

Hadassah and Kupat Cholim: The Control of Health Services in the Yishuv

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Introduction

On June 11, 1912 Henrietta Szold,¹ Secretary of the National Conference of Jewish Charities, presented a report to the Conference on the State of Jewish Charities in the Yishuv. Included was a survey on health services. Szold reported that four hospitals were operating in Jerusalem: Shaare Zedek founded in 1872, Bikhur Cholim created in 1858, Misgab laDesh established in 1879, and Rothschild hospital founded in 1854. There were two additional hospitals operating under Jewish auspices in the *Yishuv*.² In Jaffa, Shari Zion, and in Hebron, the Hesed la-Abraham Hospital. Their total bed capacity was 223.³ These services were inadequate to meet the growing number of immigrants who were reaching the shores of Palestine. Between 1904 and 1914 about 40,000 reached the country, the majority from Eastern Europe. Many were pioneers who sought to create a society free of outside economic support and who had a determination to build a Jewish homeland of their own. Those who arrived experienced inadequate housing and often became the victim of malaria and dysentery. During this period the mortality rate was high and health services were insufficient. Two institutions

were established to meet the growing need for health care. *Hadassah* was a Jewish voluntary organization established in the United States. The second was *Kupat Cholim*, the health service organized by the labor pioneers.

In 1912 thirty-eight volunteers met in New York's Temple Emanu-El and established Hadassah. A year later two nurses were sent to Palestine financed by Nathan Strauss, a well-known philanthropist. In time, the organization was to grow, establishing three hospitals in Safed, Tiberias and Jerusalem. It was equally successful in fighting malaria, which was taking the toll of new immigrants. The distribution of quinine led to the control and eventual elimination of malaria-infested areas. Recognition of Hadassah's contribution was noted by the Permanent Mandates Commission in its Annual Report to the Council of the League of Nations in 1927. It stated,

The Commission expresses appreciation of the important contribution of Hadassah toward public health in Palestine. This contribution is important . . . in view of its rendering service for all sections of the population.⁴

Salutations were in order since Hadassah enabled new settlements to be established in the most malarial areas in the country without any significant malaria victims.

Paralleling the work of Hadassah was another health network established by the agricultural workers of Judea and the Galilee in 1911. The reason for its creation can be appreciated by examining a letter forwarded to

¹ Henrietta Szold, founder of Hadassah, a Jewish voluntary organization in the U.S. whose purpose was to promote Jewish health services in the Yishuv.

² *Yishuv. New Yishuv*. The term used for the society that developed along nationalist lines beginning with First Immigration (*aliya*) to the country in 1880. The old *Yishuv* was the term used for the traditional Jewish society of Palestine.

³ *Palestinian Charities*, Proceedings, National Conference of Jewish Charities, 1912, mimeographed, pp. 1-20.

⁴ *Memorandum to the Palestine Royal Commission: Hadassah The Womens Zionist Organization of America*, Jerusalem, 1932, p. 2.

members of the Judean agricultural workers labor union by its executive. It noted,

Kupat Holim must be established through all our efforts. Can you imagine how this institution will ease our plight . . . who else but us feels the burden of our work and in particular the new workers amongst us. And who but we feel the many illnesses and become weakened because of them?⁵

The fund created and operated by the pioneers grew modestly from 150 members and dependents in 1911 to 10,000 in 1922.

The focus of this inquiry deals with the creation and policy issues surrounding the development of health care in the *Yishuv*. The determination to control health care and the polemics raised by the respective health services toward that end will be discussed.

The Conflict Over Merger

At one of the early conferences of Kupat Cholim in 1922 policy questions were raised which centered on the issue of merger with Hadassah.⁶ Those members who recommended this step based their argument on limited resources available and the need for joint planning. They were, however, in the minority. Members who advocated an independent health network based their argument on the "philanthropic smell" that permeated Hadassah. The funds collected in America to support the needy were reminiscent of the old *Yishuv*. It fostered dependency and stunted creativity. It negated the very principle of autonomy and the ability to overcome the most difficult hardships. Furthermore, it was the policy of Kupat Cholim to admit laborers who were classified as pioneers "and not exploiting the labour of others." Merger with Hadassah could endanger this policy.

