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THE PROJECT OF THE BARON DE HIRSCH. SUCCESS OR FAILURE?

EDGARDO ZABLOTSKY*

MAY 2005

ABSTRACT

In 1891, Baron Maurice de Hirsch founded the Jewish Colonization Association (J.C.A.), through which he would manage a gigantic social welfare project concerning the immigration of thousands of people from the Russian Empire towards Argentina, and their settlement in agricultural colonies. In this paper, we evaluate the result of this project, which is generally qualified as a failure by historians on the subject. We hold an alternative hypothesis, wholly opposed to this conclusion: if the *social evaluation* of the project were carried out, taking into account the externality it generated, the conclusion would be that the project was highly successful; even though its *private evaluation*, which implicitly is the usually made evaluation, would lead to the conclusion that it was a total failure. This externality is reflected in the number of immigrants arriving in the country independently of the J.C.A., but who would have never come here were it not be for Baron de Hirsch's project, since it placed Argentina on the map of East European Jewry, in a world in which the dissemination of information was slow and deficient.

JEL classification codes: I38, N96

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

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I. INTRODUCTION

In 1891, Baron Maurice de Hirsch founded the Jewish Colonization Association (J.C.A.), through which he would manage a gigantic social welfare project consisting in the immigration of thousands of people from the Russian Empire towards Argentina, and their settlement in agricultural colonies.

In a previous paper¹ we have introduced this project as an example of philanthropy not oriented to charity, since immigrants had the right to accede to ownership of the land, not for free, but after having paid for it; the same occurred with all loans in kind received during their journey, and up to the first crops, and even the pertinent interest on them.

The economic rehabilitation of beneficiaries would be a common characteristic of each and every one of Hirsch's philanthropic undertakings. This distinctive aspect would take him, during a first stage, to finance significant educational projects in the countries of residence; however, after the pogroms of 1881/82 he considered that this strategy lacked chances of success, and that the only viable alternative would be organized emigration and settlement in new countries; with this purpose he created the J.C.A. in 1891. Even though USA was the preferred destination of spontaneous emigration, it was not the appropriate destination for a project entailing organized immigration in the magnitude imagined by Hirsch, and having to seek other destinations he decided in favor of Argentina.

In this paper, we will focus on the result of the project, which is usually qualified as a failure by historians. We will hold an alternative hypothesis, wholly opposed to this conclusion: if the *social evaluation* of the project were carried out, taking into account the *externality* it generated, the conclusion would be that the project was highly successful; even though its *private evaluation*, which implicitly is the usually made evaluation, would lead to the conclusion that it was a total failure.

¹ Edgardo Zablotzky, "Filantropía no Asistencialista. El Caso del Barón Maurice de Hirsch," Working Paper 264, Universidad del CEMA, May 2004.

The paper is organized as follows: the next section will include the antecedents of the project, describing the situation of Jews in the Russian Empire during the 19th century and why Hirsch would opt for Argentina as the host country for immigrants. In section III we will introduce the private and social evaluation of the project, and the next section will include a detailed analysis of the externality in information generated by the project. Finally, section V reports the main conclusions.

II. THE ANTECEDENTS OF THE PROJECT²

We will devote the first part of this section to describe the deteriorating situation of Jews in the Russian Empire during the 19th century, whose extremely poor living conditions would lead to the intervention of Baron de Hirsch.

During the Middle Ages, some Jews had migrated to the lands situated to the north of the Black Sea due to the oppression they suffered under the Byzantine Empire. When in the 15th century this area became a part of the Russian Empire, the Jews, although they were not particularly discriminated against and were few in number, were restricted from living outside this region. By late 18th century Poland was partitioned and its largest portion was annexed to the Russian Empire; in this way, nearly 3,000,000 Jews in Poland, Lithuania, Western Ukraine and Bessarabia came to be under the rule of the Czar. These regions would in turn become the so-called Pale of Settlement, where the Jews were legally obliged to live since April 1835; the center of Russia, including Saint Petersburg and Moscow became prohibited territory, except under special residence permits granted to certain artisans and members of the bourgeoisie.

While ruled by Alexander I (1801–1825) the Jews' living conditions improved considerably, but his brother and successor, Nicholas I (1825-1855) implemented clearly anti-Semitic policies, enacting discriminatory laws even though his own ministers opposed them, on the grounds of the economic damage the regulations would bring about. In 1835 the Czar planned to transfer thousands of Jews to Siberia, but while they were on their way he issued a decree creating the Pale of Settlement, and redirected them there. He also expelled the Jews from the area making up the western frontier of Russia, at the same time ordering their recruitment into the army (cantonalism, which meant 25 years of service),

² This section is based on Edgardo Zablotsky, 2004.

although Jews continued being required the payments they were usually obliged to make in order to be granted exemption.

In 1855, Alexander II became Czar and he reduced restrictions considerably (he abolished cantonalism and eased the Pale of Settlement), but in March 1881 he was assassinated and Alexander III, his successor, returned to Nicholas I's policies. His government sought to direct the anger of the population, caused by the death of the Czar, towards the Jews, encouraging, or at least tolerating, a series of pogroms shaking the south of the Empire in 1881/82 (they numbered about 200 in a one-year period); these pogroms were the first of a series of physical attacks on Jews and their property. The so-called May or Temporary Laws, promulgated in May 1882, re-established the Pale of Settlement. Even inside the Pale of Settlement, the Jews were prohibited from settling in the outskirts of cities and towns, from acquiring land in rural areas, and from doing businesses on Sundays or any other Christian feast days. Jews residing in urban regions had no alternative but to remain there, and rural residents were forced to move to the former. The territory where they could legally reside was reduced by 90%.

The Jewish population was frightened by violence and by the new restrictions and started seeking the way to come out of the Russian Empire. Thousands of people started on their way towards the borders; emigration, which had mildly begun in the second half of the 70's gathered strength again. Upon crossing the western border they were in Brody, in the Austro-Hungarian Empire, where their living conditions were not much better; thus, they began a steady process of spontaneous emigration towards the USA, where the Jewish population would double within 10 years.

When in 1888 the Czar intensified restrictions, provincial authorities reduced even more the territory open to settlements, since small villages and towns were redefined as rural areas and consequently, prohibited for Jews; those who had moved to these regions after the decrees of 1882 were again forced to emigrate.

On the other hand, there were other strong restrictions such as the *numerus clausus* established in 1887, setting an admission quota for high schools and superior schools (for example, in the Pale of Settlement schools accepted 10% of Jews, while outside this area, the ratio decreased to 5%, and in Moscow and Saint Petersburg it was 3%), and special limitations imposed in 1889 for admission of Jewish lawyers to the bar.

