

Office Memorandum • UNITED STATES GOVERNMENT

TO : File

DATE: February 19, 1948

FROM : Bernard S. Morris

WEF:BSM:us

SUBJECT: Zionist Organization of America (ZOA)

149-1603

Attending:

H. A. Schulson - Attorney for ZOA

Raymond P. Whearty	} Department of Justice
William E. Foley	
Nathan B. Lenvin	
Bernard S. Morris	

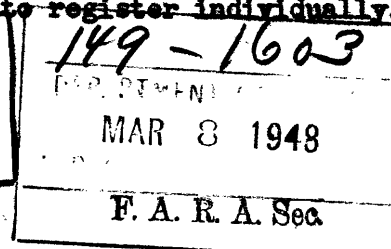
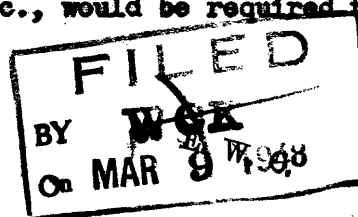
Place: Room 2212

Time: 4:40 - 5:40 P.M.

Date: February 18, 1948

Mr. Schulson opened the conference by stating that the Jewish Agency for Palestine, the sole and exclusive representative of the Jewish people, derived its authority from the League of Nations Mandate and international Zionist organizations and is so registered under the Foreign Agents Registration Act. On the other hand, Mr. Schulson said, the ZOA is organized under the laws of this country; is in complete control of its own affairs; and engages only in educational and cultural activities.

Mr. Lenvin, pointing out that the Jewish Agency was not registered as an agent of the World Zionist Organization, said that the term "agency" is much broader than the common-law concept of agency and substitutes for it certain relationships and activities. Although Mr. Schulson maintained that the ZOA was not subject to control of the World Zionist Organization, which he said was, in effect, the Jewish Agency for Palestine, Mr. Lenvin indicated that under Section 6, Article 79 of the constitution of the World Zionist Organization and under Article 9, Section 10 of the constitution of the ZOA, the latter was subordinate to the World Organization. Mr. Schulson reiterated that the Jewish Agency is, in effect, the World Zionist Organization and that the American members of the Agency are registered under the Act. If the Department's position were correct, Mr. Schulson said, the small districts of the Zionist Organization: Labor, Hadassah, etc., would be required to register individually.

FILE Misc 1Per I. L.

The ZOA, as a unit, does not engage in political activities, Mr. Schulson said, but does so through the American members of the Jewish Agency. In reply to this, it was pointed out to Mr. Schulson that the ZOA does engage in political activities and has so publicly admitted them in its Year Book.

Mr. Schulson inquired if Catholic organizations in this country were registered as agents of the Papal State and if "The Rhodes Groups" and the "British Friends" were registered as agents of the British Government. He was told they were not since, on the surface, certain exemptions appeared to be available to them.

Mr. Schulson said that since Secretary of Defense Forrestal had recently stated that Palestine was a strategic area, the Zionist Organization of America would like to claim the exemption from registration contained in Section 3(f) of the Act. Mr. Schulson was told that this exemption was withdrawn by Executive Order on September 30, 1946.

Mr. Lenvin pointed out that another basis on which the ZOA was registrable was the fact that it collected the shekel for the World Zionist Organization. Mr. Schulson explained that although the ZOA transmits the shekel to the World Zionist Organization, the actual collection is made through a shekel board set up by the various Zionist organizations.

Mr. Lenvin stated that the Act is a disclosure statute and registration under it does not bear any stigma. Mr. Schulson replied that registration would require a label on the ZOA's material to the effect that it was a registered foreign agent and that the effect on membership and on the raising of funds for humanitarian purposes would be disastrous. Moreover, Mr. Schulson said, whatever explanations were made, the ordinary member of ZOA would believe that registration carried some stigma with it. Mr. Schulson was told that we would be glad to communicate to the ZOA an explanation of the labeling requirement and the fact that the term "foreign agent" does not have to appear in the label. Mr. Whearty stated that the Department would be happy to cooperate with the ZOA in working out a satisfactory label which would need to appear only on political propaganda distributed by the ZOA.

Mr. Schulson asked what would happen to the Zionist fund-raising organizations (presumably the Jewish National Fund and the Palestine Foundation Fund) if the United Nations resolution on Palestine was implemented and a state set up. Mr. Schulson was informed that the 3(d) exemption might be available if no political activity, as that term is defined in the Act, was engaged in.

Mr. Schulson inquired about the obligations under the Act of labor unions, the Hadassah, Mizrachi, the Bergson groups (Hebrew Committee of National Liberation and the American League for a Free Palestine) and the United Jewish Appeal. He was told that the labor unions could avail themselves of the 3(d) exemption; that Mizrachi would probably be required to register; that the case of the Hadassah had not been fully studied; that the Hebrew Committee of National Liberation was registered; that the American League for a Free Palestine had been solicited for registration; and that the 3(d) exemption might be available to the United Jewish Appeal if it confined its activities to charitable and humanitarian purposes.

Mr. Schulson stated that he would present the Department's views to a meeting of the Executive Committee of the ZOA. Since he anticipated that a provisional government would be set up soon, perhaps April 1st, and that the relationship of all Zionist organizations to the Jewish Agency for Palestine would have to be reconsidered, he requested an extension of time to April 1st before replying to the Department. After some discussion, the ZOA was tentatively given one month in which to reply to the Department and Mr. Whearty suggested that the ZOA might request an extension of time if the circumstances warranted it.

Mr. Lenvin stated that whatever the future activities and relationships of the ZOA were, under Section 2(a) of the Act it was required to file a registration statement within 10 days after commencing its activities for a foreign principal. He stated that the ZOA was well aware of the provisions of the Act and cited Judge Levinthal's letter in which the ZOA had promised to set out its opposition to registration in a brief. Mr. Schulson produced a letter from Judge Levinthal in which he disclaimed any knowledge of such a promise. However, the letter from Judge Levinthal is dated June 16, 1944 and appears in Division of Records File 149-1603.

Mr. Schulson requested that the Department send a letter to the ZOA, c/o Jerome Unger, 41 East 42nd Street, New York City, and a copy to himself at 1200 18th Street, N.W., Ring Building, Suite 701, Washington, D. C., indicating the specific bases on which the registration of the Zionist Organization was solicited. He requested that the form of the label and the requirements for its use be described and citation be made of reputable people who have registered under the Act. Mr. Schulson said that such a letter would help sway the vote of the Executive Committee of the ZOA in favor of registration.