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# **PHILANTHROPY VS. UNPRODUCTIVE CHARITY**

## **THE CASE OF BARON MAURICE DE HIRSCH**

***EDGARDO E. ZABLOTSKY \****

***MAY 2004***

### **ABSTRACT**

In Argentina today it has become essential for the State to provide assistance to a large portion of the population; nevertheless, this social work lacks purpose unless it is used to encourage those who are assisted to fend for themselves. Otherwise, the beneficiaries would be condemned to virtual indigence, as they would be indirectly excluded from productive society. This concept of philanthropy as opposed to charity is not new; and it is interesting to note that more than one century ago, in Argentina, a singularly successful philanthropic undertaking was carried out that was imbued with this ideology. In 1891 Baron Maurice de Hirsch founded the Jewish Colonization Association, which was to become one of the greatest philanthropic undertakings of its time, through which a gigantic experiment in social welfare was carried out, based on the organized immigration of thousands of people from the Russian Empire to Argentina, with the aim of setting up agricultural colonies. Immigrants were to be given the opportunity to own their land, although this was not a gift, as they were required to pay for it, just as they were required to repay all the loans in kind received during their transfer through to their first harvests, as well as the corresponding interest. This paper represents a first step in the study of this enterprise. In it, we will center our attention on the views on philanthropy held by Baron de Hirsch, illustrating them by reference to the various projects carried out on the basis of that ideology.

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Key words: Baron Maurice de Hirsch, Jewish Colonization Association, philanthropy

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# **PHILANTHROPY VS. UNPRODUCTIVE CHARITY**

## **THE CASE OF BARON MAURICE DE HIRSCH**

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*“I contend most decidedly against the old system of alms-giving, which only makes so many more beggars; and I consider it the greatest problem in philanthropy to make human beings who are capable of work out of individuals who otherwise must become paupers, and in this way to create useful members of society.”*

*Baron Maurice de Hirsch, July 1891*

### **I. INTRODUCTION**

In Argentina today it is essential that the State provide assistance to a large portion of the population; nevertheless, there is a great need to ensure there is no confusion between that which is indispensable and that which is important, because in the long term, social actions lack purpose unless they encourage those who are being helped to fend for themselves. Otherwise, it means condemning them to virtual indigence, by indirectly perpetuating their exclusion from productive society. In contrast, a productive view of philanthropy should seek the economic rehabilitation of the beneficiaries, and thus their revaluation as human beings.

This concept of philanthropy is not new, and it is interesting to note that more than one century ago, in Argentina, a singularly successful philanthropic undertaking was carried out that was imbued with this ideology. In 1891 Baron Maurice de Hirsch founded the Jewish Colonization Association, which was to become one of the greatest philanthropic undertakings of its time, through which a gigantic experiment in social welfare was carried out, based on the organized immigration of thousands of people from the Russian Empire to

Argentina, with the aim of setting up agricultural colonies. Immigrants were to be given the opportunity to own their land, although this was not a gift, as they were required to pay for it, just as they were required to repay all the loans in kind received during their transfer through to their first harvests, and even the corresponding interest.

This paper represents a first step in the study of this enterprise. In it, we will center our attention on the views on philanthropy held by Baron de Hirsch, illustrating them by reference to the various projects carried out on the basis of that ideology. Although we will use the Argentine case for illustrative purposes, we will not analyze it in depth, as that task forms the focus of the next stage of our line of research.

The organization of this paper is as follows: in the next chapter we will detail Hirsch's views on philanthropy, so different from the normal view of charity. Section III presents evidence of his philanthropic actions in the countries of residence of the beneficiaries, while section IV pays special attention to his actions outside those countries. Lastly, section V presents our conclusions, and our plans for future research.

## **II. THE POSITION OF THE BARON DE HIRSCH ON PHILANTHROPY**

Baron Maurice de Hirsch was born into a wealthy, aristocratic family in Munich on December 19, 1831. His grandfather Jacob and his father Joseph were both Barons, and his mother was a member of the Wertheimer family, bankers in Frankfurt. He married Clara Bishoffsheim, daughter of one of the leading bankers of the time.<sup>1</sup>

Hirsch was a dynamic personality. Concessions granted by the governments of Austria, Russia and Turkey for the building of railroads provided him with the opportunity to display his financial and organizational skills, and he dedicated 25 years to the gigantic undertaking that was to enable him to build up an immense fortune. Its exact size is unknown; in one report on the day after his death, one Viennese paper estimated it at 500 million gold francs, pointing out that in the three years prior to his demise he had devoted no less than 100 million to philanthropic works, and his wife a further 200 million.<sup>2</sup> S.

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<sup>1</sup> S. Adler-Rudel, 1963, secs. 2-4, presents a very accurate biography.

<sup>2</sup> This estimate is shared by Oscar S. Straus, who writes in the Jewish Encyclopedia that "It is impossible to form an accurate estimate of the amount of money Baron de Hirsch devoted to benevolent purposes. That, including the large legacy of \$45 million left to the Jewish Colonization Association, it exceeded \$100

Adler-Rudel (1963) estimates his fortune at between 14 and 30 million pounds sterling. It is clear that the magnitude of his wealth provided him with a privileged position among the most powerful and influential millionaires of the age.

Having built up such a fortune, increasing it for the mere pleasure of doing so lost its attraction to him, and he needed to channel his energy in a different direction, a possibility that was provided to him by large-scale philanthropy, not through the dispensing of charity but by generating a genuine philanthropic undertaking. In this enterprise he was as tough and stubborn as he had been in his business dealings. As noted by Frederic P. Keppel, Secretary of the Carnegie Corporation, at the time Hirsch was negotiating the terms under which he was to establish the Baron Hirsch Fund in New York, “the donor is, of course, a man of personality, and it is with that personality that one must deal. He sometimes tries to apply in full to his donations policies that he has found to be very successful in the world of business. At times he has in mind a beautiful picture of what he intends to achieve, and he proceeds to paint it in too much detail in the conditions of his legacy.”<sup>3</sup>

Finally, in 1887, shortly after the death of his only son, Lucien, Hirsch decided to retire from business altogether, dedicating the rest of his life to his philanthropic activities; this devotion is evident from his reply to a letter of condolence on the death of Lucien, when he wrote “My son I have lost, but not my heir; humanity is my heir.”<sup>4</sup>

Hirsch’s vision of philanthropy is on record from a wide range of sources. For example, the day after he died, the *Neues Wiener Tageblatt*, a morning paper in Vienna, published the following obituary,

*“His philanthropy was not important so much because of its amounts, but because of the practical approach: economic rehabilitation.”*<sup>5</sup>

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million, it is an estimate justified by the amounts given by him from time to time to the foundations referred to in the article.” K. Grunwald, 1966.

<sup>3</sup> Samuel Joseph, 1935, p. 21.

<sup>4</sup> S. Adler-Rudel, 1963, p. 39.