In 1891, those Jews who still resided in Moscow and Saint Petersburg were suddenly forced to sell the properties where they had lived for generations, and to abandon the cities.

Those who were not able to sell their properties fast (in most cases at prices below cost) were taken to jail. In this way, 20,000 Jews living in Moscow were obliged to move to the Pale of Settlement.

On account of these restrictions, the 1897 Census reported that, out of 5,215,805 Jews, 94% lived in the Pale of Settlement; 80% of them in urban areas, representing 38% of the urban population of said region.

Confinement in the overpopulated Pale of Settlement, the absence of possibilities to acquire lands and to carry out farming work, to have access to education and to practise certain professions, plus the strong demographic growth, made living conditions deteriorate considerably, since the aforementioned factors increased competence among small retailers and reduced even more their already very low income due to urbanization of the Russian Empire during the second half of 19th century. The urbanization had created a huge demand for consumer goods, replacing the individual artisan's work for industrial production, and developing railway networks. Large-scale trade, encouraged by industrialization, passed by the small local traders, usually Jews due to the restrictions imposed on their exercising any other activity. Towards the end of the 80's, the severe deterioration of living conditions again encouraged spontaneous emigration.

Under this context Baron de Hirsch first tried to improve living conditions in the Pale of Settlement, as he had already done in the Near East and in the Austro-Hungarian Empire. To this end, he proposed the Czarist Government the creation of a Fund amounting to US\$ 10,000,000³ (they would at present represent US\$ 260,000,000)⁴, aiming at founding and operating technical and agricultural schools in the Pale of Settlement; the negotiation process with the government lasted for one year, but his initiative was rejected unless the Fund were administered by the government itself, a wholly unacceptable condition for Hirsch, who from that moment on considered that the sole viable alternative would be organized emigration and re-settlement in other countries.

Although USA was the preferred destination for spontaneous emigration, it was not the adequate destination for a project of such a magnitude as imagined by Hirsch. The American Relief Committee was already opposed to facilitating mass immigration at the

³ In this paper, the monetary unit used is the 1890 dollar. Exchange rates used were: 5 Swiss francs, 1890 = 1 dollar, 1890; 1 pound sterling, 1890 = 1 dollar, 1890.

⁴ One dollar, adjusted according to the US Consumer Price Index, would at present be equivalent to 25.89 dollars. (Source: globalfindata.com)

time Baron de Hirsch Fund was created, and Hirsch himself did not deem it convenient to increase concentration, neither for the country in itself, nor for exiled Jews; therefore he considered that this new settlement would have to be distributed over a wide surface, in other lands, so as not to give rise to religious or social fractures. Having to seek other destinations Baron de Hirsch would be inclined in favor of Argentina.⁵

But, why Argentina? To find an answer to this question, it is necessary to date back to October 19, 1876, when Nicolás Avellaneda promulgated the Immigration and Colonization Act (Law N° 817), which would frame the image of Argentina as a country. Even though the law did not limit spontaneous immigration, it strongly encouraged artificial immigration, it is to say immigration fostered by the Argentine government. An Immigration Department would be created in order to instrument the law; this office would be in charge of creating a network of immigration agencies in European countries which would take care of informing and organizing the immigrants, at the same time constituting local committees which would be in charge of providing guidance to the newly arrived all over the country. The Department would have to supervise the ships transporting immigrants, take part in their disembark, help them to get jobs, specially in towns in the interior of the country, represent them before the authorities in all legal problems related to the journey, and keep a detailed register of immigrants.

The Act would not have an immediate effect. The four years following its enactment were of great importance for Argentina. The Conquest of the Desert, taking place between 1878 and 1879, made immense territories effectively come under the rule of the Republic, and the federalization of the city of Buenos Aires put and end to the process of national organization. Upon Julio Argentino Roca's taking office as president on October 12, 1880, Argentina was unified and huge extensions of virgin territory were at Roca's disposal, ideal lands to commence the active policy of population and colonization designed during Avellaneda's presidential term.

There could not be a more opportune moment, since the news about May 1881 pogroms had disseminated all over Europe, and had been heard by Carlos Calvo, representative of the Immigration Department of Argentina in Paris, who immediately contacted important people he knew in Saint Petersburg in order to have part of the Jews wishing to emigrate directed to Argentina. This initiative was supported by Roca

⁵ Baron Maurice de Hirsch, July 1891, pags. 3-4.

administration, by issuing a decree on August 6, 1881 appointing José María Bustos honorary agent in Europe, with the special commission to direct the Jewish emigration initiated in the Russian Empire towards Argentina.

Bustos would only last one year in office, and failed in this undertaking. Probably, his inaction and the scarce attention that the Alliance Israélite Universelle⁶ was to pay to proposals not deriving directly from the upper echelons of government contributed to his failure. On the other hand, even though the news was disseminated in some European-Jewish newspapers of that time, it was published as just another piece of news of the many referring to Russian Jews, receiving no special significance. Jews in Russia did not consider Argentina a country apt for emigration, due to its remote location, the scant knowledge they had regarding its prevailing economic conditions, and the fact that it was an economically underdeveloped region, besides their natural aversion for a country linked to Spain by bonds of language, religion and tradition, and which therefore, on the opinion of Russian Jews, might perhaps also maintain restrictive laws for Jews (V. Mirelman, 1988, p. 19).

Six years afterwards a second episode would end up on August 14, 1889, with the arrival of the SS Weser to Buenos Aires, bringing among its 1,200 passengers 820 Russian Jews, a figure equivalent to half the Jewish population of Argentina. The group's journey had originated in 1887 in a meeting held in Katowice (Silesia, Poland) by delegates of the Jewish communities of Podolia and Bessarabia, where living conditions were remarkably severe; the idea prevailing at this meeting was that emigration was the only possible solution, thus a delegate was sent to Paris in order to seek the support of Baron de Rothschild with the purpose of emigrating to Palestine. These negotiations failed and, while being in Paris, the delegate Eliezer Kauffman came to learn that there was an official bureau of information about the Argentine Republic, a country of which they had very little information and which had not even been considered in Katowice Conference. J. B. Frank, the government officer in charge of the office, informed Kauffman that a gentleman named Rafael Hernández was interested in selling lands to European immigrants; the lands were in Nueva Plata, Province of Buenos Aires, near the city of La Plata. The transaction was carried out and thus 120 families of Russian origin represented by Kauffman began their trip to Argentina.

⁶ The largest organization at that time (founded in 1860) dedicated to the protection and support of Jews in general, with special emphasis on those residing in the East of Europe, north of Africa and Asia Minor.

