

CHAI (Atlanta)

Winter 2002

"A Zionist State in 1939"

By Kenneth W. Stein

"Had not the Nazi crimes been committed against Jews during World War II, the Jewish State would have never come true." So said Usamah al-Baz last May. This leading Arab political analyst and the highest-ranking adviser to Egypt's President Mubarak is not alone. The Danish Foreign Minister, now the President of the EU, asserted in a letter to President George W. Bush this summer that it was not "the Palestinian Arabs...who launched the Holocaust against the Jews. That happened in Europe. The inhabitants of Palestine...found themselves looking on as... their country was taken over...." In a *Ha'aretz* newspaper column just before Holocaust Remembrance Day last year, Amira Hass wrote, "It is hard to believe that the United Nations would have voted for the founding of a state for the Jewish people, at the expense of another people, had it not been for the Holocaust!"

Israel rose from the ashes of the Holocaust. Right? Isn't that the beginning of the heroic story of the Jewish State that most of us have come to understand?

More than fifty years after the end of WWII and Israel's birth, as the country struggles inwardly and outwardly for its very existence, the origin of the Jewish State matters not less but more than ever. Israel's legitimacy is under more extraordinary debate than ever, some of it nurtured by Israeli scholars and others. At worst this view seeks to delegitimize Israel's existence and at best puts the burden for Palestinian refugee creation squarely on Zionist shoulders. Argued for more than the last decade, these protagonists vigorously suggest that Israel's establishment was solely as a result of the Holocaust created Palestinian refugees and therefore Israel is responsible for solving their plight.

But Jews in Israel and in the Diaspora are not the only ones living with this controversial narrative. Indeed, if the Holocaust is the sole reason Israel was created, then the Palestinians can be painted as the victims who were displaced by Jews fleeing Europe. Jews as victims must solve the plight of Palestinians as victims. For Europeans, such an argument: a) deflects attention from their own anti-Semitism; b) distracts from the fact that European governments and people were complicit in the Holocaust; and c) relieves Britain of its moral responsibility for mismanaging Palestine and failing to support the social and economic

well-being of the indigenous Arab population of Palestine prior to 1948.

Equally importantly, if the Holocaust stands as the only explanation for Israel's origin, then Arab leaders and Palestinians themselves have no complicity in Israel's creation nor share any responsibility for the creation of Palestinian Arab refugees. Their national narrative goes like this: "Israel and its Zionist adherents were the willing clients of Western powers, whose only interest in the Middle East was control of oil, its price, and access. Jews were dumped into Palestine after 1945 to assuage the guilt of the Western world that stood by quietly while millions of Jews were killed during World War II. Thus, the UN created Israel with the 1947 partition plan. Israel's establishment was a calamity in which the native and majority population was unjustly displaced from their land. Palestine was stolen from the natives. Zionism and Israel, therefore, are not legitimate. Israel's creation in 1948 was a disaster, or 'nakba.' Since the Zionists with the help of the Great Powers usurped Palestine, it must be returned to its rightful Palestinian owners."

Why do most Israelis and American Jews use the Holocaust as the jumping-off point for the collective memory of how Israel came into being? For many Jews, especially those who lost relatives in the Holocaust, this was the darkest period in Jewish history. Massive anger and pervasive anguish sustained from the Nazi brutality are embedded in the contemporary Jewish psyche. Finding some positive outcome from the death of six million Jews is virtually required by those generations that survived since World War II. Out of the ashes of death, Israel's creation was redemption, a partial restoration of faith in G-d. Not believing that the Holocaust established Israel would be tantamount to accepting that the death of relatives had no lasting impact. Thus, the Holocaust is inextricably entangled around Israel's establishment. In addition, for Zionists, the Holocaust -- more than any other event -- proved a need for a Jewish state.

Other reasons for using 1945 as the jumping-off period for Zionist historiography include: Going back before 1945 requires a discomfiting analysis about why and how a majority of Jews worldwide did not support Zionism or the establishment of a Jewish homeland in Palestine and why Jews during the 1939-1945 period did not do more to save European Jewry; going back before 1945 means recognizing Jewish powerlessness to influence one's own fate. It is a painful memory to recall the death of dear ones, so why go back before 1945 and have to reason why your relatives were not smart enough to get out of harm's way.