<sup>5</sup> *Neues Wiener Tageblatt*, April 22, 1896 (in K. Grunwald, p. 63).

The economic rehabilitation aim of the undertaking was stressed by S. Adler-Rudel (1963),

*“One of the few outstanding Jewish philanthropists in Western Europe who were determined to meet the needs of Eastern Jews not with alms but with constructive plans and substantial financial resources was a scion of German Jewry: Baron Moritz von Hirsch.”*<sup>6</sup>

*“He spent the bulk of his donations, which seem to have exceeded \$100 million, on Jewish economic rehabilitation, partly through education and vocational training, and primarily in agricultural settlements in the Argentine, Brazil, Canada and the United States. Ancillary funds, for loans to small tradesmen and others, served the same purpose.”*<sup>7</sup>

it was also given express recognition by one of the beneficiaries, A. D. Goldhaft, a student at the Baron de Hirsch Agricultural School at Woodbine, N.J., USA,

*“Baron de Hirsch was a person ahead of his time as a philanthropist. In the history books they say that most of his attempts of solving the Jewish problem turned out to be failures, and that hundreds of millions of dollars was wasted. But I wonder if such things can ever be measured. Perhaps some of the settlements that he set up failed to have a spectacular success, and most of them failed in time, but my life was helped by his work, as I suppose were many others.”*<sup>8</sup>

This is mentioned even today on the web page of the Jewish Colonization Association (J.C.A),

*“Hirsch was contemptuous of traditional charity with its emphasis on the distribution of alms as a means of bringing relief. He was convinced that he could secure the future of the*

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<sup>6</sup> S. Adler-Rudel, p. 30.

<sup>7</sup> S. Adler-Rudel, p. 53.

<sup>8</sup> A. D. Goldhaft, former student of the Baron de Hirsch Agricultural School at Woodbine, N. J., USA. (in K. Grunwald, p 65).

*Russian Jews by providing them with the opportunity to become self-reliant through productive work.”*<sup>9</sup>

Hirsch himself publicly stated this vision on several occasions. For example, in 1873 he addressed the following note to the Board of the Alliance Israélite Universelle (A.I.U.),

*“During my repeated and extended visits to Turkey I have been painfully impressed by the misery and ignorance in which the Jewish masses live in that Empire... progress had by-passed them, their poverty stems from lack of education, and only the education and training of the young generation can remedy this dismal situation.”*<sup>10</sup>

and in August 1891, at the time the activities of the J.C.A. were starting up in Argentina, he stated that “My own personal experience has led me to recognize that the Jews have a very good ability in agriculture...., and my efforts shall show that the Jews have not lost the agricultural qualities that their forefathers possessed. I shall try to make for them a new home in different lands, where, as free farmers, on their own soil, they can make themselves useful to the country.”<sup>11</sup>

To complete this summary, the brief paper that Hirsch published in The North American Review, in July 1891 is highly illustrative. The following paragraph we have chosen as the theme of this paper speaks for itself,

*“I contend most decidedly against the old system of alms-giving, which only makes so many more beggars; and I consider it the greatest problem in philanthropy to make human beings who are capable of work out of individuals who otherwise must become paupers, and in this way to create useful members of society.”*<sup>12</sup>

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<sup>9</sup> ICA in Israel, JCACharitable Foundation (<http://www.ica-is.org.il>).

<sup>10</sup> N. Leven, Cinquante Ans, Vol. II. pags. 23-24 (in K. Grunwald, p. 66).

<sup>11</sup> Baron Maurice de Hirsch, August 1891 (i).

<sup>12</sup> See note 1, pag. 1.

and it was in this vein that he undertook his philanthropic work. The following section provides various examples of this task, illustrating the fact that his particular view of philanthropy was entirely consistent with his actions.

### **III. PHILANTHROPIC ACTIVITY BY HIRSCH IN THE COUNTRIES OF RESIDENCE**

The philanthropic activities of Baron de Hirsch were clearly marked by one distinctive feature: they were not intended to provide charity, but attempted to ensure the economic rehabilitation of the beneficiaries.

In a first stage, this led him to finance major educational projects in the countries of residence, but after the pogroms in 1881/82 he concluded that this strategy was doomed to failure, and that the only viable alternative was organized emigration and the setting up in new countries, to which end he established the Jewish Colonization Association (J.C.A.) in 1891. The following section describes the activities of Baron de Hirsch in the countries of residence.

#### ***Education in the Near East***<sup>13</sup>

In 1873 Hirsch gave the A.I.U. 1,000,000 francs (US\$ 200,000) to alleviate the situation of Jews in the Ottoman Empire (Turkey) through the setting up in Constantinople of primary schools, vocational schools (technical schools) and the providing of subsidies for foreign travel for purposes of gaining professional skills.

This was in fact just the beginning of his collaboration with the Alliance; later he was to make numerous contributions towards school building and maintenance. In 1879 he gave 50,000 francs, and since 1882 he made good the annual deficit of the Alliance. Finally, in 1889 he set up a fund for 10,000,000 francs which yielded income of an estimated 400,000 francs, to be used to cover the institution's shortfalls and the growth of its technical schools.

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<sup>13</sup> Europe to the east of the Balkans, Asia Minor and North Africa.



The total amount donated by Hirsch to the Alliance has been estimated at around 15,000,000 francs. His aim of achieving economic rehabilitation can be seen from the fact that his donations were not granted for general purposes but were specifically to be allocated to vocational education with the intention of providing labor training for its beneficiaries. This fact caused such assistance to be questioned by members of the community itself. The ultra-conservative community in Salonica, for example, argued that such training could not be classified as education.

***Education in the Austro-Hungarian Empire. Baron Hirsch Kaiser Jubilaums Fund***

In 1878 Hirsch set up the headquarters of his activities in Vienna, extending his interest in the education of those of his faith to the poor provinces to the east of the Empire (Galicia and Bukowina), where Jews faced living conditions similar to those in Turkey. In 1888, in celebration of Emperor Franz-Joseph's 40<sup>th</sup> jubilee, Hirsch endowed the Baron Hirsch Kaiser Jubilaums Fund, with 12 million gold francs (kronens), with the aim of setting up schools, ranging from kindergartens and primary schools through to vocational schools and trade schools. The Fund was also intended to provide food and clothing to poor children attending such establishments, grant subsidies to teachers, and make small loans to artisans and agriculturalists. As in Turkey, the schools were to admit children without distinction of creed.

Once again, Hirsch's intention to seek economic rehabilitation through the training of human capital ran into opposition. Initially, the project was not authorized by the government, influenced by the leaders of the Polish and German communities; it also encountered opposition within the Jewish community itself, which was mainly Orthodox, which saw the project as a kind of wooden horse leading to their assimilation into Western culture. In the end, after a wait of four years, the Fund received approval.