It was official Hadassah policy, and with public knowledge, to withdraw their personnel from health services once the local authorities were ready for such a transfer. In the memorandum submitted to the Palestine Royal Commission, Hadassah is quite explicit

⁵ *Hapoel Hatzair*, Vol. 7, No. 8-9, 1913, pp. 22-23.

⁶ *Hapoel Hatzair*, Vol. 16, No. 10-11, January 1922, pp. 11-12.

about this point:

. . . in consonance with Hadassah's policy of transferring its medical institutions to the communities as soon as the latter are able to accept the responsibility.⁷

But members of Kupat Cholim were impatient and uncertain that this policy would materialize. They were also uncertain who would control these services.⁸ The decision for merger was rejected outright.

Forces within the *Yishuv*, and without, kept the question of merger constantly alive. It is a theme running throughout the decade of the 1920's.

One can understand the rationale for such an approach. The Jewish population in Palestine increased from 90,000 inhabitants in 1924 to 150,000 in 1926. Furthermore, limited financial resources by both health groups and lack of government support to these services provided the call for merger.

A modest attempt for such action emerged from a resolution adopted by the 12th Zionist Congress in 1922, creating the *Vaad Habriut*—Health Council. The Health Council's role and functions were never fully defined. Some viewed it primarily as an advisory board. Others sought to create an overall organization with a policy-making apparatus. Initially, Hadassah was reticent to cooperate with the Health Council because of unequal representation. They demanded a greater voice in the Council because they were spending about seventy-five percent of the health budget on medical care in the *Yishuv*.

Meddling in Hadassah's private affairs by a superordinate health structure was another reason for concern. They noted:

The Hadassah executive is ready to provide committee reports from its activities and recommendations for budget. But she does not commit herself to abide by the decisions of the *Vaad Habriut*. Hadassah does not

⁷ *Memorandum to the Palestine Royal Commission*, Op. Cit. p. 17.

⁸ Hadassah transferred the responsibility of its hospital in Tel Aviv to the Municipality in the early 1930's, retaining its name, The Tel Aviv Municipal Hadassah Hospital.

accept the opinion of the Vaad Habriut in matters dealing with medical care.⁹

In time, Hadassah consented to partake in the activities of the Council, but the question of coordination of health services remained. The demands were prompted by the growing expenditures of both health networks and limited resources. For example, Hadassah's budget increased more than two-fold, from LE 64,213 in 1923 to LE 132,032 in 1927.¹⁰ Kupat Cholim's budget grew from LE 26,238 in 1923 to LE 55,000 in 1927.¹¹

Over sixty percent of Hadassah's income was raised by the Zionist Women's Organization of America. There were also contributions by Baron Rothschild and Canadian Hadassah. The payments received from patients in hospitals and clinics amounted to less than one percent.¹² The majority of funds thus came from philanthropic endeavours.

The budget of Kupat Cholim, and more particularly its income features, differed significantly from Hadassah. In 1927, almost sixty percent was covered by members.¹³ The remaining funds were provided by the World Zionist Organization. With acceleration of the economic crisis, Kupat Cholim was to cover over eighty-five percent of its budget.¹⁴

The call for cooperation and merger was also prompted by the increase of membership and services by both organizations. For example, there was a significant increase in the total number of visits to Hadassah's clinics from 399,621 in 1920 to 602,485 in 1926.¹⁵

Kupat Cholim increased its membership from 2,000 in 1920 to 15,000 in 1926. Since

⁹ *Memorandum to the Palestine Royal Commission, Op. Cit.*, p. 40.

¹⁰ "Report of the Executive of Kupat Cholim to the 15th Zionist Congress, p. 412.

¹¹ "Report to the Executive of the Zionist Organization for the 13th Assembly," London, 1923, p. 246.

¹² *Memorandum to Royal Commission, Op. Cit.*, p. 40.

¹³ Israel Kanev, *Habituah Hasozial Beretz Yisroel*, 1942, pp. 281-284.