Moreover, to look back into the 1920s and 1930s, the early years of the British Mandate in Palestine, would require acknowledgment that the

Zionist/Jewish demographic minority in Palestine was provided prerogatives by the British not enjoyed by the majority Arab population living there. Not insignificantly, many Jews worldwide are not aware of early Zionist history and therefore commence and construct their historical narrative on this sharply protruding moment in modern Jewish history.

When one looks at the history of modern Israel closely, one realizes that a state could not be created from the end World War II to May 1948, or that Zionist nation builders were so efficacious in their "plot," that Palestinian Arabs were simply run out of the country. A deep and penetrating look at the origins of modern Israel and recent scholarship on Israel's evolution reveal that the infrastructure for a Jewish State existed in 1939 and that Arabs in Palestine were already being dislodged from traditional socio-economic moorings -- that is some sixty years after the first Jewish immigrants arrived in Ottoman Palestine.

In the decades before the 1917 Balfour Declaration, immigrant Jews established bridgehead in Palestine. Jews constituted only ten percent of the local population in Eretz Yisrael, Palestine west of the Jordan River. After WWI, their small state-building process dovetailed with the British strategic need to control the eastern side of the Suez Canal and its route to India, while preventing French interests in Lebanon and Syria from creeping south.

In *The British in Palestine*, Bernard Wasserstein wrote that in 1929 a trend to "an internal partition" was confirmed. Jewish institutions were meeting primarily Jewish needs that enhanced "the authority of the Jewish quasi-government and stimulated the inherent Zionist urge toward auto-emancipation, self-reliance, and the desire to throw off all forms of dependence on alien power." According to British Parliamentary debates, League of Nations records, and the *1946 Survey for Palestine*, while the Jewish population was only 17 percent of the total population of Palestine in 1928, Jewish contribution to the British Palestine administration revenue amounted to 44 percent. In 1936, the Jews in Palestine, though they only constituted 30 percent of the population, contributed more to the Palestine public treasury than did the Arab majority. In 1939, the Jewish community represented 31 percent of the total settled population, yet Jewish capital investment in industry represented 86 percent of the total net output. In the same year, Jewish workers constituted 79 percent of the total work force; the salaries and wages paid to Jewish workers were 89 percent of the total wage bill. In the inter-war period (1918-1939) in the Jewish sector of Palestine's economy, the ratio of gross investment to gross national product averaged 31.3 percent per year, whereas in the Arab sector it was 11.4 percent of GNP annually. This was estimated to be the highest rate of investment among all countries in the world in the

first half of the twentieth century! The Jewish financial and economic sector grew phenomenally, not from British taxpayer funds or subventions from the British government nor from British intrusion into the financial or monetary sector to protect the Jewish economy, but from capital imported by Jews for the Jewish economy. Thus, before World War II, imported capital by Jews came primarily from Jewish immigrant transfers. Much of this is explained in Jacob Metzer's *Divided Economy of Mandatory Palestine*.

Barbara Smith, in *The Roots of Separatism in Palestine: British Economic Policy, 1920-1929*, asserts, "By the end of the 1930s, the Zionists in Palestine had formed virtually a 'state within a state' with military organization and political, social, economic, and financial institutions separate from those of the indigenous population as well as from the British Mandatory Administration."

In my own book, *The Land Question in Palestine, 1917-1939*, I showed that throughout the period 1920 to 1939 Jews purchased relatively small amounts of land in Palestine, but sufficient to create a territory from which the British vigorously suggested in The Royal (Peel Commission) Report in 1937 to establish Arab and Jewish states in Palestine with an economic union between the two.

For years I have sought to make the case that there was a nascent Jewish State in existence by 1939. The Arab refugees of 1948 began to be displaced from their lands as early as the late 19th century. Ottoman administrative changes allowed the slow but steady formation of large holdings in the hands of relatively few notables across the Middle East, including Palestine; these changes combined with nutrient deficient soil, retrograde farming methods, and natural and man-made setbacks contributed to a process of enormous impoverishment for Arab peasants all over the region and for those living in Palestine. The weak Palestinian Arab economy during Zionist state-building meant almost no Arab competition to Jewish infrastructure creation.