Many thousands of children, as well as many adults, gained access to elementary education or vocational training thanks to the Fund. By 1899, 50 schools were in operation, and at the outbreak of the First World War in 1914, 45 were still open. Many thousands of people succeeded in escaping from misery and establish a productive livelihood thanks to

the possibility of gaining access to the small loans the Fund granted.<sup>14</sup> This mechanism for providing lines of credit for specific purposes to Jews in Eastern Europe lacking any form of collateral was to become a constant feature of his philanthropic activity.

### ***Agencies in Vienna, Budapest and Cracow***

In 1889 Baron Hirsch opened his own welfare agencies in Vienna, Budapest and Cracow, with an annual budget of 120,000 florins. These agencies existed to help those who were too proud to resort to charities, and provided interest-free loans to small traders and artisans. These agencies were run by committees chosen by Hirsch himself, and they were required to send him monthly reports on the magnitude and destination of their philanthropic activities.

## **IV. PHILANTHROPY OUTSIDE THE COUNTRIES OF RESIDENCE**

### **IV. A. The Situation in the Russian Empire**

In this section we describe the deteriorating situation of Jews in the Russian Empire during the 19<sup>th</sup> century,<sup>15</sup> whose deplorable conditions encouraged Baron Hirsch to take action.

During the Middle Ages some Jews had migrated to lands to the north of the Black Sea because of the oppression they suffered under the Byzantine Empire. When this area became part of the Russian Empire in the 15<sup>th</sup> century, the relatively few Jews, although not particularly discriminated against, were restricted from living outside that region. At the end of the 18<sup>th</sup> century, Poland was partitioned and most of the country was annexed by the

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<sup>14</sup> “Cases are known of persons of Eastern European origin who have been embarrassed all their lives because their parents, out of enthusiasm or gratitude, gave them the first name *Baron de Hirsch* or *Baron Maurice de Hirsch*.” K Grunwald, p. 69.

<sup>15</sup> Towards the end of the 19th century 3,576,000 Jews were living in Eastern Europe, of whom 2,553,000 were to be found in the Russian Empire and the region of Poland annexed by the Empire, 400,000 were in Rumania, 575,000 in Galicia and 48,000 in Bukovina (provinces to the East of the Austro-Hungarian Empire). Although the conditions of life in Rumania were even worse, we will focus on the Russian Empire, because it was from there that the immigrants to be transferred to Argentina by the Jewish Colonization Association came.

Russian Empire; as a result 3,000,000 Jews in Poland, Lithuania, Western Ukraine and Bessarabia fell under the domination of the Czar. These areas were to become the so-called Pale of Settlement,<sup>16</sup> which Jews were forced to inhabit by law as from April 1835; the center of Russia, including St Petersburg and Moscow, was forbidden territory, except for special residence permits granted to certain artisans and members of the bourgeoisie.

Under the rule of Alexander I (1801-1825) living conditions improved considerably, but his brother and successor, Nicholas I (1825-1855), implemented clearly anti-Semitic policies, promulgating discriminatory laws even against the wishes of his own ministers, who pointed out the economic damage that they would cause. In 1835 he planned to transfer thousands of Jews to Siberia, but when they were already on their way he issued a decree creating the Pale of Settlement, and redirected them there. He also expelled the Jews from the western borders of Russia, at the same time as decreeing their recruitment into the army (which meant of 25 of service), even though they were still required to make the payments that were demanded for them to be granted exemption.<sup>17</sup>

In 1855 Alexander II became Czar and considerably reduced the restrictions (abolishing cantonalism and easing the Pale of Settlement), but in March 1881 he was assassinated, and his successor, Alexander III, returned to the policies of Nicholas I. His government sought to direct the anger of the masses because of the death of the Czar towards the Jews, encouraging, or at least tolerating, a series of pogroms<sup>18</sup> which shook the south of the Empire in 1881/82 (some 200 in just one year), and which were only the beginning of a series of physical attacks on Jews and their property.<sup>19</sup> The so-called May or Temporary Laws passed in May 1882 re-established the Pale of Settlement; even within the

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<sup>16</sup> For a map of the Pale of Settlement, see <http://www.wzo.org.il/home/politic/pale.htm>.

<sup>17</sup> This recruitment system was known as cantonalism. The Law established that conscription would take place at the age of 12; the purpose was laid out in the law itself: "Jewish minors will be placed in preparatory training establishments to serve in the army of the Czar for 25 years, during which time they will be guided towards an acceptance of Christianity."

<sup>18</sup> "Pogrom: Mass assault, house by house, on the life and property of Jews. These attacks generally took place with the consent of the police or the government authorities, but were made to appear spontaneous. The guardians of law and order pretended to halt the actions of the legitimate fury of the people against the wealth of Jews, and in some cases they joined in the pillage. This vandalism by the pogroms lasted for a long as the authorities wanted it to." B. Garfunkel, 1960, p. 169.

<sup>19</sup> Reproduction of the report on the pogroms published by The Jewish Chronicle on May 6, 1881, can be found at <http://www.wzo.org.il/home/politic/pale.htm>.

Pale, Jews were forbidden to settle in the outskirts of cities and towns, purchase land in rural areas or carry out business on Sundays and Christian feast days. Those who lived in urban areas had no choice but to remain there, and those who resided in rural areas were forced to move to the towns. The territory where they were legally allowed to live shrank by 90%.<sup>20</sup>

The Jewish population, terrified by the violence and the new restrictions, began to look for ways to escape from the Russian Empire. Thousands of people headed towards the borders; emigration, which had begun on a small scale in the second half of the 70s, gained in strength. Crossing the western border, they found themselves in Brody, in the Austro-Hungarian Empire, where living conditions were not much better, and from there they began a heavy current of spontaneous emigration to the United States, where the Jewish population was to double in just 10 years.

#### **IV. B. Philanthropy in the New World**

##### ***The Baron Hirsch Fund, New York.***

Hirsch had for years attempted to improve the quality of life for Jews in the countries where they lived, particularly through the setting up of vocational training schools. The pogroms in 1881-82, the subsequent anti-Semitic legislation, and the desperate wave of spontaneous emigration they gave rise to, led him to evaluate other alternatives for rehabilitation outside their countries of origin.

Most of this emigration had headed to the United States, where the Jewish community (some 250,000 people) made great efforts to generate the means to receive and absorb the new immigrants.<sup>21</sup> Efforts were made to prevent concentration in cities in the East, spreading immigrants across the country, and some small groups sought to start a new life as farmers.

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<sup>20</sup> The text of the Decree sanctioned by the Czar on May 3, 1882, and its commentary, published in the Jewish Encyclopedia, 1901-1906, can be found at <http://www.jewishencyclopedia.com>.

<sup>21</sup> During the ten years from 1882 to 1891 a further 240,000 Jews were to enter the USA, mostly from Eastern Europe.

