Health and Zionism

The Israeli Health Care System, 1948-1960

Shifra Shvarts

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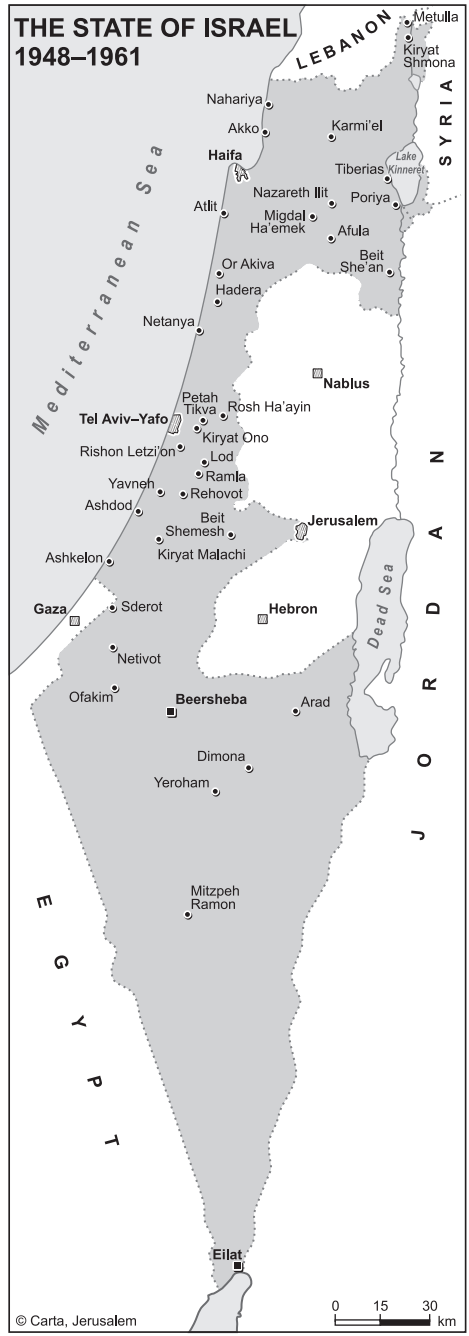
This book is dedicated to my parents, Batia and Yechezkel Leider, who chose to settle in the Negev following the establishment of the State of Israel, were among the founders of the modern city of Beer Sheva, and were pioneers in the establishment of its health care system. I am indebted to them for their invaluable assistance in my research, for the wealth of information they provided by their comprehensive and systematic archiving of relevant material from the media and other sources compiled over the years. This book is also dedicated to my in-laws, the late Zisa and Manes Shvarts, whose struggle to reach the shores of Eretz Israel on the Hagana ship *Yagur* in August 1946 led to their incarceration in a British detention camp in Cyprus, and who chose to rebuild their lives in the desert town of Beer Sheva, realizing the vision of "making the desert bloom," and whose life stories remain a source of pride and admiration for me.



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Preface

Health services in Israel are a mosaic of contrasts in organization and operation. At the outset of the 1970s, Chaim Shlomo Halevi, who served as deputy director-general of the Ministry of Health in the early years of statehood, described the upside and the downside of health services in Israel at the time, saying,

> Health services in Israel create a diversified and multicolored picture in their organizational structure and their functional content . . . Institutes under different ownership operate parallel to one another in the same communities and the same medical branches, without coordination, and at times in conflict with one another, and all this in the absence of an agent with the legal authority capable of coordinating their operations, directing them to sectors in need and preventing redundancy. Controversy surrounding the pluralism in organization of health services has gone on since establishment of the State [of Israel], and it serves as one of the primary barriers on the path to achieving general compulsory heath insurance."[1]

Halevi's description of the Israeli health care system written some thirty years ago still holds true today. The pluralism of the Israeli health care system is a source of strength, but also one of its primary weaknesses. On the one hand, this pluralism meant the obstruction of health insurance legislation until 1994; on the other hand, it has made possible free competition and the independent development of a host of health institutions available to the public.

The roots of the pluralistic nature of the Israeli health care system were firmly established well before declaration of the State of Israel. The first medical institutions in the Yishuv[2]—the Jewish community of Eretz Israel[3]—were founded when the country was still under Ottoman rule. They operated on a philanthropic basis, providing primarily hospitalization services to the urban Jewish community and first aid to Jewish agricultural settlements. Under British rule (1917–48) these services were expanded to the scope of a countrywide network that provided health care to the entire Yishuv in all health and medical domains, from mother and child services (*Tipat Chalav*) to hospitalization, rehabilitation, and nursing care. When the State of Israel was established, this network of health services for the Yishuv was already a mature, independent system with much experience. Following statehood, the Israeli health care system needed to accommodate new realities and

new legislation appropriate for a sovereign state. This move, which began in the midst of the War of Independence (1947–48), was completed during Israel's first years of statehood. The final product was considered the fruit of compromise between, on the one hand, David Ben-Gurion's vision to shape the system along ideological-national lines as a uniform universal system for all citizens; and, on the other hand, the reluctance of health institutions and organizations in the existing system to give up their independence in exchange for state-run health care that would nationalize their facilities. The existing health entities aspired to continue operating with the autonomy they had enjoyed under British Mandate rule. The final compromise led to the creation of a pluralistic health care system, one that laid the foundations for the structural weaknesses and performance problems that face the Israeli health care system even today.

This work seeks to shed light on the factors, the personalities, and the historic events that played a role in the shaping, crystallization, and organization of the Israel health care system in the first years of the State of Israel. The path of its development grew from discussions of ideological, social, and political constraints with which the architects of the health care system were forced to grapple. The objective of this volume is to present an historical picture in a microcosm that can augment existing research literature dedicated to tracing the Yishuv's development, and to reveal the processes that transformed the Yishuv health institutions in Eretz Israel into a national health network.

The work is divided into five chapters, each devoted to a core issue or episode that had a decisive impact on the shaping of the Israeli health care system. The first chapter deals with a defining event in the development of Kupat Holim that occurred in 1946, two years prior to the establishment of the State of Israel: the doctors' revolt at Beilinson Hospital. The conflict had a long-reaching impact on a number of key leaders in the formative years of the health care system during the first years of statehood. The doctors' revolt, in addition to being the first labor struggle by Kupat Holim doctors, also put the question of the future face of public medicine squarely on the public agenda. The issue focused on whether it was right and proper to integrate private practice within a public health care system, to operate two parallel wage scales for doctors in hospitals, and to allow two parallel levels of health services—one available for people of means and the other for members of the community who could not afford such amenities. The matter was considered by Zionist leaders to be a core issue in the shaping of Jewish society and in a Jewish state-in-the-making; the severity of the debate only increased with the arrival of mass immigration. The chapter presents internal conflicts within Kupat Holim's leadership surrounding this question, and its impact on formulating the founding principles of public medicine that exist to this day. Even in the year 2005,

Beilinson Hospital's doctors' demands for integration of private practice within public institutions—raised in 1947—remain largely unresolved, continuing to spark bitter debate on ideological grounds.

The second chapter describes the development of health services during the 1947–48 War of Independence—the ways in which existing institutions dealt with the demands of the army and the needs of the home front, and the horrific scope of casualties sustained in the war, deployment of services under emergency conditions, and resultant structural and organizational changes that took place to meet the exigencies of wartime. This included the establishment of a separate military medicine service, a government military hospital system established in former British Mandate-run facilities, marking the emergence of the large hospital model at the Tel Letvinsky military camp east of Tel Aviv. In time, this facility became the Tel Hashomer–Sheba Medical Center. Against the backdrop of these developments, this volume presents the personal and political-ideological struggles that pitted key figures in the health care system against one another. The three most prominent protagonists in this power struggle were Dr. Meir, the medical director of Kupat Holim and subsequently the director-general of the Ministry of Health; Moshe Soroka, the treasurer and administrative director of Kupat Holim, and Dr. Chaim Sheba, the founder of the MS and a prominent figure within the medical community in the public sector and former leader of the Beilinson revolt.

While the differences among these men reflected clashes in temperament and cultural background as well as professional worldviews, relations among them definitely reflected a residue of bitterness stemming from the Beilinson revolt, which had positioned Meir-Soroka and Sheba on opposite sides of the struggle. The chapter describes the struggle as a combination of competing principles and interpersonal rivalries, and discusses the tremendous impact of these factors on shaping the medical system in its formative years. To a large extent, the adversarial nature of the struggle prevented the establishment of a homogeneous state-controlled health care system present in many other European countries, and led to the pluralistic health care system—a mélange of numerous large and small sick funds, public and private practices, government-run and private hospitals—that characterizes the Israeli system today.

The third chapter addresses the debate about the guiding principles of the health care system and the issue of state health insurance within the framework of the National Insurance Institute. Debates around this issue began in the period leading up to the declaration of statehood. While discussion was suspended for political and budgetary reasons, debate was sparked within Kupat Holim regarding the sick fund's standing and its role as the major health institution within the country's emerging health care system. The chapter presents the struggle of Kupat Holim to maintain the

autonomy it had enjoyed since its founding in 1911, against the backdrop of its unique position as a core power base and source of strength for the Federation of Labor, and as the only health institution in the country founded on the principle of equal health services to all, based on mutual assistance and progressive membership dues graduated according to income.

The chapter also presents the government's position regarding a state-regulated health care system, principally those of Prime Minister David Ben-Gurion, who sought to transfer control of the sick fund from the Federation of Labor to government hands and integrate it into a state framework after the departure of the British. The chapter discusses the arguments raised in favor of a state-run health care system and the respective positions on the issue among physicians, the Federation of Labor, the Israeli Doctors' Federation, the Ministry of Health, and Kupat Holim management—each with its own worldview and dominant players—positions that reflected both personal and organizational vested interests. The chapter specifically examines debate within Kupat Holim, in which the parties and factions were unable to reach a consensus over whether it was best for the sick fund system to remain as it was—a health organization operating under the aegis of the Federation of Labor—or whether Kupat Holim should embark on a new direction and seek to integrate itself within the framework of the state health care system. Here, as in the previous chapters, the personal positions of those who championed a state health care system are presented together with the positions of those who opposed this move. One encounters considerable 'emotional residue' from the Beilinson doctors' revolt: The former leaders of the struggle played a very active part in debate, championing the establishment of a national health care system and the nationalization of Kupat Holim. Debate began in November 1947 following acceptance of the Partition Plan by the UN, an event that made declaration of a Jewish state a reality, and putting the organization of all future ministries into high gear. The discussion's momentum fizzled in 1953 due to more pressing issues, and remained unresolved. Although the issue was raised periodically on the public agenda, it was only in 1994—more than fifty years later—that a compulsory national health insurance plan was put into law in Israel, severing the tie between Kupat Holim and the Federation of Labor.

Chapters four and five examine health issues as a whole, and Kupat Holim's performance in particular, during the period of mass immigration that quickly doubled the population within three years after establishment of the State of Israel. These chapters address health policy in the intake camps (*machanot olim*), where immigrants were processed upon arrival, and in the transit camps (*maabarot*),[4] where immigrants were settled after entering the country until permanent housing could be constructed. In addition to a narrative of conditions and events, these chapters discuss the organizational and interpersonal clashes that accompanied endeavors to

meet the health needs of the country under the dire conditions created by mass immigration. It also examines the organizational coping skills of the institutions that were involved in immigrant absorption, and their performance in addressing pressing health needs under almost intolerable conditions of severe food shortages and rationing, overcrowding, and poor sanitation, coupled with political crises, security problems, and the moral dilemmas health personnel encountered. One of the major quandaries was whether to institute a selection process based on medical status, or continue to embrace a policy of unfettered immigration. The chapters also address the complex relationships between the doctors' professional organizations, rivalries over who would dominate health policy during the period of mass immigration—Kupat Holim, the dominant service-provider, or the Ministry of Health, the political body authorized to formulate policy. Chapters four and five also survey health issues that surfaced during this period and present data on the scope of health work in the intake camps for immigrants and *maabarot,* geographic distribution of clinics and personnel, and the kind of services offered.

This chapter in the history of medicine in Israel cannot be viewed only in terms of political discord and personality clashes or major organizational change; consequently, chapters four and five also present how the system as a whole sought to address the health needs of immigrants. They also trace the impact of policy formulated by the system on the development of Kupat Holim. Resulting conditions led to the expansion of Kupat Holim's outreach and hegemony verging on a monopoly on health services, particularly in terms of primary services. The chapters discuss the Federation of Labor's decision to establish clinics in immigrant neighborhoods and towns throughout the country that led to a virtual Kupat Holim monopoly on health services in many geographic areas that continued for decades. Ultimately, the positive presence of Kupat Holim as an arm of the Federation of Labor and the ruling Mapai party in immigrant communities throughout the country was translated into electoral clout at the polls that helped keep the Labor Party in power for twenty-seven straight years.

The closing chapter of the book, like the first chapter, focuses on a hospital—this time, the Central Hospital of the Negev—today the Soroka Medical Center, in Beer Sheva. Just as Beilinson Hospital was the setting for a struggle whose ramifications went far beyond the employment issue that sparked the doctors' revolt, the ramification of the struggle to establish a Kupat Holim hospital in Beer Sheva was far reaching, as well.

If the opening chapter focusing on the doctors' revolt takes note of the revolt's role in sparking debate concerning the role of Kupat Holim in the State of Israel and its health care system, developments that culminated in the establishment of the Central Hospital of the Negev in essence brought this debate about the fate of Kupat Holim to a close, removing the question

mark regarding Kupat Holim's status as an autonomous body that had lingered during the first decade of statehood.

Victory in the political struggle that surrounded establishment of a Kupat Holim hospital in Beer Sheva put an end to any question about the status of the sick fund as a major autonomous institution in the State of Israel. The opening of the Central Hospital of the Negev marked the sick fund's changing status not only as a major player in primary community-based health services, but also as a core player in the country's hospitalization infrastructure.

Chapter six describes in detail the political struggle and conflicting vested interests that accompanied the battle for approval of the hospital. Here as well, the personalities who played a major role on both sides included some of the key protagonists from the Beilinson Hospital doctors' revolt—Moshe Soroka, David Ben-Gurion, and heads of the Ministry of Health—but unlike the previous round, the system had changed and stabilized: while rivalries and clashes between Kupat Holim and the Ministry of Health continued for decades to come, the intensity of the debate over political and professional issues became far less adversarial and less rigid. Kupat Holim's clear victory in establishing a major sick fund hospital in Beer Sheva demonstrated that Kupat Holim had a firm hold over its own destiny, putting an end to any thought of nationalizing the sick fund and transferring it to state control.

Thus, 1960 was a watershed year: from this time forth, Kupat Holim's position, as a wing of the Federation of Labor, was a fact of life within the Israeli health care system, a position that was no longer questioned. Since then, the sick fund has undergone changes and reforms, and despite serious financial crises that led to the severing of the relationship with the Federation of Labor and establishment of a compulsory health insurance system, Kupat Holim continues to maintain its position as an autonomous institution and major player in all aspects of health in the State of Israel.

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who graciously shared with me the findings of his own research on the history of the IDF medical corps and the period in which Tel Hashomer was transferred to the hands of the Ministry of Health; and late Professor Dan Michaeli who gave me rare documents related to the establishment of the IDF's medical corps and enhanced my work by throwing light on both the course of events and the protagonists involved.

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Shifra Shvarts
Omer, Israel; and Rochester, New York, 2008

Note to the Reader

It was fashionable during the decades of nation-building for newcomers to Israel to Hebraicize their names as a declaration of personal liberation from their diaspora roots. Thus David Green became David Ben-Gurion. (In fact, only until recently, all persons appointed to fulfill official posts as representatives of the State of Israel abroad were required to Hebraize their name prior to assuming their posts.)

As a consequence, scholars encounter protocols, letters, and other documents that in some cases use a person's given or diaspora name—such as Dr. Sheber—and other source material that employs the same person's new Hebraized name—Dr. Sheba—regardless of the time the individual adopted his or her new name. Thus, in this volume, the same individual may appear in one sentence as Sheba and in the next paragraph as Sheber. To assist the reader in identifying the two as the same person, at least the first mention of such individuals in each chapter is either hyphenated or placed in parentheses. The brief bibliographies of persons in the glossary note these changes.

In this book the word *HaMedina,* the state, has been capitalized when it is an abbreviated version of *Medinat Yisrael,* which is the full name of the Jewish state—the State of Israel (as it appears on official websites)—or used as a synonym for the government of Israel. In some places, due to usage, *HaMedina* has been translated as "the country." In places where the Jewish state is used as a *synonym* for Israel after statehood was declared, both words are capitalized, while when used to refer to the idea of a Jewish polity is not.

Introduction

The Beginning of Health Services in Eretz Israel, 1838–1946

The First Jewish Hospitals in Eretz Israel

Prior to 1838, there was not one hospital, clinic, or certified doctor, Jewish or gentile, serving the Jewish Yishuv of Eretz Israel. The only medical services at the time—after more than three centuries of Ottoman rule—were those provided by traditional healers, amateur druggists, experts in medicinal herbs, and sellers of talismans and incantations. The primary reason for the absence of certified medical services was the character of the ultra-Orthodox religious establishment in Eretz Israel: communal and spiritual leaders were concerned by the "harmful" influence of Jewish doctors trained at "secular" university medical schools, and whom the powers-that-be within the Yishuv feared were liable to bring with them modern ways that would disrupt the religious life of the Jewish community in Eretz Israel.

The opposition of community heads stood firm until 1838 when the British Mission established the first medical institution in the country, in Jerusalem—a facility that provided free medical care to sick members of the Jewish community. Fear of the modernism that might be brought by Jewish doctors paled by comparison to alarm over the possible impact on the Jewish community of medical services at the hands of a Christian missionary body. Consequently, community leaders withdrew their opposition to the establishment of Jewish medical institutions. Thus, in 1854, the first Jewish clinic was founded in Jerusalem with the support of Jewish philanthropist Moshe Montefiore. The clinic was led by Dr. Shimon Frankel—a Jewish doctor of German origin who was closely associated with ultra-Orthodox haredi circles.[1]

For fifteen years, the Montefiore clinic operated under Dr. Frankel's care, faithfully serving the entire Jewish community without discrimination.[2] The existence of the Montefiore clinic led to the opening of other Jewish medical institutions. In 1885, the first hospital was established in Jerusalem, funded and administered by the Baron de Rothschild. Between the years 1854 and 1902, four other Jewish hospitals were established in Jerusalem:

Bikur Holim, Misgav Ledach, Shaarei Tzedek, and Ezrat Nashim. Jewish hospitals were also founded in Safed, Jaffa, Tiberias, and Haifa. In addition, scores of clinics managed by Jewish doctors were opened. All of these institutions, except for the Shaar Zion Community Hospital in Jaffa, operated on a philanthropic basis with funding from abroad. Most services were provided gratis or were graduated according the patient's means. Despite the large number of hospitals in the Yishuv at the time, the number of beds was smaller than the demand, and many patients were forced to wait for hospitalization and treatment.

Medical Services in the Agricultural Villages of the First Aliyah (1882–1914)

In 1882, the first members of the Hovevei Zion movement arrived with the objective of settling in Eretz Israel and establishing Jewish agricultural settlements or moshavot. In the years 1882–84, the first seven moshavot were established—four in Judea, one in Samaria, and two in the Upper Galilee. A short time later, the inhabitants of the moshavot came to the realization that they were still unable to sustain themselves independently as a community, and needed financial support from abroad. Early in 1883, leaders of the First Aliyah settlements approached the representative of the French banker Baron de Rothschild in Eretz Israel, requesting financial assistance. The baron's affirmative reply set in motion a broad-scoped program of financial assistance, guidance, and management of the fledgling communities under Rothschild's auspices. The lands purchased by settlers were transferred to the baron's name in exchange for financial support, while administrators appointed by the baron instructed and supervised the settlers while providing for all their needs, not only in their work, but also in the realm of health and education. Rothschild ordered that doctors and medics be hired to care for members of the moshavot. A sick room was established in Rishon le-Zion, as well as a hospital in Zichron Yaakov, and resources were earmarked for the war on malaria, a disease that had severely affected the communities. A physician was hired as a salaried employee, like the baron's clerks. In addition to caring for the settlers, the doctor was responsible for supervising sanitation in the moshava, and for conducting regular inspections of the inhabitants' houses to ensure they were well maintained. Most of the ill were treated directly by the doctor or by the medic who served as his assistant. More complicated cases were sent to hospitals in Jerusalem and Jaffa, and if necessary were sent for medical treatment abroad, and even for convalescence in the mountains of Lebanon. The baron was particularly strict about appointing high-level physicians to serve as doctors in what became know as "the baron's moshavot"; the baron did not hesitate to fire physicians he found to be inadequate. The Achilles'

heel of this medical service was the baron's clerks; appointed to oversee community life, they were in the habit of intervening in the work of the doctor, as well. Medical authorization for hospitalization in Jerusalem or travel for medical treatment abroad was sometimes given to close cronies of the baron's overseers, not purely on grounds of medical urgency. Likewise, the clerks were in the habit of creating clerical positions in the Zichron Yaakov Hospital for close associates. This practice ultimately led the head of the hospital, Dr. Hillel Yafe, to rebel, protesting to the baron the absurdity of his fourteen-bed hospital employing nine clerks.

Towards the end of the nineteenth century, the health care system in the moshavot was expanded, first under the encouragement of the Baron de Rothschild, and afterwards by the Jewish Colonization Association,[3] a holding company established by the Baron Maurice de Hirsch, who in January 1900 took over responsibility for the solubility of the moshavot. Nurses and midwives were hired to work in the communities; apothecaries were opened and run only by certified pharmacists; and the tie with the Shaar Zion community hospital in Jaffa was strengthened so that most members of the moshavot in need of hospitalization were referred to Shaar Zion, and only particularly difficult cases were sent to hospitals in Jerusalem. The strong tie between the moshavot doctors and the doctors at Shaar Zion hospital in Jaffa brought about the establishment of a physicians' professional organization in 1912—the Hebrew Medical Federation, in order to formulate uniform medical work procedures and establish obligatory standards of medical ethics for its members.

The primary flaw in the moshavot's medical services was the fact that they were designed solely for the farmer-landowners and other members of the community; they did not include Jewish hired laborers and their families who were beyond the scope of the baron's patronage. The laborers were forced to appeal to the benevolence of the village doctor or pay him privately for medical care. This inequity was a source of resentment and strife between members of the moshavot who were members of the first Aliyah, and their Jewish laborers who were members of the Second Aliyah.[4] The conflicts between the two groups ultimately served as the catalyst for the growth of an alternative medical service for laborers: workers' sick funds that operated on the basis of mutual assistance and membership dues.

The Second Aliyah and the Idea of a Workers' Sick Fund: Kupat Holim

In December 1904, the second wave of Zionist immigration to Eretz Israel—the Second Aliyah—began. Between 1904 and 1914, several thousand young socialist-motivated Labor Zionist youth primarily from Russia immigrated to the shores of Eretz Israel. Their objective was to become laborers in the Jewish

moshavot, as an act of personal and national revitalization and redemption. The harsh change of climate, primitive living situation, arduous working conditions, and poor nutrition, however, took a toll on the health of the young pioneers. Many fell ill and died from lack of care or the absence of adequate medical assistance. In large moshavots such as Rishon le-Zion, Petach Tikvah, and Rechovot, partial medical assistance was extended to Jewish laborers, even if such help hinged on the good will of the baron's clerks. This dependence bothered the laborers who sought independence from charity as part of their vision for Jewish national redemption and revolution in Jewish life. The moshavot committees did not consider it their duty to extend medical assistance to workers who fell ill. Petach Tikvah's Charter even contained a clause that stipulated that a person in need of a doctor who was not a resident of the moshava must pay; if he could not pay, medical care would be withheld. In the agricultural training farms established by the JCA in Ben-Shemen and Hulda, workers suffered from deficient medical care. Indeed, controversy over medical assistance was one of the most common sources of conflict between the workers and the farm foreman. Under such conditions, the workers had no alternative but to organize and help sick members of their group on their own. They revitalized the traditional Jewish social institution of *linat tzedek*—a voluntary system of mutual care in which a healthy member of a Jewish community would care for sick members of the community, sleeping in the latter's home and attending to their needs until they recovered. Yet, the Jewish laborers went farther: the solution they chose was to organize a definitive and permanent framework designed to care for the health needs of the worker.

Such collective organization to fulfill fundamental needs characterized the way members of the Second Aliyah coped with the stark realities they faced in Eretz Israel—a strategy that allowed them to preserve their independence and their ideals, as well as their sense of mission. They viewed their undertakings as a noble calling, the antithesis of the prevailing situation in which Jewish landowners supported by the Baron de Rothschild employed Arab laborers to work the land.[5] They were unwilling to integrate into existing social frameworks, and disassociated themselves from their employers—the residents of the moshavot. Safeguarding their independence at all costs, they spurned assistance, viewing expressions of benevolence as a form of charity that would rob them of their dignity were they to accept. Thus, the Second Aliyah pioneers chose to create their own organizational tools to solve pressing problems involving food, work, or shelter. Organizational solutions that began as spontaneous and halting local initiatives eventually expanded into formal regional frameworks that engendered a leadership structure and a sense of power in numbers that subsequently was expressed in political organization: the founding of two local workers' parties in 1905—Hapoel Hazair (The Young Worker) and Poalei Zion (The Zion Worker).[6] In the Hebrew month of Av (August) 1906 the problem of

workers' poor health was already raised as a concern in the "blueprint"—a kind of mission statement of Hapoel Hatzair. The leaders of the party suggested that funds to assist the sick and unemployed be established. The issue of medical care remained on the workers' agenda for many years, but for quite some time no action was taken. Until realities pushed the matter to the forefront, health care was not addressed in concrete terms.

Establishment of a Sick Fund by the Agricultural Workers' Federations

The seeds of Kupat Holim can be traced back to December 1911 (Hanukah, 5672), when the Second Convention of the Judea Workers' Federation was held. The lack of affordable health services for all laborers, coupled with a tragic accident (the amputation of a worker's arm by a pump motor in an orchard), caused the Judea Agricultural Workers' Federation to establish a sick fund for workers. The founding resolutions of its convention clearly stated "the necessity of creating a sick fund through membership dues by the workers of Eretz Israel." The bylaws formulated a year later stated that "workers and tradespersons who themselves labor are accepted as members . . . The medical assistance to the member [includes] a doctor's assistance, care in healing and lodging, and when needed, also hospitalization."[7]

The sick fund's bylaws were a practical expression of the fundamental principles espoused by members of the Second Aliyah. Kupat Holim was also the first institution shared by urban and rural laborers; the only precondition for membership was that the applicant be an independent laborer who did not exploit the labors of others.