¹⁴ *Ibid*, p. 293.

¹⁵ *Memorandum to Royal Commission, Op. Cit.*, p. 657.

membership granted privileges to the whole family, total population in Kupat Cholim was thus significantly higher.¹⁶

By 1927, the *Vaad Habriut* called again for the coordination of all health services in the Yishuv. It proposed that, "health activities be vested in a central health institution of the Zionist Organization which shall enjoy a large measure of autonomy."

In February 1927, the resolution of the Vaad Habriut was adopted by the Zionist Executive. It stated that, "a central organization for health and medical activities be established under the auspices of the Jewish Agency in Palestine (Zionist Executive). Its name will be Hadassah."¹⁷

It would head all health activities in Palestine. Kupat Cholim's role in the delivery of health services was to become secondary. Its purposes were quite clearly formulated. It would "become an institution for insurance of workers in case of illness . . . This is an essential link in the national health system: and as an institution of the *Yishuv* based on mutual aid it shall enjoy a large degree of autonomy."¹⁸

Its independence was indeed assured in organizing insurance programs. It was expected, however, to yield in the delivery of health services to Hadassah. Kupat Cholim would also be accountable to the Zionist Executive by the latter appointing a representative to the supreme bodies of Kupat Cholim. The Zionist Executive was to control budget and direct policy. These recommendations were rejected outright. Kupat Cholim was not ready to relinquish the inroads in the health field it had achieved in the past decade.

The recommendations forwarded by the *Vaad Habriut* were not the only ones called for merger. In the mid 1920's, a prestigious group of experts from abroad strongly suggested that medical services in the *Yishuv* be merged.

¹⁶ Kanev, *Op. Cit.*, pp. 157-162.

¹⁷ "Report of the Executive of the Zionist Organization to the XVth Zionist Congress at Basle, August 30th, September 9th, 1927," Zionist Organization, 1927, p. 246.

¹⁸ *Ibid*, p. 441.

Referred to as the Joint Palestine Survey Commission, its sub-committee emphasized again the need for reaching greater efficiency, savings and quality of health service in the *Yishuv*.¹⁹

Joint Palestine Survey Commission

In the latter part of 1926, Chaim Weizman, President of the World Zionist Organization, called for a detailed survey of agricultural, labor and public health conditions in Palestine. The health survey was undertaken by M.J. Rosenau, Professor of Preventive Medicine at Harvard Medical School, and Charles F. Wilinsky, Deputy Commissioner of Health, Boston, Massachusetts.

They examined all the health services in minutest detail. The Mandatary Government was particularly criticized. There apparently was limited progress between the initiation of social services in December 1917 to the time the report²⁰ was made in 1928. It noted that,

The government must sooner or later realize that voluntary agencies cannot be expected indefinitely to carry on preventive work which is a public health obligation of the Community and State.²⁰

It is critical in that there are "no Government hospitals in Jewish communities outside of Jerusalem where the hospital attendance is so lightly Jewish. It is also important to note that there are no government dispensaries in the Jewish towns and villages."²¹

Criticism is also directed at the lack of involvement and financial support of school medical inspection which was organized by Hadassah. They noted that the "government will recognize its responsibility, and either take this work over or subsidize the Hadassah Organization in the continuance of this service."²²

The report only reaffirmed the position by many members of the *Yishuv* that the department of health in Palestine under Colonel Heron was not meeting the minimal health requirements and needs of the *Yishuv*.

The position taken by the Committee of Experts in regard to Hadassah's role was clear cut. It supported the earlier suggestions by the Vaad Habriut of a central health network in the *Yishuv*. Hadassah would undertake this task. One of the reasons for giving Hadassah this role was the natural relationship Hadassah had to the Zionist Organization in general, and the Executive in particular. The Commission noted:

We recognize the Hadassah medical work as the national health service . . . to promote better health particularly among the people of Palestine. It is unwise therefore to separate the work of the Hadassah Organization from the Zionist Executive.²³

Their recommendations, if accepted, would have far-reaching policy implications for health and welfare services in the *Yishuv*. They proposed that "Hadassah Medical Organization constitute itself the Department of Health of the Zionist Executive . . . The Executive Director be appointed by Hadassah."²⁴

Hadassah would thus become the central organization for health in the *Yishuv* since it would bring together the Zionist Executive and the Hadassah Medical Organization.