Michael Heilprin, a famed writer and intellectual leader of the community in the USA, was, like Hirsch, opposed to the traditional concept of charity. As S. Adler-Rudel, 1963 points out,

*“Michael Heilprin did not believe in unproductive charity. He had a strong social conscience and was convinced that welfare work had not meaning unless it taught those whom it assisted to support themselves.”*<sup>22</sup>

at that time there were no funds assigned to a large-scale project of such a nature.

In 1887, the American Minister to Turkey, Oscar S. Straus, wrote to Heilprin suggesting that a letter from him describing the situation of the Jewish immigrants in the USA could encourage Baron de Hirsch to extend his philanthropic activity to the new world. In January 1888, Heilprin replied to Straus, requesting the support of Hirsch in setting up agricultural and industrial settlements that would enable immigrants to generate their own means of subsistence. The following quotes from that letter evidence the productive nature of philanthropy as conceived by Heilprin,

*“Jewish charity has always justly been praised -perhaps slightly beyond its merits. Even Anti-Semites would hardly dare to deny it. It is constantly doing a great deal of good. But it has also been productive of evil consequences. It has fostered a habit of relying upon individuals and congregational institutions, and in proportion weakened the instincts of manliness, self-reliance and honor. It is time to moderate this deleterious influence of a noble sentiment and practice. Jewish institutions ought to be founded on the principle of aiding those who aid themselves, of promoting and rewarding independent efforts and successful energy -not by gifts and distinctions, but by affording means for enlarging the scope of honorable efforts and the field of manly energy.”*<sup>23</sup>

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<sup>22</sup> S. Adler-Rudel, p. 43.

<sup>23</sup> Gustav Pollack, 1912, pages. 214-220.

*“All gifts to individuals, because engaged in the occupation which is to be fostered and propagated, ought to be strictly excluded from the program of the benevolent institutions here contemplated, in order that the Jewish agriculturalist should be made to feel and consider himself a self-sustaining cultivator of the soil, and an unsupported member of society.”*<sup>24</sup>

Heilprin died soon after sending this letter, but he had found in Hirsch an unconditional ally for his initiative,

*“There was an identity of ideas of the impecunious author and the wealthy magnate - to change the character of Jewish philanthropy and to meet the deep desire within the Jews masses for a new, productive way of living.”*<sup>25</sup>

In May 1889 the Alliance informed the American Relief Committee (A.R.C.) of Hirsch's desire to set up a special fund to assist Russian and Romanian immigrants arriving in the USA. As in the case of Eastern Europe, this initiative ran into obstacles within the community itself, because Hirsch's ideal of constructive assistance, with the planning of a system that enabled the rehabilitation of immigrants, was far different from the type of charity that the A.R.C. was accustomed to provide. Furthermore, some members of the Committee feared that the magnitude and nature of the help provided by Hirsch might attract an immense wave of immigration, which they considered highly inadvisable. In fact, this was the aim that Hirsch was hoping to achieve - organized emigration from Eastern Europe<sup>26</sup> - but Hirsch himself has decided that it was advisable to choose other destinations, with the aim of avoiding a large concentration, given the magnitude of the spontaneous wave of immigration arriving in the USA after the pogroms of 1881/82.

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<sup>24</sup> Gustav Pollack, pags. 214-220.

<sup>25</sup> S. Adler-Rudel, p. 43.

<sup>26</sup> “Its is my intention to afford a fresh class of unfortunates the means of beginning a new life in your part of the world. It is the very poorest of our brethren which I wish to benefit and there cannot be any doubt that the misery of the Jews in both Russia and Rumania is the most cruel, as they cannot fight for their existence under the hard special laws in those countries while in other parts of Europe they are not so hardly oppressed.” Letter from Baron de Hirsch to the A.R.C., in S. Joseph, p. 16.

In February 1891, a compromise was reached between the position of the A.R.C. and that of Hirsch, with the establishing of the Baron Hirsch Fund, with an endowment of 2.4 million dollars, later increased to 4 million.<sup>27</sup> Forty percent of the income generated by the Fund was to be allocated to providing economic assistance to recently arrived immigrants, while the rest was to go to immigrants who had been established in the USA for at least two years.<sup>28</sup>

The purpose of this fund was to provide immigrants from Russia and Romania with free transportation from their port of entry to the United States to their final destination, where they could find employment, or set up independently. The Fund also provided loans to immigrants so that they could become established as farmers, artisans, etc., be trained for that purpose, and be supported during the training. In addition, the Fund also busied itself with the building and running of schools to teach immigrants english and civics, and provide vocational training, as well as paying for instructors to assist these new farmers to learn the details of their new activity.

Between 1901 and 1933 the Fund was to scatter across the United States 73,960 immigrants, in 1,731 localities, and was to grant 11,560 loans to 10,434 farmers for US\$ 7,000,000 (at an average of US\$ 605 per loan) through the Jewish Agricultural Society (an association formed by the Fund and the Jewish Colonization Association). A total of 88% of the beneficiaries repaid their loans, for a total of US\$ 6,200,000. Repayment was made over 10 years, in annual installments that increased gradually and included amortization of principal and interest.

### ***Baron de Hirsch Institute, Montreal***

A similar situation, although on a much smaller scale, took place in Canada. In 1863 the small Jewish community in Montreal formed the Young Men' s Hebrew Benevolent Society, which as from 1880 had to confront a massive surge in immigration by Russian refugees. In 1890 the Society requested Hirsch for assistance, and he immediately

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<sup>27</sup> From May 1889 until that date Hirsch had been contributing around US\$10,000 monthly to the financing of the A.R.C.

<sup>28</sup> The A.R.C. intended that this proportion should not exceed 25% of the income generated by the Fund.

responded with a check for US\$ 20,000. Subsequently, the Society altered its name to the Baron de Hirsch Institute, with the purpose of providing education and lodging to immigrant children and offering temporary financing for the setting up of agricultural settlements. This work was later to be controlled directly by Hirsch through the Jewish Colonization Association.

#### **IV.C. A Philanthropic Enterprise of Organized Emigration**

In 1888 the Czar intensified the restrictions, leading provincial authorities to further shrink the territory open to settlements, redefining small towns and hamlets as rural areas and thus forbidden to Jews; those who had moved into such areas after the decrees of 1882 were once again forced to emigrate.

There were other severe restrictions, such as the *numerus clausus* established in 1887 that imposed Jewish quotas on secondary and higher education schools (for example, in the Pale of Settlement, schools accepted Jews up to 10% of the cohort, while outside the Pale this percentage dropped to 5%, and 3% in the areas of Moscow and St. Petersburg), and the special limitations imposed in 1889 for the admission of Jewish lawyers to the Bar.

In 1891, those Jews still living in Moscow and St. Petersburg were suddenly forced to sell the properties in which they had lived for generations and leave the cities; those unable to dispose of their properties quickly (mostly at knock-down prices) were imprisoned. As a result, 20,000 Jews who had been living in Moscow were forced to move to the Pale of Settlement.

The sum of these restrictions meant that by the 1897 census, 94% of the 5,215,805 Jews lived within the Pale of Settlement; 80% in urban areas, making up 38% of the urban population in that region.