The first steps taken by the Judea Workers' Sick Fund was to arrange for hospitalization insurance for the workers and their wives at the Shaar Zion Hospital in Jaffa. This was followed by a global payment agreement with the doctors' professional organization, the Hebrew Medical Association, established in 1912, by which doctors agreed to provide medical care to Judea workers at 50 percent of normal fees. Within weeks of the establishment of the first sick fund by the Judea agricultural workers, similar action was taken by their comrades in the Galilee Workers' Federation (established January, 13–14, 1912) and the Samaria Jewish Workers' Federation (established July 1912).

Workers Insurance in Modern Times and the Concept of Health Funds for Laborers

Workers health insurance schemes had existed for two decades in Europe at the time the first sick funds were established in Eretz Israel. The concept originated with the German Chancellor Otto von Bismarck, who in 1883,

for political reasons, established a system of state-sponsored health insurance and workers' pension schemes based on progressive dues. Soon afterward similar systems were established in Austria (1888) and Sweden (1891); by 1912 similar systems were instituted throughout all European countries. Second Aliyah Jewish laborers, schooled in European socialism, were familiar with these forms of welfare insurance and viewed them as models. The newspapers established by Jewish socialists in Eretz Israel gave broad and ongoing coverage of developments in the workers' movements around the world, including their health insurance schemes. In addition to the model of health insurance for workers that developed in European society towards the end of the nineteenth century and the beginning of the twentieth century, members of the Second Aliyah also borrowed from traditional Jewish welfare frameworks such as *linat tzedek* (caring for the sick at night) and *bikur holim* (visiting the sick) that were familiar from their upbringing in Eastern European Jewish communities.

Even if there was a similarity between the founding concepts of health funds for workers in Europe and the sick funds that developed in Eretz Israel, there were fundamental differences between the two from an organizational standpoint. In Europe the initiative was urban in character and organized large groups of thousands of members along occupational lines; in most countries this development took place against the backdrop of rapid industrial growth and the emergence of a large urban proletariat. In Eretz Israel, the initiative was rural in character, the work of Jewish agricultural laborers in villages, organized in small groups, independently, without any involvement on the part of their employees or governmental authorities (at the time, the Turks). Kupat Holim's rural origins influenced how the institution operated and ultimately evolved.

Sick Funds for Workers: The First Years

The Judea Workers' Sick Fund began operation in 1913, a year and a half after the decision was made to establish it. At the outset, it encompassed seven branches and approximately 150 members, almost all of them agricultural laborers. The sick fund established by Jewish laborers in the Galilee in 1912 began operating in 1915; in the interim, their members received medical assistance from the Judea Workers' Sick Fund. The Samaria Workers Sick Fund only began to function in 1916, at first in collaboration with the Judea-based sick fund, and only afterwards began to operate as a fully independent organization. These three successful ventures were not the only initiatives. Members of Hashomer—a small semi-clandestine Jewish self-defense organization that guarded Jewish fields—declared their intention to establish a similar system of their own, close to the time when the

other three sick funds were formally founded, but this plan evidently never reached fruition. At first, the sick funds did not provide laborers with medical assistance on their own; rather, they functioned as an insuring company responsible for establishing a tie between insured workers and service providers—primarily private physicians and druggists. In addition to adopting bylaws and establishing dues-based financing machinery, the founders of the workers' sick funds also created a unique organizational structure in the course of establishing their first branches. Organizers decided that the fund would be built from branches that would operate and treat members of the fund "on site," that is, managing registration, treatment follow-up, hospitalization arrangements, and membership dues collection all at the local level. The fund's managers would be elected at the federation's general convention. A representative of each regional agricultural federation (Judea, Galilee, and Samaria) would sit on the board. Each branch was required to send a detailed monthly report on its activities, revenue from dues, and expenditures. Economic control was placed in the hands of the management, including decisions regarding additional financial assistance to this or that branch.

Three outstanding features of the sick funds' organizational structure between the years 1911–14 quickly became apparent. First, a representative of the working public (i.e., the recipients of the fund's services) had to be involved in the governance of the local branch; this enabled rank-and-file workers—the fund's clientele—to be a party to decision making by the management, and to help chart the fund's course. Secondly, a representative of the Federation of Labor was always present at the management level; the involvement of labor leaders in the operation of Kupat Holim reflected close ties between the sick fund and the labor movement as a whole, which enabled agricultural workers' organizations to exert tremendous influence in setting the institution's direction, and through Kupat Holim to control the working public. Thirdly, the organizational structure was marked by the total absence of medical professionals such as doctors, pharmacists, paramedics, and so forth, in any managerial capacity at the branch level or in the head office. This was significant; although the physicians' professional organization—the Hebrew Medical Federation—was founded in 1912 and developed in tandem with the sick fund, it played no role in the development and organization of Kupat Holim.

In other words, the first sick funds were worker organizations *par excellence,* established *by* workers and *for* workers only, and managed solely *by* workers themselves from the start.

At the close of 1913, the first branch of the Judea Workers' Sick Fund was opened in Ein Ganim, a village near Petach Tikvah, northeast of Tel Aviv (founded four years earlier, in 1909). The branch was administered by Yitzhak Izakovich, a laborer from Petach Tikva and a member of the Hapoel

Hatzair party who was appointed secretary of the fund. The working principle underlying the fund's operation was the provision of services to members only, the Jewish proletariat who did not employ others. A short time later, a Kupat Holim branch was opened in Jaffa for urban laborers under the administration of Yaakov Aphter, also a member of the Hapoel Hatzair party. In the years that followed, Izikovich and Aphter coordinated most of the activities of the sick fund, serving as the prime resource for sick laborers throughout the country. Despite the atmosphere of good will from all sides, the actual operation of the Judea Workers' Sick Fund ran into numerous difficulties. Membership growth was exceedingly slow, many members were delinquent in paying their dues due to difficult economic circumstances, and the very future of the fund stood in the balance as a result. Even the establishment of a sick room in Petach Tikvah, headed by a paramedic who administered to the sick until their recovery, was unable to attract more members to the sick fund.

At the beginning of 1914, the number of young Jewish pioneers immigrating to Eretz Israel increased, and the financial status of the sick fund improved. In August 1914, just when the sick fund finally seemed to have begun to function smoothly and its future looked bright, World War I broke out. The war and the arduous conditions it precipitated challenged the existence of the Judea Workers' Sick Fund and its original *raison d'être* as an institution whose primary mission was to care solely for the health of laborers.

Health Services in Eretz Israel with the Outbreak of World War I

In August 1914 Germany declared war on Russia and World War I began. Three months later, on October 30, Turkey joined the war, siding with Germany and Austria. The outbreak of war had an immediate impact on the Yishuv in Eretz Israel, at the time a Jewish community numbering 85,000. Rupture of channels for receipt of financial assistance from Jewish brethren abroad plunged the local Jewish community into economic crisis. The Yishuv's medical assistance was immediately affected. Termination of mail service and disruption in the flow of monies from abroad led to the closure of hospitals throughout the country. The Turks commandeered medical supplies—pharmaceuticals and medical equipment and buildings that had belonged to enemy nations—included many hospitals that were taken over on behalf of their war effort. Most of the physicians were drafted into the army and sent to serve in the Gaza hospital. Care for the Jewish community's civilian population fell primarily on the shoulders of a handful of female physicians who had not been drafted due to their gender.

The Special Council, and Organization of Kupat Holim during the War

The outbreak of the war and the economic hardships that accompanied it had a harsh effect on Jewish laborers; as revenues from dues dropped, the financial health of the Judea Workers' Sick Fund deteriorated, and physicians, fearing they would never be paid by their private patients, competed over treatment of sick fund members. The plight of the workers in the absence of any orderly medical care was dire. Responding to the crisis and rising incidence of disease due to deteriorating conditions, the heads of the Judea Workers' Sick Fund branches came to the conclusion that for the duration of the war their organization should treat the entire working public, not only its own membership. While spurred by exigencies of the day, this decision not only impacted medical services during the war years; it constituted a decisive juncture in the formative years of Kupat Holim, and changed the organization's vision.

On August 22, 1914, the head office of the Judea Workers' Kupat Holim initiated the establishment of a special council for the duration of the war that would serve as an umbrella organization for establishing and operating medical services for the entire beleaguered Jewish community. The council was comprised of representatives from the fund's branches, representatives of the Eretz Israel Office of the Zionist Movement, representatives of the workers' parties, representatives of the physicians' organization, and a representative from the Shaar Zion Hospital in Jaffa. The council adopted the position of the local branch committees that in light of wartime conditions and the increase in the incidence of disease, the Judea Workers' Sick Fund should extend medical assistance during the crisis to the entire working public, including those who were not members. It was therefore resolved that all workers' institutions must put aside a certain percentage of their revenues in order to support the sick fund. At the same time, the council turned to doctors, pharmacists, private kitchens, and other institutions requesting that they provide laborers with food, medical care, and medicine on credit, emphasizing that the fund would guarantee payment. Meanwhile, the sick fund opened sick rooms in areas with high concentrations of Jewish laborers, run by a salaried female paramedic; arranged for the orderly supply of medications (primarily quinine) through the auspices of the sick fund secretaries; and made regular visits to laborers' encampments to supervise health matters and the evacuation of seriously ill patients to sick rooms in the villages of Rishon le-Zion and Nes Tziona and to the Shaar Zion Hospital in Jaffa. These were the first steps taken to ensure medical assistance to the working public-at-large during wartime.

The establishment of a medical tent and medicine cabinet in laborers' encampments brought about a significant change in definition of the role of

the workers' sick funds. Until then, the sick funds had engaged primarily in ensuring access to health services, as was the case in European schemes; yet operation of these services, while modest by any measure, signaled the transformation of the sick funds into health service providers, not just insuring agents. The "tent clinic" constituted the nucleus of a new, unique working model based on a network of organized local institutions upon which Kupat Holim operates to this day. In essence, the organizational change spurred by the war had far-reaching ramifications on the evolution of Kupat Holim. The medical tents were, in essence, the foundations for Kupat Holim's first network of clinics, a change that not only impacted the character of health services but also the political constellation for decades both prior to and following the establishment of the State of Israel.

The operational machinery of the workers' sick funds underwent similar changes under the pressure of wartime conditions. Most control of medical care and receipt of medicines was in the hands of the local secretary or the treasurer of the fund. A laborer in need of medical attention would turn to the administrator via a written note or oral request for assistance, and the secretary would decide whether to approve the request or not. The purchase, receipt, and distribution of medicines—primarily quinine—were initiated by the administrator who also arranged for hospitalization where warranted based on a doctor's recommendation (or the secretary's own judgment of the situation). Thus, the decision-making powers wielded by the sick fund's secretary and treasurer were tremendous. On the other hand, because these were unpaid voluntary positions, the system suffered from a lack of orderly administration; and criteria for approval of medical services varied from branch to branch, sparking complaints of favoritism, inaccuracies in registration of monies expended on doctors' fees and medicines, and charges of failure to abide by the sick fund's regulations. Yet despite these weaknesses, the workers' sick funds did everything in their power to help every sick worker in need, even going so far as to send a patient to Egypt for an operation on the recommendation of the patient's doctor. They arranged for convalescence for workers who had been seriously ill, and financial assistance for food and lodging for worker-members who were out of work. The sick fund also functioned as an ad hoc banking institution for the worker community, as well: workers sent the secretary requests to transfer funds from one account to another or request loans based on an I.O.U., a signed slip of paper promising to pay back the debt. During this period, the fund also addressed the issue of assistance in paying for hospital deliveries for members' pregnant spouses, dental care, purchase of eyeglasses, and special medicines from abroad. Coverage of such needs was based on partial coverage by the Fund where the degree of assistance was evaluated on the merits of each case and its urgency, without formulating binding criteria.

The solidarity that the Yishuv exhibited in the face of wartime hardships had a positive impact on the sick funds' standing. After the first shock of the

outbreak of the war, workers renewed payment of their dues. The sick funds continued to function throughout the war and even expanded their services according to need. If in the years preceding the war there was an average of seven hundred referrals annually per branch, towards the close of the war (by 1917), demand had increased to three thousand requests for medical assistance, an increase that reflected deterioration of the health status of the workers due to poor nutrition and epidemics.

The emergency footing adopted by the Judea Workers' Sick Fund had quickly been adopted by the sick fund in the Galilee, then in Samaria. The arrangement continued throughout the war years, making it possible for the health funds to meet growing needs. Although unintended, in retrospect, these measures determined the character the sick funds would assume even after the war and the format the health care system would take when the sick funds amalgamated under the aegis of the General Federation of Labor to create Kupat Holim. The broad public responsibility that the workers' sick funds took on during the war years—to address the health needs not only of their membership but of the working public as a whole, ultimately broadening access to encompass other sectors of the public such as independent tradespersons, civil servants, and others, broadened the constituency base of Kupat Holim and transformed it into a national institution. The sick funds, which entered the war as weak local organizations fighting for survival, were transformed into a core institution in the life of the Yishuv by the war's end.

Conquest of Eretz Israel by British forces towards the close of 1917 and the issuance of the Balfour Declaration by Great Britain, transformed the Yishuv from both an economic and a political standpoint. The Balfour Declaration—which expressed the British government's positive view of the Zionist idea and "establishment in Palestine of a national home for the Jewish people"—spurred the League of Nations to assign Great Britain the mandate over Eretz Israel in the framework of its system, designed to lead a host of territories around the world towards independence. British administration not only ushered in a government sympathetic to Zionist aspirations to build a Jewish homeland in Eretz Israel, it was marked by the influx of a host of new ideas and new players who introduced new standards and initiated new enterprises and institutions that dramatically changed the face of the Yishuv and its composition, including far-reaching changes in the health domain. One of the most dominant new players was Hadassah and its American Zionist Medical Unit.

Hadassah and the American Zionist Medical Unit

By the end of the war, the Yishuv, which had encompassed 88,000 Jews in 1914, had been reduced by expulsions, famine, disease, and general privation

to an exhausted and depleted community of 55,000 souls burdened by a host of psychological and physical health problems. In 1918 a mission of the World Zionist Federation headed by Chaim Weizmann—the Delegates Committee—arrived in the country. The Delegates Committee was organized at the initiative and with the encouragement of the British government to evaluate how to best carry out the intentions of the Balfour Declaration. Shocked by the dire circumstances of the Yishuv, particularly in health matters, the Delegates Committee called for extension of immediate medical assistance to rehabilitate the Yishuv and reorganize its health facilities. The responsibility of realizing this goal was placed in the hands of American Zionists who appointed the American Women Zionist Federation, Hadassah, to execute the mission. The choice reflected a host of considerations and forces at work. First of all, the Delegates Committee was concerned about plans of the International Red Cross to establish a strong presence in Eretz Israel under the aegis of the British Foreign Office and fears that such humanitarian aid would serve as a cover for the influx of staff and introduction of activities that had nothing to do with medical assistance—primarily, missionary work among the Jews. To block such designs on the part of the Red Cross, immediate Zionist-Jewish alternatives for medical assistance were called for. The choice of Hadassah also reflected power struggles within the Zionist Movement, and efforts by American Zionist leader Judge Louis Brandeis to replace Chaim Weizmann as head of the World Zionist Movement, aspirations which prompted Brandeis to urge his Zionist colleagues in America to seize the opportunity for a "show of strength" by establishing a strong presence in Eretz Israel. After visiting Eretz Israel himself, Brandeis began to mobilize the financing necessary to meet the Yishuv's urgent needs in the health domain. Lastly, from a practical standpoint, only the Jewish community in America was in a position to finance medical assistance to the Yishuv since European Jewry was still recovering from the devastation wrought by the war.

Assigning Hadassah the role was almost a foregone conclusion due to the organization's resources and existing presence in Eretz Israel. In 1913 Henrietta Szold, president of Hadassah, had initiated the dispatch of two American nurses to the Yishuv with the goal of opening a medical center that would offer medical care and guidance to new mothers and their newborns in Jerusalem. The endeavor, called the Daughters of Zion, was financed by the Jewish philanthropists Nathan Strauss. The two nurses, who indeed fulfilled their mission for a brief spell, had left for personal reasons just after the outbreak of the war. The mercy mission planned by Hadassah in the wake of the war was far more ambitious: On June 11, 1918 the American Zionist Medical Unit organized by Hadassah and headed by Dr. Yitzhak Rubinow a New York physician, left for Eretz Israel. The mission included forty-four doctors, dentists, paramedics, pharmacists and administrative personnel, equipped with $25,000 dollars worth of medical supplies and a $400,000 operating

budget, half of which was underwritten by the JOINT, an American Jewish welfare organization. The unit arrived in August 1918. During the first six months in Eretz Israel, its work concentrated on grappling with burning health needs; only towards the end of the year (November 1918) was the unit able to began establishing hospitals in urban centers. The Rothschild Hospital in Jerusalem was reopened under Hadassah auspices, a facility that became Hadassah's primary hospital in Eretz Israel. This was followed by the reopening of the Shaar Zion Hospital (originally in Jaffa) in Tel Aviv, and the founding of two new general hospitals in the north, in Haifa and Tiberias, and a TB sanitarium in Safed. Adjacent to each hospital, labs and clinics were established, including dental clinics (closed a year later due to lack of funding). A nursing school was established under the aegis of the Rothschild–Hadassah Hospital in Jerusalem, designed to train local health personnel to provide medical services in rural areas and to staff the War on Malaria and other preventive medicine efforts. British authorities praised the work of the unit and at the end of March 1919 suggested that the representatives of the delegates committee in Eretz Israel, headed by Dr. Rubinow—head of the American Zionist Medical Unit, take upon themselves to administer public health matters for the Yishuv as a whole, organizing this effort under the name the Delegates Committee's Health Unit. Delegation of such powers, the British surmised, would eliminate friction between the public health unit of the British Army and civilian public health efforts within the Yishuv. Dr. Rubinow turned down the offer, maintaining that the unit must remain independent and autonomous and "American" in its activities, its initiatives and its medical standards and practices, and should not take upon itself sole responsibility for the health of the entire Yishuv. Dr. Rubinow believed that such a role would curtail the unit's independence and transform it into a local institution—subordinate, in essence, to both British authority and to the Yishuv's emerging national governing institutions.

Initially the unit received a warm reception by the Yishuv and its institutions. Expectations that the unit would bring much-needed relief were realized, and the health situation indeed rapidly improved. Upon their arrival, local forces, the sick funds and the doctors professional association, contacted the Delegates Committee and the Medical Unit to brief them on prevailing conditions, expecting that a collaborative effort would be established to jointly address the Yishuv's needs. Yet, their offers of assistance and collaboration were rebuffed. Dr Hillel Yafe, a leading local physician schooled in Europe, sought to brief the newcomers on the health situation, but his professional appraisals were met with arrogance, and all local health endeavors prior to the unit's arrival were brushed off by the Americans as insignificant. As a consequence, no joint framework emerged, and relations between the local medical community—including the doctors' professional organization and the sick funds—remained cold but correct. The workers' sick funds'

financial state at the end of the war was extremely precarious as a result, due both to debts accrued during the war and the large number of recent immigrants from the Third Aliyah (1919–23) that the sick funds took upon themselves to cover.

Amalgamation of Party-based Sick Funds into the General Sick Fund

At the close of World War I, the regional Federation of Labor returned to its prewar plans, postponed by the war, to amalgamate all the workers' sick funds into one institution. Political factionalism, however, undermined this effort. In the preliminary meeting for the general convention of laborites scheduled for Passover 1918, a joint committee of representatives from the three sick funds (Judea, the Galilee and Samaria) was elected to formulate a proposal for merging the three funds into one body, but the committee failed to reach an agreement. The actual stumbling block was the failure to unite rival political factions within the labor movement into one political body. At the 1918 labor convention, a united party—the Achdut Haavodah (Labor Unity) Party—was indeed founded but failed to attract all Labor Zionist factions: Some members of Hapoel Hatzair, for ideological reasons, preferred to remain an independent faction. This refusal not only torpedoed unification of the sick funds, which until then had been apolitical bodies, it sparked dismantling of the sick funds and their reorganization on a national scope along party lines into one fund for members of Hapoel Hatzair and another for members of Achdut Haavodah. The ramifications of this move were far-reaching: From this point hence,[8] workers' health became subjugated to the political system. While previously there had been no tension among the sick funds, the political label led to fierce rivalries, but also to fruitful competition which accelerated their development, with each party seeking to attract more workers to its sick fund. Thus, convalescent facilities were founded, a central clinic was established in Jaffa, and clinics for Yemenite workers were opened in Petach Tikva and Rechovot since every new member of the sick fund was viewed as another member of the party. Medical assistance had been turned into a political tool

At the end of World War I, the workers' sick funds had a total enrollment of approximately 1500 members. Yet the end of the war was marked by another wave of Zionist immigrants: the Third Aliyah. Like their comrades from the Second Aliyah, members of the Third Aliyah—some 35,000 newcomers—were imbued with a socialist vision for the Jewish homeland they sought to build by their own labor. Members of the Hehalutz (The Pioneer) organization, who began arriving in Eretz Israel from Eastern Europe towards the end of 1917, organized themselves into independent contractor groups comprised of tens to hundreds of members who bid successfully on tenders for construction

and infrastructure projects published by British authorities, such as building a road along the Sea of Galilee between Tiberias and the outlet of the Jordan River at Tzemach. The largest of these groups, *Gdud Haavoda* (the Work Battalion, henceforth—the Battalion), had a thousand members. The groups lived in encampments they established in proximity to project worksites that operated on socialist principles. Such concentrations of Jewish laborers, many in isolated locations, called for on-site medical services, which the sick funds organized. Tent clinics were established, paramedics or nurses were hired, and the sick funds began to seek doctors who would work for them, providing on-site medical treatment. The encampments boasted a labor exchange that dealt with wage matters collectively; the groups demanded and in some cases received (from the British Mandatory government, for example) employer participation in payment of workers' health insurance premiums (i.e., sick fund dues) as part of the wage agreement, as was the practice in Europe. The arrangement set a model for employers participating in payment of health insurance of their employees in Eretz Israel. Dues were paid on either a daily or monthly basis, depending on the work contract, and the premium was a set sum, not graduated by income.

Changes in the economic and social constellation of laborers at the outset of the twentieth century brought about a large increase in the membership rolls of the sick funds as well as a rise in demand for health services (including pediatric care and hospital deliveries). Yet, the resources of the sick funds were meager since most of the insured were laborers or rural settlers whose low wages forced sick fund administrators to seek medical assistance from the Medical Unit established by the Zionist movement at the urging of the British. Most demand was for medicine. The sick funds' dependence on the assistance of the Medical Unit put the Hadassah Medical Unit's domineering director, Dr. Rubinow—in direct control of the operation of the sick funds and its decision-making machinery, ultimately dictating criteria for medical assistance as he saw fit. This state of affairs, partially the upshot of conflicting cultural backgrounds sparked countless bitter clashes. The sick funds' dependence and the humiliation it engendered ultimately led the rival parties within the labor movement to join forces, taking steps to merge their federations and their sick funds to form a united General Federation of Labor and General Sick Fund (Kupat Holim) whose size and power, they surmised, would release them from dependence on the Medical Unit's assistance.

Over a period of two years, an agreement was hammered out between Achdut Haavodah and Hapoel Hatzair for the creation of a single Federation of Labor, which was founded in December 1920 at the national convention of all Jewish workers in Eretz Israel which convened in Haifa. The two sick funds were merged to establish the General Sick Fund—Kupat Holim HaClalit.

This step did not release the Workers' Sick Fund or Kupat Holim, however, from its subservience to the political system. Both factions in the amalgamated organization—Achdut Haavodah and Hapoel Hatzair—decided that Kupat Holim would be managed by a small directorate (merkaz) whose members would be appointed on the basis of their political association. As a result, the first Kupat Holim directorate was made up of Eliezer Perlson, a representative of Hapoel Hatzair; Levi Vinik, a member of Achdut Haavodah who was replaced soon after by Yitzhak Kanevsky-Kanev (who had been a close associate of Yosef Trumpldor, the martyred leader of Achdut Haavodah killed at Tel Hai in March of that year); and Reuven Shenkar—a member of the Battalion and the Achdut Haavodah party. For many years to come, the management was controlled by political appointments.

The Yishuv's Health Council and Mandatory Health Services

At the close of 1920 the first civilian governor, High Commissioner Herbert Samuel, took office. At the same time the first representative body of the Yishuv in its dealing with Mandatory government—the Vaad Haleumi or National Committee was established—including a Health Committee whose role was to serve as the primary health institution for the entire Yishuv. British policy held that services for Jews and Arabs should be on the same level. Moreover, since the Yishuv enjoyed the support of Hadassah and its Medical Unit and the financial backing of world Jewry, while the local Arab community lacked such resources, the British felt justified in investing almost all their time and resources in developing health services for the Arab sector. Their support for the Jewish sector was meager—limited for the most part to official approval in principle of development of health services for the Yishuv, assuming the Jews would provide their own financing, without any government assistance. As a result, the Health Committee's liaison with the British government, Dr. Avraham Katznelson-Nissan conducted an ongoing uphill battle to obtain material assistance from the Mandatory government in meeting the health needs of the Yishuv or participation in budgeting the cost of such services. In addition to this, the National Committee's Health Committee was the only health institution in the Yishuv that dealt with the needs of the Yishuv as a whole, coordinating the work of all the health agents in the field, primarily the Medical Unit, Hadassah, the Hebrew Medical Federation and Kupat Holim. The Health Committee harbored a "positive bias" towards Kupat Holim in its dealings, and generally supported the fund's positions under the belief that Kupat Holim had the right to develop and, indeed, should develop as a key organized health body of the Yishuv. Support in principle was expressed at annual Zionist Congresses, particularly when allocation of funding for health needs in Eretz Israel was discussed.

At the close of 1922—five years after the arrival of the British—the Mandatory government operated eleven hospitals and nine special clinics devoted to eradication of contagious diseases. Yet, according to official data, relative to other health institutions operating in the country, the Mandatory government, through its Ministry of Health, provided medical services to only 20 percent of the total population—Jews and Arabs. According to an agreement between the Mandatory government and the JOINT, the latter transferred a one-time lump sum of $86,000 to the Mandatory Ministry of Health for the War on Malaria. Consequently, Hadassah—which had dealt with malaria on its own up until 1922—decided, with the approval of the American Zionist Organization, to transfer its anti-malarial work and sanitation department to the British Mandate-run Ministry of Health, along with the funding that had been budgeted for this work by American Jewry. This move nurtured a close relationship between the Ministry and Hadassah that was reflected in favoritism towards Hadassah in health matters as a whole, by contrast with the hearing Kupat Holim received.