My reading this past summer, in preparation for a new crop of students in my Arab-Israeli conflict class this fall, added another dimension to understanding what went on in Palestine before 1939. In reviewing Arabic newspapers published in Palestine in the 1930s, with editorials written by Palestinians, there is undeniable acknowledgment by Palestinians that they were losing control of Palestine to the immigrating Zionists. As I jotted down some quotes dealing with Arab land sales to Jews, I wondered if the Danish Foreign Minister had any clue. I was sure that Usamah al-Baz did but, for political reasons, could not acknowledge some of the facts about Palestinians losing their patrimony before the onset of the Holocaust. And I could not help but to reflect on the beliefs

held in the Jewish community as well.

From *al-Jami'ah al-Islamiyyah*, August 21 and September 2, 1932, respectively: "...because the Jews are alert, and our leaders are asleep, the Jews are buying the lands" and "the Arabs will never regard these sales as legal although the Jews possess the titles to these lands...when political conditions change, the Arabs will demand that their lands be given back to them." From *al-Jami'ah al-Arabiyyah*, September 16, 1932: "There is no doubt that the question of the sale of land is about one of the greatest dangers that threatens the future of the country." And from *al-Difa'*, November 5, 1934: "The frightened Arab who fears for his future today melts from fear when he imagines his offspring as homeless and as criminals who cannot look at the lands of their fathers." Eight years later, in June 1940, a high-ranking British Colonial Office bureaucrat, Sir John Shuckburgh, explained why the British imposed restrictions on Jewish land purchase in Palestine earlier that year: because "the Arab landowner needed to be protected against his own indiscretions himself." By 1939, Arabs in Palestine knew the political realities in Palestine but lacked capital, organization, and a measure of unity to compete with a dynamic and goal-oriented Zionist movement.

Make no mistake, there was never harmony among Zionists in Palestine. A significant difference between them and their local Arab neighbors was the Zionist community's willingness, and then only for short periods of time, to put the collective good above the benefit of a few. From 1931 onwards, Zionist leaders advocated creating contiguous Jewish land areas for a territorial Zionist nucleus; when land was purchased by Jews then, Arab peasants in prior occupation of such land were compensated with money prior to moving and then voluntarily resettled in areas distant from the Jewish land acquired. For many Arabs in Palestine and in neighboring states, uncompromising individual interests had devastating and lasting effects upon their ability to hold on to Palestine in the late 1930s and 1940s. Thus before World War II, Jewish institution-building, self-governance, economic development, financial growth, and territorial land acquisition gave the Jewish/Zionist community the sense of reality in turning the idea of a national home into a state.

Jews had grown in numbers from about 24,000 in 1882 to 400,000 in 1939, remaining constant at about a third of the total population in Palestine until Israel was created in 1948. In other words, though some 250,000 additional Jews would come to Palestine between 1939 and the establishment of Israel on May 15, 1948, the demographic, economic, and territorial nucleus was present in Palestine before Hitler invaded Poland in September 1939. After World War II, Palestinian Arab society disintegrated. Many in the small Palestinian Arab middle class had

reportedly left Palestine in the late 1930s. In addition, the Arabs lost Palestine to the Zionists due to dire economic distress, incessant squabbling between Jordan's King Abdullah and Egypt's King Farouk for the territorial spoils of Palestine, poor Arab political planning, inferior and insufficient military equipment, and disorganized execution against the new Jewish State's defense forces in 1948-1949. While the international community may have felt a sense of guilt for the Holocaust, guilt alone could not and did not create an economic, political, social, institutional, territorial, and demographic infrastructure for the State of Israel. To say so is to deny historical facts. It also relieves one of partial responsibility in shaping one's own fate.

The British turned their Mandate over to the United Nations in early 1947 because they could not and would not govern an unruly Palestine where the two communities were not going to live under the control of the other. In November 1947, the United Nations decided to partition Palestine into an Arab and Jewish state because of the realities on the ground, not because of collective emotions of guilt. Going further, there was a great likelihood that there would have been a Jewish State or a semi-independent Jewish entity in Palestine by the late 1940s or early 1950s without the enormity of the Holocaust. The cement was wet, but the foundation was set by 1939.