Confinement within the overpopulated Pale of Settlement, the impossibility of purchasing land or performing agricultural activities, or gaining access to education or certain professions, added to strong population growth,<sup>29</sup> led to a deterioration in living conditions by increasing competition among small traders and lowering their already

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<sup>29</sup> Although between 1881 and 1914 2,000,000 Jews abandoned the Russian Empire, this exodus did not lower the population. There were 2,500,000 in 1880 and a similar number in 1914, despite the exodus.



minuscule incomes as a result of the urbanization of the Russian Empire during the second half of the 19<sup>th</sup> Century. This urbanization had created an enormous demand for consumer goods, replacing the individual work of artisans by industrial production, and developing railroad networks, with an impact on many tradesmen in towns, and virtually wiping out the traditional Jewish occupation of carter. Large-scale commerce, stimulated by industrialization, passed by small local traders, usually Jewish, as a result of the restrictions placed on the performance of any other kind of activity.<sup>30</sup> Towards the end of the 1880s, the serious deterioration in living conditions provided a renewed impulse to spontaneous emigration.

In this context, Baron de Hirsch first attempted to improve living conditions within the Pale of Settlement, as he had done in the Near East and in the Austro-Hungarian Empire, in the case of the former by setting up a fund for US\$2,000,000, and in the latter, by creating the Baron Hirsch Kaiser Jubiläums Fund, endowed with US\$2,400,000, both aimed at the formation of human capital, creating and administering technical schools and providing work training. With this purpose in mind, he proposed to the Czar the creation of a Fund with an endowment of US\$ 10,000,000 for the purpose of founding and operating technical and agricultural schools in the Pale of Settlement; negotiations with the government were carried out during one year, but his initiative was rejected unless the Fund were to be administered by the government itself, a condition that was quite unacceptable to Hirsch. As revealed in the following quotes from his article published in *The Forum* in August 1891, from that moment onward, he considered that the only viable alternative consisted in organized emigration and resettlement in other countries,<sup>31</sup>

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<sup>30</sup> For example, I. Rubinow, 1907, in his analysis for the Bulletin of the Bureau of Labor on the economic situation of the Jews in Russia, reports that “between 1894 and 1898, the number of Jewish families requiring charitable assistance increased some 27%. In 1897, a number of cities reported that more than half of their Jewish inhabitants were unemployed. During Passover of that year, between 40% and 50% of the Jewish population of such cities as Odessa, Vilna, Minsk, and Kovno received assistance. According to the Jewish Colonization Association about 700,000 Jews applied for relief in 1898.” E. Sofer, 1982, p. 21.

<sup>31</sup> “The government of the Czar is seeking to free itself of 5,000,000 Jews inhabiting Russian territory. Allow the many who, like himself, are interested in the destiny of these victims of persecutions, and who are certainly prepared to make the greatest sacrifices to their benefit, to save them... Let us say that a term of 20 years be set; let us agree that each year a certain number of Jews will depart the country, but leave them in peace until the time for their departure arrives. If the Czar were to order the adoption of such a measure, those concerned for the destiny of these Russian Jews would do everything necessary to provide the funds to transport to their new countries the number of emigrants ordered to leave annually. As a result, it would thus be possible to carry out, without great difficulty and with a minimum of suffering for those involved, the

*“The measures now being enforced against the Jews which are equivalent to their wholesale expulsion do not appear to me to be altogether a misfortune to the Russian Jew. I think that the worst thing that could happen to these unfortunate people would be to continue for an indefinite period the wretched existence which they have led up to the present time, crowded altogether in narrow streets, merely vegetating without hope and without future, reduced to a condition incompatible with the dignity of human beings. The only means to raise their condition is to remove them from the soil to which they are rooted and to transport them to other countries, where they will enjoy the same rights as the people among whom they live where they will cease to be pariahs, and become citizens. What is going on in Russia today may be the prelude to their beneficent transformation,”*<sup>32</sup>

This exodus was to lead to the settlement of many of them in the agricultural colonies that Hirsch was to set up in Argentina through the Jewish Colonization Association.

### ***Hirsch in Argentina***

As Samuel Joseph (1935) also points out, Hirsch’s aim went far beyond removing the Jewish community from Russia; Hirsch sought their economic and moral rehabilitation, so that they could rebuild their lives through their own efforts. Hirsch himself clearly stated this conviction,

*“What results are to follow from my philanthropic labors? What I desire to accomplish, what, after many failures, has come to be the object of my life, and that for which I am ready to stake my wealth and my intellectual powers, is to give to a portion of my companions in faith the possibility of finding a new existence, primarily as farmers, and also a handicraftsmen, in those lands where the laws and religious tolerance permit them*

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proposed expulsion decided on by the Russian government.” Baron Maurice de Hirsch, August 1891 (ii), in S. Joseph, pags. 11-12.

<sup>32</sup> Baron Maurice de Hirsch, August 1891 (ii), in S. Joseph, p10.

*to carry on the struggle for existence as noble and responsible subjects of a humane government.”*<sup>33</sup>

Although USA was the preferred destination for spontaneous emigration, it was not the most suitable destination for a project of organized immigration of the magnitude imagined by Hirsch. As we pointed out previously, the American Relief Committee had already indicated its opposition to the facilitation of mass immigration at the time of the setting up of the Baron de Hirsch Fund, and Hirsch himself considered it was not advisable to increase the concentration. “In considering this plan, I naturally thought of the United States, where the liberal constitution is a guarantee of happy development for followers of all religious faiths. Yet, I was obliged to confess that to increase to any great extent the already enormous number of Jews in the United States would be of advantage neither to the country itself nor to the exiled Jews; for it is my firm conviction that this new settlement should be scattered through different lands and spread over a large space, so that there shall be no opportunity for social or religious rupture.”<sup>34</sup>

At that time the Jewish press published similar opinions by experts in colonization. One of them, a member of the Leipzig relief committee, maintained that “emigration by Jews from Russia should be directed towards countries where there is certain sympathy of ambitious, intelligent and talented Jews, and in view of the difficulties in the United States, it would be advisable to investigate the possibility of emigration to other parts of the world.”<sup>35</sup> Faced by the need to seek out other destinations, Baron de Hirsch was to favor Argentina. “I made a study therefore of different countries, and after careful examination I have become convinced that the Argentine Republic, Canada, and Australia, above all others, offer the surest guarantee for the accomplishment of the plan. I expect to begin with the Argentine Republic, and arrangements for the purchase of certain lands for the settlement are now being made.”<sup>36</sup>

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<sup>33</sup> Baron Maurice de Hirsch, July 1891, p. 2.

<sup>34</sup> Baron Maurice de Hirsch, July 1891.

<sup>35</sup> Haim Avni, 1983, p. 96.

<sup>36</sup> Baron Maurice de Hirsch, July 1891, p. 4.