It pointed out, however, that the success of such a policy was contingent upon

withdrawal of the *Kupat Cholim* from health work, reducing to a minimum the number of agencies engaged in hospital and dispensary service among the Jewish population . . . this reorganization would replace the Vaad Habriut as an advisory council to the Zionist Executive and should eliminate the *Kupat Cholim* as a medical organization.²⁵

The experts had sealed the fate of *Kupat Cholim* as an autonomous body or representative of the delivery of health service.

The Commission's recommendations were

¹⁹ *Reports of the Experts, Joint Palestine Survey Commission*, Boston, Massachusetts, October, 1928.

²⁰ *Ibid*, p. 631.

²¹ *Ibid*, p. 638.

²² *Ibid*, p. 662.

²³ *Ibid*, p. 670.

²⁴ *Ibid*, p. 671.

²⁵ *Ibid*, p. 671.

not only based on administrative considerations. An equally important factor was financial savings and efficiency that would emerge from such a proposal. The Commission noted,

The proposed Hadassah budget for 1928 is almost three quarters of a million dollars. The budget of the Kupat Cholim is over one quarter of a million dollars. We feel sure that the total sum of money consolidated into one organization would go much further and contribute materially to much better health work with the elimination of . . . waste of a double executive, overheads, and duplication of effort. The money which is now being expended by the Kupat Cholim for medical service might very well be used for sick benefits, insurance and convalescent care . . . consolidation and cooperation . . . will result in increased economy and improved efficiency.²⁶

The committee placed particular emphasis upon the original aims and purposes of Kupat Cholim. They noted,

We cannot, however, get away from the fact that this organization was originally intended to function as an insurance and sick benefit organization receiving its medical services through Hadassah . . . Dissatisfaction with the Hadassah Medical Service was not a justifiable reason for the development and expansion of a second health organization serving the Jewish community.²⁷

The recommendations were thus clear. Kupat Cholim should continue as an insurance and sick benefit organization, but health services would be in the exclusive domain of Hadassah.

Kupat Cholim's Response

The recommendations forwarded by the Committee of Experts was presented at a time when the economic conditions in Palestine were becoming most difficult.²⁸ But in the immediately preceding period, Kupat Cholim had also been growing in strength. By

²⁶ *Ibid*, p. 679.

²⁷ *Ibid*, p. 680.

²⁸ Note: Dan Giladi, *Jewish Palestine During the Fourth Aliya Period, (1924-1929)*, Tel Aviv, Am Oved 1973.

1926-1927 its membership had reached to almost 20,000. It was questionable, indeed, whether these inroads would now become reversible. The creation of a health network was viewed by the pioneers as equally significant as conquering the malaria-infested swamps of the Hula Valley. The stamp of the pioneer would not only be identified with reclaiming new outposts. National independence could only be achieved by permeating every facet of life from security to social welfare and assistance.

Haim Arlosoroff, a leading member of the labor movement, responds in this way in an article entitled *Leshealot HaYom* (lit., The Question for the Day);

All our limbs and sinews cry for independence to expand our institutions, to exploit our budget for productive needs . . . and while all rationalism calls for assurance of this freedom, there is created instead new opportunities for Hadassah.²⁹

Arlosoroff is more volatile when he refers to the proposed relationship between the Zionist Executive and Hadassah. He states,

the way to hell is paved with good intentions . . . Hadassah expressed a number of times and at many opportunities that "she" has no other intention but to transfer all of the health services in the *Yishuv* to self-administration and responsibility in the *Yishuv*.³⁰

Arlosoroff castigates the Hadassah organizations for breaching this contract. Instead of gradually withdrawing, "she" has been recommended to take on the exclusive role of health executive. Finally, Arlosoroff gets down to what is probably the heart of the matter. The possible contamination of the *Yishuv* through philanthropic endeavours, limiting self-determination. He notes,

Hadassah is educating us to become responsible for our own administration. For

²⁹ *Hapoel Hatzair*, Vol. 20, No. 28, p. 4, April 29th, 1927.