Kupat Holim the Federation of Labor, Hadassah—Financing of Health Services

In January 1922, Kupat Holim, the General Sick Fund of the Federation of Labor, began to operate on a united footing. At the time the sick fund had four thousand members, but suffered from a heavy deficit. As a first step in liquidating its debts, the federation's Central Committee (merkaz) established regulations that made membership dependent on dues-paying and clearly stipulated membership rights. At the initiative of David Ben-Gurion, who had recently been appointed secretary-general of the Federation of Labor, it was decided that Kupat Holim and the federation's work exchange would treat only card-carrying members of the federation who had paid their dues. Thus, receipt of both work and medical care were linked to regular payment of dues. By this move, Ben-Gurion transformed the sick fund into an organizing tool and control mechanism, while concentrating power and authority in the hands of the federation's executive (vaad hapoel)—a body he himself headed. His second step in consolidating his power was to pass a resolution at the Second National Convention of the Federation of Labor that called for executive representatives to sit on the management boards of federation institutions, including Kupat Holim. The decision to link sick fund membership with membership in the Federation of Labor did not, however, improve the financial circumstances of the fund.

Eliezer Perlson, the director of the sick fund, realized that a solution to Kupat Holim's economic distress would not be forthcoming within the framework of the Federation of Labor. Together with the other members

of the sick fund's directorate, Kupat Holim's management decided to initiate negotiations with Hadassah to gain financial assistance. Kupat Holim's requests centered on Hadassah covering part of the salaries of the fund's doctors, financing the work of paramedics, and supplying medicines to labor encampments on a regular basis. In November 1922 the first agreement between Hadassah and Kupat Holim was signed. The terms made Hadassah a party in providing medical assistance to Jewish workers. Members of Kupat Holim were given a 50 percent discount at Hadassah institutions, and Hadassah took upon itself to cover 50 percent of the outlay for pharmaceuticals. General medical administration for the Yishuv as a whole was placed in the hands of Hadassah, and Hadassah staff was given authorization to visit Kupat Holim clinics in a supervisory capacity and intervene in the way medical matters and administration were handled. Fees for medical treatment were graduated, based on income and family status. In addition, Kupat Holim received a one-time lump sum from the Yishuv's National Committee and the Zionist executives to cover its existing deficit, and a commitment that henceforth, the National Committee would participate in funding the work of the sick fund on an annual basis. Despite Henrietta Szold's support for the health committee's and the Zionist Federation's participation in underwriting part of Kupat Holim's budget, Hadassah viewed further funding of Kupat Holim with disfavor, fearing such funding would empower their rival, relatively speaking (although at the time, Hadassah hardly viewed the sick fund as a serious competitor); Hadassah preferred to hold the purse strings, although by that time Kupat Holim had no facilities of its own and very little power. Kupat Holim's aspirations to make its operation more independent and to curtail Hadassah's control rested not so much on ideology as on the rapid growth of the working public and Jewish laborers' needs for medical assistance that Hadassah had been unable to provide within its own operation. It was generally agreed among members of Kupat Holim's directorate that if medical services for members would be based fully on mutual guarantees and sick fund-run institutions, the service would have more appeal to the workers and be more suited to their pockets. Therefore, it was decided to expand the twelve-bed sick room at Kibbutz Ein Harod in the Jezreel Valley that had been transferred to Kupat Holim upon the dismantlement of the Battalion, to establish an independent clinic in Jerusalem, and to expand the existing Kupat Holim clinic in Tel Aviv. Hadassah opposed these steps that expanded the independent services of Kupat Holim. The only health domain that Hadassah agreed that Kupat Holim should handle independently was convalescent care, a service Hadassah had no interest in developing. Kupat Holim's penetration of health domains such as health clinics and hospital care where Hadassah enjoyed uncontested repute was viewed by Hadassah as a challenge to its hegemony.

Rivalry was toned down thanks to the intervention of Henrietta Szold and during the tenure of Dr. Rabinow as the head of Hadassah in Eretz Israel (until 1924). When Rubinow left, however, and Dr. Efraim Bluestone took his place, the dispute between Hadassah and Kupat Holim became more strident—the subject of articles in the newspapers, public protest demonstrations by workers against Hadassah, and involvement of Federation of Labor leaders in the struggle. In response, Hadassah refused to handle the funding from America earmarked for the sick fund, and unilaterally cut its commitment to pay for Kupat Holim pharmaceuticals, reducing its support from 50 percent to 30 percent. In addition, Hadassah refused to hospitalize workers in Hadassah hospitals and harassed Kupat Holim's management by erecting administrative barriers around every medical activity that required collaboration with Hadassah. Finally, Kupat Holim director Eliezer Perlson was forced to go over the head of Hadassah's management in Eretz Israel and appeal directly to Hadassah's leadership in the United States to rectify the situation. In 1926 relations became so bad that the executive council of the World Zionist Organization was forced to step in. A special Hadassah mission came to the country to investigate the situation; together with Ben-Gurion, an agreement was formulated in which Hadassah recognized the special status of Kupat Holim and its right to operate independently and develop its own institutions. The imposed settlement did not, however, improve relations between Hadassah and Kupat Holim.

The economic crisis that had developed during the years 1924–28 impacted negatively on Kupat Holim, exacerbating relations with Hadassah and undermining the sick fund's already precarious economic state. The sick fund tottered on the verge of bankruptcy. To prevent Kupat Holim's collapse, the Zionist executive stepped in and at the outset of 1926 established an investigatory commission to examine the fiscal state of the sick fund. The commission recommended broad organizational reform in Kupat Holim's operation, calling for adoption of a regional service model rather than local clinics and adoption of a bottom line management policy that would keep the fund's operations within its financial abilities. The fund's inability to abide by the recommendations without financial support and the continued deterioration of Kupat Holim's finances led to the appointment of two more investigatory commissions by the World Zionist executive to investigate the operation of the layout and performance of the Yishuv's health services as a whole. In mid 1927, the conclusions of both commissions were published. Recommendations called for establishment of one central health authority under the aegis of Hadassah, and the curtailment of Kupat Holim's operations to the rural cooperative Jewish settlement sector of the Yishuv (Hahityashvut Haovedet). These recommendations were not implemented for a host of reasons, primarily because of further deterioration of any genuine working relationship between Hadassah and Kupat Holim; the outbreak of

the 1929 disturbances;[9] and the 1929 stock market crash that curtailed the flow of funding from Hadassah in America to its enterprises in Eretz Israel and inhibited Hasassah's expansion plans. These recommendations, postponed and driven off the public agenda by more urgent issues, were never brought to fruition.

Establishment of the Emek (Jezreel Valley) Hospital

If initially Kupat Holim's directorate thought that the sick fund could develop, collaborate with, and even gain support from Hadassah, or at least receive its blessings, such expectations were dashed by a combination of conflicting interests and conflicting cultures and value systems. When it became clear that Kupat Holim would have to chart its own course independent of Hadassah, the sick fund began to organize alternative sources of pharmaceutical supplies and medical equipment, expand its network of clinics, absorb a large number of medical specialists, and transform the sick room in Ein Harod into a miniature thirty-five-bed rural hospital housed in two wooden huts. The Jezreel Valley (henceforth, the Valley) became the focus of concentrated Jewish settlement—some of the first clusters of kibbutzim and moshav[10] settlements established by members of the Second and Third Aliyah. Consequently, demand for on-site medical services grew, prompting Kupat Holim to discuss the feasibility of construction of a permanent (i.e., modern, concrete construction) general hospital in the Valley under its auspices that could provide suitable maternity and pediatric care, treatment of contagious diseases common to the area (malaria), and advance public medicine in general for the growing number of Jewish settlements in the Valley. It was felt that a large hospital would both curtail costs and the hassle of sending patients to Haifa due to the limited staff and bed capacity of the Ein Harod facility, and would contribute to the overall development of the Valley by attracting top physicians, and benefit public medicine in Eretz Israel as a whole. Despite these aspirations, it was clear that from a financial standpoint the sick fund could not realize this vision on its own. Request for assistance from Hadassah and the Zionist executive were unconditionally turned down. Money was in short supply, and Hadassah for its part was not inclined to help its competitor establish its own hospital. Eliezer Perlson did not take no for an answer; he approached Henrietta Szold directly, underscoring that establishment of a Kupat Holim hospital in the Valley would help relieve pressure on Hadassah hospitals' services. Moreover, Perlson promised that operating budgets would be covered by Kupat Holim alone, without any financial assistance from Hadassah. Szold was won over, and the Hadassah president promised to help mobilize funding for construction of the hospital. In August 1927 the cornerstone was laid for a fifty-bed hospital outside the town of Afula. The project was funded jointly

by Hadassah and the Hebrew Doctors' Association in America and a special donation from the Shanghai Jewish community. The residents of the Valley donated workdays on the hospital's construction. British Mandate authorities undertook to pave an access road. While the decision to establish the hospital was approved primarily to solve the shortage of hospital beds, inauguration of hospitalization services under the aegis of Kupat Holim was a major juncture in the critical formative years of Kupat Holim as an institution, that had an impact on the course of the fund's development and the face of health services for years to come for the Yishuv as a whole.

Most existing hospitals had been built in the nineteenth century. Until this point, the Yishuv had not raised one major public building, not to mention a hospital—a structure whose design and construction was much more complex than other buildings. The design was the work of architect Alexander Barwarld, from the Technion institute in Haifa. The building standards adopted in the blueprints were state-of-the-art for their times, responding to current demands but designed to meet the needs of the population for years to come. The hospital, which opened its doors in April 1930, won high praise, and the high standards it set became a standard for subsequent health facilities established by Kupat Holim. A year later the access road linking the hospital with the Afula train station was completed. Initially, out of necessity, staff was housed in Kibbutz Ein Harod, nearby the hospital—and as a result doctors were on call around the clock. This state of affairs was institutionalized as part of the hospital's operation and terms of employment—*requiring* staff to live in the hospital compound and remain on-call as a permanent feature of their work, and forbidding them to live elsewhere. In 1934 staff quarters were built with British Mandate financing adjacent to the Emek Hospital. This *modus operandi* was subsequently applied to all Kupat Holim hospital physicians including the sick fund's second hospital, Beilinson Hospital outside Tel Aviv. The ramifications of this arrangement are discussed in the opening chapters of this volume.

The hospital brought advanced medicine not only in terms of hospitalization services; the Emek Hospital hosted monthly in-service training meetings; supervised health services throughout the region; conducted research on prevention and treatment of various diseases; initiated blood typing in the hospital lab; established a precise record-keeping system for all patients and diseases treated at the facility; and engaged in a host of activities in the preventive medicine domain. The Emek Hospital demonstrated Kupat Holim's ability to operate a complex and expensive modern health institution—a feat that strengthened the sick fund's standing and stature as an institution capable of offering modern medical assistance and expanded its outreach and its membership. The hospital's successes set the course of the sick funds expansion and building policy for the future and marked Kupat Holim's debut as a leading player in the Yishuv's health care system.

Kupat Holim—The Shaping of its Services, Management and Dues-Collection Apparatus

In contrast with other sick funds that were established in urban centers in the wake of the Industrial Revolution, Kupat Holim in Eretz Israel arose in a rural setting, in response to the health needs of agricultural laborers. Yet the operational model forged under rural conditions continued to guide the sick fund even after it became a national organization serving urban populations, as well. In 1927 the sick fund's leaders became concerned about the crowding at Kupat Holim's main urban clinics. There were two faces to this problem: On the one hand, crowding weakened the tie between individual patients and their personal physicians. On the other hand, there was clearly a need to curtail the increase in demand to see specialists (orthopedists, pediatricians, etc.) at urban clinics in the main cities. To address this problem, the heads of Kupat Holim decided in May 1927 to return to the model of the rural clinic—that is, to establish small neighborhood clinics in urban areas staffed by general physicians who would serve as family doctors and pediatricians offering primary medical care to Kupat Holim's membership. Patients would go to the clinic closest to their place of residence, and would be sent to specialists' clinics only on referral from their primary physician. This method—using general practitioners as gatekeepers to specialists while providing enhanced on-site services without the hassle and cost of traveling and long waiting lines—had proven effective in a rural setting. The format proved equally successful in the cities and this two-tier system became the primary operational model for Kupat Holim.[11]

Parallel to the establishment of a network of neighborhood clinics, Kupat Holim established a four-member senior administrative board parallel to Kupat Holim's directorate responsible for the sick fund's ongoing managerial functions, a setup that exists to this day. Parallel to the directorate, a supervisory committee was designed to oversee management of the sick fund, set its budget, deal with complaints and differences of opinion, make decisions about further development (assets, branches, buildings), and interpret and apply Kupat Holim's ordinances. The body was comprised of members of the Federation of Labor and representatives of the fund, creating, in essence, a broad undeclared board of directors, in practice transforming Kupat Holim's directorate into the executive arm of the organization. The importance and respect with which both the supervisory committee as a body and Kupat Holim as an institution were held at the time is reflected in the stature of those chosen to serve on the supervisory committee: Among the members were Golda Meir, Dr. Moshe Beilinson, and Berl Katznelson—all key figures in the labor movement. Before statehood was proclaimed, the supervisory committee was the supreme authority in Kupat Holim's hierarchy; only after the establishment of the State of Israel were roles reversed:

the supervisory committee's function was curtailed to endorsing decisions of the sick fund's directorate, which took over the decision-making powers for Kupat Holim.

Kupat Holim, the General Federation of Labor and the Mas Ahid (Joint Dues) System

From the outset, the Federation of Labor viewed the sick fund as an important arm of the federation and a first-class organizational tool. In November 1921, the federation's council stipulated that the federation and its institutions (that is, Kupat Holim) "only assist members of the federation that hold membership cards and pay dues." Following this decision, Kupat Holim ordinances were amended to stipulate that only members of the Federation of Labor were eligible for membership in the sick fund, and laborers who were not members of the federation "are accepted only with the approval of [the federation's] executive." In February 1924, Ben-Gurion stipulated that for "groups that do not pay dues to Kupat Holim, assistance should be withheld from them. We can't simply be generous. Kupat Holim is an institution of mutual aid." Enhancement of Kupat Holim's services over the year and the growth in the number of members transformed the sick fund into a far more essential service, and thus an all-the-more-important mobilizing device in the hands of the federation and its executive. Yet, expansion of the sick fund's base (i.e., its own empowerment) and the sick fund's growth as an organizational component for the Federation of Labor were not always compatible. Federation leaders such as Ben-Gurion and others were careful to ensure that the fund would not amass too much power of its own and that it would remain subservient to their own leadership and the federation's own agenda. In 1925, the idea that all members of the federation should be required to be members of the sick fund began to take form, and this stipulation was passed at the Federation of Labor's Third Convention in 1927. Implementation, however, was not easy. The reluctance among workers to follow this decision was marked and placed the federation's executive on the horns of a dilemma: On the one hand, the executive was duty-bound to implement the annual national convention's decisions and expel from the federation those who did not pay dues to the sick fund; on the other hand, they feared the loss of dues-paying members to the federation, both from the standpoint of revenues and the negative impact a drop in membership would have on the power and prestige of the Federation of Labor. Moreover, the failure to pay dues to the sick fund reflected prevailing economic conditions in the midst of the Fourth Aliyah (1924–28) which brought some eighty thousand new Jewish immigrants.[12] Many laborers paid dues to the federation as a path to gainful employment during the recession (i.e., the

federation's labor exchange and federation-owned industries),[13] but were too poor to pay dues to the sick fund, as well. In the summer of 1928, Kupat Holim appealed to the federation's executive demanding implementation of the decision to expel all federation members who failed to join the sick fund. The executive, headed by Ben-Gurion, rejected Kupat Holim's demands arguing that they first had to clarify who were the "applicants who were not participating in Kupat Holim," underscoring that it was not "an obligation of all federation members to be a member of the sick fund, but a member should not be expelled from the federation due to lack of his membership in Kupat Holim and his membership card [in the federation] should not be withheld" as the sick fund demanded.

There is no question that the executive's response was based on self-serving interests. The conflict of interest between the sick fund and the federation's executive worked both ways: The primary objective of the sick fund was to increase its own membership rolls, not just enhance medical services. In addition to trying to force all federation members to join the sick fund, Kupat Holim also sought to accept into the sick fund persons who were not members of the federation. The Third National Convention (1927) had not specifically barred this; it had solely stipulated that the executive had to approve members who were not members of the federation. The sick fund badgered the executive on this issue, over and over. Most of the applicants who wished to join the sick fund were independent skilled tradespersons and petty merchants and so forth, whose economic circumstances were good and who simply wanted to purchase discounted medical insurance, but were not members of the federation. Kupat Holim viewed these applicants as an opportunity to improve its finances and bolster its membership rolls, and therefore pressured the federation's executive to approve their membership in the sick fund. The number of "exceptions" however, should be viewed in perspective: In May 1929, the sick fund had a membership of fifteen thousand, including five hundred who were not members of the Federation of Labor. Dr. Moshe Beilinson who in 1927 had been elected chairperson of the supervisory committee, directing Kupat Holim's operation, demanded that the federation's executive turn over its authority to decide on individual and group applications for membership in Kupat Holim to the supervisory committee. Beilinson not only sought to increase the fund's membership base, but also to prevent initiatives that would establish *rival* institutions, if the sick fund would block membership to Kupat Holim by people in need of such services. Ben-Gurion was vehemently opposed to transferring such authority from the Federation of Labor's executive to Kupat Holim's Supervisory Committee (in essence transferring decisions from a political body to a professional body), arguing that such a move would introduce anti-federation elements into the sick fund that would threaten Kupat Holim's foundations. The compromise arrived at stipulated that anyone who was not a member

of the Federation of Labor but requested to join the sick fund *en bloc* would be required to pay, in addition to regular dues, a "parallel tax" (mas makbil) that would entitle the body to representation on Kupat Holim's Supervisory Committee. In 1930, when the Mapai party[14] was founded, the merger of the Achdut Havodah (United Labor) and Hapoel Hatzair (The Young Worker) parties not only created a powerful political body that became the dominant political entity in the Yishuv; but the differences between "party" and "federation" became almost undistinguishable, bringing the issue of parallel membership in the federation and Kupat Holim to a head. Various organizations feared that joining the sick fund would push their members into the waiting arms of Mapai, the new unified Labor Party and began making plans to establish their *own* health insurance frameworks. Fearing just such a move, Kupat Holim appealed again to the federation to reconsider allowing persons who were not members of the federation to join the sick fund and to give their organizations representation within the sick fund. The Federation of Labor's executives found themselves in a corner. To solve the dilemma of how to preserve the power of the sick fund as a key tool in the social domain while accepting new members who would enhance the power and help balance the budget of the sick fund, the federation's executive established special committees with the power to accept or reject new members into Kupat Holim and to deny medical insurance to persons ousted from the federation.

In December 1931, Ben-Gurion had first raised the concept of joint or uniform dues (mas achid) covering membership in both organizations, and required presentation of one's federation membership card with any request for service from a federation institution. The relative importance of Kupat Holim grew the same year in the wake of the decision of the Yishuv's National Committee to establish work exchanges under its own auspices, undermining the clout the Federation of Labor wielded in the workplace via its own work exchanges and union shops. Thus, Kupat Holim became the primary—in fact, almost the only—organizational tool left in the Federation of Labor's arsenal. Ironically, no matter how important the sick fund had become as its primary organizational and financial tool, in the eyes of the federation, ideological concerns were even greater. Thus, when requests were received from applicants belonging to entities who employed Arab labor or from groups that were associated with political rivals such as the Revisionists and members of Betar and their likes, members of the federation executive council vehemently opposed their acceptance as members of the sick fund.[15,16] They did not even take pains to give a pretext for rejection of their requests for membership. The heads of Kupat Holim were far less politicized in their attitudes towards potential members and feared that those rejected would join the Amamit sick fund (Popular Sick Fund, in Hebrew) established in 1930 by Hadassah; the Amamit was open to all and

offered more attractive membership terms; however, it operated primarily in the rural non-Socialists sector—in the agricultural towns or *moshavot* established by the First Aliyah.[17] Thus, from a practical standpoint, the cheapest form of medical insurance for members of Betar and other non-Socialists in the cities was Kupat Holim, which operated clinics in the city, but without being members of the Federation of Labor. In the end, the executive voted to allow such persons to become members "on probation." This proviso was in force, particularly for laborers who were Revisionists, until 1933.

In 1933, Chaim Arlosoroff—a key socialist leader and head of the political section of the Jewish Agency—was murdered while strolling on the Tel Aviv beach with his wife. While the initial suspects, two radical Revisionists, were never convicted and the murder to this day remains unsolved, the labor movement, convinced that Arlozeroff's murder was a political assassination by its non-Socialist rivals, took revenge on its political adversaries on a host of fronts.[18] Employees of the fund who were Revisionists—primarily doctors, were fired, and pressure grew to force all members of the sick fund to become members of the Federation of Labor. Revisionist supporters who were members of Kupat Holim quit the sick fund. Since there was no similar alternative form of medical insurance in the cities at the time, a small group of Revisionists took the initiative of founding a parallel sick fund that would serve their needs, the Leumit Workers' Sick Fund which opened its doors to all those who were unable to avail themselves of Kupat Holim's services, regardless of political affiliation. On January 5, 1934, Mandatory authorities gave the fund authorization to operate.

The outbreak of the 1936–39 Arab Riots, economic recession, worsening of political rivalries within the Yishuv, and the waning of Ben-Gurion's dominance in federation affairs when he shifted the base of his political activity from leadership of the Federation of Labor, to assuming the position of head of the World Zionist Movement's executive arm, the Jewish Agency, were all reflected in decision making within the Federation of Labor vis-à-vis Kupat Holim.[19] A combination of these political, economic, and personal factors led the federation's senior leadership to merge collection of federation dues and Kupat Holim dues into one uniform payment—joint dues (*mas achid*). Thus membership in the sick fund, as well as other social welfare institutions operating under the aegis of the Federation of Labor such as the "Handicap/Invalids' Fund," became an integral part of federation membership, not an optional service. Thus, the sick fund was able to broaden its membership base beyond those in need of its services from a health standpoint, encompassing federation members who were healthy and better off financially. On the other hand, while revenues were increased, the new arrangement terminated Kupat Holim's fiscal independence. The sick fund lost almost entirely the ability to control the monies collected in its name, or to increase revenue according to need.

Institution of joint dues swelled membership rolls in the sick fund to cover 160,000 souls—sick fund members and their dependents—transforming Kupat Holim into a central organization in the health insurance *and* health-provider domain of the Yishuv.

Immigrant Doctors and Health Services for the Yishuv in the 1930s

In 1933, Kupat Holim's directorate decided to build a second hospital, a fifty-bed facility that would serve members of the fund in the agricultural villages in the Sharon region and Tel Aviv. The new hospital was designed to be a modern medical center on a standard unheard of to date in Eretz Israel, with medical staff based largely on doctors (and other medical professions) among German Jewish immigrants from the Fifth Aliyah who began arriving in Eretz Israel in large numbers following the rise of Hitler to power in 1933.[20] Thus, Beilinson Hospital, located between Tel Aviv and Petach Tikva was established.

The German immigrant doctors encountered a completely different health care system from what they were familiar with in their country of origin. Sick funds had existed in Germany from the end of the nineteenth century, but they were based on the patient's free choice of physician and accompanying medical services. Doctors engaged in private practices and hospitals received sick fund patients with whom the physicians had established an association in their private clinics and wards. The system integrated private medicine within the framework of public medicine, thus preserving the practice of medicine as a free profession while at the same time ensuring all salaried persons in the country would be covered by compulsory medical insurance.

In Eretz Israel, the German doctors encountered a closed, centralist health care system based on voluntary membership (sick funds) or philanthropy (Hadassah), with no obligatory elements and no governmental financial support on the part of the Mandatory government which followed a policy of non-intervention in health matters of the Yishuv beyond very limited involvement in public health aspects of control of contagious diseases. In both Hadassah and Kupat Holim the doctors were salaried physicians subservient to their organization's centralized management system headed by functionaries and public officials, not physicians.[21] Moreover, salaried physicians were forbidden from engaging in private practice in addition to their work in public medicine. On top of this, doctors who were accepted as employees by Kupat Holim were obligated to work in any location the sick fund managers saw fit.

Between the years 1933–38 more than twelve hundred doctors immigrated to Eretz Israel—75 percent of all doctors in the Yishuv. Such an influx in such a short time created a great surplus that left many doctors unable to

make a living from medicine. Only the outbreak of World War II and the mobilization of over two hundred doctors into the British Army alleviated the situation to some extent. One might expect that the surplus of doctors and the extent of unemployment would diminish the influence of the physicians on the health care system. Despite this, their rapid absorption into the health care system and the scientific knowledge that the Jewish doctors from Germany brought with them, enabled the new physicians to preserve their professional status and influence. Quite naturally, the burning need for experienced doctors and specialists enabled more than half the newcomers to find work within the two organizations, while allowing Kupat Holim and Hadassah to expand and upgrade their services to meet the growing needs of the Yishuv in the wake of the Fifth Aliyah that brought one-hundred forty-five thousand Jewish immigrants between 1933 and 1939—sixty-six thousand of them in 1935 alone. The presence of Jewish doctors from Germany in Kupat Holim was particularly marked in key positions within the sick fund's two hospitals. Between 1933–48, German doctors came to head all the departments in Kupat Holim's two hospitals, except for pediatrics at Beilinson. Most department heads at Hadassah's hospitals, it should be noted, were also of German-Jewish origin. Many doctors who did not find work at existing medical institutions or who refused to work under the conditions dictated by Hadassah and Kupat Holim prohibiting private practice among their salaried physicians, began practicing medicine on the open market using assets and equipment they had brought with them from Germany.[22] They opened private clinics, and they established an alternative HMO-style sick fund based on contracting medical services from private practitioners and existing medical institutions, as in Europe. This included the founding of the Macabi Sick Fund (1941) which has become one of the leading sick funds in the current Israeli health care system. They also established similar frameworks that no longer exist—such as the Asaf Sick Fund and Otzar Harofim (Doctors' Reserve). Based on free choice of physicians from a list of private practitioners, these frameworks did not establish clinics of their own based on salaried medical staff, and the scope of administrative staff was kept at a minimum. The founders tended to present these frameworks as the antithesis to Kupat Holim, harshly criticizing the latter for its lack of free choice for doctors and patients, alike. Following establishment of these small sick funds, private hospitals and a medical insurance company—Shiloah—were also founded. Most of the private hospitals were in the Tel Aviv area, each with a small capacity—less than twenty beds. For instance there was the Dantziger Hospital and Hoffstein Hospital, which later merged to become Asuta Hospital, a private institution that operates to this day.