Upon their arrival, they learnt that the lands they had acquired were not available. While the long journey was taking place, the price of the land had more than doubled, thus it was not convenient for Hernández to deliver the lands on which a deposit had been paid, he simply did not fulfill the contract. The Rabbi of the incipient Jewish community in Buenos Aires, Henry Joseph, made the immigrants communicate with Pedro Palacios, the Jewish Congregation attorney and the owner of large plots of lands in the Province of Santa Fe, where the railway line to Tucumán was being built at that time, who offered to colonize them in the lands he owned. The proposal was accepted, by late August the pertinent contracts for the sale of real property were subscribed and some time later the immigrants travelled to that place.

The first impression the immigrants received was desolating: the families were lodged in freight cars parked in a shed along the railway line. They waited unsuccessfully to be transferred to their fields, and be given animals and working implements and materials, as it had been established in the contracts. It is said that the railway workers distributed food among the hungry children; a typhus epidemics, favored by lack of hygiene, took the lives of 60 of them.

The national authorities learned of the immigrants' deplorable conditions and ordered the General Immigration Commissioner to investigate the causes leading to said difficult status. Then, there arises the figure of Wilhelm Loewenthal, a Rumanian doctor from the University of Berlin, specialized in bacteriology, who had been hired in Paris by the Argentine government for a scientific mission. Previous to his journey, the A.I.U. had requested him to take care of the Weser immigrants.

Loewenthal visited Palacios Station, where he proved the poor living conditions the immigrants were undergoing and their interest to become farmers in spite of so many difficulties; then, in a report to the Minister of Foreign Affairs, Estanislao Zeballos, he dedicated a chapter to the so-called *affaire des immigrants ruses*, reiterating they had been in Palacios Station for the last six weeks, many times not having more food than a piece of ship biscuit per person for 48 hours. In turn, Loewenthal interviewed Palacios requesting him to comply with his duties.

Upon arriving at Paris, Loewenthal submitted a written project to Great Rabbi Zadoc-Kahn for the agricultural colonization of Jewish families in the Argentine Republic, which had to benefit Palacios' settlers first; this project held that help to persecuted Jews should not have the character of a gift, and that it would be most constructive to offer them the

possibility of devoting themselves to agricultural work, to this effect founding agricultural colonies.⁷ The project suggests the constitution of a Colonizing Association and details the area to be allocated by family group, the quantity of implements, form of capitalization, reimbursements, etc. The proposal states that each family be delivered a farm, from 50 to 100 hectares in size, and it indicates that with US\$ 200,000 it would be feasible to annually colonize no less than 100 families, around 1,000 people in all. Loewenthal considers that it would be ideal to have US\$ 10,000,000 to be able to colonize 5,000 families in the short term, and he knows that two years ago Baron de Hirsch had tried to invest precisely that amount in the creation of technical and agricultural schools in the Pale of Settlement, this is why Loewenthal thinks of him for financing purposes.

Hirsch learnt of the project through the A.I.U. and gave his approval in January 1890; then he decided to start a vast enterprise devoted to found large colonies in Argentina. As a first step in that direction, he sent a commission formed by Loewenthal and two experts in emigration and colonization issues, C.N. Cullen, a British engineer, and Colonel Vanvinckeroy, of Belgian ancestors, to study the soil and other aspects that might condition the success of the project. In the minute of the meeting, held in Paris in August 1890, through which the commission was created, Hirsch advanced the general outline of the undertaking, which would be of philanthropic nature solely at the beginning, because it would not be successful if it were not organized and conducted as a business in which the invested capital should yield renewable profit or benefit; notwithstanding the fact that profit were exclusively devoted to developing the work, with a view to expanding it in favor of the largest possible number of emigrants.⁸ In March 1891, the Commission sent Hirsch a favorable evaluation, and the approval of the Argentine government was also obtained. Argentina was considered a country fit for the colonization project due to its extension, low population, climate, fertility, easily cultivable soils, even for the less experienced settlers, liberal political regime and the advantages offered by the legislation of the country to immigrants interested in farm work.

Mass emigration such as it was proposed would require the selection of immigrants, their transportation towards Argentina, and the opening of administrative offices in the place of destination so as to receive them and locate them in their new homes. To carry out

⁷ L. Schallman, 1971, p. 26.

⁸ L. Schallman, p. 28.

these tasks, in September 1891 the Jewish Colonization Association (J.C.A.) was created and established as a Limited Liability Company according to British legislation, its initial capital being US\$ 10,000,000, fully contributed by Baron de Hirsch, who afterwards would increment it in US\$ 30,000,000. In February 1892, it was granted legal standing in the Argentine Republic, and eight years later it was acknowledged by the government of Julio A. Roca as a civil association with philanthropical purposes.

III. EVALUATION OF THE PROJECT

A. Private Evaluation

Let us start by the usual private evaluation of the project. Which was its purpose? J.C.A. web site⁹ reports that the main objective of the Jewish Colonization Association was to facilitate mass emigration of Russian Jews, and their rehabilitation in agricultural colonies in South America. Moreover, the same objective is remarked in section 3 of its original charter (August 1891) where the purpose of its work is defined as follows:

*“To facilitate the emigration of Jews from European and Asian countries where they are oppressed by special restrictive legislation and where they are deprived from political rights, towards other regions in the world where they may enjoy these rights and the rest of rights inherent in man. To this end, the Association purpose is to establish agricultural colonies in different regions of North and South America, as well as in other regions.”*¹⁰

The magnitude of the undertaking would make the J.C.A. the major philanthropic trust of its time, pursuant to the British Encyclopedia. It is therefore reasonable to ask ourselves if such a significant investment was justifiable in terms of the proposed objective.

In order to answer this question we will divide our objective into two: (a) To facilitate mass emigration of Russian Jews towards Argentina, and (b) To achieve their rehabilitation

⁹ Today, the J.C.A. operates mainly in Israel assisting rural population in Galilea and Negev, supporting research on agricultural subjects and supporting schools. Remaining capital is US\$ 40,000,000. (<http://www.charitiesdirect.com>).

¹⁰ Jewish Colonization Association, 1945.

in the agricultural colonies. In this paper, we will focus our attention on the first objective, and the second one will be dealt with in a subsequent paper.¹¹

The original J.C.A. project implied the transfer of 25,000 Russian Jews to Argentina during 1892, the first year of the project's existence, and 3,250,000 Jews were expected to emigrate to the colonies founded by J.C.A. in the course of 25 years (Winsberg, 1964).^{12 13} To this end, in 1891 Hirsch placed US\$ 10,000,000 at J.C.A. disposal and bequeathed the association most of his assets, consisting in the vast amount of US\$ 36,500,000, which would be inherited by the organization after his death which occurred on April 21, 1896 (H. Avni, 1983).