(Haim Arlosoroff, 1899-1933 leader of the Labour Zionist Movement: member of the Jewish Agency Executive; and head of the Political Department in Palestine from 1931-33.)

³⁰ *Hapoel Hatzair*, *Op. Cit.*, p. 5.

this purpose, not only is "she" limiting our right in the executive participation of the health network, but "she" is expanding the rights of some executive board in the diaspora. It is assumed that because "her" headquarters is in America "she" is more equipped than us to decide upon issues which are ours to decide. "She" is obviously backed by the political weight of the Zionist Executive and "her" parasitic ways.³¹

Arlosoroff is firm in his commitment that the means towards nationhood must be created from within.

Yitzhak Ben Aharon, former General Director of the Histadrut and a leading ideologist of labor, recalls in retrospect the opposition to Hadassah. In a personal interview he stated:

We had our experience from the first *Aliya* onwards with the cooperation of philanthropic organizations and philanthropic hierarchy . . . *Stulzer Kapitzunim*.³² We were very grateful for every kind of assistance, but they insisted upon having control over our lives . . . You lose your self respect. So what did we do? We established tents and engaged a nurse and doctor. It was a matter of survival. Without that we would be on the garbage heap.³³

Ben Aharon clarifies the strong opposition to philanthropy, particularly the position of dependency which would be the inevitable outcome of abandoning health services. Furthermore, he unequivocally rejects the thesis that labor's primary interest was the recruitment of membership, thus strengthening the political power base in the *Yishuv*. Rather, it was the self determining qualities and rights to independence which were their main objective. The purposes and goals of the Histadrut went beyond those of the traditional trade union. Its concerns were universal rather than parochial. It saw itself as representative of the whole *Yishuv*. The fact that membership in the Histadrut was prerequisite for obtaining health services, as noted above, was one of the

reasons for growth. But one must also realize that its quality of health programs could not be matched by any other network or agency. It was this quality of service rather than other benefits of the Histadrut which attracted so many members.

These factors, and the determination to reject philanthropic assistance, elevated Kupat Cholim to Israel's major health network. By 1970 it encompassed close to eighty percent of Israel's population.

And indeed Kupat Cholim was gradually expanding its role and services to far corners of the country. A letter to a colleague by Szold describes this impact:

Kupat Ha-Cholim was capturing position after position in the country. A few days ago I visited the works of Palestine Potash Corporation at the Dead Sea. At the present moment 140 workmen, Jews and Arabs are employed there. The medical work is in the hands of the Kupat Ha-Cholim, as was the notable medical work at Jisr, the Rutenberg Electric Corporation works, as it is in every other organized industrial undertaking in the country. Furthermore, the Kupat Ha-Cholim is now making great strides towards taking possession of the cities too. The result is that Hadassah remains only at the points occupied by the economically dependent . . . At all events as the Kupat Ha-Cholim is finding many opportunities to increase the extent of its medical work, and is using them to good advantage, the contention that it should confine itself to Health Insurance strictly and by its medical care for Hadassah is losing in force.

Szold was not fully in agreement with the vast role Kupat Cholim was undertaking. She was displeased with the fact that it was tied to the Jewish Labor Federation. It was not an independent force serving every family in the *Yishuv*.

The ascendancy of Kupat Cholim to a major health network in the *Yishuv* was indeed remarkable. Neither experts nor commissions were needed to broaden this service. Membership increased from 38,000 in 1932, to 328,000

³¹ *Ibid*, p. 6.

³² Proud Beggars.

³³ Interview, Yitzhak Ben Aharon, November 1975.

in 1948 when the State was established.³⁴ By 1940 it encompassed close to eighty percent of Israel's population.

³⁴ Letter from H. Szold, Jerusalem to Mrs. Edward Jacobs, Chairman Palestine Committee U.S.A. April 21, 1930. The Hadassah Archives, New York.