One of the core issues in the development of health and medical services in Eretz Israel up to World War II was the question of priorities in medical practice in the hospitals. Should doctors engage in medical research,

or should service to the public take precedence? In light of more pressing needs, did research have a place in the current hospital system? The overwhelming majority of physicians who came from Germany were adamant that the Yishuv's hospitals should not solely engage in providing medical services to fund members, but also serve as teaching and research centers. They held that Kupat Holim needed to invest most of its budget in transforming Beilinson into a full-fledged medical center, with a thousand-bed capacity, a university research base, and institutional links between the medical center and the fund's clinics so that advances in medicine would reach the clinic level. Kupat Holim's policy favored establishment of small clinics from both a practical and ideological perspective and rejected this demand. As a result, Beilinson remained solely a hospitalization facility with a limited number of beds and no research program. The university medical center that many of the fund's doctors aspired to establish in Eretz Israel was destined to be established in Jerusalem—by Hadassah, whose priorities and pressing problems were different.[23]

Establishment of the Hadassah Center on Mt. Scopus

In the 1930s, Hadassah changed its health policy. The Great Depression had a direct impact on Hadassah's budgets, leading Hadassah to transfer a good number of its medical institutions outside the cities to local administration, concentrating most of its efforts on establishing a new hospital on Mt. Scopus and transforming it into the leading medical research center in the country. As was the pattern in the United States, Hadassah planned to provide under one roof hospitalization services for the public, to conduct medical research, and to serve as a teaching hospital for both medical students and nurses. The vision of such a center was first raised in 1925, but was postponed until 1932 due to other urgent medical needs.

When planning commenced, the question of whether to construct the center inside Jerusalem or outside the city took two years to resolve. The final decision was reached only after the National Committee's Health Committee and the Jewish National Fund chose to support building the center on Mt. Scopus outside the city, despite problems of security and transportation access to the site. In 1934 the cornerstone was laid for the new hospital, after receiving a green light from Mandatory authorities and the Rothschild family (the latter were the owners of the old Hadassah Hospital inside Jerusalem), and a commitment from the Jewish Doctors' Association in America to underwrite the construction. In 1936 Hadassah and the Hebrew University signed an agreement for collaboration in teaching and in-service training of medical personnel and medical research. The center was dedicated in mid-1939. It had been built in the midst of three years of violence (the

1936–39 Arab Revolt)[24] and opened a mere three months prior to the outbreak of World War II.

In September 1939, with the outbreak of World War II, further development of the Yishuv's health care system came to a standstill. Doctors from all the sick funds and hospitals were mobilized into the British army. The first to sign up were unemployed doctors from the Fifth Aliyah who saw military service as an opportunity to practice medicine. Debate over the place of research in the practice of medicine was pushed aside by events. The health care system was called upon to make emergency plans in the event that Axis forces in North Africa would threaten to invade Eretz Israel.[25] The Yishuv's health care system collaborated with British health authorities, conducting, for instance, mass casualty exercises, should the cities be subject to air raids by Axis forces. The sick funds organized independently to prove services to their members under wartime conditions; the surplus of doctors eased the impact of wartime conditions on health services to the civilian population and prevented erosion in health services to Kupat Holim's membership. The funds also formulated policy designed to protect the employee rights of doctors and paramedical staff who had been mobilized and to preserve the membership rights of fund members who had volunteered for military service. The Yishuv's health care system's focus centered on contributing to the war effort.

With the close of the war, and the return of unemployed doctors and other former employees, paralleled by further Jewish immigration in the postwar years, the problem of surplus doctors resurfaced, as did the professional debate over the place of research in hospital medicine. Likewise, competition among sick funds and rivalry for hegemony among health organizations resumed. All these issues were amplified by the political situation, the worsening of relations with the British and escalation of the battle for unfettered Jewish immigration and establishment of a Jewish state.

In the midst of all this, a crisis situation developed at Kupat Holim's primary hospitalization facility, Beilinson Hospital. The crisis was destined to have a major impact on the future development and shape of the health care system in Israel for decades to come. The Beilinson Hospital revolt is the topic of the first chapter of this second volume on the history and development of Kupat Holim.

Chapter One

The Doctors' Revolt at Beilinson Hospital

Private or Public Health Care?

In November 1947, all the department heads at Beilinson Hospital, except one, abandoned their posts. They informed Kupat Holim that the mass walkout was in response to the sick fund's refusal to allow them to engage in private practice. All efforts to coax the doctors to return to work failed, and the hospital found itself corralled within a hopelessly paralyzed system.[1]

The walkout occurred six months prior to declaration of statehood. While the department heads' walkout at Beilinson Hospital was designed to attain better wages and improved working conditions, the revolt in fact generated a broader debate within Kupat Holim and the Federation of Labor about the face of public medicine in the Jewish state-in-the-making and the principles upon which it should stand. In retrospect, the crisis at Beilinson hospital led to a revolution in the deployment of hospitalization services in Eretz Israel: the labor dispute (and the war) led to the establishment of a network of military hospitals that by 1953 were turned over to civilian authorities, thus creating a network of government-run hospitalization facilities managed directly by the Ministry of Health. The Beilinson crisis also led to a schism within the professional organization of physicians in Israel and the founding of a separate representative framework at government hospitals, parallel to the representative framework of Kupat Holim doctors. Ultimately this separate union, comprised solely of salaried physicians employed at government hospitals, kindled competition over wages and working conditions between the new union and the union representing Kupat Holim doctors that operated under the aegis of the Federation of Labor's industrial union division. Disparities between wages and working conditions among the two groups of physicians led to unrest in the workplace and a series of doctors' strikes at public hospitals in Israel in the early 1950s.

On a personal level, the Beilinson crisis brought face-to-face for the first time a number of personalities who would subsequently shape the course of the Israeli health system in the first decade of statehood and whose future decisions were colored at key junctures by their experiences during the Beilinson crisis, including David Ben-Gurion, Dr. Chaim Sheba (formerly Shiber), Dr. Yosef Meir, Moshe Soroka, and Yitzhak Kanevsky-Kanev.

Kupat Holim Doctors' Work Arrangements

In July 1924, representatives of Kupat Holim's physicians met for the first time with the sick fund management to discuss "the question of wage scales for doctors and their right to private practice."[2] From an ideological standpoint Kupat Holim favored organization of workers' health needs through full socialization of medicine in Eretz Israel. The concept of socialized medicine was not solely the sick funds, and Kupat Holim was not the first to raise this vision in Eretz Israel. In terms of organizational aspirations, the first to champion and implement this idea was Dr. Isaac Max Rubinow, the head of Hadassah's health program in Eretz Israel.[3] As early as 1918—when Hadassah first inaugurated its emergency medical aid to the Yishuv at the close of World War I—Rubinow stipulated that Hadassah physicians would work solely for wages as a matter of social equality and justice.[4] Subsequently, in order to eliminate any temptation to pocket payment for services and to prevent any preference towards well-to-do patients, Dr. Rubinow stipulated that rendering of service and payment for services should be dealt with by separate machinery. While Hadassah and Kupat Holim were in conflict over other issues and competed fiercely for hegemony in the health domain in Eretz Israel, nevertheless, both organizations supported Dr. Rubinow's social philosophy and favored the salaried physician model, viewing any form of personal remuneration as surely leading to the creation of two parallel health systems—one for the rich and one for the poor. Both Kupat Holim and Hadassah viewed such a development as socially irresponsible and against the best interests of the Yishuv in realizing the national aspirations of the Zionist movement.[5] Since Hadassah was the first to institute a medical system based solely on wages, and since there was no parallel rival system of private practice—as was the case in the United States and England, Kupat Holim easily adopted the principle of the salaried physician for its own doctors. In any case, such a step was in keeping with the labor movement's socialist social philosophy. Thus, in 1924 Kupat Holim's directorate (merkaz) stipulated that doctors working full time for the sick fund would be required to work solely for wages and would be prohibited from engaging in private practice. Dr. Meir, the medical administrator of the fund, declared in the pages of the Mapai party's paper, Davar:

"In our sick fund the doctor is totally devoted to healing the members. He has no other work, and is prohibited from such [other work]."[6]

Indeed, when Kupat Holim found out that one of its doctors in Jerusalem had received payment for operations "under the table," the errant physician was censured and the payments he received from patients were deducted from his salary.[7]

While Dr. Meir, like Dr. Rubinow, preferred to employ full-time doctors who would be prohibited from engaging in private practice, Eliezer Perlson,

the chief administrator of the fund, favored engaging doctors on a part-time basis or an hourly basis in order to cut costs on wages, explaining in an article in *Haaretz:* "We call in a doctor and make a bill according to the number of hours of his work—and this costs us less."[8]

Part-time doctors were allowed to supplement their wages through private practice, without any limitations on the part of their employers in the sick fund. Thus, throughout the early years of Kupat Holim's operation, the sick fund was based on a two-tiered system combining part-time physicians who engaged in private medicine on the side, and full-time physicians who were forbidden from engaging in private medicine at all. It should be noted, however, that permission to engage in private practice was not automatic; any physician working part-time for Kupat Holim who requested to engage in private practice was required to obtain permission from Dr. Meir, the chief medical administrator of the fund.[9]

The policy permitting part-time employment as a salaried doctor while working simultaneously as a private practitioner reflected other covert considerations, as well: In the 1930s, the British Mandatory authorities limited the number of doctors and their families eligible for visas to Eretz Israel. Most applicants were Jewish doctors seeking to flee Nazi Germany. Receipt of a certificate (a visa in British terminology of the time) to enter the country hinged on the applicant presenting documentation to the effect that the newcomer had a job waiting and a regular monthly income. By employing a large number of part-time doctors, the sick fund was able to assist a large number of Jews and their families to find asylum in Eretz Israel, based on documentation of waiting jobs provided by Kupat Holim, allowing the Zionist movement to bring in at least two families for each full-time position.

In addition to part-time work on salary with the right to engage in private practice, Kupat Holim also engaged private practitioners in regional clinics that suffered from a heavy patient load.[10] These doctors were not salaried employees of Kupat Holim, but rather functioned as private sub-contractors working under a temporary work agreement with the sick fund. A doctor working on contract received Kupat Holim members in his or her own clinic or home and was remunerated according to the number of patients received and the type of treatment rendered. In this manner, the fund was able to cut the queue of patients waiting to see specialists while handling expenditures on personnel in an economical manner.

Between 1921–30 Kupat Holim's operations was limited to running clinics and first aid stations in working class neighborhoods and rural cooperative settlements, therefore the initial decisions concerning terms of employment for physicians working for the sick fund applied only to doctors at clinics. In the 1930s, with the inauguration of Kupat Holim's first hospitals—the Emek Hospital in 1930 and Beilinson Hospital in 1936—the sick fund had to address the issue of what format to adopt for doctors

employed in its hospitalization facilities. According to the work model formulated by Kupat Holim's directorate, doctors working at Kupat Holim hospitals were required to reside within the hospital compound and to be on call around-the-clock throughout the year. A doctor who wished to leave the hospital premises for any reason had to receive permission from the head of the hospital. Physicians who wanted to travel to visit family or even to get married also needed the permission of the hospital administrator. In addition to a salary, doctors received free lodging and food for themselves and their families. Since Kupat Holim did not have the financial resources to maintain full-time doctors on staff, not to mention specialists, it was decided that young doctors undergoing specialization training would work without wages, for food and lodging only. The hospital did not pay the interns' Federation of Labor dues, either; the interns were expected to pay this out-of-pocket. Only senior physicians were entitled to a salary. The young physicians accepted this arrangement, which was considered a fair exchange and a welcome opportunity to work in a hospital setting; demanding alterations in these work conditions or the right to engage in private practice on the side was not even considered. Their only desire was to finish their specialization and to be lucky enough to advance to the position of house physicians at the hospital that would entitle them to a salary and better living conditions. Their arrangement to work for food and lodging was valid for only one year, without extensions; every year the young doctors were replaced by others eager to take their place. Similar arrangements existed in Hadassah hospitals. Doctors in Eretz Israel had no alternative but to acquiesce to prevailing work norms, which Kupat Holim leaders chose to euphemistically categorize as volunteer work, if they wished to work in their profession in a hospital setting.[11]

In general, the 1930s were difficult years for the medical community in Eretz Israel. The number of doctors in the country swelled from four hundred doctors in 1933 to more than two thousand in the wake of the massive influx of Jews seeking to flee Nazi Germany, Austria, and Czechoslovakia.[12] The local market was flooded with a surplus of specialists with no viable means of making a living. Many doctors were unemployed or were forced to undergo retraining for a career change. Young doctors who sought to undergo further training were required to pay for food and lodging. Under such conditions, acceptance of part-time work or full-time work in Kupat Holim was the ultimate dream-come-true of countless doctors, and no one dared to demand high wages, let alone the right to engage in private practice.

When a number of senior physicians at Beilinson Hospital dared to demand modest improvements in the terms of their employment, Eliezer Perlson, the head of the sick fund, and Moshe Soroka, manager of the Sharon region, made it clear to the "rebels" that they were treading on thin ice, indicating in so many words that if they persisted in their demands,

they would soon find themselves no longer working for Kupat Holim.[13] The same state of affairs existed in Hadassah, which together with Kupat Holim provided health services to the overwhelming majority of the Yishuv. The model of the salaried physician apprenticed to work solely in one institution championed by key figures in two hegemonic social institutions in the formative years of the Israeli health system was further entrenched by severe economic conditions in the medical field. As a result, there was no public debate regarding what shape public medicine in the Yishuv should take. Realities ultimately decided, even dictated the character of health services.

The Doctors' Clout and Social Policy

The plight of the powerless physician, dictated by unique surpluses and extraordinary times—was short lived. Doctors, it would seem, are empowered by the very nature of their profession. Study of the workings of the Israeli Medical Federation over the years led researcher Yael Yishai to comment in regard to the clout wielded by physicians (and other free professionals such as lawyers) by the very nature of the profession:

> Like the guilds in the Middle Ages, members of the professions in our times hold in their hands tremendous power. This power stems from their control of knowledge tied to their occupational domain, on the monopoly [they hold] in the exercise of this knowledge and their control of important economic junctions. Via this power, they have the power and the ability to influence the formulation of social policy on issues that directly or indirectly affect vested interests of members of the profession . . . There is no question that members of the profession are able to put their stamp on various social policy issues on the agenda.[14]

The prognosis of Avraham Doron, another researcher of the Israeli medical system, has been no less unequivocal: "To the degree that one can sum up the professional power of physicians, it is unmistakably expressed in their unique ability to prevent change in social policy in health matters on a national and local level."[15]

According to Yishai and Doron, the organizational and operational patterns of medical and health services in Israel were influenced to a large extent by the position taken by the medical community; the vested interests of doctors was what set the pattern of service and organization that developed, not the objective needs of society or government social policy.

The empowerment of doctors as such a powerful force in the shaping of the health care system in Israel underwent its first 'baptism of fire' in the Beilinson doctors' revolt of November 1947.

The Revolt of Department Heads at Beilinson Hospital

The first clash over the status of the salaried doctor in Kupat Holim and the demand that private practice be permitted arose at the close of World War II among department heads at Beilinson Hospital, outside Tel Aviv.

Beilinson Hospital was founded in 1936 in order to serve the needs of Kupat Holim members in Jewish agricultural settlements or moshavot in the vicinity of Tel Aviv. The staff was comprised primarily of renowned specialists from Central Europe who had come to Eretz Israel from Germany and Austria following the rise of the Nazis to power in the 1930s. In the course of its first decade of operation, the hospital became an outstanding medical center renowned for its high level which rivaled that of Hadassah in Jerusalem. As was the norm in Kupat Holim at the time, department heads and the rest of the medical team lived with their families in residential units within the hospital compound. In this manner, Kupat Holim enjoyed maximum utilization of its staff. In addition to the permanent salaried medical personnel, there were doctors doing specialization at the hospital who worked for food and lodgings only . . . and even groups of "volunteer doctors" who paid for the privilege of working at the hospital. This situation—of salaried physicians with rights working shoulder-to-shoulder with non-salaried doctors with no rights generated labor unrest—disrupted the workings of the hospital and caused tensions between staff members, and between the staff and the hospital management. Moreover, selective pay raises granted to a small number of specialists, violated the collective wage scale agreement and only amplified resentment among the doctors. Yet, the physicians were in no position to stage a strike or walkout in the midst of a world war and with the surplus of doctors in Eretz Israel and no alternative for making a living as doctors.[16] Changes in the market with the rapid expansion of Kupat Holim in the postwar years led to a shortage of doctors due to the influx of a new wave of Jewish immigrants, and presented a more opportune moment for Beilinson doctors to launch a struggle to improve their working conditions.

On October 22, 1946, Dr. Harry Heller, head of Beilinson Hospital, and eight of his department heads sent a memorandum to Kupat Holim's directorate describing their frustration, the difficult working conditions under which doctors toiled and the atmosphere of "depression, bitterness and lack of belief in the future" prevailing among hospital medical staff and its impact on attitudes towards work. The doctors stressed that they had operated the hospital under deficient conditions for almost a decade, had responded positively to Kupat Holim's request and had not demanded any wage increases or improvements in their work conditions during the war years. They had accepted the Spartan conditions they found. Now, however, Heller and his colleagues demanded improvement in their working conditions, retroactive

compensation, and improvement in the terms of their employment at the hospital in the future.

Against this background the doctors presented their demands:[17]

1. The right for all "managerial physicians" to live outside the hospital: An apartment in Tel Aviv at Kupat Holim's expense, arguing that in the past the doctors had given up their apartments in the city and now were unable to purchase decent dwellings due to rising prices. In order to ensure accessible and immediate medical services in emergency cases, they recommended intern physicians continue to live at the hospital, as house physicians.

2. Linkage of their salaries to the cost of living index and creating equity between Kupat Holim department heads' salaries and the pay scales of department heads at Hadassah hospitals.

3. The right to private practice: If Kupat Holim was unable to provide alternative housing in the city and raise their salaries significantly, the sick fund should grant them the right to engage in private practice that would enable the doctors to improve their financial situation. This demand was accompanied by a detailed explanation that argued that the fund's policy was both discriminatory and unjustified. In practice, full-time doctors and physicians in senior posts were earning less (relatively speaking) than less-senior part-time colleagues who were permitted to engage in private practice.

Among the signers was Dr. Sheber (Sheba), even though several weeks earlier Kupat Holim's senior management had given him special permission to reside in Tel Aviv. Upon close examination, it appears that the nine-page memorandum presents a more complex picture than a pure workplace dispute with management.

The memorandum was not presented by the Kupat Holim Doctors' Organization, and the department heads at Beilinson did not coordinate their move or even confer with representatives of their workplace professional organization as was normally the case in labor disputes. Nor were the department heads at the Emek Hospital, Kupat Holim's second hospitalization facility, informed or asked to join the appeal, although they held identical status within the sick fund and clearly had similar complaints over work conditions, salaries, and prohibition of private practice. From the outset, the department heads at Beilinson set themselves apart both from colleagues of equal status and from the professional organization that was supposed to represent them. They focused on their own particular needs, not systematic change.

The wording of the memorandum itself is revealing: the opening sentences do not mention at all the nitty-gritty salary issues and working conditions that

prompted the writing of the appeal. Rather, the authors first stress the great importance of Beilinson "in the medical life of Kupat Holim and the Yishuv as a whole," arguing that for this reason "it would be good to examine whether all its foundations are suitable for bearing the burden of this load and what awaits [the structure] in the future."[18] Similar sentiments are expressed time and again throughout the memorandum, leaving the impression that the doctors strove to cloak their demands in a more positive light. The wording sought to suggest that their demands were not within the narrow framework of salary increases and personal benefit, presenting them in a broader context, "for the good of the Yishuv." Improvement in their own wages and working conditions, they argued, would benefit the hospital and allow it to better fulfill its medical missions.

Moreover, despite the fact that the department heads were convinced that their demands were justified, they did not feel comfortable with the message of the document they had written. Kupat Holim doctors—particularly those working at the two sick fund hospitals (Beilinson in Petach Tikvah and the Emek Hospital in the Jezreel Valley)—had no prior experience in labor disputes. The memorandum was the first instance in which a group of Kupat Holim doctors threatened sanctions if their professional demands were not addressed. Their attempts to soften the impression and the discomfort they apparently felt as physicians forced to take such action is clearly visible between the lines.

The memorandum was also the first time that Kupat Holim hospital physicians demanded special working conditions that would recognize their special status and specialized training, in contrast with physicians employed at Kupat Holim clinics. At the same time, the Beilinson department heads demanded the right as specialists employed full time by the sick fund to engage in private practice as a source of supplementary income, while benchmarking their income against general practitioners employed part time who had the right to engage in private practice. Also, Hadassah constituted a precedent for scaled wages. Hadassah operated a system based on differential wages and different terms of employment for doctors working in the community verses doctors working at Hadassah's hospitals. The latter enjoyed higher wages. The Beilinson physicians claimed that their colleagues working at Hadassah hospitals received wages three times their own.[19]

Kupat Holim had conducted negotiations between the sick fund's management and the representatives of the doctors' committee over wages and working conditions since 1924, but the agreements hammered out were collective wage agreements for all doctors employed by the fund. Moreover, negotiations between the sides had not been accompanied by any threats of sanctions or a walkout, and there had never been an open call for adding private practice as a legitimate element in the workings of public medicine in Eretz Israel. Thus, the Beilinson memorandum broke

with tradition and constituted a dangerous precedent in labor relations between Kupat Holim doctors and Kupat Holim's management. Both sides were keenly aware of this fact.

The department heads who wrote the memorandum were aware that their demands would not have a sympathetic reception, and they even noted this fact in their appeal:

> From those who read these line we ask that you be tolerant and try to understand the factors that motivate us, even if the manner of thinking appears to them to deviate from convention among us. Please believe us that we have not reached this stage lightly, but rather after numerous and lengthy deliberations and much anguish, perceiving no other outlet . . . We say openly, as far as we are concerned we reject the doctrine that holds that it is the moral duty of physicians working in Kupat Holim to give up all of these [things] and to be satisfied with a minimal existence.[20]

It was clear to the physicians that their demands for private practice in addition to salaried employment within the public system constituted a revolution that would require a major and fundamental change in ideology, not only in regard to the role of the physician in Kupat Holim, but also in the Federation of Labor's own charter (which forbade any kind of private work in unionized institutions). Moreover, such demands threatened to bring about significant changes in the face of public medicine in Eretz Israel as a whole, in the critical formative years in which the labor movement was striving to build a "new Jewish society." Such a fundamental change demanded broad scale deliberation within the Federation of Labor and vis-à-vis its labor ordinances. Since prospects of a positive hearing in the halls of the Federation were slim, the department heads at Beilinson sought to present their demands for private practice as a practical one-time solution to their personal circumstances, seeking to disguise or ignore any long-term impact and ramifications on the face of public medicine or on Kupat Holim as an expression of labor ideology and as a party-controlled social institution. Thus, in their memorandum the doctors felt bound to underscore their loyalty to a socialist vision, declaring: "Our opinion regarding a public medicine regime (in contrast to a private medicine system) has not changed and it is the best for the popular masses. [The recommendation] does not suggest integrating public with private medicine by giving doctors the right to care for insured patients on a private basis for payment . . . We believe this method is invalid."[21] That is, combining private and public practice was still considered invalid from a moral standpoint in the Beilinson department heads' view, but after-hours private practice for patients who were not members of Kupat Holim was considered to be kosher.

Throughout the long memorandum the doctors reiterated and stressed that the public health care system should be founded primarily on salaried

labor in order to separate doctor-patient relations from monetary considerations, and to prevent discrimination due to economic disparities among patients and their purchasing power. Yet, they argued, doctors should be compensated according to their position and professional responsibility, and should not be pressed into a corner under the argument that private practice was immoral and was prohibited in any case, under the Federation of Labor's charter. Approval of private practice in the case at hand was needed not only to find an avenue to deal with the inability of the sick fund to pay a living wage to its physicians, not because they believed that this was the way the entire system should operate. In summary, the doctors reiterated their financial demands, urging Kupat Holim to launch a review of the terms of employment of all doctors as a necessary step for ensuring the smooth operation of the fund into the future. Ignoring their demands, they warned, was liable to jeopardize the very existence of Kupat Holim.[22]

The department heads' memorandum did not come as a complete surprise to Kupat Holim. In October 1946, a month prior to the outbreak of the crisis, Moshe Soroka wrote Dr. Meir, the medical director of Kupat Holim, who was in Europe:

> While we are trying to get some peace—Sheber comes (don't read Sheber 'as is,' but rather his wife in Sheber's personage) and presents a proviso: To live in Tel Aviv, with full confidence that he will take care of the department as if he was living at the hospital. The [Kupat Holim] directorate rejected his demand for the time being, in order not to open a loophole for others . . . Moreover, he revealed an open secret to us, that Dr. Heller and his colleagues plan to leave the hospital compound, and he, Sheber, hardily recommends that we not tangle with them and that we acquiesce to their demands . . . If I was one of the adamant ones on the business of living on the premises—and thus so in discussion with Dr. Sheber—it appears to me that there is some rationale in his words and the life-race doesn't give us the license to be so principled to a point of obduracy. I have the feeling we won't be able to stand against these demands if we want to preserve the wellbeing of the hospital (from a medical standpoint) and to keep Dr. Sheber as a member employee.[23]

Dr. Meir's response was swift: "If there will be pressure we will not be able to withstand it, particularly when we, the directorate, live individualist lives and we lack the moral power to demand others live differently. But there also need to be qualifications: Only department heads be permitted to live outside. The interns and the other doctors must live in the compound."[24]

When the doctors' memorandum was issued, Moshe Soroka and Dr. Meir were not caught unprepared, even if they did not have a ready solution to the problem. Despite the advanced 'warning' Dr. Sheba give them, the memorandum piqued the two men—particularly because its content leaked out, although the memorandum was supposed to be confidential: All the doctors

employed by Kupat Holim knew about it. This made it all the more difficult to find a solution that would satisfy both sides.