As time went by, the plots of land acquired by the J.C.A. would reach 620,000 hectares, located in the provinces of Buenos Aires, La Pampa, Santa Fe, Entre Ríos and Santiago del Estero. Moisesville, the largest settlement, would have 118,000 hectares.

On the other hand, the expenses needed to organize the enterprise and to support the colonists up to the first crops would originally represent a much more significant percentage in J.C.A. budget than the investment in lands, even in the central regions of the provinces of Buenos Aires, Entre Ríos and Santa Fe, due to the low price of land after the 1890 crisis (J. Mendelson, 1939).

However, in fact, only 2,500 immigrants, one tenth of the projected number, were relocated during the first year; furthermore, during the first decade, the J.C.A. would only transfer 10,000 immigrants and although the Argentine Republic was the main destination of the project, colonies in the country never had more than 27,500 inhabitants,¹⁴ making up

¹¹ There exists abundant literature focussing interest on the eventual failure of the agricultural colonization, due to abandonment of farms by settlers, and fundamentally, by their descendants. For example, Haim Avni (1983) makes an interesting analysis of the subject.

¹² M. Winsberg quotes S. Dubnow, 1918, volume II, p. 419.

¹³ It is possible that these figures were used in order to allow Hirsch representative before the Russian government, Arnold White, to have elements to negotiate the legalization of the departure of Jews from the Russian Empire, when submitting a plan of such magnitude. However, as Samuel Lee points out, 1970, pags. 234-235, Hirsch's aspirations were probably much lower: "*The following interview was reported in the April 29, 1891, issue of the New York Herald: Our Paris correspondent has had a very interesting talk with Baron de Hirsch, (in Paris) and sends the results to the Herald's readers by Commercial Cable. Title of the interview's section: The Annuan Exodus, -How many will you send? The first year we will send one thousand,, the next year two thousand, and the third three thousand, and so on up to ten thousand.. They will receive assistance at first, but, of course, every attempt will be made that the colonies will become self-supporting as soon as possible.*"

¹⁴ According to J. Elkin (1998) the figure would be 33,000 inhabitants.

3,946 families of 3,454 colonists. By 1941, 1,717 out of them were the owners of their lands and the rest still had contracts with the J.C.A. (Jewish Colonization Association, 1941).

In these terms, the private evaluation is clearly negative; as stated by Samuel Lee (1970) quoting Simon Dubnow, if the objective considered is to maximize the number of Russian Jews having access to the possibility of enjoying a life of dignity through their immigration into Argentina, the ratio between the investment made and the number of immigrants is obviously inadequate,

*“Simon Dubnow, in his History of the Jews in Russia and Poland, says, “Ere long Baron de Hirsch’s dream of transplanting millions of people with millions of money proved and utter failure. When, after long preparations, the selected Jewish colonists were at last dispatched to Argentina, it was found that the original figure of 25,000 emigrants calculated for the first year had shrunk to about 2,500. Altogether, during the first three years, from 1892 to 1894, the Argentinean emigration absorbed some six thousand people. Half of these remained in the capital of the republic, in Buenos Ayres, while the other half managed to settle in the colonies, after enduring all the hardships connected with an agricultural colonization in a new land and under new climatic conditions. A few years later it was commonly realized that the mountain had given birth to a mouse. Instead of million Jews, as originally planned, the Jewish Colonization Association succeeded in transplanting during the first decade only 10,000 Jews, who were distributed over six Argentinean colonies.”*¹⁵

B. Social Evaluation

Nevertheless, if we take into account the externality generated by the project, its social evaluation might lead us to the opposite conclusion. But, what would the externality be? As we understand it, the externality is reflected in the number of immigrants who came to Argentina independently of the J.C.A., but who would have never done so had it not been

¹⁵ S. Lee, 1970, p. 265.

on account of Baron de Hirsch's project. This section will be devoted to illustrating the origin of the externality.

During the 1856-1930 period, Argentina was the second overseas host country, not only for general immigration but also for Jewish immigration; however, up to 1889, Jewish immigration into the country was practically non-existent, in spite of the fact that the emigration of Jewish population from the Russian Empire had been especially steady after the assassination of Alexander II and the enactment of the Temporary Laws of May 1882. The main destinations of this emigration wave were Germany, the Austro-Hungarian Empire, England, France, Palestine and fundamentally the USA, a country which would annually receive 21,000 immigrants during the course of the decade.¹⁶

On August 14, 1889, the SS *Weser* arrived at Buenos Aires bringing 820 Russian Jews, a figure equivalent to half the Jewish population in Argentina. The alternatives of their trip were described in section II above; thus, Jewish immigration towards Argentina would start quite incidentally.

However, since 1891, when the first groups from the Jewish Colonization Association arrived, up to 1930, the arrival of Jewish immigrants was a common fact, some of them transferred by the J.C.A., most of them spontaneously. Up to 1900, the number of immigrants reached 25,000; 87,000 more arrived between the beginning of the century and 1914. According to Simon Weill's estimates, in the country the number of Jews was 10,000 in 1895, then soared to 100,000 in the eve of the first World War and exceeded 200,000 towards the end of the 20's (V. Mirelman, 1998, p. 6).

As E. Sofer (1982) points out,

¹⁶ "The emigration of Jews from Russia increased remarkably in the seventies and became widespread in the eighties of the nineteenth century. That until then the emigration movement was but slight is evidenced by the fact that between the years 1821-70 only 7,550 Jewish emigrants from Russia and Russian Poland set out for USA, at that time the most important objective point, and in the decade 1871-80 no less than 41,057 came from Russia alone. The direct cause which led to the largely increased emigration may be found in the anti-Jewish riots which occurred in the early eighties. Maddened by fear after these riots, the Jewish population, including not a few professional men, formed regular emigrant companies. These removed to Germany, Austro-Hungary, England, France, USA, and Palestine. There are no exact figures at hand to show the extent of that first emigration movement. The emigration from Russia to USA, which amounted, on the average, to no more than 4,100 persons a year even in the decade 1871-1880, reached in the decade 1881-1890 an annual average of 20,700." Jewish Encyclopedia, 1901-1906.

