. Salesmen were engaged and received, to Glikin’s dismay, an unheard of 15 percent commission. The American Zion Commonwealth bitterly criticized the Migdal Corporation, emphasizing that it was not a public organization, it was not recognized by the Zionist Organization of America, and made no pretense that it was in the land business.
for the public welfare. However, the Migdal Corporation frankly admitted that it had entered into real estate in Palestine for private gain. Indeed, the Migdal enterprise was netting its investors a considerable profit.\textsuperscript{124}

In 1924 Glikin entered negotiations with a number of New York investors to develop a garden village on another section of the estate. Migdal Garden Villa, Inc., was established for this purpose. Small plots and a more densely developed area were planned, to yield higher profits. During Glikin's 1925 visit to the United States, the American Migdal Hotel Co., Inc., a New York corporation, was established for the purpose of erecting a hotel at Migdal. The sale of shares to Americans would infuse further capital into the area.\textsuperscript{125}

In 1925 Bernard Rosenblatt reported that there were only "12 houses being built, with one or two American families there."\textsuperscript{126} This illustrates the failure of the various Migdal companies to develop the area as promised. By 1932 eight Americans, including Rabbi Abba Hillel Silver, had purchased plots varying in size from 5–20 dunams in the agricultural area (altogether 80 dunams). In the garden village, 205 Americans had purchased 1–3-dunam plots (altogether 281 dunams). In addition, Americans invested thousands of dollars in the hotel scheme. Since nothing had come of any of these projects, the Jewish National Fund organized an appeal to the owners in 1932 to donate their idle land so that the JNF could amass a sufficient tract for a viable settlement there.\textsuperscript{127}

Another group of American investors formed the Nachalat Zion Company to promote the sale of small plots in garden cities in the Galilee. This Boston company's president, Mr. [?] Shankman, met with American Zion Commonwealth representatives and detailed his company's activities. It owned three tracts in Har Canaan, Ein Zeitim, and Kfar Ivri, which the company was in the process of selling to Americans. The first, Har Canaan, was located near Safed. (The history of this area includes many attempts to establish garden cities. For example, the Jewish Colonization Association had purchased 14,500 dunams in the area before World War I, then in turn sold sections of this tract to various organizations.) The Nachalat Zion Company came into possession of 1,000 dunams, for which it paid £E1 ($4.50) per dunam. The land was subdivided into 2,000 lots of 225 square meters, and lots were sold for $20 each. The remaining land, half the area, was set aside for streets. Nachalat Zion gave no details regarding other land use or public buildings. By 1922 the company had sold 250 lots, and its profit per dunam was $40.50.\textsuperscript{128}

This company also owned 500 dunams at Ein Zeitim near Safed. This had been the site of Jewish agricultural settlement from as early as the eleventh century through to the mid-nineteenth century, and in 1891 an association of Russian Jews attempted to revive the village. The lands were entrusted to the Jewish Colonization Association, which brought in
additional colonists. The few who remained at Ein Zeitim in 1914 were forced to leave the colony during the war. It appears that the Nachalat Zion Company purchased a section of the colony from the JCA after the war. It planned to sell 450 dunams in 10-dunam plots at $60 per dunam, though there is no indication of whether the land would be used for agriculture. Fifty dunams were set aside for an orphanage and farm, funded through profits from lots sold at Har Canaan at $12.50 per lot. Ein Zeitim was not
redeveloped until 1925, when former settlers and young settlers from Safed reestablished a community. Their attempt was short-lived; it came to an end following attacks during the 1929 Arab riots.129

The third section offered by the Nachalat Zion Company was 150 dunams at Kfar Ivri. The company advertised 5-dunam lots for $160 each—a price that appears to be incorrect, since it is only half the price of most 5-dunam lots offered in Palestine around that time. The campaign seems to have been quite successful. Twenty-five lots were bought by Americans, though it is unclear whether Nachalat Zion was the intermediary in this process.