Why Argentina? To find the answer to this question it is necessary to go back to October 19, 1876, when Nicolás Avellaneda enacted the Immigration and Colonization Act (Law No. 817) which was to define the image of Argentina as a country. Although it placed no restriction on spontaneous immigration, it provided a strong stimulus to organized immigration; that is to say, to immigration promoted by the Argentine government. The following quotation, which reproduces part of the statement by Nicolás Avellaneda to Congress on August 5, 1875, eloquently expresses the spirit of the new legislation: “Until now, immigration has not been sought out, and those who have spontaneously wished to come to the Republic have been accepted, and in their arrival and accommodation considerable sums have been invested, without examination, without qualification requirements, without even discovering if the immigrant is to be a useful inhabitant who through his work will increase the production of the country and will add to the development of public wealth, while at the same time contributing with his customs and education to consolidate the elements of civilization, such as order and peace... The proposed legislation is intended to avoid this error, as without excluding spontaneous immigration, it is intended to choose it by seeking it out in Northern Europe and other countries in the South where it is easy to find it in the most appropriate conditions, ensuring we can achieve the desired results.”<sup>37</sup>

The Department of Immigration was to be created to implement the law. Its duties were to include the opening of immigration offices in countries in Europe that would be responsible for publicizing the opportunities and organizing the immigrants, while at the same time local commissions were to be set up to direct new arrivals to all regions of the Republic. The Department was to supervise the vessels carrying the immigrants, participate in their disembarkation, assist them in finding employment, in particular in localities in the interior, represent them before the authorities in all legal matters related to their voyage, and carry a detailed register of immigrants.

The Act was not to have an immediate effect. The four years following its enactment were of great importance for Argentina. The Conquest of the Desert, which took place between 1878 and 1879, placed vast areas under the effective control of the Republic, and the federalization of Buenos Aires set the seal on the process of national organization. On

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<sup>37</sup> Haim Avni, 1983, p. 72.

October 12, 1880, when Julio Argentino Roca became president, Argentina was unified and Roca had at his disposal enormous extensions of virgin territory, ideally suited to the start of the active policy for population and colonization that had been outlined during the presidency of Avellaneda.

The timing could not have been better, as news of the pogroms of May 1881 spread across Europe, reaching to the representative of the Argentine Department of Immigration in Paris, Carlos Calvo, who immediately got in touch with his important connections in St. Petersburg to ensure that some of the Jews anxious to emigrate could be guided towards Argentina. This initiative was backed by the Roca government, which issued a decree on August 6, 1881 naming José María Bustos honorary agent in Europe, with special responsibility for directing towards Argentina the Israelite emigration originating in Imperial Russia.<sup>38</sup>

Argentina's willingness to receive Jewish immigration was noted at the time by certain Jewish newspapers in Europe; for example "the newspaper *Kurier Warszaw* informs that an Italian trader resident in Kiev, by the name of Niezolini, has received a telegram from the Republic of Argentina in South America, requesting him to convince Jews and immigrants to head to that country, indicating that he would assist in putting such a wish into practice."<sup>39</sup> Similarly, "it is reported that the government of the Republic of Argentina has sent an agent to the south of Russia with instructions to invite the Jewish population to emigrate to that country."<sup>40</sup>

Bustos was unsuccessful; probably his inaction and the limited notice that the A.I.U. was prepared to take of proposals not coming from the highest levels of government contributed to his failure. In addition, although the news made the papers, it was published without being given much importance, as just one more item on the Jews in Russia, who did not consider Argentina to be a suitable country for migration because of its remote

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<sup>38</sup> The seriousness of Argentina policy is evidenced from the letter sent to Bustos by the Director of the Department of Immigration, Samuel Navarro, in which he suggested he make contact with the Alliance Israelite Universelle, with the Chief Rabbi in Paris, Zadoc Kahn, and with Ludwig Phillipson, whose Israelite publication (*Allgemeine Zeitung des Judentums*) was the best medium for publicity, as well as with other Rabbis in areas of Germany close to the Russian border. (V. Mirelman, 1988, p. 16).

<sup>39</sup> Hazfirá - Warsaw newspaper in Hebrew, 20/9/81, in H. Avni, 1983, p. 94.

<sup>40</sup> Jewish Chronicle - London paper, 23/9/81, in H. Avni, 1983, p. 94.

location, the limited knowledge they possessed of the prevailing economic conditions there, and the fact that it was a region that was still economically underdeveloped. In addition, they were naturally averse to a country linked to Spain by means of its language, religion and tradition, and which therefore in the minds of Russian Jews might perhaps still keep restrictive laws on Jews. (V. Mirelman, 1988, p. 19).

Bustos was to last only one year in his job. The first attempt to take large numbers of Jewish immigrants to Argentina failed, but it was to have a long-term impact through occasional articles published in the Jewish press in Europe, by means of which Argentina began to become known in communities in Russia as a country with potential for the settlement of Jews. This process was to culminate eight years later, on August 14, 1889, with the arrival in Buenos Aires of the S.S. *Weser*, which carried among its 1,200 passengers 820 Russian Jews, equivalent to half the Jewish population in Argentina.

The history of this group had begun in 1887 at a meeting held in Katowice (Silesia, Poland) by delegates of the Jewish communities in Podolia and Bessarabia, where the conditions of life were extremely severe; at that meeting it was decided that emigration was the only solution, and a delegate was sent to Paris to seek the support of Baron de Rothschild for emigration to Palestine. These negotiations failed, but whilst he was in Paris, the delegate, Eliezer Kauffman, learnt by chance of the existence in the city of an office promoting immigration to Argentina,<sup>41</sup> a country about which he knew very little, and which had not even been considered at the Katowice conference. At that office, Kauffman was informed by J. B. Frank, the government agent in charge, that a gentleman by the name of Rafael Hernández was interested in selling land to European immigrants; the land was in Nueva Plata, Province of Buenos Aires, close to the city of La Plata. The transaction was completed, and thus the 120 families that Kauffman represented began their trip to Argentina.

They had barely disembarked when they learnt that the land they had purchased was no longer available. During the lengthy trip, land prices had more than doubled, so it did not suit Hernández to hand over the land on which a deposit had been paid, and he simply

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<sup>41</sup> In 1886, during the presidency of Juárez Celman, the network of Argentine representation offices abroad had been reorganized to promote immigration. Promotion offices were opened in 1887, and a traveling exhibition of the fruits of the country was organized to show potential immigrants the blessings of a fertile land, waiting only for the hand of man to achieve definitive growth. (Martinez Zago, 1986).

failed to fulfill his side of the contract. The rabbi of the incipient Jewish community in Buenos Aires, Henry Joseph, put them in touch with Pedro Palacios, the legal advisor of the Israelite Congregation and the owner of extensive tracts of land in the Province of Santa Fe, where the railroad to Tucumán was being built, and he offered to settle them on land he owned. The proposal was accepted, contracts were exchanged, and a few days later they traveled to that area.