*from 1889, when the steamship Weser carrying 130 Jewish families docked in Buenos Aires, until 1930, when the military government of President José F. Uriburu drastically curtailed immigration to fight unemployment, Argentina attracted more Eastern European Jews (Ashkenazim) than any other country except the United States.”*¹⁷

According to M. Winsberg (1964) this figure reached 175,000 immigrants, implying that between 1890 and 1920 the immigration from Russia into Argentina would rank third after the Italian and Spanish immigration, in spite of the fact that it was practically non-existent in 1889.¹⁸

Why this fact has happened? Our hypothesis is that Baron de Hirsch's project placed Argentina on the Eastern European Jewry's map, in a world in which dissemination of information was slow and deficient. This fact encouraged the spontaneous immigration of those who would have never left Europe were it not for the information provided by the J.C.A. The magnitude of this fact made Baron de Hirsch himself discourage spontaneous immigration, specifying in a pamphlet published in Russian and Yiddish languages that all people wishing to emigrate should apply to the J.C.A. Committees, which were the only authorized agencies to give them all the necessary assistance. Furthermore warning that any person emigrating without the intervention of these committees would do it at his own risk and would not have any kind of support.¹⁹

¹⁷ E. Sofer, 1982, p. 1.

¹⁸ Up to 1890, Italian immigration ranked first, followed by Spanish, French, English, Swiss, Austro-Hungarian, and German immigration. Between 1890 and 1920 the third position belongs to Russian immigration, followed by Austro-Hungarian, German and English. C. Taylor, 1948, p. 96.

¹⁹ “In May, 1892, the constitution of the Jewish Colonization Association was ratified by the Czar. Alarming rumors of imminent persecutions, on the one hand, and exaggerated news about the plans of Baron de Hirsch on the other, resulted in huge masses of refugees flocking to Berlin, Hamburg, Antwerp, and London, imploring to be transferred to the United States or to the Argentinian colonies. Everywhere Relief Committees were organized rapidly, but there was no way of transporting the emigrants to their new homes, particularly to Argentina, where the large territories purchased by the Baron de Hirsch were not yet ready for the reception of colonists. Baron de Hirsch issued a special appeal in pamphlet form, printed in Yiddish and Russian, asking them to bide their time, and warning that undue haste might bring down the wrath of the Russian Government on their heads. The pamphlet, which was sent to all Jewish communities in Russian lands read: - You know that properly organized committees are shortly to be established in Russia, with the consent and under the supervision of the Imperial Russian Government. The duty of these committees will be to organize the emigration in a business-like way. All persons desirous of emigrating will have to apply to the local committees, who alone will be authorized to give you the necessary facilities. Only those persons who have been selected by the committees can have the advantage of the assistance of myself and of those who are working with me. Anyone who leaves the country without the concurrence of the committees will do so at his own risk, and must not count on any aid from me. It is obvious that in the beginning the number of emigrants cannot be large; for not only must places of refuge be found for those who first depart, but necessary

The first colonists encouraged their families, friends and neighbours to go to Argentina, not necessarily to the colonies. Firstly, through their letters to the homeland, and above all through the reports of some of them, correspondents of the main newspapers of the Eastern European Jewish Press which followed attentively the alternatives of the J.C.A. project:

'In the eighties of last century, even more in the nineties, those who decided to abandon the homeland began to hear about Argentina. The letters sent by the first Jewish immigrants into the country persuaded many other coreligionists to start a similar journey to South America. Besides, the J.C.A. project to colonize the land and the first signals of larger groups of Jews going to the interior of Argentina to work, induced many other Russian Jews to consider the possibility of finding a new home in that country, but not necessarily as farm workers, but as urban residents.'" ²⁰

Testimonies supporting this hypothesis may be found in the memoirs written by the immigrants themselves, for instance, Salvador Kibrick (1978), who points out,

'I was ten years old (1904) when our family abandoned Peterschipara to emigrate to Argentina, where our grandparents had already settled, thanks to Baron de Hirsch Foundation, which provided them the tickets and the means to settle in the countryside, giving a farm to each one of them plus the agricultural implements, a cow, a horse and all the necessary elements to cultivate the soil. Grandparents sent us the tickets to come to Argentina. However, the first time my mother returned them, since it was quite difficult for her to start the journey with her small children. After the historical pogrom of Kischineff, our grandparents again sent us the tickets, and thanks to them we managed to come out of the Russian hell... In the Argentine capital city we were welcomed by maternal aunt and uncle. The old people found the meeting quite moving. We, the children, were impassible before those unknown relatives. We left the Capital City by train towards Carlos Casares, where our grandparents, aunts and uncles and the other members of the family, quite a lot,

preparations be made for those who follow. Later on the emigration will be able to assume larger proportions." S. Lee, 1970, pages. 236-237.

²⁰ V. Mirelman, 1988, p. 23.

*welcomed us at the railway station. Grandparents lodged us in one building they owned. They lived in one building, we lived in the corner, and aunt and uncle Diner lived next. A short time afterwards we settled there, hiring a house near the lagoon. My father bought the crops of wheat, corn, etc. from the colonists, on behalf of third parties, getting a commission. He bought a sulky and a horse to go around the colonies of Baron de Hirsch Foundation, located around Carlos Casares, and my mother bought a cow to provide us with milk and related food.”*²¹

The magnitude of this spontaneous immigration to cities located near the colonies made them have, at the beginning of the 20th century, a significant Jewish population. Carlos Casares constitutes a clear example of this assertion:

*‘There lived many Jewish families in Carlos Casares due to the fact that the town was surrounded by the colonies the Jews had founded. The nearest was Mauricio Hirsch, around 15 or 20 kilometers away from Carlos Casares. The town became a large center of Jewish population. My grandfather, Israel Lissin, was one of the main founders of the Jewish Association, which was used as a synagogue and for marriage parties. We, the newcomers, were called the gringos... As I have already said, my father had a sulky and a horse, which were his working elements. One uncle whose surname was Potick, had a bakery, and another one, Diner, was a commissioner like my father. The meeting place was a tea-room, where my coreligionists went everyday to play dominoes. It was located in Maya Avenue corner “of rubbish” (today Maipú), having been given that derogatory name due to the husks of sunflower seeds that filled the sidewalks.”*²²

Furthermore, even though the colonies were not to produce a stable population of Jewish farmers in the long term, they set the roots of Jewish communities in cities of the interior of the country; a truly particular feature, being Argentina the only Latin American country where several communities settled in cities other than the Federal District (Judith Elkin, 1998, p. 119).

²¹ S. Kibrick, 1978, pags.16-17.

²² S. Kibrick, pags. 17-18.