The American Zion Commonwealth continued to be skeptical of Nachalat Zion’s real intentions. Solomon J. Weinstein asserted that “the company really had no right to sell the land . . . it is not worth the price that the purchaser pays for it.” The AMZIC was asked “Whether the Nachalat Zion was a meritorious enterprise for the upbuilding of Palestine” and whether the company was fair in dealing with its purchasers. Was Nachalat Zion harming Zionist endeavors in America? In response, the company president, Mr. Shankman, stated, “they do not sell to Zionists, but to any Jews who are interested in buying land in Palestine.” He added, “he is entitled to make profits from Zionism as well as from any other source,” claiming that “Zionism owes him a living as well as America, because he has always been a strong Zionist and he is entitled to benefit therefrom.”130 Nevertheless, Nachalat Zion did not develop its projects at either Har Canaan or Ein Zeitim.

Other Americans made plans to establish another garden city west of Jerusalem. Isaac Feller—an Eastern European immigrant to the United States, an ardent Zionist, and honorary secretary of the Mizrachi of Greater New York—twice visited Palestine before his eventual settlement in 1931. During his first stay in 1925, he bought 131 dunams, and during his second journey, in 1928, he purchased two more tracts of 405 and 374 dunams.131 Feller wanted to establish a residential area for Orthodox American Jews, though subsequently members of the local Orthodox population were also regarded as potential clients. This private enterprise received the support of the Mizrachi organization and the chief rabbinate of Jerusalem.

Feller published a brochure offering purchasers a dunam of land in the Holy Land. The pamphlet emphasized its location just “15 minutes ride from Jerusalem.” The climate was described as “dry, and the air is sweet and healthy,” and the water coming from “sweet, good water wells.” The land was depicted as “good for planting grapes, almonds and olives”—although the tracts offered consisted of only one dunam. Feller’s advertisement played on almost every emotion.

If you want the Holy Land to be in the hands of the Jewish people. . . . If you want to invest your money in secure investment and reap a profitable
If you want the Holy Land redeemed. . . . If you want a spot where you can make a comfortable livelihood. . . . If you want your name inscribed in Jewish History, as one who helped build the Holy Land. . . . If you want to inspire your children with true Jewish existence. . . . If you want to increase Jewish strength, Jewish might, and the existence of Judaism. . . . If you want to strengthen the spirit of Judaism—Buy a dunam land in Nachlas Itzchak, near Jerusalem.132

The tract, south of the Jerusalem-Jaffa road, was parceled into approximately 360 one-dunam plots, with land allocated for roads and a public garden. A dunam plot was insufficient to support a family who intended to make their living from agriculture. Moreover, unlike the property described in the brochure, the land was either rocky and uncultivable or rocky with 20 percent patch cultivation. Information has not been found regarding sales of Nahalat Itzhak in America, although there is evidence that some plots were sold to residents of Jerusalem. Development of the project came to a halt after Isaac Feller’s sudden death in 1934. Two years later, Nahalat Itzhak had a population of 30, and the area included 1,050 dunams, with 115 planted with fruit trees and 415 under field crop cultivation.133 Feller’s garden city was never established, although some of the land was exploited for agriculture.

Another project of note was the Mizrach Hatzair of Palestine’s settlement Kfar Ivri (Neve Yaakov). In 1918 a group of Orthodox Jerusalemites, imbued with the idea of “the Land of Israel for the Jewish people according to the Torah of Israel,” initiated the development of agricultural settlements in order to improve the spiritual and material condition of the religious youth of Eretz Israel. Local rabbi Itzhak Avigdor Orenstein served as the organization’s secretary. In 1921 the organization established the “Kfar Ivri” (Hebrew Village) cooperative society, whose stated purpose was “to establish garden villages in the vicinity of the city for the benefit of its members.”134

Following its registration in February 1922, the society contracted the purchase of 650 dunams to the north of Jerusalem. With the receipt of the kushans in 1924 its members commenced settlement activity. The settlement was named Neve Yaakov in memory of Rabbi Itzhak Yaakov Reines, the founder of the Mizrachi movement. According to the original plans, each settler was to purchase a five-dunam plot; this would allow a settler to construct a house, plant various fruit trees, grow vegetables, and build a chicken coop and barn for dairy cows. Income from agriculture would supplement his other earnings. The society viewed the garden city as a transitional phase from an unhealthy urban life to a healthy one entirely devoted to agricultural activity. Society by-laws required all members and their families to farm their land; it was hoped that what began as an obligation
would in the end become a labor of love. There was also a nationalist undertone to the society’s plan: to provide Jewish produce to the Jewish inhabitants of Jerusalem. Members recalled the shortages that followed the 1921 Arab riots, when Arab women from villages around Jerusalem would not sell their agricultural produce in Jewish neighborhoods.  