Their first impressions were bleak indeed. The families were lodged in freight trucks in a railway shed by the side of the railway line. They waited fruitlessly to be transferred to their fields, and to be provided with farm animals and implements, as had been agreed in the contract. It is reported that the workers on the railroad distributed food among the hungry children; sadly, a typhoid epidemic, spread because of the lack of hygiene, ended the lives of 60 of them.

News of this misery reached the national authorities, who ordered the General Commissioner for Immigration to discover the reasons for the difficult situation the immigrants were in. At this stage Wilhelm Loewenthal, a Romanian doctor who had graduated from the University of Berlin, specializing in bacteriology, appeared on the scene. He had been hired in Paris by the Argentine government for a scientific mission. Before he left Paris, the A.I.U. requested him to intervene on behalf of the immigrants from the Weser.

Loewenthal visited Palacios Station, confirmed the misery in which the colonists were living, and their desire to become farmers, despite their numerous adversities, and in a report to the Foreign Minister, Estanislao Zeballos, he dedicated a chapter to the so-called affaire of the Russian immigrants, repeating that they had been at Palacios Station for six weeks, often with no more to eat than a portion of biscuit each for 48 hours at a time. Loewenthal also met with Palacios to demand that he comply with his obligations.<sup>42</sup>

Back in Paris, Loewenthal detailed in writing to Chief Rabbi Zadoc Kahn a project for agricultural colonization by Jewish families in Argentina, which was to benefit in the first place the Palacios colonists,

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<sup>42</sup> This meeting led to Palacios agreeing to comply with the terms of his contract, supplying the future colonists with food, transporting them to their corresponding smallholdings and providing each family with a tent and tools. This resulted in the setting up at the end of October 1889 of Moises Ville, the first Jewish agricultural colony in Argentina.

*“The project furthermore proposes that assistance to persecuted Jews should not be in the nature of a charitable gift, and that it would be most constructive if they were to be provided with the possibility of dedicating themselves to farming, founding agricultural colonies to that end.”*<sup>43</sup>

His project recommended the setting up of a colonizing association, detailing the area to be assigned to each family unit, number of implements, capitalization system, repayments, etc.. He proposed providing each family with a smallholding of between 50 and 100 hectares, indicating that with 1,000,000 francs it should be possible to settle no fewer than 100 families annually, for a total of some 1000 people.

Loewenthal considered that ideally 50,000,000 francs should be made available to be able to settle 5,000 families in the short term. He was aware that two years earlier, Baron de Hirsch had attempted to invest precisely that amount in the setting up of technical and agricultural schools in the Pale of Settlement, and therefore thought of Hirsch as a candidate to finance the project.<sup>44</sup> Hirsch learnt of the plans through the A.I.U. and gave the project his approval in January 1890,

*“The constructive nature of the project for assistance to the Russian Jews coincided precisely with Hirsch’s own point of view on the spirit of philanthropy in general, which is contrary to the old system of charity, which only succeeded in forming more beggars.”*<sup>45</sup>

Hirsch decide on a vast undertaking to establish large colonies in Argentina, and as a first step in that direction, sent out a commission made up by Loewenthal and two experts in emigration and colonization problems, C. N. Cullen, a British engineer, and Colonel Vanvinckeroy, a Belgian, to make studies of the soil and other aspects essential to the

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<sup>43</sup> L. Schallman, 1971, p. 26.

<sup>44</sup> “Pour le capital - says Loewenthal in his memorandum – j’ai pensé aux 50 millions de francs que M. Le Baron Hirsch, dans un élan de générosité superbe, a mis à la disposition du gouvernement russe pour les écoles israélites en Russie, et que ce gouvernement a eu la bonne idée de laisser échapper.” L. Schallman, 1971, p. 27.

<sup>45</sup> L. Schallman, 1971, p. 27.



success of the project. At the meeting to establish the commission, held in Paris in August 1890, Hirsch indicated the guidelines to be followed by the undertaking,

*“It will only be philanthropic in its beginning, as it will not be successful if it is not organized and managed as a business, in which the capital investment must yield a renewable return or profit, regardless of the possibility of the yield being allocated exclusively to the development of the project, with a view to extending it to the greatest possible number of emigrants.”*<sup>46</sup>

In March 1891 the Commission sent Hirsch a favorable evaluation, having in addition obtained the approval of the Argentine government. Argentina was considered as a country suitable for the colonization project because of its size, small population, ease of cultivation even for the most inexperienced of colonists, its liberal political regime, and the advantages offered by the country’s laws to immigrants seeking agricultural work.

The experience of the immigrants from the Weser formed the foundations for the decision by Hirsch to select Argentina for his project;<sup>47, 48</sup> and this is reflected in the following quotations, in which Hirsch defends the ability of future colonists to carry out their agricultural colonization. “I do not undertake the execution of so weighty a work without much preparatory study as to whether the Jewish race has or has not an inclination towards agriculture. The following example will go far to silence any doubt in this

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<sup>46</sup> L. Schallman, 1971, p. 28.

<sup>47</sup> “In 1889, whilst still looking for land suitable for this purpose, Hirsch was informed by A.I.U. of a letter received from Dr. Wilhelm Loewenthal (1850-1894, Professor of Hygiene at Lausanne and Paris) then engaged in Argentina for a scientific research project, who during his travels there had come across a few hundred Russian Jews working as farmers on leased land, but being exploited by the landlord. Though shocked by the conditions under which they had to labour he was enthusiastic about the tenacity which kept them going. Hirsch, thus strengthened in his old conviction that the Jews could be excellent farmers, instructed Dr. Loewenthal to buy this land from the owner and to provide the settlers with the necessary farm equipment. Thus, in 1890, the first Jewish settlement was established in the Santa Fe province. It was given the name of Moisesville.” K. Grunwald, 1966, pgs. 71-72.

<sup>48</sup> “The presence of the stranded Weser immigrants in Santa Fe Province, on the edge of Argentina’s wheat belt, provided the sort of opportunity he relished. There the lure of virgin land, which was attracting settlers in large numbers, meshed with the worldwide rise in the price of wheat to present prospects of a profit to be made through large-scale cultivation of grain. How better to combine philanthropy with good business practice than by transferring displaced Jews from Russia and settling them as farmers on land suitable for growing wheat? Thus Jews would become self-sufficient in the one occupation that, according to the baron’s

direction, and to prove the capacity of the Jews for farming and colonization. Some years ago several hundred Jewish families were exiled from Russia to the Argentine. In spite of the greatest hindrances which they encountered, they succeeded in taking root in their new homes. These same families, which a few years ago, bending under heavy burdens, appeared to be only wandering trades-people in Russia, have now become thrifty farmers, who with plough and hoe know how to farm as well as if they had never done anything else. They lay out their farms in the best manner, and build themselves such pretty little houses that every one in the vicinity employs them as carpenters in house-building. The knowledge of this guides me in my work, and I am now setting out with all my strength to accomplish it.”<sup>49</sup> - “My own personal experience, too, has led me to recognize that the Jews have very good ability in agriculture. I have seen this personally in the Jewish agricultural colonies of Turkey; and the reports from the expedition that I have sent to the Argentine Republic plainly show the same fact.”<sup>50</sup>