This fact also fostered immigration, since the news arriving at the communities of origin about the immigrants leaving the colonies towards the nearby cities, and essentially, towards Buenos Aires, constitute another significant variable at the time of understanding the externality in information generated by the project. The magnitude of this phenomenon is pointed out, for instance, by E. Sofer (1982):

'In 1895, about 7,500 Jews lived in Argentina, most of them in the colonies. By 1909, however, more than one third of the country's 50,000 Jews resided in Buenos Aires. The attractions of Buenos Aires to immigrants and disgruntled colonists alike continued to dictate population trends in the years to follow.' ²³

Quite often, the fact that the immigrants, and essentially their descendants, abandoned the colonies has been considered the evidence of the project's failure (Haim Avni, 1983); however, it is possible to give it the opposite construction, since the success of immigrants in the cities constitutes a factor that, as we have already mentioned, surely encouraged spontaneous immigration. Let us see the case of Colonia Mauricio:

'Situated in a wetter and more fertile part of the Humid Pampa near the town of Carlos Casares, and purchased cheaply in 1891 during a period of economic depression, the J.C.A. sold the land to the colonists at low prices. The price of land in Mauricio increased with the general rise in land values through Argentina. In some cases, within a few years the value had risen five times what the colonists contracted to buy it for. Recognizing the potential source of liquid capital they had, the colonists set up a clamor for their titles.... A mass exodus from the colony quickly followed, as the colonists either sold or rented their land to Gentiles, or, in a few cases, sold to other Jews. Moving to Buenos Aires with their capital, many became successful businessmen within a short time.' ²⁴

To sum up, internalizing the externality in information generated by the project of the Baron Maurice de Hirsch leads us to propose the hypothesis that the project may have been highly successful, even though its private evaluation ends up in a clear failure. It is

²³ E. Sofer, 1983, p. 4.

²⁴ M. Winsberg, 1964, p. 31.

interesting to remark that a similar hypothesis was proposed by Elkan Adler in 1905, when pointing out that,

*‘whatever one’s opinion may be about the value or success of the J.C.A. colonies themselves, there can be no doubt that it is almost exclusively owing to them that there is a Jewish population of thirty thousand in Argentina, of which a third are to be found in the capital. They have two synagogues there, both in the Calle Libertad. In the rest of South America there are hardly any Jews... But Argentina constitutes a notable exception, and judging from the analogies which Buenos Aires, with its rapidly increasing population of 800,000 inhabitants, presents to New York, it would not be surprising to find the Jewish millionaire as frequent there a generation hence as he is now in the United States.’*²⁵

and that today, a century afterwards, it is possible to find on the J.C.A. web page a similar assertion:

*‘The colonists attracted to the country a host of other Jewish immigrants who laid the foundation for the Argentine Jewish community.’*²⁶

In the next section, we will analyze in greater detail the externality in information generated by Baron de Hirsch’s project.

IV. THE EXTERNALITY IN INFORMATION

According to David Schers (1992), in a schematic view, the Jewish immigration may be seen as the result of factors of rejection in their country of origin (push effect) and factors of attraction in the host or destination country (pull effect). In these terms, the push effect would be represented by the pogroms and the economic situation in Czarist Russia. As regards the pull effect, Schers points out that, besides the image of a tolerant country with economic possibilities, Argentina had the attraction offered by the government attitude to foster European immigration.

²⁵ E. Adler, 1905, p. 236.

²⁶ *JCA in Israel*, JCA Charitable Foundation.

However, even if during the 80's it is possible to identify both effects, then Jewish immigration was practically null. Only from 1891 onwards does mass immigration start. Thus, the factors characterizing the pull effect may be interpreted as a necessary, but not a sufficient condition, to have brought about Jewish immigration into Argentina. The externality in information we propose could be identified as the sufficient condition, which allowed for such a strong pull effect from 1891 on. In order to further this hypothesis, we will compare the information received by the Eastern European Jewry during the 80's and from 1891 on.

A. The Externality in Information During the 80's

Before 1891, in the Jewish European press there practically did not exist comments on Argentina, and the few reports discouraged any plan of spontaneous immigration. So as to illustrate this fact, we will present several examples focussed on the second half of the 80's.

i) The Meeting in Katowice, 1887

On August 14, 1889, the SS Weser arrived in Buenos Aires, bringing among its 1,200 passengers 820 Russian Jews, a number equivalent to half the Jewish population of Argentina. As we have already mentioned in section II, this group's journey had originated in 1887 in a meeting held in Katowice by the delegates of the Jewish communities of Podolia and Bessarabia. This meeting was the result of the despair in which thousands of Jewish families had fallen, because they lived frightened in Poland's border, in Podolia provinces and in the border with Austria, since the expulsion of all the Jews living at less than 50 miles from the western border appeared imminent that year (at that moment, the expulsion of Jews from the villages in the Pale of Settlement, the interior of Russia and the capital cities had already taken place). At the meeting, there prevailed the position that the sole possible alternative was to emigrate. Three alternatives were examined: Palestine, Africa and the United States. The idea to emigrate to Palestine triumphed. In 1888, a delegate, Eliezer Kauffman, was sent to Paris in order to ask for Baron de Rothschild support, but negotiations failed; thus, the journey of the first significant group of Russian Jews to Argentina was originated incidentally:

*‘The name of Argentina was so little known in Russia that it had not even been mentioned in the Conference of Katowice.’*²⁷

ii) Jewish Chronicle,²⁸ August 5, 1887

When the idea of colonizing in Argentina Jews emigrating from Russia started to be seriously considered in Europe, there were reactions against it from the Western European Jews who had by then settled in the country. For instance, the Jewish Chronicle dated August 5, 1887, p. 7, reported that,

*‘after being in daily contact with the immigrants that had arrived at these coasts (Argentina), a resident of the capital city since 1864 stated that some of the Russian immigrants had left for Rio de Janeiro so as not to die of hunger, and that other immigrants are not a desirable acquisition, which the Jewish population would regret every day. The correspondent ended up saying that to recommend Jewish immigration to this country would be, in his opinion, a crime.’*²⁹

iii) Hazefirá,³⁰ May 22, 1888

During the 80’s, Argentine consuls were occasionally active in places with considerable Jewish population, promoting emigration to the country without discrimination based on religious beliefs. However, the impact among Jews was minimum, because they did not rely on the statements and explanations given by the consuls concerning Argentine laws and conditions (see section II). That was the case of a young Jewish locksmith apprentice in Warsaw who in 1888 decided to consult the management of the influential newspaper Hazefirá, about the truth of descriptions given by the Argentine consul:

²⁷ L. Schallman, 1971, p. 9.

²⁸ Jewish Chronicle, headquartered in London, was the community newspaper having more influence at the time; it has been published since 1841.

²⁹ V. Mirelman, 1988, p.28.

³⁰ Hazefirá, Warsaw’s Hebrew newspaper.