Soroka wrote Dr. Meir:

> Finally something has given way . . . The Beilinson Hospital physicians put in writing everything that has been burning in their hearts over the past few years. We received a long memorandum, written in pure scientific language and not at all lacking in political aptitude and quintessence: to move to live in the city, the right to private practice and the right to . . . a car, music, travel, paintings, and other such things that a son of the twentieth century can't give up.[25]

Soroka believed the guiding force behind the memorandum was Dr. Harry Heller, with the support of Dr. Sheba who shared administrative responsibility for the Internal Medicine Department with Dr. Heller.

> In my opinion Heller got a glimpse of America and was captivated. He saw hospital administrators and professors living very comfortably, not overly occupied and making a lot of money, enveloped in a halo of respect and prestige. Thus they also witnessed and learned to view life in Romania in their time, and after ten years of work—in their estimation pioneering and dedicated [labors]—they believe they deserved to take it easy.[26]

Soroka had a very definite opinion of what was behind Sheba's involvement:

> This is also Sheber's greatest performance, tied by thousands of tiny threads to Heller—his teacher and mentor. And as man always seeks the Invincible, joined the authors of the memorandum, the main thing being that Sheber himself still doesn't have a foothold, even after we waived him living on the hospital premises, he still hasn't begun work fearing it will serve as a factor in solving the question in the hospital and he would be viewed as abandoning his colleagues in their very demands. Lo and behold just how untouchable he is! But we will leave Sheber alone. He'll surely temporarily engage himself with the central clinic in Tel Aviv and in the meantime he's occupied as a public functionary between the demobilized doctors, the immigrants and so forth and his head is spinning from so many pursuits and so many meetings.[27]

Dr. Chaim Sheba (Sheber) was the *enfant terrible* of Kupat Holim from the time he joined the sick fund in 1933. As a matter of principle, he was not willing to accept the authority of the fund's top administrators, led by Eliezer Perlson and Moshe Soroka. He believed that the sick fund's policy and administration should be solely in the hands of physicians, not administrators or political functionaries. He was particularly irked by the manner in which payment for medical care was channeled through the Federation of Labor as joint dues and the fact that membership in the Federation of Labor was a pre-condition for eligibility to join the sick fund, and Sheba

did not hesitate to say so. He championed the cause of doctors undergoing specialization at the sick fund's Emek Hospital, calling for remuneration for their work—beyond free food and lodging, and later raised similar demands at Beilinson. He never missed an opportunity to challenge the authority and wisdom of Kupat Holim's senior administrators, arguing that the physician's interests should take precedence over the interests of the fund as a unionized organization. While still a very junior staff member at the Emek Hospital in Afula, Dr. Sheba first clashed with Soroka when Soroka refused to honor Sheba's request to be released from paying obligatory dues to the Federation of Labor, a request that Soroka turned down on grounds of lack of authority. Likewise in typical fashion, Sheba's decision to join the British Army was taken without receiving prior approval of the sick fund to volunteer. While this act was indicative of Sheba's anti-establishment bent that ran against the grain of the powers-that-be, no disciplinary steps were taken again Sheba since his mobilization was viewed as an opportunity to elegantly albeit temporarily rid the fund of a problematic rebellious element for the duration of the war.[28] At the close of the war, after his demobilization, Kupat Holim agreed to Sheba's request to be re-employed by the sick fund, despite his "problem with authority." Dr. Sheba was held in high esteem within the medical community and was renowned as a talented and dedicated physician; refusal to employ him would not only have caused resentment within the medical community, but also would have abrogated the sick fund's promises to doctors who joined the war effort—that their employee rights and positions would be preserved and they would be reinstated as Kupat Holim doctors after their demobilization. Moreover, the Kupat Holim administration judged that "Sheba within the organization"—where sick fund leaders held some degree of control over his actions, was preferable to "Sheba outside the organization"—totally free to stir up trouble. Yet, the sick fund rejected Sheba's demands for special employment conditions, particularly his request to live outside the hospital compound. The fund, however, made a counter offer that Dr. Sheba manage the central clinic in Tel Aviv, a position that would allow him to live in the city, but Sheba rejected this compromise outright. In Sheba's eyes, the heart of medical work was the hospital, and he viewed ambulatory medical practice as second-class medicine, both in terms of medical challenges and in terms of political clout. Having rejected the offer to manage the Tel Aviv central clinic, Dr. Sheba found temporary employment in British-run displaced persons (DP) camps in Cyprus in the latter half of 1946, however this position only slightly delayed the foreseeable clash of wills and world outlooks that awaited with his reentry into the system.

Dr. Sheba returned to Eretz Israel in October 1946 and insisted that Kupat Holim allow him to return to the hospital while living outside the hospital compound. The sick fund could not afford to forfeit Sheba's outstanding medical skills and was forced to give in and to promise him housing in

Tel Aviv, along with joint administration of the Beilinson Hospital Internal Medicine Department, together with Dr. Harry Heller.

Several days latter, the department heads' memorandum was sent to Kupat Holim's directorate marked confidential. The signers did not inform the professional organization of Kupat Holim physicians and the union section of the Federation of Labor of its content, nor were department heads at the fund's other hospital, the Emek Hospital, made party to this move.

The Beilinson Hospital Crisis and the Doctors' Convention

On November 8–9, 1946, two weeks after the memorandum was sent, the Eleventh Convention of the Kupat Holim Doctors' Organization convened in Tel Aviv. Among the participants were four Beilinson physicians who had signed the memorandum: Dr. Rabau, Dr. Feller, Dr. Posner, and Dr. Sheba. Among the Kupat Holim management participating in the convention were Yitzhak Kanevsky-Kanev, Eliyahu Perlson, and Moshe Soroka. Dr. Meir, who was abroad in the United States, was absent. Also in attendance was Pinchas Ben-Dori, representative of the union section of the Federation of Labor, and the regional representatives of Kupat Holim. The convention was the first occasion where the leadership of the federation's medical system gathered, following submission of the Beilinson memorandum, but the subject was not raised at all.

Examination of the protocol of addresses, lectures and debates reveal that the issue of private medicine and the Beilinson memorandum hung heavily in the air, although it was not officially on the agenda of any of the sessions. All the speakers addressed the issue of private practice and its impact on Kupat Holim and the Federation of Labor, and the face of public medicine in Eretz Israel as a whole.

Pinchas Ben-Dori warned that any change in the doctors' work format was liable to have major repercussions:[29]

> [Leading to] disassociation of Kupat Holim from the Federation [of Labor] or transformation of Kupat Holim into a sort of broker between the patient and the doctor. It is out of the question that this is the prevailing opinion of the majority of the doctors. Those interested in such, the [Federation of Labor] Central Committee, the doctors, should chart a path within the boundaries of the core foundation—the Federation.

As for the relationship between Kupat Holim and the Federation of Labor, Ben-Dori stressed: "It is the organization's (SS Kupat Holim's) duty to be tightly tied to the Federation. The doctor's salvation will come only from the [Federation of Labor] executive, not from the Doctor's Federation."[30]

Yitzhak Kanevsky-Kanev, who presented an overview of Kupat Holim's operation during the war years, ignored the question completely, devoting most of his delivery to the national objectives facing the sick fund, stressing that Kupat Holim must gird itself and gather strength for what the future held, that is, "gather its strength to preserve the endeavor on behalf of the public's health."[31] It would seem that Kanevsky's disregard of the issue was intentional. A founding member of Kupat Holim's directorate (1924), Kanevsky had been one of the chief architects of Kupat Holim's *socialist welfare* policies; since the founding of the sick fund, he had been one of the most ardent defenders of this social philosophy and stood in the breach to block any attempts to undermine the principles of public medicine upon which the first workers' sick funds had operated in their formative years: mutual assistance, progressive dues, service via salaried staff only, and equal service and access for all. Private practice was a "died in the wool" matter for Kanevsky.

Moshe Soroka and Eliezer Perlson—who were up to their ears in the Beilinson crises when the convention convened—only made veiled references to the issue of private practice. Both spoke of the sick fund's arduous economic straits and Kupat Holim's inability to respond favorably to new wage demands. Under such circumstances, it is understandable that the two preferred not to stir the pot, so to speak. Raising the issue for direct discussion at a doctors' convention would only have led to a clash between the sick fund's management and its doctors, adding fuel to the fire and worsening the crisis. It was preferable to try and solve the issue by relating to it as an internal problem within Beilinson that did not warrant discussion by the medical community as a whole.

The doctors, however, would not be not party to this tactic: They chose to raise the question of private practice as a matter of principle, regardless of the Beilinson struggle. Most warned of the danger to public medicine inherent in introducing private medicine within the fund's framework. Yet, the doctors did not view private practice as inherently objectionable on moral grounds, noting that part-time employees of Kupat Holim were legally and openly permitted to engage in private practice to supplement their income.

Among the core opponents to private practice was Dr. Shatkai, a member of Kupat Holim's directorate. Speaking before the gathering on the second day of the convention in the fourth and closing session, Shatkai argued that private practice offered no solution to the earning power of doctors, as presented by the Beilinson physicians. In his estimation integration of private practice in the workings of the sick fund would be detrimental to the work of the doctors and lead to discrimination in the care received by sick fund members. He was not alone in this opinion. A series of speakers had preceded him in opposing private practice on the grounds that private practice was in conflict with the spirit of the fund and would have a negative influence on the equalitarian foundations of Kupat Holim, both in terms of equal

treatment of members and the principle of mutual assistance. On the other hand, all the doctors attending the convention called for full remuneration in physicians' wages for their services, a proviso that was viewed as the only way one could preserve a fully public medical system. In short, ensure doctors with a living wage, in keeping with their training.

Since the Beilinson crisis and the question of private practice was not on the convention's agenda, it was not mentioned in any of the convention's resolutions. Consequently, media coverage of the Kupat Holim doctor's position—based on publication of its decision—was skewed, and the physician's actual and more complex position on the issues remained hidden in the protocols of the Kupat Holim doctors' Eleventh Convention.[32]

The general impression from examination of the deliberations is that there was a consensus among Kupat Holim doctors that totally rejected private practice within Kupat Holim on two counts. First, they viewed it as unbecoming of the institution in which they served, and its spirit and its role as a nation-building institution. Secondly, they aspired to base the medical community on equalitarian principles. There were also those who argued that private practice would impede organization of medical work. But the Beilinson physicians were unwilling to abandon their demands and awaited Kupat Holim's response. The sick fund preferred to ignore their memorandum and sent no reply.

Worsening of the Crisis and Escalation of the Struggle

After three weeks, the Beilinson doctors lost their patience. Acting on behalf of the group, Dr. Irvin Rabau wrote a letter to Dr. Shatkai in his capacity as a member of the Kupat Holim directorate, stating: "We don't want to do anything or say anything that could be interpreted as if we want to press the directorate to take a hasty decision . . . This is also the reason we refrained, and continue to refrain today from mentioning the possibility of our leave-taking on a specific date."

The physicians' demanded that an agreement with Kupat Holim's directorate be reached by March 1947, otherwise, as they broadly hinted in the letter, they would resign from their positions in the sick fund.[33] Kupat Holim's response to Dr. Rabau's letter was terse:

> The directorate does not intend to conduct oral discussion prior to the return of Dr. Meir from abroad. The doctors, however, refused to accept any postponement of negotiations, and underscored again that they would leave the sick fund en mass if a satisfactory solution was not hammered out by March. Beilinson would be left without any department heads or specialists as of March 1, 1947 and it would be wise for Kupat Holim to "get the ball rolling."[34]

The open threat to abandon the hospital, indeed, had an impact. In the months that followed, the sick fund's directorate entered into intensive negotiations with the Beilinson physicians, but without any significant progress. In the course of negotiations, which were conducted directly between the parties without the intervention or assistance of the union section of the Federation of Labor, or the Kupat Holim doctor's professional organizations, the Beilinson department heads increased their demands to include insistence that Kupat Holim "give back to those comrades living at the hospital the housing conditions in which they lived prior to transferring to the hospital."[35] On February 17, when the doctors came to the conclusion that the chances of reaching a solution to the crisis that would be acceptable to them were slim, they decided to turn directly to the coordinating committee of the Federation of Labor's executive and request that they intervene in negotiations.

The call for the Federation of Labor to intervene took negotiations out of the hands of Kupat Holim and transferred it into the hands of the Federation. Nevertheless, even before the coordinating committee could discuss the appeal, Perlson and Soroka sought to bring the crisis to a close by splitting the opposition, offering the four most senior department heads among the ten housing in Tel Aviv with financial assistance from the sick fund. The four they sought to buy off were the leaders of the Beilinson group: Dr. Heller (Internal Medicine), Dr. Sheba (Internal Medicine), Dr. Nathan (Surgery), and Dr. Rabau (Gynecology). The four were promised special salary supplements in recognition of their success and seniority on condition that they agree to sign-on to continue as permanent employees of Kupat Holim and to waive their demand to engage in private practice. In Kupat Holim's response it was said:

> After comprehensive deliberations we came to the conclusion that Kupat Holim cannot agree to allow private practice (consultative or in any other form) for doctors [who are] department heads in hospitals who are employed fulltime . . . We consider it our duty to cite that we [are engaged] in no negotiations with Dr. Markowitz, Dr. Kasper (Pathology), Dr. Zellinger (X-Ray), Dr. Spiro (Orthopedics) and Dr. Rappaport in regard to changes in their working conditions or their moving to Tel Aviv and we do not understand why you mentioned their names in your above-mentioned letter.[36]

Moshe Soroka added to Perlson's letter that permitting private practice in the hospital was paramount to "introducing idols into the temple" [37] and would bring a catastrophe down upon Kupat Holim's head, while Yitzhak Kanevsky-Kanev added: ". . . private practice would fragmentize the moral and ideological structure of Kupat Holim from within and destroy what we have built by endeavor over the course of years."[38]

Kupat Holim's compromise solution was rejected by the doctors. They objected to the attempt to spread division within their ranks and to offer improved working conditions and remuneration only to some. Moreover, they were particularly piqued by the moral sermonizing of the directorate and Eliezer Perlson over the issue of private practice, declaring that either their demands are met or the department heads would make good on their threat to resign:

> The only exit we see from this situation, a situation which we are not responsible for, would be to allow a portion of the department heads (that are the minority), who don't have private practices, consultative practice only. If you reject this outlet without entering into discussion of it, we believe your position is unrealistic and unjustified . . . We have the courage to say that we reject subjectively and morally the right of others to preach to us that by our demand for the right to consultative private practice we intend to bring calamity down upon Beilinson Hospital. We hold the opposite view. We are convinced that our interests and those of the hospital are compatible and [these interests] demand of us a change in the situation.[39]

Meanwhile, the doctors awaited discussion of the issue, in the national committee of the Kupat Holim Doctors' Organization and the coordinating committee of the Federation of Labor, in the hopes that these two tactics would enable them to bypass Perlson and Soroka.

The Special Council

On February 22, a council was convened to deliberate the Beilinson Hospital crisis. This action by the council was preceded by an expanded meeting of members of the national committee of the Kupat Holim Doctors' Organization. In attendance at the expanded meeting were the members of the national committee: Dr. Burstein, Dr. Bickeles, Dr. Halban, Dr. Ledrer, Dr. Miltz, Dr. Sellermier, Dr. Katzelbogen, Dr. Rabau, Dr. Sternberg, and Dr. Shlossberg; the regional council members—Dr. Abeles (Galilee), Dr. Hamburger (Samaria), Dr. Velgreen (Sharon), Dr. Yosefsberg (Petach Tikvah), Dr. Katz (Tel Aviv), Dr. Marbach (Haifa), Dr. Omer (Chair of the council, Tel Aviv) and Dr. Fleisher (Jerusalem); the Beilinson department heads—Dr. Heller, Dr. Kasper, Dr. Markowitz, Dr. Nathan, Dr. Sellinger, Dr. Freidman, Dr. Rappaport and Dr. Sheber (Sheba); Dr. Meir—the medical director of Kupat Holim; Dr. Shatkai, chair of the medical council of Kupat Holim; and Pinchas Ben-Dori, the representative of the union section of the Federation of Labor's executive. The department heads presented a report on their demands and the course of negotiations with the Kupat Holim directorate, culminating in the committee's final refusal to reform

the system. The department heads underscored that Kupat Holim's offer of salary supplements and other small perks to only some of the department heads was cynical and merely exacerbated the situation by stepping on their toes. It contributed nothing to settling the conflict. They explained that they had not appealed earlier to the Kupat Holim Doctors' Organization or the union section of the Federation of Labor in order not to embroil the organizations in the conflict. The doctor's clarified in closing that they had no intention of extending the March 1 deadline for concluding negotiations, and if not, they would abandon the hospital. Only eight days remained to settle the crisis.

Deliberations within the extended council meeting were intensive, focusing on two key points: The first focused on access to private practice, in light of the fact that the sick fund was unable to take upon itself the financial burden of significant pay increases demanded by the department heads; the second noted that while it was imperative for the sick fund's wellbeing that the department heads continue their work at Beilinson, the department heads should be allowed to engage in the private practice they requested as a temporary necessity. Dr. Burstein even suggested that the department heads work part-time at the hospital, thus making them 'eligible' to supplement their salaries with private practice, just like any other part-time doctor. Such an arrangement, he argued, would ensure that the fund's founding principles based on salaried physicians and public medicine would not be breached. Dr. Burstein went even further, suggesting that *all* Kupat Holim doctors be given the option to decide whether to work full- or part-time for Kupat Holim. That is, the sick fund would adopt a two-tier wage scale while maintaining prevailing regulations and limitations on private practice. In essence, Burstein's solution would establish two models of salaried physicians: the full-time salaried physician who would enjoy relatively high wages and social benefits but would be prohibited from engaging in private practice, and the part-time salaried physician who would receive lower wages but would be permitted to engage in private practice. He considered this a winning solution that would not threaten the sick fund's ideological foundations.

Dr. Sheba supported Burstein's suggestion, adding that Kupat Holim could be confident that even if the department heads worked part-time this would not impact negatively on their departments' operations. The majority of the council members were in favor. Dr. Meir and Dr. Shatkai presented a minority opinion: That under prevailing conditions, department heads should *not* be allowed to engage in private practice, for it would ultimately lead to a chain reaction that would impact on the work of *all* the physicians employed by the sick fund. Approval of private practice would create conditions of inequality between rural doctors and doctors in urban clinics, would create gaps in equal quality service to all, and would undermine the spirit upon which the sick fund had been founded, they charged. Drs. Meir and

Shatkai declared: "The importance with which we hold the services of the department heads at Beilinson and our desire for continuation of their work in the future notwithstanding, it is evident that from an organizational standpoint it would be better that they leave the institution rather than introduce fundamental change in the above-mentioned principle."[40]

Even Pinchas Ben-Dori leaned towards a practical solution, but as a representative of the Federation of Labor, he was not able to openly support either side. Seeking to duck the issue, Ben-Dori was indecisive:

> The question of the department heads at Beilinson Hospital was not deliberated in the [Federation of Labor] executive which decided not to intervene in the matter in the hope that it would be concluded for the best in direct negotiations between the parties. Yet, the executive doesn't even consider the possibility that Beilinson Hospital will be abandoned by its administrators, and we are not willing to forgo their services to the working public. . . . In this vein, the parties must seek a solution that is acceptable to all, because any breach in this area is liable to bring other breaches afterwards.[41]

In its summary of deliberations, the council declared: "[The council] does not oppose giving department heads in Beilinson the right to consultative practice (private consultation after work hours) if they should not be satisfied with supplements to their present salaries, to be approved by the [Kupat Holim's directorate] committee."[42]

At the same time, the council called upon Kupat Holim's directorate to respond positively to the need for wage increases for all Kupat Holim physicians.

The counsel's recommendations, however, did not bring the crisis to a close. Kupat Holim's directorate refused to accept the decision. The issue was again put on the agenda for discussion, this time in the Federation of Labor's executive. The doctors, for their part, agreed to postpone their threat to leave the hospital until after the issue was addressed by the federation's executive.

The Federation of Labor and the Beilinson Crisis

On March 16, 1947, the Federation of Labor's executive conducted an examination of the question of the Beilinson Hospital doctors. The participants in the inquiry were comprised of key figures in the Federation of Labor. This included members of the federation's coordinating committee: Berl Raptor, Yosef Shprinzak, Mordechai Namirovsky (Namir), Sh. Freidman, Pinchas Lubianiker (Lavon), Morechai Oren, Chaim Harpaz and Pinchas Ben-Dori. None were absent, for a successful, even elegant solution to the Beilinson crisis was considered of paramount importance to the labor movement. Kupat Holim was represented by the sick fund's most senior leadership: Soroka, Meir,

Kanevsky-Kanev, Ben-Ephraim and Dr. Shatkai. The Beilinson doctors were represented by Dr. Heller and Dr. Sheba and the Kupat Holim Doctors' Organization was represented by Dr. Belkins, Dr. Omer and Dr. Sellermier. In addition the Kupat Holim directorate invited Dr. Lederer to participate in deliberations; Ledrer had engaged in his own private war on private practice within the sick fund over a period of months, disseminating polemic material (fliers and letters) to all relevant parties, opposing approval of private practice. [43]

Bringing together the most senior movers and shakers in both the Federation of Labor and Kupat Holim, the March 16 gathering of the coordinating committee was the broadest and most influential lineup ever assembled to deal with the Beilinson crisis. The list of participants reflected the fact that both Kupat Holim and the Federation viewed the Beilinson crisis as a major issue whose ramifications went far beyond a local labor dispute. The proceedings were led by Dr. Shprinzak. Representatives of the two sides presented their case. Examination of the meeting protocols reveal that the sides—Kupat Holim leadership and the Beilinson department heads—had not altered their positions in any significant manner during five months of negotiations; the doctors adamantly insisted that their demands be met, or they would carry out their threat to resign. Kupat Holim remained firmly opposed to the department heads' being employed part-time to give them the right to engage in private practice.

The members of the coordinating committee did not conduct any discussion in the presence of the opposing sides, nor did they ask any questions or request clarifications; they were content simply to hear the two points of view. Sprinzak promised that discussion would take place separately. If need be, the committee would reconvene with the parties. The coordinating committee took upon itself responsibility for bringing the crisis to a close, without bringing the sides into the settlement process. That is, it chose not to serve as a facilitator, but as a self-appointed arbitrator, so to speak. The summary of the meeting stated clearly that one of the objectives was to examine the possibility of "satisfying the doctors' demands to private consulting, without damaging the foundations of Kupat Holim."[44] On the surface it appeared that the committee sought to act as an honest broker. Indeed, the question of private practice was raised in ensuing discussion as a *legitimate* option and was not rejected outright by members of the Federation of Labor as an ideological transgression.[45] In light of the readiness of the coordinating committee to intervene in the crisis and to appoint a committee to examine the issue under its auspices, headed by Mordechi Namirosky (Namir), the Beilinson doctors agreed again to postpone their ultimatum until the committee concluded its findings as promised in July 1947.[46] Dr. Sheba was appointed by the Beilinson department heads to be their sole representative and liaison with the new committee.[47]

In the following months, the inquiry committee headed by Namir met with each of the relevant parties in an attempt to settle the crisis and find

a solution that all sides could live with. Namir held one-on-one discussions with Dr. Sheba and held meetings with the Kupat Holim's Supervisory Committee and directorate.

On June 8, 1947 the special investigatory committee concluded its work and published its conclusions. The resolutions were adopted unanimously. The committee recommended that hospital doctors' salaries be raised significantly, particularly department heads' wages which deserved what they labeled a "role compensation" increment. The committee added: "In certain special circumstances Kupat Holim's directorate has the authority when calling in medical specialists, to pay them salaries according to an agreement outside the framework of existing wages."[48]

The committee recommended broader integration of doctors within the administrative machinery of Kupat Holm and called for bringing the scope of their representation and clout into parity with non-medical senior management in formulation of sick fund policy. There was not one word about "private practice" in the entire report.

To a query from the Beilinson doctors—"What about private practice?" Pinchas Ben-Dori sent a clarification by mail:

> In response to [your] questions, we would clarify and stress that the decision of the special committee in regard to Beilinson Hospital physicians was approved by the coordinating committee of the executive council includes a full prohibition on additional paid medical work for all full[time] doctors in Kupat Holim without any exceptions or in any form whatsoever.[49]

The Beilinson Hospital crisis remained unresolved. The Federation of Labor's decision further entrenched Kupat Holim's prevailing policy and blanket prohibition on private practice in public hospitals for permanent full-time staff.

Kupat Holim's refusal placed the Beilinson doctors on the horns of a tough dilemma—whether to carry through on their ultimatum and walk out, or seek a compromise. At this stage, there remained one more 'address' that might assist them in achieving their goals to whom the department heads had as yet not appealed for help—the professional organization of the entire medical community in Israel at the time: the 'Hebrew Medical Federation (henceforth, the HMF (today, the Israeli Medical Federation).[50]

The Hebrew Medical Federation's Position

Relationships among the Federation of Labor, Kupat Holim, the Kupat Holim Doctors' Organization and the Hebrew Medical Federation were complex from the start. The Federation of Labor viewed itself as the only

body that could champion the cause of organized labor, and objected to Kupat Holim doctors being organized on any other footing, that is as members of the Hebrew Doctors Federation. Consequently, Kupat Holim as a Federation institution, refused to carry out any negotiations over wages or working conditions with its doctors through the auspices of HMF. The only address for negotiations between Kupat Holim and its salaried physicians was via the Kupat Holim Doctors' Organization. The Federation of Labor's and Kupat Holim's antipathy towards the HMF placed the Kupat Holim Doctors' Organization in an awkward position—between the hammer and the anvil. The Kupat Holim Doctors' Organization refrained from collaborating with the HMF in labor relations matters although most Kupat Holim doctors were members of the HMF. The two organizations limited their collaboration to purely medical issues such as HMF's organization of medical conferences, publication of scholarly papers and formulation of standards of medical ethics that were accepted by all members of the medical community, including members of the Kupat Holim Doctors' Organization. From a professional-medical standpoint the Kupat Holim doctors were inclined to work more closely with HMF, but in light of their employer's antipathy towards the Hebrew Medical Federation, and fearing for their jobs, Kupat Holim physicians had refrained from any open collaboration between the two organizations.