Mass emigration such as that proposed required the selection of the immigrants, their transportation to Argentina, and the opening of administrative offices at destination to receive them and settle them in their new homes. To carry out these tasks the Jewish Colonization Association (J.C.A.) was set up in September 1891, incorporated under English laws as a limited liability company and endowed with an initial capital of US\$ 10,000,000, contributed entirely by Baron de Hirsch, who would later increase its capital by US\$ 30,000,000.<sup>51</sup> In February 1892 the company was legally incorporated in Argentina, and eight years later it was granted recognition by the government of Julio A. Roca as a

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philosophy, could accomplish their moral and physical regeneration. The refugees were about to acquire a manager.” J. Elkin, 1998, pags. 107-108.

<sup>49</sup> Barón Maurice de Hirsch, Julio 1891, pág. 4.

<sup>50</sup> Barón Maurice de Hirsch, Agosto 1891 (iii), en *Jewish Encyclopedia*, 1901 - 1906.

<sup>51</sup> "I.C.A. was incorporated in London on September 10, 1891 as a limited company, with a capital of 2,000,000 pounds, divided into 20,000 shares. Hirsch himself held 19,993 of these while the remaining seven were held by Jewish leaders in London and Paris. Hirsch distributed his shares in 1893 among the Anglo-Jewish Association, and the Jewish communities of Brussels, Berlin and Frankfurt. Of the shares given to the Anglo-Jewish Association, Hirsch retained their voting rights for himself for his life-time in order to direct the affairs of I.C.A. as its chairman. He had first endowed I.C.A. with 2,000,000 but later on quadrupled this amount. Hirsch had chosen this form of incorporation, as he said in an interview, because he felt that he as an individual might not be considered as sufficient guarantee by the Russian government, and therefore had decided to associate all Jewry in this, his biggest and crowning undertaking." K. Grunwald, 1966, pags. 72-73.

philanthropic civil association.<sup>52</sup> The purposes of the Association, as stated by Hirsch himself, were “To assist and promote the emigration of Jews from any part of Europe or Asia -and principally from countries in which they may for the time being be subjected to any special taxes or political or other disabilities- to any parts of the world, and to form and establish colonies in various parts of North and South America and other countries, for agricultural, commercial and other purposes.”<sup>53</sup>

Initially, settlement took place of the remaining group of immigrants from the Weser who still desired to take up agriculture after their tragic initial experience. For this purpose, the J.C.A. purchased part of the land on which they were living, giving rise to the creation of the Moisesville colony. In subsequent years, five colonies were established in Entre Ríos, another in Santa Fe, two in the province of Buenos Aires, and one each in Chaco, La Pampa, and Río Negro. The settlements were established quickly; four were set up in the 90s, and five more before the start of the First World War. By 1896, the year in which Baron de Hirsch died, the J.C.A. project covered 302,736 hectares, and 6,757 immigrants had been settled.

These immigrants were to have the right to ownership of the land, although not free of charge, but after having paid for it, as well as for all the loans in kind received during their transfer and through to their first harvests (the cost of the trip, food, utensils, tools, etc.), as well as the corresponding interest,

*“Always in accordance with his firm decision to provide opportunities without making gifts, the Baron drew up strict contracts, making each colonist responsible for repaying the Association every penny received for travel costs and construction and fixing up of the dwelling occupied, purchase of livestock, tolls, farm machinery, furniture, utensils and seed, and subsidies granted... Generally, when signing the contract, the sum to be paid by the colonist for these items was twice or three times that payable for the land... In addition to the smallholding, the colonist received a market garden and a stock pen, and their cost, plus the advances and interest at 5%, was his total debt. The original criterion of the Association was that the total amount should be paid in 10 to 15 annual installments.... In*

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<sup>52</sup> The decree states that “the J.C.A. is a foundation with a humanitarian purpose that has come to the Republic of Argentina to perform works of general interest for the country.” L. Schallman, 1971, p. 41.

<sup>53</sup> Jewish Encyclopedia, 1901-1906, at <http://www.jewishencyclopedia.com>.

*addition to these clauses that were designed to ensure the colonist stuck to the matter in hand, the signer was also obliged to follow a series of regulations intended to ensure the constant improvement of his land. For this reason obligations were established such as the need to provide mutual assistance, to keep and care for a market garden of not less than two hectares and an alfalfa field of not less than one hectare, to plant and care for not less than 100 trees on the edges of the property, to have concluded the fencing of land before the final payment, and to contribute proportionately to the cost of maintaining schools, synagogues, communal bath-houses and medical services at the Colony.”*<sup>54</sup>

The philanthropic philosophy of Baron Maurice de Hirsch is therefore clear: not to hand out charity or subsidies, which do no more than reinforce poverty, but rather to enable those who have had no chance to live a dignified life in their country of origin to have a new opportunity to realize their potential as human beings, although not without effort and sacrifice.

## V. CONCLUSION

In the first part of this paper we have focused our attention on the views of Baron de Hirsch on philanthropy, noted for its distancing from the concept of charity, with its emphasis on the distribution of alms as a way of providing relief.

Hirsch considered that philanthropy did not mean alms-giving; he was convinced that he could assure the future of the Jews in Russia by providing them with the opportunity to become self-sufficient through productive work. For this reason, he established rigid rules whereby immigrants were to gain the right to land ownership, although not gratuitously, but after having paid for it, in the same way as were required to pay for all loans in kind received during the transfer and through to the first harvests, as well as the corresponding interest.

In the remaining chapters we have illustrated the non-almsgiving nature of his vision as seen from various projects carried out on the basis of his understanding of philanthropy,

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<sup>54</sup> S. Sigwald Carioli, Marzo 1991, pags. 39-42.

to which he was to devote millions of pounds sterling with the aim of achieving the economic rehabilitation of the beneficiaries, in part through education and vocational training, as well as through donations to be used for loans to small traders, and fundamentally through his vast project for mass immigration, and the subsequent establishing of agricultural settlements in Argentina, Brazil, Canada and the United States. This enterprise was to be organized and managed as a business, in which the invested capital was to provide a profit or a renewable benefit, regardless of the fact that the income was to be exclusively intended to further develop the work, with the aim of extending it to the greatest possible number of immigrants.

Although we have included details of the Argentine case for illustrative purposes, we have not analyzed it in depth, as this task forms the core of the next step of our plan of further research: the detailed analysis of the non-almshousing nature of the project carried out by the Jewish Colonization Association in Argentina. In the final step, we will evaluate the success, or failure, of this huge experiment in social welfare, performing the social evaluation of the project.

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