Mr. Foley observed that the Zionist Organization of America was apparently reluctant to register because of the fear of unfavorable publicity and comment. Mr. Akzin replied that "under a reasonable interpretation of the Act" the ZOA was not registrable. The World Zionist Organization (WZO), Mr. Akzin said, is an association of like-minded organizations and the ZOA does not act and has never acted on instructions from it. Referring to the recent exchange of letters between the ZOA and this Department, Mr. Akzin stated that the recent resolutions adopted by the WZO were intended to dispel any doubts that the ZOA was acting as an agent of the WZO.

Mr. Kofsky stated that the ZOA, as a constituent organization of the WZO, following the policies laid down by it, was an agent within the meaning of the Act. Mr. Akzin interjected that chambers of commerce and labor unions, also constituent members of international bodies, were not required to register. He was informed, however, that many such organizations were, in the first instance, agents of foreign principals but that they were exempt under Section 3(d). Mr. Schulson also mentioned the representatives in this country of the Vatican who, he said, were not registered as agents of a foreign state. Mr. Schulson was told that the religious exemption appeared to be applicable to such representatives and the Department had no information that they were engaged in political activities which would require their registration.

Mr. Akzin and, at a later point in the conference, Mr. Schulson asked if the Department was satisfied with the changes.
made in the WZO's constitution. They appeared eager to assure
the representatives of this Department that the change in the
relationship between the ZOA and the WZO was not merely a formal
change but would have practical consequences. It was pointed
out to the ZOA representatives that the WZO constitution provided
for temporary exceptions from the regulations of the constitution
when they conflicted with the laws of a state, and it was stated
that there was no conflict with the FARA. Asked for a clarifi-
cation of "temporary exceptions", the representatives of the ZOA
assured us that the changes made were permanent.

In reply to Mr. Foley's question as to what relationship
was now proposed between the ZOA and the WZO, Mr. Akzin stated
that in the coming fall or winter the WZO would probably change
its activities to become a "Bundles for Israel." As far as the
collection of the shekel by the ZOA for the WZO, Mr. Akzin stated
that this procedure would be abandoned and instead, the ZOA would
send "contributions" to the world body. On being questioned as
to the contemplated procedure for transmitting the shekel to the
WZO, Mr. Akzin stated that the membership dues of ZOA members,
which formerly included both the membership fee in the ZOA and
the shekel, would remain the same and that the ZOA would send
contributions to the WZO on the basis of the number of its mem-
bers. Contributions to the WZO would not, however, be earmarked.
Delegates which were formerly sent to the WZO on the basis of
shekel-paying members would still be sent on the basis of member-
ship.

Mr. Akzin stated that Zionist political activities were
carried on by the Jewish Agency for Palestine and proceeded to
draw a diagram of the relationship between the ZOA, the WZO and
the Jewish Agency for Palestine to illustrate his point. Mr.
Sohulson added that the ZOA does not engage in political or
publicity activities but confines its activities to the cultural
sphere.

Messrs. Akzin and Schulsen stated that since the resolutions
of the WZO had been adopted and since changes would be made in the
collection of the shekel, the status of the ZOA with regard to the
FARA ought now to be clear. Mr. Foley stated that, in his opinion,
the ZOA was registrable under the Act, at least up to the time that
changes were made in the WZO constitution. He stated that it was
his feeling that after (1) changes were made in the collection and
transmittal of funds and (2) certain sections of the WZO consti-
tution were abrogated, the relationship between the ZOA and the
WZO remained precisely what it had been. He stated that as far as
the future obligations of the ZOA were concerned, they could only
be determined by the ZOA's future conduct. Mr. Reich, who had come in some time after the conference began, observed that the changes made by the ZOA and the WZO sounded like mere formalities and that a more substantial compliance with the Act appeared to be necessary to satisfy the doubts in the minds of the members of the Section. Mr. Akzin replied that the ZOA had never received directions or instructions from abroad and reiterated that changes in the WZO's constitution were made to satisfy any doubts as to the ZOA's obligations under the Act and that changes in the solicitation of the shekel would be worked out.

Mr. Reich, who had apparently thought that the conference was called to satisfy members of the Department that the changes made in the WZO constitution were bona fide, expressed surprise that members of the Section thought that the ZOA should register for its past activities. It was explained that it had been the policy of the Section to require the registration of persons for past activities and that such registrations were terminated if the Section was subsequently convinced that the subject had, in fact, ceased acting on behalf of its principal. Mr. Reich asked, in view of the reorientation of the ZOA's program, if any provisions of the ZOA constitution should be changed in order to bring it without the provisions of the Act. Messrs. Akzin and Schulsan felt that any question of the ZOA's registrability had been taken care of by the changes in the WZO's constitution.

It clearly appeared to be the Department's view that registration of the ZOA for past activities should not be required and that the changes made in the constitution of the WZO removed the requirement of registration for present activities. In view of these circumstances, no arrangements were made for further conferences and the case of the ZOA was left in abeyance.