Kupat Holim's refusal to speak with the HMF about working conditions and wage issues of Kupat Holim physicians undermined HMF's position as the representative on labor issues for all the Jewish physicians in the Yishuv. Kupat Holim was one of the two dominant health institutions in the country, aside from Hadassah. A full third of the Jewish medical community worked for the sick fund in either a full- or part-time capacity. The Hebrew Medical Federation served as the doctors' representative in deliberations with Hadassah on wage and working condition issues and was party to the signing of collective wage agreements with Hadassah physicians. The HMF also operated as the representative body of the medical community in dealings with British Mandate authorities and the Yishuv's most senior governing body on health issues, the National Committee and its Health Committee, which included issues such as absorption of immigrant doctors, licensing to practice medicine, and expansion of immigration visas for doctors and so forth. Kupat Holim's boycott of the HMF, largely dictated by the all-powerful parent organization, the Federation of Labor, (who viewed any and all non-Socialist power bases as a challenge to its hegemony and its national mission), undermined the HMF's status as a national institution and weaken its ability to serve as a key player in shaping the dominant model of medical practice and the face of medical care in the Jewish state-in-the-making as a whole. Since the 1920s, the HMF had championed the belief that every doctor had the right to engage in private practice without any restrictions whether

the physician was employed full-time or part-time as a salaried physician or was a private practitioner; it held that whether to engage in private practice should be solely the prerogative of the physicians themselves. Despite this, both Kupat Holim and Hadassah prohibited their doctors from engaging in private practice after hours. For HMF, appointment as a representative of all doctors in labor negotiations, particularly Kupat Holim doctors, would have enabled the organization to bring about change in work regulations within the two organizations and liberate salaried physicians from the prohibition on private practice that was part of the social agenda of both Kupat Holim's and Hadassah's founders, enabling the HMF to improve the lot of the salaried physicians. The impasse in solving the Beilinson doctors' crisis under Federation of Labor auspices, in essence, provided a window of opportunity for the HMF to flex its muscles and gain a stronger foothold in labor negotiation. If the Beilinson doctors would achieve their aims and Kupat Holim would finally accept their demands, it would serve both the interests of the doctors and the HMF, enhancing HMF's standing vis-à-vis the Kupat Holim directorate and the Federation of Labor.

The lack of contact between Kupat Holim and the HMF was reflected in the first article published concerning the Beilinson crisis in the HMF's house organ—*Michtav le-Chaver*. The article, which described the distress of Beilinson physicians, was accompanied by a note from the editorial board that stated: "We received the above-mentioned article for publication from a doctor closely associated with the matter who is not one of the Kupat Holim doctors . . . HMF's institutions have not yet been requested to give our opinion."[51]

In order not to miss out on an opportunity to back the Beilinson physician's demands to private practice, the HMF decided to take over leadership of the Kupat Holim Doctor's Organization, thus opening a second front. Such an opportunity presented itself at the November 1946 Convention of the Kupat Holim Doctors' Organization. With the support of the HMF, Dr. Bickeles—at the time, deputy chairperson of the directorate of the HMF and a Kupat Holim employee—was elected as chairperson of the Kupat Holim Doctors' Organization. The HMF's official house organ *Michtav le-Chaver* clearly stated that this move constituted 'a joining of forces':

> In the estimation of the HMF, the relations with the Kupat Holim Doctors' Organization continue as usual, and found their concrete expression in the election of Y. Bikeles, the deputy chairperson of the directorate of the HMF as chairperson of the organization. Those pleading the case of the doctors before the [coordinating] committee were Y. Bikeles and H. Omer, behind whom stands not only the Kupat Holim Doctors' Organization, but also the public power of the HMF.

In order to ensure things were patently clear, the report went on to say frankly:

> In relationships between the Kupat Holim directorate and the HMF there has been no change . . . The Kupat Holim directorate continues to maintain a position that prevents any possibility of professional deliberations with the HMF, rather solely and exclusively with the Kupat Holim Doctors' Organization. In light of this position, we are left with no alternative but to strengthen our influence by placing HMF activists within the Kupat Holim Doctors' Organization to create a united front in our demands from Kupat Holim.[52]

Indeed, Dr. Bikeles was the one who led the struggle of the Kupat Holim Doctors' Organization in dealings with the special counsel that was subsequently appointed by the Kupat Holim directorate and the Federation of Labor and ultimately recommended approval of private practice for the department heads at Beilinson Hospital.

When the conclusions of the coordinating committee of the Federation of Labor vis-à-vis the Beilinson doctors' demands became know, Dr. Sherman, chairperson of the Hebrew Doctors Federation responded vehemently:

> I can see two [rays of] light in the darkness of the past two years: A revolution in the General Sick Fund that broke the practices of the regime that have existed for tens of years. We should congratulate the Kupat Holim Doctors' Organization and particularly our colleague Bekeles for the successful conclusion of the heavy battle. The achievements of Kupat Holim doctors will impact on other institutions and ultimately bring about a significant improvement in the material circumstances of the salaried physician and boost the influence of the organized physician community and on the workings of the institutions.[53]

Dr. Sherman was referring to the Federation of Labor executive's pledge to empower the doctors and equalize their status in the sick fund's decision-making machinery with that of the fund's administrators, by integrating more doctors into sick fund management, and to improve the salaries of doctors and in particular enhance the financial situation of department heads through "role compensation increments"—a step that was viewed as a precedent for improving the wages of all sick fund physicians. Dr. Sherman ignored the failure of the struggle to bring about approval of private practice, the core issue that had generated the Beilinson crisis.

In another edition of the *Michtav le-Chaver* newsletter published on September 14, 1947, the HMF called upon the doctors employed by other organization such as Hadassah, the Tel Aviv municipality, the National Committee and the Red Magen David, the Anti-Tuberculosis League and the other sick funds to join the struggle and to demand wages and working conditions similar to those demanded by Kupat Holim doctors.[54]

Dr. Sherman's call to arms published in the HMF's house organ did not help the Beilinson doctors in their struggle for recognition of their right to private practice; they were viewed as a threat to the hegemony of the Federation of

Labor and Kupat Holim, who responded by further entrenching their opposition to any such move. In a response to Dr. Meir, Menachem Ben-Dori rejected Dr. Sherman's message as empty "boasting . . . insults to Kupat Holim as an institution," charging that "one cannot find in them a positive idea." Ben-Dori expressed surprise at Dr. Sherman's claims that the struggle had been crowned with "victory" and took issue with the aggressive tone of Meir's message calling for "domination" and defining the industrial dispute a "war," saying: "What kind of victory has the Hebrew Medical Federation achieved from this entire episode? What kind of weight did it have in all this debate? All the Kupat Holim doctors know that the matter is an internal Federation matter and in the future nothing will change."[55]

In reality, the Beilinson doctors did not receive any concrete backing from the HMF in their battle, and Dr. Sherman's talk of victory was, indeed, mere talk. They were not satisfied with Kupat Holim's pledge to grant them pay increases for "role compensation" and to enhance their role in setting sick fund policy. They wanted housing in Tel Aviv underwritten by the sick fund and the right to engage in private practice for financial reasons, and these two demands were not approved in any part of the debate. The victory that Dr. Sherman spoke of appears to be an attempt by the HMF to share the glory and to dominate the Kupat Holim Doctor's Organization. Ironically, this only aggravated relations between the sides.

In mid-September 1947—almost a year after the outbreak of the Beilinson crisis—the Beilinson doctors found themselves back at square one, without any gains to their credit. The doctors decided that the time had come to discuss in earnest their threat to walk out, and preparations to do so within a month should be taken—that is, by the end of November 1947.

On November 23, 1947, the last attempt at solving the crisis was taken. Junior medical staff at Beilinson intervened in the crisis and sought to convince the sick fund to accept the demands of the senior physicians on staff. In an open letter to the organizing committee of the Federation of Labor's executive they described the damage to quality of medical care that would result, should the department heads go though with their threat to abandon the hospital. The junior staff appealed to the organizing committee that it does everything in its power to enable the department heads to continue their work at the hospital.[56] The plea, however, had no effect. Kupat Holim remained unbending, forcing the department heads into a corner.

Desertion of the Hospital

At the end of November 1947, the Beilinson Hospital doctors' crisis came to a head. The timing was far from propitious: this was a period of mounting tension as the Yishuv awaited with bated breath the United Nations discussion

and the fateful vote on November 29 in favor of the partition plan that would set in motion preparations for declaration of a Jewish state, and prompt the Arabs to launch a war of aggression against the Jews to prevent establishment of the State of Israel. Attacks on the Jews began the very next day (November 30), marking the beginning of five and a half months of bloody guerilla warfare by local Palestinian Arabs that preceded invasion by neighboring Arab countries after declaration of Israel's independence on May 14, 1948.

At this critical and historic juncture, Dr. Irvin Rabau and Dr. Sheba, who had led the Beilinson department head's struggle, resigned from their positions at Beilinson Hospital. Dr. Sheba had been requested by Ben-Gurion to establish medical services for Israel's army-in-the-making. Most of his colleagues joined him. Ironically, only Dr. Heller, the most senior of all the physicians at Beilinson among the rebels, remained at the hospital for lack of any other option.

Ben-Gurion had, in fact, approached Heller before turning to Sheba. According to members of his department, however, Heller (who had been one of the founders of Beilinson Hospital) asked Kupat Holim to release him from his post. Kupat Holim (unrealistically and naively) assumed that IDF soldiers would be referred to its facilities.[57] The heads of the sick fund, enraged by the thought that the army planned to establish its own military hospital and medical corps (the Medical Service), focused their frustration on Heller. Kupat Holim's leaders told Sheba that because he had not given the required three month's notice, he would loose all his employee rights if he were to leave. At the time, Heller was living in the Beilinson Hospital compound with his wife, two sons, and his parents, and under such circumstances could not afford to leave and was forced to turn down Ben-Gurion's request.[58] The position was subsequently offered to Chaim Sheba.

Within a month, Beilinson Hospital found itself almost void of senior physicians, except for Dr. Heller. Ironically, the issue of private practice was left hanging like a Damoclean sword over the heads of Kupat Holim's management.

The desertion of the Beilinson department heads did not bring the issue to a close. In January 1948, Kupat Holim announced to the department heads that they must vacate their housing in the Beilinson Hospital complex. At Dr. Sheba's request, the sick fund allowed several doctors to continue to share lodgings with other doctors until they could find alternative housing. In February 1948, the Kupat Holim directorate announced to a group of Beilinson Hospital interns that they were being dismissed for various reasons. Dr. Daniel Brunner, for instance, was officially fired for joining the National Service. Examination of the identities of the doctors who received dismissal notices reveals that *all* had signed the interns' plea to Kupat Holim that called upon the sick fund to enable department heads to engage in private practice. The vehement opposition of the Kupat Holim

Doctors' Organization under the leadership of Dr. Bikeles blocked dismissal of some of the doctors, and the professional organization assisted others in finding alternative employment. The move left the impression that despite the shortage of doctors at the hospital, Kupat Holim preferred to make a clean sweep of all those who were considered disloyal for supporting the insubordinate department heads.[59]

In addition, Kupat Holim issued a letter to all its physicians that clarified that any employee found practicing private medicine without the sick fund's permission and against the collective labor agreement would be immediately fired without any right of appeal.[60] Furthermore, the sick fund announced to Kupat Holim's membership that they would not be entitled to a refund of expenses for private care. Members could receive medical care only from salaried physicians. As for the sick fund's part-time employees who had been cut off from their private practice in Arab villages due to the war, Kupat Holim announced it would investigate the possibility of employing them on a full-time basis, under the provision that they waive the right to engage in private practice. The sick fund refused to discuss the doctors' complaints that full-time employment in Kupat Holim could not bring them the same earnings they had enjoyed as part-time private practitioners. All requests on an individual basis to engage in private practice were also categorically rejected. The number of letters regarding this issue and the sick fund's vehement objection to reopening discussion of the private practice issue reflect the bad blood that existed between Kupat Holim and its doctors in the months prior to the establishment of the State of Israel.

Examination of running correspondence between the Federation of Labor's Central Committee and its union section clearly shows that developments on the political and military front between November 1947 and May 1948—almost six months of bloody inter-communal fighting, and feverish preparations for the approaching invasion of half a dozen regular Arab armies and the tension and anxiety felt on all levels of society—had no impact whatsoever on deliberations between Kupat Holim and its doctors. While the sick fund cited prevailing hardships due to the war, it was not moved to alter the organizational demands it placed upon its doctors in light of the situation. Despite the emergency situation, the sick fund and the Federation of Labor stood firm in their unwillingness to make any concessions to the doctors plea to be allowed to practice privately. Deliberations between the parties continued as if these were normal times, rather than a situation in which the very existence of the Yishuv hung in the balance.

The question of private medicine within the public medical system did not disappear. It would resurface on the public agenda with full fury after the establishment of the State of Israel and the close of the War of Independence, in the course of debate about the public medical system of the nascent Jewish state.

Chapter Two

From Beilinson to Tel Hashomer

Establishment of the Military Medical Service

In November 1947, during the fateful United Nations deliberations at Lake Success, New York, on the establishment of a Jewish state in Eretz Israel, the department heads at Beilinson Hospital resigned. In January 1948, the Military Medical Service (MS) was founded under the leadership of Dr. Chaim Sheba.[1] The newly-established medical framework immediately hired the unemployed Beilinson doctors to fulfill key positions in the administration and organization of the MS. In addition to the department heads who had left Beilinson, Dr. Sheba also recruited Dr. Padeh, one of the regional physicians of Kupat Holim.[2]

Dr. Sheba's appointment as head of the MS was not a given. Three months prior, in September 1947, the national committee, the Haganah,[3] and the Federation of Labor's executive committee had established a Supreme Medical Committee (Vaada Refuit Elyona LeShaat Cherum) for the duration of the emergency to prepare the Yishuv for events in the coming year—both declaration of Israel's independence and the onslaught of Arab armies in its wake.[4] The first decision of the Supreme Medical Committee was to establish temporary regional hospitals in the Negev and the Galilee. The committee approached Kupat Holim with a request that the sick fund assist this effort by providing both equipment and organization on a broad scope. The sick fund turned down the request citing Kupat Holim's own economic distress and the necessity of organizing its own house for the approaching conflict.[5] In ensuing exchanges between Dr. Padeh—who at the time was regional physician for the Negev and the Haganah's doctor, and Dr. Meir—the medical director of Kupat Holim, Dr. Meir refused to set aside funds to establish a field hospital in Kibbutz Nir Am in the western Negev, and defiantly told Dr. Padeh, "That's what we can provide, and if you want more, go to your comrades [Heller and Sheba]."[6] A short time after establishment of the Supreme Medical Committee, Sheba went down to the Negev to appraise the situation firsthand. He found that no preparations whatsoever for establishing military hospitals had been taken, and even plans for first aid facilities were solely on paper, although the scattered Negev settlements and few and poorly equipped defenders were slated to face the full brunt of an armored Egyptian invasion and were practically the only Jewish defense between the Egyptians and Tel Aviv. Equipment, even beds for the wounded, remained in

Tel Aviv warehouses, and Kupat Holim claimed that it was unable to find doctors who were willing to go there. Sheba's recommendations to the Supreme Medical Committee were loud and clear: In order to prepare for coming events, it was imperative to prepare a national medical plan for the duration of the emergency and to establish a new central body, separate from existing medical frameworks—preferably within a military framework—that could address needs of the hour. In September 1947, as the medical community awaited the decision of the union section of the Federation of Labor that would hopefully settle the Beilinson Hospital crisis, Sheba was summoned by Ben-Gurion to explain his recommendation in more detail. Sheba underscored that "in the methods of the Medical Council for preparing the Yishuv, there isn't a chance that the objective will be achieved . . . Members of the Council, Dr. Kreiger, Dr. Meir, Dr. Katznelson from Jerusalem, believed that the preparations were only rifle waving, without actually using them."[7]

Ben-Gurion and elements within the military accepted Sheba's recommendations that military health needs had to be addressed on a national level rather than depending on existing medical frameworks, and that a program for establishing the Military Medical Service was the order of the day. One of the most adamant supporters behind establishment of the MS was the senior command of the Palmach, the still-clandestine elite fighting units of the Haganah;[8] the Palmach was already dissatisfied with the quality of service Kupat Holim was providing to its personnel, and the high premiums it was forced to pay to the sick fund. Sheba suggested that Dr. Harry Heller, the medical administrator of Beilinson Hospital, should prepare a blueprint for the MS. In October 1947, Dr. Meir, a member of the Supreme Medical Committee, sent Ben-Gurion a report detailing the medical needs of the Yishuv as a whole—equipment and personnel—for the duration of the emergency. Although unintended, the report substantiated and added force to Dr. Sheba's appraisal. It also detailed the role Kupat Holim could play within national planning: to take steps to put the Emek Hospital on an emergency footing; to prepare emergency supply kits in the sick fund's central warehouse in Tel Aviv; and to organize, together with the Red Magen David, special courses for doctors and nurses.[9] As for other critical needs, Dr. Meir clarified that "these things are very urgent and Kupat Holim doesn't perceive itself responsible for their preparation."[10] It would seem that Dr. Meir chose to underscore this to Ben-Gurion in particular in order to prevent a situation in which the sick fund, strained by financial problems, would be saddled with all the burden for emergency preparations, particularly in light of the fact that the sick fund's economic distress had not been addressed by the Yishuv's national institutions to date and it would seem that no additional funding for such purposes would be forthcoming from them. Dr. Meir and the sick fund directorate did not want to promise what they could not: the promise of building an emergency

system from nothing. Thus, from the start, Kupat Holim kept its commitments to a minimum.

According to Haifa University historian Yoav Gelber, the emergency medical program drawn up by the Supreme Medical Committee was designed "to ensure the senior status of Kupat Holim, but without taking upon itself commitments stemming from circumstances and that were not included within regular service system."[11]

In October 1947, at Sheba's request, Dr. Heller went into the field to assess the situation. Heller's evaluation following a tour on the ground was gloomy; from a medical standpoint, nothing was in place. Heller's report indirectly supported Sheba's recommendation that a new, independent framework that would take responsibility for providing medical services to the army—one that could wield authority over existing civilian institutions such as Kupat Holim and Hadassah—was the order of the day. Heller noted that the historical rivalry between Kupat Holim and Hadassah threatened to undermine the workings of the Supreme Medical Committee and prevent objective and effective formulation and implementation of emergency medical care. Israel Galili—a senior member of the Haganah's national leadership[12]—brought Heller's report to the attention of Ben-Gurion.[13]

On January 4, 1948, Ben-Gurion related for the first time in his diary reports on the deficiencies in the performance of the Supreme Medical Committee: "They claim there's no address for medical concerns. There's no coordinating arm to the Medical Committee . . . and the Medical Service is therefore destined to failure . . . In any case, a coordinator and superior authority is needed, and this Service should be separated from the organization."[14] Four days earlier, on January 8, Heller and Sheba had met with Ben-Gurion to submit an additional report on emergency preparations in the health domain. Ben-Gurion wrote in his diary about the content of their meeting:[15]

> The state of medical service of the organization is unsatisfactory. Care on-site very limited. Here also roles not organized. It deals with ambulances. Hospitalization service for the emergency exists only on paper. When speaking of a hospital in the Negev—there's no such thing existing. And worse—what exists is bad . . . Supply of doctors not sufficient. In isolated points [there are] no doctors at all, or inexperienced doctors or elderly. . . . No Penicillin, plasma and IV service or necessary tinctures. . . . The existing institutions assume it's not their business to care for cases under emergency conditions. . . . Are there enough doctors? Theoretically, yes, but they need professional-military training in critical care (lung, stomach wounds and so forth). . . . The Emergency Committee is an interested party—vested-interest of Kupat Holim, Hadassah. There is short-sightedness and narrowness of perception on the Committee: in setting needs (out of fear of expenditures on their institutions). From a professional standpoint as well, the Committee isn't trained to manage things. On the Committee sit medical functionaries, not [medical] professionals. Sheber

> believes that Heller should organize the Medical Service. [They] set a medical wing headed by a doctor, and non-doctor. They carry out everything coupled with the organization, all the services they mobilize via existing institutions (Kupat Holim, Hadassah, municipalities). They recruit doctors required. The medical budget at the command of the wing. The Medical Committee that was organized will be a Supervisory Council. We've yet to deliberate who will be the doctor and who will be the non-doctor.

Sheba's and Heller's reports—labeled "lethal" by Galili,—accompanied by Dr. Meir's letter which declared Kupat Holim's readiness for limited involvement in emergency preparations, was a fateful step from the sick fund's standpoint.[16]

The content made it adamantly clear to Ben-Gurion that he could not depend on Kupat Holim, whether because it was unable to shoulder such responsibility (according to Sheba and Heller), or unwilling to do so (according to Meir). This situation led Ben-Gurion to seek another avenue for the overall administration of health services for the Yishuv, and prompted him to approve the establishment a new separate, independent military framework—the MS, which could address needs in emergency times. In retrospect, transfer of responsibility and authority for emergency health services to an independent entity not tied to Kupat Holim left the sick fund on the sidelines, largely isolated both from the action and the decision making at a crucial juncture as health services in Eretz Israel for wartime were being formulated and put into effect.

As a first step in implementing the Sheba-Heller recommendations, the Haganah's medical service was expanded by placing all medical institutions in the Yishuv at its disposal. Further down the road, service for soldiers would be separated from the existing civilian system, including supply and operation of medical services on an independent footing in accordance with the needs of the military. The only remaining question was administration of the independent service. Sheba suggested Heller be appointed to head the MS, but Ben-Gurion wavered.

Who Would Manage the MS?

In mid-January Ben-Gurion turned to Dr. Meir, the medical administrator of Kupat Holim with a question: Who was the most suitable candidate to manage the MS—Heller or Sheba?[17] The query placed Meir on the horns of a dilemma. The best interests of Kupat Holim dictated that Heller, a key figure and the best doctor on the Beilinson staff, remain with Kupat Holim, while Sheba, despite his credentials as a physician, had a reputation as a renegade whose absence carried certain advantages for the sick fund. On the other

hand, his sense of national and professional responsibility dictated that he respond honestly and without bias. Meir chose a middle road: According to Ben-Gurion's diary, rather than recommending one of the two men, Meir presented the pros and cons of each of the two candidates, leaving the decision of who was the most suitable in the hands of Ben-Gurion. Meir cited Sheba's military experience and Heller's medical experience. Heller suffered from problems in human relations, but possessed an acute intellect and quick grasp of problems. Dr. Meir noted that in addition to a medical director, the MS needed to have an able administrator who was prepared to take on managerial responsibilities and would be able to balance out the weaknesses of the person who would serve as medical administrator.[18]

Dr. Meir's evaluation and Sheba's recommendation that Heller be appointed, tipped the scales in favor of Heller . . . but Heller turned down the offer, not because he did not want the position, but because he could not afford to leave Kupat Holim due to personal considerations. In his response, Heller cited the Beilinson crisis (which had come to a head with the resignation of senior staff, only a month earlier) and his own tense relations with Kupat Holim—which was liable to overshadow and impact negatively on essential collaboration between the sick fund and the MS. He told Israel Galili, "I'm like a red cloth to Kupat Holim,"[19] adding that he had been led to understand that Kupat Holim would refuse to release him if he requested a leave of absence. If Heller left without the sick fund's approval, he faced losing all his social benefits and seniority.[20] Heller was already relatively old, and lived in the Beilinson compound with his wife, his children, and his parents, and was unable to take upon himself the economic risk resigning from Kupat Holim entailed. Those who asked him to head the MS did not offer any alternatives that would ensure his economic security, not even an alternative living arrangement for his extended family. Therefore, despite his desire to take the position, Dr. Heller was forced to turn down the offer.[21] Ben-Gurion accepted his refusal at face value and did not try to influence Heller to change his mind or to apply pressure on Kupat Holim to reverse its objections to Heller's appointment.

Heller's rejection of the appointment left Sheba as the sole candidate for the job. Sheba accepted the position.[22] A combination of circumstances that enabled him to take his leave from Beilinson Hospital for national objectives, with which he identified closely, dulled the pain of the failure of the Beilinson doctors' revolt. The administrative position which was to parallel Sheba's work as medical director was left open.

While in his discussions with Ben-Gurion and Galili, Sheba emphasized the military role of the MS and its importance to the Yishuv's armed forces; in his heart and his mind, he was already planning a much broader role for the MS within the framework of the new state's health system. In a letter to his friend and colleague Dr. Albrecht in December 1947, when the idea of the

MS was still in its infancy, Sheba described the future role of the MS in terms of a "window of opportunity" to realize his dreams—the vision of establishing a network of hospitals that would operate independently and differently from Kupat Holim, including creation of a large, thousand-bed combined military-civilian hospital that would be dedicated not only to medical treatment but also would serve as a teaching hospital and medical research center, revolutionizing the power matrix of the emerging national health system, and putting doctors, rather than non-medical administrators and politicians, in decision-making positions: "If the central medical office of the security forces will be established, the next step will be care for new immigrants, in short the beginning of national concern for immigrants and soldiers and this is only a step [towards] receiving the government hospitals."[23]

In addition to his vision of the future, Sheba described to Albrecht the forces at work that were seeking to prevent the establishment of the MS "not under the auspices of those engaged in this to date." He judged that Kupat Holim would want to receive a franchise to care for the expected influx of immigrants following establishment of the state and abolition of British restrictions on Jewish immigration. Yet, Sheba predicted that such an arrangement would generate a public outcry among the sick fund's rivals—primarily, the Supreme Medical Committee. The only body that would be able to care for immigrants would be the MS. Care for immigrants would enable the MS to establish a large government hospital that would operate according to Sheba's visions and bring about a revolution in the health system.

In Sheba's estimation, care for masses of new immigrants would be the key to breaking Kupat Holim's monopoly in health services. Sheba did not discuss his other agenda in public during deliberations over establishment of the MS, of course. During deliberations, Israel Galili also raised the possibility that Kupat Holim and Hadassah would oppose establishment of the MS:

> We went to Ben-Gurion, to Dr. Meir, and began to deal with how to ensure that the large health authorities of Hadassah and Kupat Holim would be made available to the military authority without them worrying about competition, that they shouldn't fear that a body was being established here that would compete with them . . . There were fears that a leviathan stood to be established here with national authority backed by the Haganah, Ben-Gurion and perhaps the entire army that consciously or unconsciously would dispossess and exploit the existing institutions.[24]

Galili's concerns, however, proved premature.