*‘Hazeřirá guaranteed the consul’s credibility - because he has been officially appointed by the Argentine government and acts in consequence, without deceiving people who are not allowed to leave the country to do it without a permit... and who does not require any money from those who are in condition to leave - (Hazeřirá, May 22, 1888). Nevertheless, his lack of confidence, fed by many cheaters exploiting the ingenuousness of the people, made us ask our readers in America to report the true situation (in Argentina), for which we will be grateful (Hazeřirá, May 22, 1888).’*³¹

iv) The Case of the Weser

Carl Taylor (1948) gives us another piece of evidence related to the tragic experience of the Weser immigrants. Taylor mentions that upon their arrival at their supposed lands in the Province of Santa Fe (in the border with Santiago del Estero) they found the lands were not fit and were usually devastated by locusts, and they did not have either the capital or the experience needed to afford the enterprise, adding that,

*“stories of their difficulties written in letters to their friends and relatives in Europe constituted an added stimulus to Baron Hirsch to grant financial and organizational assistance to Jewish colonization in Argentina. (Information furnished by the son of one of the original colonists who was born and reared in one of the Jewish colonies).”*³²

v) Jewish Chronicle, December 20, 1889

In a long, detailed letter from Henry Joseph, the community Rabbi and most active member, published in the Jewish Chronicle dated December 20, 1889, Henry Joseph explained the sad situation of the Russian Jews recently arrived in Argentina (the immigrants aboard the Weser) and asked the director to,

‘Instead of transforming your valuable newspaper in the medium to send thousands of Jewish immigrants to these coasts, on the contrary you should preach caution, since the

³¹ V. Mirelman, p. 20.

³² C.Taylor, 1948, p. 338.

Argentine Republic is not in condition to admit such an immigration, and in the event thousands of our coreligionists have to be sent here, they should be prepared to face all kinds of great sufferings.”³³

vi) Jewish Chronicle, January 10, 1890

Another example is given by David Hassan, a British Jew who had settled in Buenos Aires many years before, who by late 1889, when he learned of the misadventures of the Weser immigrants, decided to ask for the collaboration of European Jewish organizations which dealt with immigration issues. In a letter to the Anglo Jewish Association (A.J.A) in London, summaries of which were published in the Jewish Chronicle of January 10, 1890 (as well as the resolutions of the A.J.A. originated in that letter) Hassan prompted the entity and the Alliance Israélite Universelle (A.I.U.) to put an end to non-systematic immigration,

‘particularly in view of the fact that those immigrants having the necessary means are swindled by persons calling themselves agents in Europe.’

This letter, as well as other reports, made the Executive Council of A.J.A. request cooperation from the A.I.U.,

*‘with the purpose of putting an end to present immigration and the alleged frauds damaging Jewish immigrants.’*³⁴

vii) Jewish Chronicle, February 7, 1890

Finally, it is interesting to mention that in February 1890 the Jewish Chronicle published a warning by the A.J.A. on the immigration risks:

³³ V. Mirelman, p. 29.

³⁴ V. Mirelman, p. 21.

*“A.J.A. sent warnings to the Hebrew continental press against immigration of people who were not physically fit farmers, or artisans having their own means, and against deals with non-authorized agents.”*³⁵

It is clear that, even if during the 80's the necessary conditions for Jewish immigration into Argentina were present, the sufficient condition was not verified, since the information about Argentina to which potential immigrants had access was scarce, and it did not support immigration but, on the contrary, was against any initiative of this kind.

B. The Externality in Information from 1891 Onwards

However, the outlook would be different from 1891 onwards. The information on Argentina started to flow fast due to actions by the J.C.A. Committees, and by the informal channels the Committees generated; rumors concerning Baron de Hirsch plans spread all over Eastern Europe. This fact will be illustrated by means of two quotes from David Feinberg diary, who, on May 1, 1892, became Hirsch's official representative in Russia, with the mission of creating committees in the different towns, in order to make up the groups of immigrants:

*“In June 1892, I started on my journey around Russia with the intention of visiting the colonies in the province of Kherson... My arrival in Kishinev arose the curiosity of the entire Jewish population of the city and its environs. The street on which I lived was crowded every day. I spoke constantly to many Jews who wanted to leave for Argentina.”*³⁶

³⁵ V. Mirelman, p. 29.

³⁶ “In June 1892, I started on my journey with the intention of visiting the colonies in the province of Kherson. The Jews of Kishinev, however pleaded with me to stop there and complete the transfer of the aforementioned 20 families selected by Rapoport and Rosenberg, who prove to be trustworthy. In Odessa, I asked two agricultural experts, Grigori Rapoport of Mohilev and Gershberg of Odessa to accompany me. My arrival in Kishinev arouse the curiosity of the entire Jewish population of the city and its environs. The street on which I lived was crowded every day. I spoke constantly to many Jews who wanted to leave for Argentina. The Jews of Bessarabia, however, insisted that at least fifty families should be sent from their province. The towns of Bolgrad, Killya, and Akkerman undertook to select fifty families that could meet the requirements. I agreed. In the meantime, I visited the town of Soroki, where I was told there were located tobacco plantations and vineyards. The first two groups were finally formed in Soroki.... From Soroki I went to Tsirlitz, Bolgrad, Killya and Akkerman where groups awaited me. I worked very hard in those places and explained to them what our requirements were so

*'Rumors concern ing the appearance of a savior in the person of Baron de Hirsch; rumors that he is organizing colonies in a free land where there were no Temporary Rules of Nicholas Ignatiev, no policemen and other officials; rumors that they offered land and agricultural implements on convenient terms stirred tens of thousands of families. The center of propaganda was Bessarabia. "*³⁷

In turn, the Eastern Europe Jewish press started to include information on the Jewish settlements in Argentina on a regular basis. The newspapers were ambivalent regarding the possibilities of settling in Argentina, some were opposed to the idea that Jews went to Argentina, alleging that if it was imperative to emigrate, the tendency should be towards Palestine (for instance, Saint Petersburg Hebrew newspaper Hamelitz). On the other hand, Hazefirá often published articles on the progress of Argentine colonies, as well as letters from its correspondents in some of them.³⁸ There also circulated brochures in Yiddish with references about the country; for example, in 1891 Jacob Iedvabsky and Isidore Hellman published *El Viaje a la Argentina*, in Warsaw, with details on the history, the geography and the climate of the country, as well as notions about the religion, legislation and possibilities of colonization. It also furnished details on the recently founded J.C.A. colonies. Many similar brochures continued being published afterwards.