Two considerations were factored into Kfar Ivri’s locational decisions. The society favored a tract that would be within an hour’s walk of Jerusalem and preferably along an established road, and, if possible, near a spring. The second prerequisite reflected the need for a secure source of water. With these considerations in mind, two society representatives, Rabbi Orenstein and Dov Natan Brickner, investigated tracts within a ten-kilometer radius of Jerusalem. In the end they selected a tract eight kilometers to the north of Jerusalem in the village of Beit Hanina, even though it did not have a source of fresh water. The society decided that since there was a limited number of springs around Jerusalem, the ideal solution would be to repair existing cisterns and construct large covered pools to store rainwater.

Richard Kaufmann designed the Kfar Ivri settlement, parceling the land into 200 lots of two-and-a-half dunams—half the area originally envisioned by the society. The houses were to be erected close to the road, with barns, coops, and storage buildings behind the houses. The remaining area would be planted with vegetables and fruit trees. The price paid for each plot was £E30 ($150). Land at Kfar Ivri was marketed in the United States by the American Mizrachi organization. Purchasers included 140 individuals and five societies, among them twenty-five Americans and three American groups. None of the American purchasers settled on the land. However, one American family—the Zeligs from Philadelphia—resided in Kfar Ivri from 1934 to 1939. The Zeligs immigrated to Palestine at the insistence of the mother, Haya Sarah, a devout Orthodox woman who feared that if her children remained in America, they would stray from Orthodox practice and assimilate. Kfar Ivri provided a suitable religious environment for the Zeligs.

During the early stages of the settlement’s development, organizers were unable to draw financial support from the World Mizrachi organization and Zionist institutions. The latter opposed agricultural settlement in the Judaean mountains, viewing this region as impractical for viable Jewish colonization. Financial assistance was obtained instead through two loans. The first was from Baruch H. Snor, the treasurer of the American Mizrachi Organization from 1915 to 1918; he provided £E200 ($1,000) for each of the first ten houses. The Brandeis group loaned the society £P250 ($1,250) for up to thirteen more houses.

After reviewing American attempts to build garden villages, it seems clear that their prospects for success were dubious. Migdal and Nachalat
Zion, for example, were near cities that were too small to provide a strong economic basis for the employment of village residents. Nahalat Itzhak, although close enough to a prosperous urban center, competed with the proliferation of garden suburbs in Jerusalem. In addition, lands were sold in each of these three villages before their infrastructure was developed. Almost no account was taken in the plans for different types of settlers in garden villages. Finally, these projects were usually directed toward Americans, the majority of whom had no intention of settling in Palestine. With no critical mass of population to launch these garden cities, they remained mired in the planning stages.
Americans in the Urban Environment

SUMMARY OF URBAN DEVELOPMENT

Most American immigrants to Palestine were attracted to urban areas because these were familiar and suitable to their lifestyle. The majority of American immigrants chose to live in Jerusalem and Tel Aviv-Jaffa. Each of these cities had its special attractions. Jerusalem was for some the Holy City, while for others it was the capital city, with a variety of institutions. Tel Aviv was viewed as the new city of the Zionist enterprise, a cultural center and a city of commerce and industry.

Fewer immigrants settled in Haifa and Afula. Nonetheless, these two urban centers attracted American investors who considered the possibility of moving to Palestine in the future. Indeed, the largest number of urban tracts sold through land agents abroad were in Haifa and Afula. Haifa was seen as the city of the future: nestled on beautiful Mount Carmel overlooking the new harbor yet also a center of industry. It was thought that Afula, a new city, would play an important role in the development of the Jezreel Valley. Moreover, it had been carefully designed, following the most modern theories of urban planning. It was considered ripe for investment but not for immediate settlement.

It is important to distinguish between urban sites where immigrants thought they could live comfortably and earn a livelihood, and those in which purchasers thought the best investment was to be made. In general, Jerusalem and Tel Aviv-Jaffa were considered places for residence; by contrast, Haifa and Afula were places for investment.