In January 1948, Hadassah was occupied with Arab violence in Jerusalem (the first stage of the War of Independence), and mobilizing funding to purchase equipment to put its institutions on a war footing, and was not concerned by competition in the medical care domain. Kupat Holim, which had just declared that it could not take organization of emergency plans for the

Yishuv upon itself, ran hot and cold in its attitudes towards the MS. On the one hand the senior management failed to grasp the threat the MS would present to Kupat Holim's hegemony. There was no discussion of opposition to the establishment of the MS, neither publicly nor behind closed doors. The only concerns were that Dr. Heller be kept within the sick fund; that they elegantly rid themselves of Dr. Sheba; and that they reorganize and rehabilitate the sick fund after the Beilinson revolt and the loss of so many senior doctors. None of Kupat Holim's senior management grasped the link between the Beilinson affair and the establishment of the MS. According to Galili, Kupat Holim was blinded by complacency and soothed by the assumption that "nothing was possible" in the health domain without its own participation and consent.[25] Thus, the sick fund's leaders were not overly concerned about steps towards establishing the MS, assuming—erroneously—that Kupat Holim was indispensable. This illusion was amplified by the fact that in February 1948, a short time after establishment of the MS was approved, the MS signed an agreement with Kupat Holim for provision of medical assistance to soldiers via the sick fund's clinics and supply of medical equipment from its storehouses, until the MS could get organized to provide such services on its own. The agreement with the MS further fueled the assumption that "nothing was possible" without them. The agreement with the MS brought thirty-five thousand new members into the sick fund (i.e., soldiers and their families), half of them newcomers who had not been members of the Federation of Labor prior to their mobilization.

The new members' health premiums were paid directly into the sick fund's coffers, not through the Federation of Labor's joint dues system. For a few months in the early stages of the MS's organization, collaboration with the MS brought economic advantages, undermining opponents within Kupat Holim, if there were such, and tipping the scales within the sick fund in favor of the MS. [26] If there was uneasiness within the senior management of Kupat Holim due to mobilization of its doctors or too rapid a pace in establishment of the new framework, this was not reflected in internal discussion at all. Examination of the topics on the sick fund's agenda show that the management assumed that the MS might become the dominate body in the health field for the duration of the war, but when peace was restored, hegemony would again shift back into the hands of Kupat Holim. This sense of security dominated the sick fund's thinking from the first months of the war through the first cease fire in June 1948.

Mobilization of Doctors—From Beilinson to the MS

On January 31, 1948, Dr. Sheba officially took leave of Beilinson Hospital and assumed his post as head of the MS.[27] As a matter of course, he immediately

contacted his former colleagues who had resigned from Beilinson Hospital and recruited them as doctors in the MS. For the unemployed doctors, the timing of the offer was ideal and blunted any feelings of defeat they might harbor. If in November 1947 Kupat Holim seemed to have won a clear victory over rebel elements within its medical staff in the struggle over private practice, by February 1948 a role reversal was in store: Not only were those who had resigned in the wake of Kupat Holim's power play that rejected any form of accommodation with them (over private practice, for instance), energized by the prospect of employment in a new institution, and working in a vital capacity; those who remained at Beilinson and who subsequently opted to join the MS after its establishment, left Kupat Holim with a sense of victory that Kupat Holim got what it deserved. Slowly, Kupat Holim began to grasp that the timing of the two events—the Beilinson revolt and establishment of the MS—had turned the tables on the sick fund. Sick fund senior management began to sense that defeat of dissident elements and pacification of remaining staff had turned into a rather hollow victory—Kupat Holim having lost its best doctors to an upstart organization it had viewed with distain as no match for the sick fund.

In January 1948, the national draft board or National Service Command Center announced compulsory service for doctors, nurses and hospital orderlies, and several dozen other Kupat Holim doctors joined the ranks of the Beilinson secessionists—all of them young doctors under the age of forty-five as stipulated by the call-up.[28] The mobilization of doctors for medical service in the medical corps under the leadership of Kupat Holim's former employees and rivals put the sick fund in conflict with the MS for the first time, generating tension between the two organizations. Yet, the sick fund management was aware that there was no room for personal vendettas in the midst of a war, and that the needs of the nation must take precedence over the needs of Kupat Holim. At the same time, the sick fund management feared the ramifications of their doctors being drafted into the MS, leaving the sick fund with a minimum of doctors, many of them relatively old, forcing the fund to seek an ad hoc solution that could provide services to its insurees, despite the negative impact of the draft on its physician staffing strength. In February Kupat Holim signed an agreement with the MS and the Jewish Agency to provide medical services to families of draftees and new immigrants. The agreement increased the scope of medical services the sick fund was committed to provide, further exacerbated the relative shortage of doctors it was experiencing.

Reductions in staffing due to the draft further increased internal tensions between the sick fund management and its doctors. The physicians, encouraged by Dr. Buckles, chairperson of the Kupat Holim Doctors' Organization, and Dr. Sheba, who assumed an active role in the recruitment process, willingly joined the ranks of the MS when they were called-up, and others who

were not eligible for the draft simply volunteered. The mobilization of such staff was not always coordinated with the sick fund, which often found it grappling with shortages of skilled doctors to staff its clinics. Requests that the doctors take into account the needs of Kupat Holim generated little sympathy among its medical employees. At the same time, the doctors demanded that Kupat Holim consider their departure a leave of absence, preserve their seniority and other rights and that Kupat Holim remain committed to reemploy them after the war. When the doctors learned that due to financial difficulties, Kupat Holim was weighing retraction of the war bonus to doctors' salaries that had been added in January 1948, the doctors declared that if the sick fund would follow through on such a move, they would declare a labor dispute, despite the war. In addition, the doctors demanded that Kupat Holim's management fulfill its promise to exempt them from paying dues to the Federation of Labor, a step that had been opposed and torpedoed on principle by the federation's executive and the federation's collection machinery (lishkat ha-mas)[29] The tensions between the mobilized doctors and the sick fund's management led to mutual mudslinging between the sides. For instance, it was said that Soroka charged that "the Kupat Holim doctor community [had] done nothing on behalf of society and the institution."[30] Soroka denied he had attacked the mobilized doctors, but his denials were questioned by the doctors who demanded a public apology for slandering their good names. Examination of the volume of correspondence between the Kupat Holim Doctors' Organization and the Kupat Holim management in the months January through March of 1948 indicates that the doctors who had enthusiastically joined the war effort had not taken into account the difficulties their absence would cause Kupat Holim. But the impression remained that the doctors took advantage of the wartime emergency for a breath of fresh air, as well. That is, they viewed the draft as a convenient and acceptable excuse for leaving the framework of the sick fund and experiencing work elsewhere as physicians for a limited period. The plight of the Yishuv, in essence, allowed them to take part in an historic event—reestablishment of Jewish sovereignty after two thousand years in exile, without risking their positions in Kupat Holim when peace returned. In essence, they were able to have their cake and eat it, too.

The draft left Kupat Holim with a shortage of doctors. At the outset of 1948, Kupat Holim served a membership of 305,000 persons that included in addition to the sick fund's regular members, also those drafted into the armed forces and their families and new immigrants.[31] The sick fund operated 348 clinics, serving a clientele of ten thousand clinic visits per day.[32] Kupat Holim had to stretch its resources to the utmost to fulfill its commitments, while watching the MS grow and grow, to a large extent—due to its own doctors.

Kupat Holim and the MS—Reciprocal Relationships

The growth and increasing clout of the MS at the outset of 1948 under the leadership of Dr. Sheba, and the unconditional support that Sheba and the MS received from David Ben-Gurion, led to clashes between the sick fund and the MS at every turn. With the backing of Ben-Gurion, Dr. Sheba was assisted by Dr. Harry Heller on a regular basis in organization of the MS, despite the fact that Heller was officially an employee of Kupat Holim and the medical administrator of Beilinson Hospital. Despite his duties at Beilinson, most of Heller's time and energy was invested in addressing the MS's needs, much to the displeasure of the sick fund's management who were powerless to object or to demand that Heller adjust his priorities, as long as such behavior enjoyed the support of the all-powerful national leader Ben-Gurion, whom few were willing to cross even on greater issues.

Another bone of contention was the agreement that the MS had signed with Kupat Holim for supply of equipment and medications for six months: the MS had not committed themselves in regard to costing. Sheba announced, unilaterally, that if the cost of such supplies directly from abroad would be lower than Kupat Holim's billing, he would view himself at liberty to declare a boycott of Kupat Holim as a supplier, until the sick fund's pricing was brought into line with expenditures from direct imports. The MS also demanded that the sick fund pay the salaries of doctors who had volunteered to serve in the MS's ranks and consider it Kupat Holim's contribution to the national war effort. Kupat Holim refused, and agreed only to insure the doctors posted in rural points of settlement. Dr. Sheba also complained directly to Ben-Gurion, charging that Kupat Holim failed to deliver essential equipment for the war effort, painting the sick fund in an uncomplimentary, even unpatriotic light; Sheba claimed that the sick fund had not reported equipment in its facilities that could serve the MS in time of need. He also charged that Kupat Holim manipulated the workings of the Supreme Medical Committee for its own objectives—that Dr. Meir (serving in the capacity of chairperson of the appeals committee on drafting of doctors) protected the vested interests of the sick fund, preventing the mobilization of doctors from Kupat Holim's hospitals.[33] Sheba and Heller complained directly to Ben-Gurion that they were unable to enforce their authority and establish order in organization of medical services due to the over-independence Kupat Holim (and Hadassah) was demonstrating in their operations.[34] Sheba told Ben-Gurion: "The institutions need to have demands made on them, and not to make demands. Particularly Kupat Holim."[35]

This bad blood prompted Moshe Soroka to note in a meeting of regional directors of the sick fund: "Relationships and contact between us and the Medical Service are an affair in itself. A painful and worrisome affair. Notwithstanding, we are not exempt from noting the fact that it is very worrisome that

this can happen, particularly on the part of the very people who were tied to our institution for years."[36]

Kupat Holim's sense of betrayal and indignation was not without substance. From the minute the MS took command, Kupat Holim—objectively, a key health organization in Eretz Israel that had been a hegemonic institution accustomed to being a major player in the shaping of health institutions and the decision-making process that often dictated policy—was reduced to the status of a subordinate institution doing the bidding of the MS. On Ben-Gurion's orders, leadership of the health domain in Eretz Israel was transferred to the MS and Hadassah. In the latter half of December 1947, first steps were taken in preparation for declaration of a provisional government on May 14 (the date the British would relinquish the mandate and complete their withdrawal to Cyprus),[37] until democratic elections could be held. A committee was established to prepare the organizational infrastructure of government portfolios and ministries, including the health portfolio. Kupat Holim was not invited to be party to these preparations, not as a participant in the process, nor even as an informed party to the content of deliberations.[38]

On December 22, 1947, David Ben-Gurion sent a secret telegram to Hadassah president Rose Halperin requesting that Hadassah take responsibility for organizing medical services in the country.[39] Ben-Gurion's rationale for this step was fiscal. Only Hadassah, through the auspices of American Jewry, was able to finance the cost of medical services demanded in wartime.[40] Hadassah turned down the request that it take on this responsibility, but agreed to mobilize funding.[41]

The appeal to Hadassah, even if grounded in objective financial considerations, and the disregard for Kupat Holim as a possible player in formulation of health policy only amplified tensions between the two organizations. It is not surprising that the heads of Kupat Holim, despite emergency conditions, were frustrated and far from eager to collaborate either with Hadassah, a traditional rival of Kupat Holim since the 1920s, or with Dr. Sheba and Dr Heller whom the sick fund viewed as disloyal even ungrateful rebels.

Moshe Soroka expressed his frustrations at the lack of appreciation in a meeting of the sick fund's regional administrators in November 1948:

> We drew up an agreement with the security forces, according to which we took upon ourselves [medical] assistance to the soldier and his family, approximately thirty-five thousand souls and the family members of soldiers enjoy this arrangement, and half of them were not members of Kupat Holim prior to this . . . Kupat Holim took this role upon itself due to its very essence as an institution that has accompanied the Yishuv in all stages of its development . . . The tremendous labors that Kupat Holim has invested in this negotiation should be viewed from this public perspective, which many have not properly understood or appreciated. It should be kept in mind that the medical service to the

> Israel Defense Forces is founded primarily on machinery comprised of mobilized persons originating in Kupat Holim. The medical and office workers and so forth of Kupat Holim serve as a cornerstone for the medical machinery for the army.[42]

The disregard that the MS's exhibited towards Kupat Holim's vital role in the MS's success during the first few months of its operation cannot be viewed as an isolated incident. This, and the high-handed manner in which the MS sought to lord over the sick fund in general, seemed to reflect no small degree of vindictiveness stemming from resentment towards Kupat Holim that Sheba and Heller, undoubtedly harbored towards the sick fund for its high-handed behavior during the Beilinson doctors revolt, and anger at Kupat Holim's reluctance or unwillingness to collaborate with the MS as equals. While the MS clearly wanted to underscore that it was now calling the shots, one must keep in mind that the times left little room for niceties: during the four weeks following the invasion of five Arab armies on May 15, 1948 sixteen hundred Israelis were killed, twelve hundred of them soldiers—almost a quarter of all the casualties during the entire war.[43]

In March 1948, David Ben-Gurion sent Dr. Heller to the United States to mobilize funding and equipment for the MS, together with Hadassah. Although Sheba had not made the sick fund party to the decision to send Heller abroad, under prevailing conditions, Kupat Holim could not object.[44]

Examination of correspondence between Ben-Gurion and Israel Galili regarding Heller's mission reveal that Ben-Gurion was cognizant that Heller's trip would be a bone of contention in already tense relations between Kupat Holim and the MS. Galili asked Ben-Gurion to summons Dr. Meir to a private consultation to prevent any misunderstanding. Galili stressed that Meir should be made aware that "Sheba made an attempt to be assisted by a Kupat Holim person who went to America" but it had become evident that "this cooperation was not practical and not desirable."[45] Yet, archival material regarding Dr. Meir's work and the operations of the sick fund's directorate contain no evidence that Ben-Gurion indeed spoke to him about Heller's mission. On the contrary, members of the sick fund management complained that they were *not* consulted, nor was their consent requested. They were informed of Heller's mission when it was already a *fait accompli*. In the end, Hadassah did not make good on its commitment to help Dr. Heller underwrite his activities, and after a month's sojourn in the United States, Heller requested permission to return because of a lack of funding. In a telephone conversation with Reuvein Zaslani (Shiloach) and Israel Galili, he reported: "Opportunity presented itself [to purchase] a big hospital with all the equipment. A cheap opportunity and suitable for our purposes. The hospital is priced at one hundred and ten thousand [dollars] including shipment."[46] Galili asked Ben-Gurion's permission to wire the money to Heller if

Hadassah could not underwrite the acquisition. Kupat Holim was not made party to the matter and its leadership was not asked whether in its estimation the acquisition was worthwhile or not.

The expansion of the MS and Heller's trip to the United States left Sheba alone at the helm. His attempts to find a suitable person to handle the administrative side of the MS's operation failed to produce a candidate among prominent figures in the Yishuv's managerial community who would be willing to assume the post. Ruth Bondy in her biography *Sheba—Rofe LeKol Adam* (Sheba—A Doctor for Everyman) says that Sheba even asked Soroka to fill the position, but Soroka turned down the offer. From Soroka's point of view, acceptance of the position would have been a betrayal of Kupat Holim. If Bondy's sources are reliable and her description true to fact, this move is rather surprising in light of the year-long bitter struggle at Beilinson which had pitted the two men—Sheba and Soroka—at he head of rival camps.[47] While objectively from a purely professional standpoint, Soroka was, indeed, the most suitable candidate for the job, the personal rivalry between the two men, amplified by Soroka's dogged, almost blind, loyalty to the sick fund, made such an offer a recipe for failure. In the end, Levin Epstein, the owner of a printing company with no previous experience in public administration or medical services, was appointed to the post. While Galili claims that it was he who appointed Epstein, Dr. Daniel Brachot, the chief physician of the Haganah, says that Levin Epstein was chosen "due to the fact that he had no ties with Kupat Holim, because anyone who had such a link was suspect from the start."[48]

In addition to Levin Epstein, Dr. Sheba appointed Dr. Padeh, a sick fund doctor, as the MS's chief operations officer, and the MS's representative on the draft appeals committee for doctors. Dr. Padeh joined the MS not out of love for the organization, but because of his antipathy towards the sick fund: Several months earlier Dr. Padeh had had a run-in with Dr. Meir, when the latter had undermined Padeh's professional standing and transferred him from his position as a house doctor in the sick fund's Emek Hospital to Beilinson Hospital. As was the case with the Beilinson doctors, Dr. Sheba's offer provided Padeh with an attractive alternative to having to continue to work for Kupat Holim under Meir's directives. According to Dr. Brachot, "a shared opposition to Kupat Holim strengthens the collaboration between Sheba and Padeh."[49]

Following the appointment of Levin Epstein and organization of the MS's administrative network, Kupat Holim was plagued by a new problem: the loss of able administrators and auxiliary staff to the MS, a situation it could not openly battle, as this would be viewed as unpatriotic in light of the wartime emergency. Dr. Daniel Brachot noted: "When Levin Epstein was given the job of director, he came to me. 'You know Kupat Holim. Give [me] the list of people who it's possible to take, to withdraw.'"[50]

Thus the MS mobilized not only doctors, but also kitchen staff, stock and logistics personnel, and transport and construction workers. While personnel were also taken from other major Federation of Labor organizations such as Hamashbir—the federation's inputs supply network, and Solel Boneh and a major Federation-owned infrastructure and construction concern—the MS did not threaten these other labor institutions' hegemony within the Yishuv, nor did mobilization of personnel undermine their economic health as institutions. One could say without exaggeration that the MS was founded and organized primarily by siphoning off the human resources of Kupat Holim.

Hospitalization of the Wounded

Between January and March of 1948, the MS opened three military hospitals: one in Nir-Am in the Negev (later transferred to Beer Sheva); one in Kfar Giladi in the Upper Galilee, and one in Nahariya in the Western Galilee on the Mediterranean north of Haifa. The hospitals provided limited hospitalization for the frontier areas where they were located. Most medical services for soldiers were carried out in larger established hospitals in Jerusalem and Tel Aviv. The urban hospital quickly filled with wounded service personnel in various stages of treatment and rehabilitation. In February 1948, Dr. Meir—writing as a member of the Supreme Medical Committee—argued that there was an acute need to establish a recuperation and rehabilitation center immediately, in order to make hospital beds available for others. Dr. Meir, speaking on behalf of the committee, called upon the provisional government to organize immediately a hundred-and-fifty–bed facility whose operation plan would be formulated by the Supreme Medical Committee. Dr. Meir did not suggest a particular location, who should head the facility, or within what framework it should operate.[51]

Dr. Sheba agreed with his suggestion. It was clear that a solution was needed for hundreds of patients occupying hospital beds that were ready for rehab, particularly in light of the prospect that with the pending invasion by regular Arab armies in mid-May, casualties could be expected to rise sharply. Sheba judged that the most suitable location was Tel Letvinsky, an army barracks east of Tel Aviv, but the former British camp, surrounded by Arab villages, had yet to be taken by Israeli forces. Sheba judged that with suitable organization, the infrastructure could support fourteen hundred beds and several hospitals.[52]

While the MS endeavored to establish military hospitals, the Yishuv's authorities made preparations for the orderly transfer of British government hospitals to Israeli hands in the areas allotted to the Jewish state under the UN partition plan once the British completed their withdrawal on May 14. Thus the sides arranged for the British to transfer the Yarkon Hospital in Tel

Aviv to the Tel Aviv Municipality and the government hospital in Haifa to the Haifa Municipality. In the plan submitted to the British Mandate government health department, Dr. Katznelson-Nissan, chairperson of the National Committee's Health Committee explained that: "[the Yarkon Hospital] will continue to serve the needs of the Jewish rural agricultural villages until a hospital for the rural villages can be established elsewhere, most probably in the Tel Letvinsky barracks."[53]

Thus, establishment of a large medical center at Tel Letvinsky was a forgone conclusion—whether the patient population would be new immigrants as Dr. Sheba envisioned in September 1947; wounded soldiers in rehab, as Dr. Meir suggested in February 1948; or Jewish residents of the rural villages as Dr. Katznelson-Nissan stressed—a role with which all the parties were in agreement. The only barrier to implementation was the liberation of Tel Letvinsky by Jewish forces.

Establishment of Convalescence Camp 1—Tel Letvinsky

In April 1948, the Tel Letvinsky barracks were overtaken by Jewish forces. Within a short time, thanks to the extensive infrastructure left by the British who had built the barracks as a convalescence facility for their troops during World War II, the complex became the primary convalescence facility for Israeli causalities during the War of Independence: Convalescence Camp #1.[54] The name Tel Letvinsky came from the British installation's proximity to a small private farm established in 1934 by a Jewish citrus grower named Letvinsky. After the camp fell into Jewish hands, its name was changed to Tel Hashomer Hospital, and decades later it was re-dedicated in honor of the MS's founding director as the Sheba Medical Center. In World War II, the installation housed primarily workshops and maintenance facilities servicing British forces and a small local clinic that served the employees. The success of Pommel's Africa Corps in the Western Desert in the early stages of the war threatened Egypt—the nerve center of Allied forces in the Middle East. Fears that Egypt would fall to Nazi forces prompted the American army to establish a reserve fall-back medical facility in Eretz Israel. In response to a request from the United States, in 1942 the Letvinsky clinic, augmented by prefab buildings, was turned into a four-hundred-and fifty–bed facility—American Field Hospital #4. In February 1943, after the battle of El-Alamein turned the tide of the war and brought Pommel's North African campaign to a halt, the Letvinsky installation's status was downscaled to a stationary two-hundred-and fifty-bed hospital (Hospital # 24). In October 1943 reduction in American troop levels in the Middle Eastern theatre led to the virtual closure of the facility.[55] Between 1944–47, some of the camp's facilities were used to hospitalize British aircrews wounded in Burma and on other fronts.

In January 1948, the camp was closed completely as part of the British withdrawal from Eretz Israel and termination of the British Mandate on May 14. Attempts by representatives of the Yishuv to buy the camp with its hospitalization infrastructure from the British was unsuccessful. The camp remained closed and off-limits until it was taken by force after the British withdrawal from the camp in April 1948. The camp's extensive infrastructure made it an ideal site for the MS, which sought to establish a major rehab facility for the IDF. Sheba had already expressed his view that Tel Letvinsky, located due east of Tel Aviv, was an ideal site for establishing a large military hospital and convalescence center even before it was in Israeli hands; in fact, Sheba had served at this facility as a medical officer in the British army during his last year of military service in 1946 and was personally well acquainted with the camp, and preferred it to other possible sites such as the nearby Sarafend military complex southeast of Tel Letvinsky which also housed a British military hospital whose physical plant was actually superior to Tel Letvinsky's. Within hours of the camp falling to Jewish forces, Sheba turned to Zvi Shahaf, the medical administrator on Kupat Holim's directorate and requested that Shahaf undertake immediate steps to renovate the premises and put the camp on an operational footing almost overnight. Shahaf was requested to convert the camp into a two-hundred–bed facility that would be ready to admit convalescents by May 15. Sheba, in customary fashion, did not coordinate with Kupat Holim Shahaf's immediate mobilization into the ranks of the MS, making this acquisition a fait accompli. Shahaf disappeared from his workplace in the sick fund without anyone knowing to where or why.[56] Funding of the renovation was covered by donations and assistance from various parties in Kupat Holim with whom Shahaf had a working relationship. Sheba underscored to Shahaf that he viewed the sick fund as a key source of personnel and assistance in equipment, noting that "he was familiar with Kupat Holim's storehouses . . . The [sick] fund's people in [Sheba's] opinion 'would provide willingly' and 'if they would not give [it] he would requisition [the stock] and give a receipt.'"[57] Indeed, Kupat Holim employees gave willingly and thus Shahaf was able to mobilize the auxiliary personnel necessary to operate the facility, such as kitchen staff that were not eligible for the draft but were ready and willing to join up.

The tension between Kupat Holim and the MS did not go beyond discussion within the halls of the sick fund's senior management and had no impact on rank-and-file Kupat Holim employees and their willingness to partake in the war effort, whether by loaning equipment, providing expertise, or volunteering to assist on-site. Zvi Shahaf himself did not see any conflict of interest between his two roles and had no second thoughts about requesting the assistance of his fellow sick fund employees in putting Tel Letvinsky on an operational footing, and the response was indeed generous.[58]

While such behavior would be viewed as irregular in other countries and would most probably spark an investigation, one should take into account the fluid nature of authority in the vacuum-like twilight zone between British rule and self-governance, made all the more hazy by the exigencies of wartime. Moreover, such dependence on personal and informal ties and permeable institutional structures and the ease with which ad hoc pooling of resources are used to address emergencies are endemic to Israeli society to this day.

In April 1948, sick fund doctors were already serving as draftees into the MS. In addition, there were volunteers, born in 1911 or earlier, who were not eligible for the draft and who offered their services. The tension and competition among the sick fund's auxiliary personnel only surfaced much later, at the end of 1948.

Sheba's sense of urgency was based on a host of factors: he judged that existing facilities were inadequate to deal with the rise in casualties that could be expected in the wake of the pending invasion. Tel Letvinsky had to be ready to meet two crying needs: first, to free hospital beds occupied by convalescing service personnel who no longer needed intensive hospitalization care; and second, to seriously augment the existing hospitalization network with more beds for caring for fresh casualties who would be arriving directly from the front in numbers beyond the admittance capacity of existing facilities. Moreover, Sheba was cognizant of the fact that soldiers were in need of specialized emergency medical care for battle wounds that the regular civilian hospitalization system could not provide. The Jerusalem hospitals were already overflowing as a result of the furious battles ranging in and around the city, and the hospitals in the coastal plain—Hadassah–Tel Aviv and Beilinson—had only three hundred beds between them. Tel Letvinsky was therefore designed to provide an ad hoc solution to the acute shortage of hospitalization facilities, particularly those who would need further treatment and rehabilitation after immediate treatment (such as operations) in established hospitals.

It should be noted that Sheba did not approach the Hadassah Hospital in Tel Aviv or the Kupat Holim management to establish whether their hospitalization services were able and willing to provide solutions that would meet the needs of the army. It appears that Sheba's decision to establish a separate hospitalization framework under his own directorship and refrain from seeking assistance and collaboration with Beilinson Hospital reflected the hostility Sheba harbored towards Kupat Holim as a result of their behavior in the Beilinson doctors' struggle. But there were also more objective, professional considerations, as well—primarily Sheba's perceptions of how military medicine best operates. He believed that separate, special military hospitals serve the best interests of the soldier and the system, an outlook founded largely on his own personal experience in the British army. Yet one cannot ignore the fact that an independent hospitalization facility directly

responsible to him and operating in accordance with Sheba's own medical and managerial philosophy was an opportunity for Sheba to bring to fruition the dream he shared with Dr. Heller—of a large medical center that would engage in teaching and research as well as curative medicine, a worldview that had been categorically rejected by the powers-that-be in Kupat Holim. According to Dr. Baruch Padeh, Sheba was guided by the British model he experienced first hand, a model that served both military personnel and the local population.[59] The concept of a military hospital that would be integrated into the community captivated Sheba, and provided him with the moral justification for using all means at his disposal to realize this dream.