*'All these publications, including the articles opposing emigration to Argentina, reveal the increasing interest in the opening of a new place enabling Jewish settlement. At the same time, in Eastern Europe there were Jews who started making arrangements to cross the Atlantic towards Buenos Aires. A good number of them contacted the J.C.A. committees in their respective areas. "*³⁹

that they would not be disappointed.... I formed groups in the provinces of Kherson, Tavrich and Podol and I named these groups Rubanov, Novoburg and Mogilno, respectively. By November, 1892, prior to the organization of the Central Committee in St. Petersburg, six groups had been formed in Bessarabia, one in the Tavrich province, one in that of Kherson and one in the province of Podol." L. Shpall, David Feinberg's Historical Survey of the Colonization of the Russian Jews in Argentina, 1953, pags. 53-55.

³⁷ L. Shpall, p. 52.

³⁸ Some of Hazefirá's correspondents were: Abraham Rozenfeld, in Colonia Mauricio, province of Buenos Aires; Abraham Horowitz, in Moisesville, Santa Fe; Israel Fingerman, in Colonia Clara, Entre Ríos; and Jacobo Kahansky, in San Antonio, Entre Ríos.

³⁹ V. Mirelman, pp. 25-28.

Several authors highlight the role played by J.C.A. in order to provide information. For example, Eugene Sofer (1982) explains that the reasons why so many Jews opted for emigrating to Argentina are still subject to speculation; further pointing out that the desire of the Argentine government of populating the *pampas* with Europeans (pull effect) had a significant role.⁴⁰ However, he also points out that,

*“Through this period, the J.C.A. played an instrumental role in bringing Argentina to the attention of countless Jews....”*⁴¹

A similar opinion may be found in Morton Winsberg, 1964, who holds that,

*‘hevertheless, despite the discrepancy between the planned number of removals per year from Russia and the number that actually reached Argentina, Hirsch’s charity was successful. His efforts lessened the fears of the timorous who, even though they were never directly affected by any Hirsch charity, might without knowledge of it never have had the courage to leave Europe to accept the unfamiliar conditions in the New World.’*⁴²

and also today in the web page of the Jewish Colonization Association:

⁴⁰ “Why Jews chose to emigrate to Argentina in such large numbers remains the subject of some speculation. Certainly, the desire of the Argentine government to populate the pampa with Europeans who would instill in native Argentines the values needed for economic and social development played a part. According to such leaders as Domingo F. Sarmiento, the most eloquent proponent of immigration, only the European could instill civilization into the barbarous lands of the gaucho. Also the Conquest of the Desert, Argentina’s equivalent to the extermination of the American Indian, greatly increased the pacified acreage under the government’s control, creating a need for hardy settlers. The Argentine government under President Julio A. Roca sought to attract Jews to settle and work the newly conquered territory. In 1882, Carlos Calvo, Argentine immigration commissioner in Paris, attempted to establish contacts that would induce Russian Jews to settle in Argentina. His efforts came to naught, partly because Jews still preferred USA and Western Europe, and partly because the Roca plan aroused opposition within Argentina, some of it from Sarmiento himself. Nearly a decade later, after reports attacking the myth of the United States as a golden state began to appear with some regularity in the European Jewish press, the emigration of Jews to Argentina began in earnest. Many Jews were ready to explore their alternatives; others cared not at all where they were going so long as they left Eastern Europe.” E. Sofer, 1982, pags. 27-28.

⁴¹ E. Sofer, p. 28.

⁴² M. Winsberg, 1964, p. 7.

'Committees were established by J.C.A. in the main centers of Jewish population and hundreds of information offices were opened in small towns and villages. Assistance afforded to the emigrants included information on the countries of destination, help in obtaining documents and reception at transit centers and ports of destination.' ⁴³

To sum up, as Baron de Hirsch himself pointed out in an interview held on August 2, 1891 with the New York World correspondent in London:

"My idea is to put the matter upon a business basis, the Baron went on, by organizing a company, which shall advance what is necessary to the immigrants to secure the land, and set it out with seed and vegetable. With goods crops they could repay in a year the help that would be thus advanced to them. This makes them independent and saves them from being mendicants. If they get well rooted there and comfortably settled, they will write such letters back to their relatives and friends that others will follow in the lead of those pioneers. They would exercise a force like a magnet in drawing the rest of their people there...." ⁴⁴

V. CONCLUSIONS

In 1891, Baron Maurice de Hirsch founded the Jewish Colonization Association through which he would lead a gigantic social welfare project consisting in the immigration of thousands of people from the Russian Empire towards Argentina and their settlement in agricultural colonies.

In this paper we have focussed our interest on the result of this project, which is generally termed a failure by historians of the subject. We have proposed an alternative hypothesis: were the project evaluated on a social basis, taking into account the externality generated by same, it could be concluded that the project was highly successful, even though its private evaluation concludes in a clear failure.

⁴³ ICA in Israel, JCA Charitable Foundation.

⁴⁴ S. Lee, 1970, p. 242.

J.C.A.'s original project consisted in transferring to Argentina 25,000 Russian Jews during 1892, the first year of the Association's existence, and in the course of 25 years 3,250,000 Jews were expected to emigrate to the colonies founded by the J.C.A. However, during the first year only 2,500 immigrants were re-located and even if Argentina was the main destination of the project, the colonies in Argentina never had more than 33,000 inhabitants. In these terms, the private evaluation is clearly negative; if we consider that the objective was to maximize the number of Russian Jews having access to the possibility of reaching a life of dignity through their immigration into Argentina, the ratio between the investment made out by J.C.A. and the number of beneficiaries is obviously inadequate.

Nevertheless, taking into account the externality generated by the project, its social evaluation might enable us to reach the opposite conclusion. The externality is reflected in the number of immigrants who arrived in the country independently of the J.C.A., but who would never have done it had Baron de Hirsch project not existed.

The project put Argentina on the map of Eastern European Jewry, in a world in which the dissemination of information was slow and deficient. Information about the country started to flow fast due to actions by the J.C.A. committees and the informal channels they generated: rumors on Baron de Hirsch plan spread all over Eastern Europe. This fact encouraged spontaneous immigration by those who would have never left Europe had they not counted on this information. On the other hand, colonists encouraged the immigration of relatives, friends and neighbours; firstly through their exchanging letters with Europe, and above all, through the reports of some of them, correspondents of the main newspapers of the Eastern European Jewish press, which followed the development of the project with great interest. If we add to this the news about the immigrants who left the colonies towards the nearby towns, and essentially to Buenos Aires, it is possible to state that the project of the J.C.A. generated a significant externality in information, by virtue of which many other immigrants came to the country to become the roots of the Argentine Jewish Community.

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