Not all those engaged in military medicine supported the concept of the large hospital. For instance, Yosef Avidar, the IDF's chief quartermaster during the War of Independence opposed the idea, calling it megalomaniacal. Avidar forecasted thirty-five-hundred causalities in the course of the war, a number that did not justify such a large hospital.[60] (In fact, the numbers were much higher: six thousand killed and fifteen thousand injured.)[61] Kupat Holim was of the same opinion, particularly the head of the sick fund, Eliezer Perlson—but the decision was not in their hands.

Military Medicine Services in the State of Israel

In May 1948, David Ben-Gurion declared the establishment of the State of Israel in the name of the People's Assembly—a temporary parliamentary body until elections could be held, and a provisional government was established under his leadership. Moshe Chaim Shapira, one of the leaders of the orthodox Hapoel Mizrachi Party (Mizrachi Workers) was appointed acting minister of health, and Avraham Katznelson-Nissan, the former head of the National Committee's Health Committee, was appointed deputy-general of the new ministry, while the MS was scheduled to be integrated into the Israel Defense Forces. [62] On April 22, 1948, three weeks before declaration of the State of Israel, a staffing and infrastructure standard for the military's medical service was published: 735 personnel, including doctors, nurses, administrators and preventive medicine personnel. On May 13, the day before declaration of statehood, the standard was broadened to include a central general hospital, a central convalescence camp, and three twenty-five-bed military hospitals. The MS took upon itself responsibility for hygiene in IDF camps; training of doctors, paramedics, and nurses; and establishment and operation of an anti-malaria unit. In addition, the MS's deployment included medical care at the battalion and regimental level, a rehabilitation center, mobile operation theaters, and preventive medicine units.[63] On May 15, after Egyptian planes bombed Tel Aviv, Ben-Gurion ordered that the Dajani Hospital in Jaffa, an Arab facility, be commandeered for military purposes,

to become Military Hospital #4. Headed by Dr. Moses, it was designed to provide medical care to civilians wounded in the attack and convalescence facilities for military personnel.

In May 1948, following inauguration of the IDF's Medical Service within the framework of the newly-formed Israel Defense Forces, and the establishment of a provisional government under the leadership of Ben-Gurion, Ben-Gurion approached Soroka and requested that he assume the post of administrative director of the MS, ensuring Soroka that at the end of the war, the position would be expanded to include all health services in the State of Israel. Soroka turned down the offer. In retrospect, Soroka's refusal to take the post would have a significant impact on the shaping of the Israeli health system, but at the time this was not apparent.

This offer, despite its importance, was not mentioned in Ben-Gurion's diary or in the protocols of Ben-Gurion's meetings. It only appears in Soroka's correspondence and Kupat Holim documents and is often cited by Soroka's close colleagues. There is no explanation for why Ben-Gurion, who was meticulous in recording all of his moves, did not record in writing his meeting with Soroka and his offer. On the other hand, Ben-Gurion never denied that he had made the offer. It is possible that Ben-Gurion did not consider the offer as important as Soroka, who viewed it as an avenue for ensuring Kupat Holim a dominant role in the future health system. According to historian Idit Zartal, Soroka's biographer, Soroka's refusal to take the post arose from his unbridled loyalty to Kupat Holim and total identification with Kupat Holim as an institution that made it impossible for him to leave—all the more so in light of prevailing circumstances, the abandonment of the fund by many of its key staff, and against the backdrop of the Beilinson affair. As Zartal noted: "Kupat Holim was his home . . . He was in no rush to go outside [it]."[64] Not only would joining the MS have been an irreversible step from Soroka's standpoint; in his eyes, it would have been a betrayal, legitimizing an emerging medical service that threatened the hegemony of Kupat Holim. One should keep in mind that working for the MS entailed working closely with and subordinate to Dr. Chaim Sheba with whom Soroka had been at loggerheads for years. Soroka by temperament was a wary, cautious individual; joining the MS, despite Ben-Gurion's promise of a highly influential post at the close of the war, entailed a renewed struggle to gain a position of power and to prove his worth and leadership qualities within a new organization full of physicians and senior managers who had turned their backs on Kupat Holim and rejected his authority. In a letter Soroka wrote almost two decades later (in 1967) to Zalman Yoeli, a journalist with Davar newspaper, he explained his decision to decline the offer:

> While I was called I requested that I be left at my post. In those days almost everybody and everyone was caught up in stateism and all the Federation [of

> Labor] institutions, include the institution I worked for, were drained [of personnel] Dr. Meir of blessed memory, Kanev, Peri went to build the country and I requested, in good faith, that I be left alone in order to be able to keep the home fires burning. [65] Only later did I learn that this was held to my discredit, as a unforgivable sin and it haunted me for many years . . . I don't know what would have been my fate, had I even gone the path of the many. Possibly I might have been involved in top-level proceedings and achieved a ruling position and from there I would have been expelled like many others, friends and acquaintances, who set forth, endeavored, dropped out or were forced to resign.[66] I won't even guess, but what is clear to me had I actually severed [my] ties and contacts in those fateful days with the institution I served, surely the face of Kupat Holim would be different and even the health services in Israel would have taken a different shape, character, and scope . . . In the numerous and stormy debates that we encountered in the first decade of the state on the fate of Kupat Holim, more than once I was told by those in power (including members of the Federation) that the worst mistake was that they didn't succeed in removing me from Kupat Holim in time, and then the debate on the character of Kupat Holim would have been unnecessary . . . I'm not sorry and I don't have second thoughts, and I'm at peace with myself, and I need not say, my labors were rewarded.[67]

Soroka's rejection of Ben-Gurion's offer further exacerbated tensions between Kupat Holim and the MS, particularly in light of expansion of hospitalization capacities at Tel Letvinsky and publication of plans to transform the site from a convalescence facility to a full-fledged operational hospital. Relations between Soroka and Ben-Gurion were also shadowed by Soroka's refusal. Ben-Gurion did not understand Soroka's motivations, and according to Idit Zartal, from this point onward, Soroka was viewed in Ben-Gurion's eyes as the personification of anti-stateism at its height—a person who preferred to cloister himself in a Federation of Labor institution, rather than dedicating himself to realization of national goals.[68]

Since Ben-Gurion did not leave any indication that he had covert objectives when he called upon Soroka to leave his post at Kupat Holim, it is hard to evaluate the significance of Soroka's refusal. Yet, in hindsight, based both on experience and on how events were played out (and Ben-Gurion's efforts through the 1950s to nationalize the health system; to sever the tie between Kupat Holim and the Federation of Labor; and to transform the sick fund into an institution operating under the aegis of the state, rather than the aegis of the Federation of Labor), it is reasonable to assume that Ben-Gurion, whose perspective was often far-reaching, hoped that by granting Soroka control over military health facilities, and afterwards, the state's health facilities, Kupat Holim would be weakened and the way would be paved for incorporating the sick fund within a national heath system, without a struggle. That is, he viewed co-opting Soroka into the system as an avenue for realizing in the health field, his wide-ranging vision of stateism, but Soroka sensed that his abdication threatened the future of Kupat Holim, and he saw it as

almost a holy mission to hold the fort so to speak, viewing himself as standing in the breach to prevent the liquidation of the sick fund as he knew it, by the state.[69] His refusal constituted the opening shot in a decade-long struggle to preserve the independent status of Kupat Holim under the aegis of the Federation of Labor, and to prevent its nationalization.

Tel Letvinsky—from Conversance to Hospitalization

At the beginning of June 1948, even before the first ceasefire in the midst of the War of Independence took affect on June 11, Yitzhak Rabin, Elihayu Sela-Steinfeld and Amos Chorev—senior commanders in the Harel Brigade fighting on the Jerusalem front—requested that the large number of wounded soldiers in their brigade be immediately evacuated from the city, due to lack of medical facilities.[70,71] Wounded personnel were scattered in private houses, synagogues, and churches and their exact numbers were unknown, but were estimated to be in the hundreds. In that Tel Letvinsky was the closest alternative facility to Jerusalem and was not directly exposed to aerial attack as were hospitalization facilities in the heart of Tel Aviv, it was decided to send most of the wounded to Tel Letvinsky. Expansion of Tel Letvinsky's capabilities required additional personnel—administrative and medical. Because the MS faced a shortage of administrative staff, Sheba, as was his habit, turned to Kupat Holim as a ready reservoir of experienced personnel who could shoulder the urgent mission at hand. In his talks with Tel Letvinsky's administrative officer, Zvi Shahaf, about plans to expand the hospital, Sheba spoke openly of mobilizing Kupat Holim personnel by any means at his disposal in order to fill the gaps. Because his resources were meager, Sheba told Shahaf that he must use his contacts and personal ties with managers of the sick fund's supply and equipment storehouses whom he knew were able to contribute to expansion of the hospital. Sheba, as head of the MS, even gave Shahaf the authority to commandeer equipment and mobilize personnel beyond existing quotas—as Shahaf, indeed, did.[72]

In June 1948, Tel Letvinsky admitted 220 convalescing wounded in order to alleviate the pressure on Jerusalem hospitals. Its relative proximity to the front increased the importance of the facility as a hospitalization facility for wounded military personnel.[73] In July 1948, work began on transforming Tel Letvinsky from a convalescence facility into a regular hospital—including the building of operation theatres, and the hospital admitted and treated over three hundred wounded at the end of the year. In September, Soroka and the other heads of Kupat Holim protested to David Ben-Gurion (minister of defense), Eliezer Kaplan (minister of finance), and Ch. M. Shapira (minister of health) their concerns about the drive to transform Tel Letvinsky into a bona-fide hospital:

> The needs of the regular army for hospital beds in peacetime will be rather small, and it would be an exaggeration to put the number at 100–150 beds. . . . A hospital with 800 beds, with all services within a system of one-storey bungalows spread over a large area—will increase operational hardships and raise costs considerably . . . and despite the investment the institution will remain in the end under inappropriate conditions in [Quonset] huts with inadequate services and it will consume large outlays on endless repairs . . . As a central public institution in the Yishuv we take the liberty of questioning whether this scheme has been appropriately reviewed and approved after weighing the problems in their full magnitude . . . It would be proper to examine whether under our country's circumstances, such a large hospital should be maintained in general, and for military services in wartime in particular. Hospitals of this size involve organizational, financial and administrative difficulties . . . It would be worthy to weigh well whether it is correct to maintain in one central location such a large number of beds for the wounded, while [battle] fronts are scattered throughout the country.[74]

Soroka's letter was forwarded to all the relevant institutional and governmental agents . . . except Dr. Sheba (Sheber), head of the MS. However, Soroka's attempts to prevent the expansion of Tel Letvinsky failed to generate discussion in the cabinet or even in the Ministry of Finance. Examination of the protocols of the provisional government from May to October 1948 indicate that the operations of the MS and policy-formulation of hospitalization services for the IDF was not raised for discussion at all, nor was it discussed in preliminary deliberations over the state budget. The handful of discussions of health matters focused on Kupat Holim's budget. It is interesting to note that the minister of heath Shapira and his director-general Dr. Katznelson, and the minister of finance Kaplan and other speakers expressed their concern regarding the meager financial support given Kupat Holim—which was bearing the brunt of the burden of health care for mobilized personnel and new immigrants, relative to the support municipal hospitals and Hadassah hospitals were receiving from the government. In a mid-October 1948 meeting of the cabinet, Shapira called upon the cabinet to double government financial support to the sick fund, arguing that "until now Kupat Holim has been discriminated against compared to the rest of the medical institutions in the country."[75, 76] At the same time, Berl Reptor argued, "it is the State of Israel's duty to encourage the independent institutions of laborers that have been established and their mutual aid enterprises. It is unacceptable to leave Kupat Holim's budget as it is to date, with its numerous roles in assisting the soldier's family, the new immigrant, the settler and the laborer in the city struggling for economic survival."[77] Debate within the government did not even touch on the MS, which was able to operate autonomously under the wing of the IDF, to bring Sheba's dream of transforming Tel Letvinsky into a thousand-bed hospital to fruition.

In September 1948 the military hospital equipment purchased in the United States by Harry Heller arrived in Israel, allowing Sheba to put his re-designation of Convalescence Home #1 on an operational footing as a large bona-fide hospital. By October the operating rooms were already operational and the facility was officially dedicated as the MS's Military Hospital #5. The same month, more than one-hundred-forty operations were conducted at the facility, which accommodated four hundred patients, most of them wounded IDF personnel. For the first time since its establishment, the hospital began admitting civilians as well—for the most part TB patients. Within six months, Tel Letvinsky became the IDF's leading hospital. Sheba had envisioned a combined military-civilian hospital even before Tel Letvinsky began to function.

Sheba described his ideas not only to his friend and colleague Albrecht;[78] he shared these thoughts also with Dr. Padeh as well.[79] After the Convalescence Home #5 was established at Tel Letvinsky, Sheba went forward with his plans to transform it into a full-blown hospital. It was clear to Sheba that the sustainability of the hospital in the long run hinged on transforming the hospital into a combined military-civilian facility. In that medical care of mobilized personnel and their families had been placed in the hands of Kupat Holim, Sheba sought to expand Tel Letvinsky's patient intake by providing medical care for new immigrants, while seeking avenues to transfer care for military personnel and their families from the sick fund to the MS.

In July 1948, at the initiative of Dr. Grushka, the head of the Immigrants' Health Service (Sherut Refui LeOlim), Dr. Grushka and Dr. Sheba signed the first memorandum for collaboration between the Immigrants' Medical Service and the MS, within the framework of the Tel Letvinsky camp. Dr. Grushka wrote:

> I talked with Dr. Sheba today on the form of collaboration between the Immigrants' Medical Service and the Military Medical Service in regard to the Tel Letvinsky Hospital. In this camp a portion of the bungalows were earmarked for the military hospital and part for a hospital for immigrants. Dr. Sheber declared that the MS was prepared to take possession of the [Quonset] huts and give us the option to hospitalize sick immigrants as numbers dictated. Dr. Sheber suggests that there not be separate wards for [regular] patients and new immigrants, rather that the immigrants be admitted to all the special departments of this hospital.[80]

According to Dr. Daniel Brachot "[Sheber] turned things inside and out in order that the Immigrant Service would be transferred to the military and be operated by military personnel."[81] Indeed, already in the summer of 1948 two hundred tuberculosis patients had been hospitalized and treated at Tel Letvinsky.[82] At the same time, Sheba opened a maternity ward designed primarily to serve immigrants. A pediatrics ward was opened in direct response

to a request from Ben-Gurion in light of the "catastrophic situation" of disease among children.[83]

Who Should Care for Mobilized Personnel—Kupat Holim or the MS?

The establishment of the Ministry of Health and the first governmental health services within the framework of the provisional government did not produce any changes in Kupat Holim. While now there was an official address for Kupat Holim to appeal to, the Ministry of Health, the movers and shakers in charge of policy-formulation and budgeting for the state, were the same people as before. The first issue on the agenda for the ministry and Kupat Holim was the health care for mobilized personnel who were now members of the newly-formed armed forces, the Israel Defense Forces.

In July 1948, Kupat Holim approached the MS to renew the agreement for the sick fund providing medical care to the families of mobilized personnel; the agreement, signed in February 1948, made Kupat Holim the exclusive health care provider for the families, who unlike other sick fund members, were not required to be members of the Federation of Labor. The families received full immediate coverage, waiving the waiting period demanded of other new members. The wives of service personnel who were not employed received a special membership card from the Soldiers' Welfare Committee. Wives of service personnel who were employed were entitled to sick fund membership, but their premiums were graduated by income, as was the policy for all working members of the sick fund. In essence, the agreement siphoned off and re-channeled income of all the other health-service providers in the country—independent physicians with private practices, other small sick funds (Maccabi, Otzar HaRofim, Leumit), and other private medical services operating in the country that had provided services to non-members of the federation throughout the mandate period. On the eve of declaration of statehood, Kupat Holim provided health services to 40 percent of the Jewish population. Only a few percent were covered by other sick funds, while most were uninsured and, in case of need, bought medical services out-of-pocket on the free market, primarily from private practitioners. In May 1948, the number of mobilized personnel stood at thirty-five thousand, half of whom were new members for Kupat Holim. Thus, a large segment of the population—some fifty thousand persons, soldiers and their families, were handed over en bloc to Kupat Holim, while payment of health premiums was covered by the nation's newly-established decision making and administrative machinery, thus providing Kupat Holim with direct revenue that was not channeled through (and partially siphoned off by) the Federation of Labor.[84] In mid-1948, these payments constituted 13 percent of the sick fund's budget.[85]

The agreement between the MS and Kupat Holim sparked sharp criticism from the outset from the doctor's professional organization which held a dim view of the monopoly on services given to Kupat Holim. In a protest letter published by the Hebrew Medical Federation (HMF) in March 1948, the doctors' professional organization demanded that the MS itself provide medical services for military personnel and their families, or assign provision of such services to the community of private practitioners who were willing to provide medical care to army families at a reduced rate. The federation stressed that such a sweeping move was detrimental to the health of the public, forcing patients to give up their regular doctors when they were arbitrarily transferred *en bloc* to Kupat Holim.[86] Despite the protest, the agreement remained in force. This was due both to pressure that Kupat Holim applied to the newly-established governmental decision-making machinery in the hands of fellow Laborites, and the fact that the MS was unable to provide group services to the families of IDF service personnel in any other manner, and certainly had its hands full dealing with the war.

Negotiations between Kupat Holim and the MS in July 1948 over continued collaboration sparked even harsher attacks from the Hebrew Medical Federation. Most of the criticism was published in the pages of the federation's house organ—*Michtav Lechaver*. During the Beilinson doctors' revolt, the federation's house organ had served as a prime platform for attacking Kupat Holim. On July 1, 1948, the HMF published a lead article that clarified its position vis-à-vis renewal of the agreement that made Kupat Holim a major health provider in the State of Israel:

> In the pre-state period we thought that with the establishment of the state, the Federation [of Labor's] sick fund would transfer to the state. We debated among ourselves on the means at our disposal of the doctor public to influence the Government towards changes of several organizational principles of Kupat Holim that the doctor public objects to (lack of economic sense, free choice, etc.). Now it has become evident that the Federation [of Labor] has no intent of turning over its institutions at all, and Kupat Holim in particular, to the state, but this does not free the doctor public from formulating its position. There is no basis to think that 'the Federation' will continue to oppose to turn over its sick fund to the Government and there is no basis to think that the country's Government will always be beholding to 'the Federation' [of Labor's] wishes.[87]

The attack of the Hebrew Medical Federation on the Federation of Labor which headed the opposition to turnover of Kupat Holim to state auspices and efforts to renew the agreement with the MS, sparked an immediate response from the Federation of Labor. In a rebuttal written by Pinchas Ben-Dori, chairperson of the federation's union section, the union functionary who had led negotiations with the doctors during the Beilinson crisis, accused

the HMF of "organized incitement" against Kupat Holim and demanded that the Kupat Holim doctors' organization, whose doctors were also members of the Hebrew Medical Federation, come out against what Ben-Dori considered a smear campaign: "Let it be clear that your silence in the face of the content of the Medical Federation's attack . . . cannot be interpreted any other way than agreement or indifference to the matter."[88]

Ben-Dori wrote explicitly:

> We do not accept your reply that your national organization does not engage other than with professional issues. The Federation of Labor has not held and does not hold such a narrow and qualified outlook [concerning] issues within its chambers. In this case a deliberate attack on a huge health project, established by the labor movement through its independent endeavors, to [its] glory and pride. . . . Why is the doctor public, who carries on its shoulders the bulk of the work in the institution, apathetic and mute in the face of the Medical Federation's performance in this area.[89]

The HMF sought to prevent renewal of the agreement with Kupat Holim, as did the MS. According to the first agreement between Kupat Holim and the MS, the MS only provided care to wounded soldiers; all other forms of medical treatment for military personal was provided at Kupat Holim clinics, alongside health care for their families. Now, the MS raised the proposal to transfer all medical (i.e., regular health care) services for military personal to Hadassah and leave the health care of the families of military personnel in the hands of Kupat Holim. In order to fulfill their mission of providing ongoing medical services to thousands of mobilized personnel, the MS began preparations to establish a network of clinics and institutions of its own, seeking funding from the minister of finance, Eliezer Kaplan.

> Kaplan, who was wary of such a large outlay on a still controversial issue, supported Kupat Holim's position that medical services should be left in the sick fund's hands. Kaplan asked Ben-Gurion to intervene and delay action on the matter until a joint finance committee of government and Kupat Holim representatives could examine the issue.

The MS's refusal to renew automatically its contract with Kupat Holim prompted the sick fund to appeal directly to Ben-Gurion. In a letter to the minister of defense, the sick fund noted that the service it had provide was significantly cheaper that any other existing service or any service that stood to be established; that the sick fund had invested tremendous resources in organizing assistance to mobilized personnel and their families, and that it was unfair to then cancel this service. Furthermore, they stressed, there was no sense in making changes in medical services to military personnel in the middle of a war, and any changes should be weighed only when peace was

restored. Thus, Kupat Holim requested that the contract be renewed for at least an additional six months and "at the same time the government itself should examine the problem in detail in order to arrive at conclusions."[90] The letter was not brought to the attention of Sheba, the head of the MS, and a copy was only sent to Minister of Finance Kaplan. Kupat Holim sought to gain time and in the meantime initiate negotiations with the government on the scope of its services in the future.

Kupat Holim's attempts to hide their letter from Sheba were unsuccessful. Ben-Gurion, who did not want to make a decision without consulting Sheba, asked his secretary Nechemia Argov to pass a copy of the sick fund's letter on to Sheba and that Sheba add his comments. Sheba responded—arguing that there was no justification for Kupat Holim to continue to provide health services since the army could, with a small investment, provide medical services for itself, since the military medical network had by then been deployed throughout the country and there was no further need for Kupat Holim's clinics in distant sectors. Furthermore, from a health standpoint, battalion-level physicians were more familiar with their personnel and could provide better care than an unfamiliar doctor in a Kupat Holim clinic far from base:

> If Kupat Holim as a whole would have entered the government health service framework which is provided for by governmental funding, it would be possible to think about fiscal uniformity of all health services for both sectors, one military and one civilian, with both being provided for by government budget. . . . As long as Kupat Holim is an institution with split interest[s] separate from the government purse, the financial problem will prevent a unified health service.[91]

Sheba's comments echoed the position of the Hebrew Medical Federation and expressed what Sheba felt Ben-Gurion should demand—that is, integration of Kupat Holim within the government health network and severing Kupat Holim ties to the Federation of Labor as a proviso to Kupat Holim continuing to provide medical services to the army and the country's citizens.

Ben-Gurion, however, was not yet ready for such a revolutionary political move in the midst of the War of Independence, although he supported this position in principle. The time was hardly right for sparking a clash with the Federation of Labor. Kaplan's reluctance to channel unscheduled outlays towards establishment of military clinics, and the minister of finance's support for continuing the arrangement with Kupat Holim also played a role in the subsequent renewal of Kupat Holim's contract with the MS until January 1949. In a letter to Shmuel Reznik his friend Soroka wrote:

> What did we do before the MS was operational in the days of the Disturbances (1947–48) this is a matter of principle: Our desire to keep our soldiers, our sons and their families among our membership ranks is intense. The Medical Service

> will not, under any circumstances, be able to provide suitable assistance and all the affairs of soldiers and their families. This assumption requires appropriate conclusions, taking a hard line in [Kupat Holim's] relations with the Medical Service, behind whom hide people who have the clear intention of establishing a parallel medical institution of a military character—Let them prove their worth.[92]

In another letter Soroka wrote Dr. Meir:

> Our business with the Medical Service remains as tense as they were. In essence, we don't have close mutual contact except for carrying out our mutual commitments in accordance with the contract . . . The contract was extended up to the 1st of January, 1949 after Kaplan's and Zebarsky's intervened, much to the Medical Service's disconcert. I see this as an important achievement for us, not only from a fiscal standpoint, but primarily thanks to Kupat Holim having at this time contact with the NS and the army and this will ease your work there because a person who doesn't engage in military service isn't modern.[93]

Kupat Holim's success in extending the contract with the MS as a health care provider to mobilized personnel was only one facet of Kupat Holim's enhancement of its work and its stature within the newly-formed State of Israel. The other front was the military hospitalization network established by the MS, particularly Sheba's plans for Tel Letvinsky.

The Vision of the Large Hospital

Need was not the primary force behind expansion of the Tel Letvinsky Hospital beginning in June 1946; rather, it was the vision of a large, thousand-bed facility that would engage in medicine in all specialties and would constitute an important if not dominant institution within the State of Israel. Sheba and Heller championed this concept even before the Beilinson Hospital crisis and before the outbreak of the war, while Kupat Holim refused to adopt such a vision as a relevant model for its operation.

Kupat Holim's hospitalization policies were set according to the needs of its membership, a perspective that was part and parcel of Kupat Holim's overall development since its inception as a patient-driven initiative. Hospitalization was viewed as a complementary service to the sick fund's clinics. The size and scope of services was for the most part determined by Kupat Holim's directorate, and the hospital's doctors and even its chief medical officer had little influence on policy-formulation. Doctors were viewed by management solely as service-providers, not as policy makers or even professional consultants. Medical research planned and initiated at Kupat Holim hospitals was almost non-existent; most research was concentrated at the

Hebrew University in Jerusalem in collaboration with Hadassah Hospital. In the years 1946–47, Sheba and Heller had tried unsuccessfully to convince Kupat Holim's directorate to transform Beilinson Hospital in a thousand-bed facility that would become a university-level research and service center, similar to university medical centers in Europe and the United States. Such a medical center, they had argued, would become a hub around which the sick fund's health services would operate; research physicians would be valid and valued participants in setting hospital policy and operation. The vision of a hospital with a broad-scoped research component was unacceptable to Kupat Holim's management—not only the non-medical administrators, but also the fund's medical administrators. Medical research was foreign to the very spirit of the sick fund, which perceived its primary mission as providing equal, high-quality, and efficient service to its membership. Kupat Holim's directorate viewed the sick fund's clinics as the hub of its operation and the hospital's role as solely to provide complimentary services as needed, not the other way around. From Kupat Holim's perspective, the vision of the large hospital would amount to the tail wagging the dog.

Kupat Holim's directorate was perfectly satisfied to leave the medical research field solely in the hands of Hadassah and the Hebrew University. Hadassah's plans to open a medical school within the framework of its medical center on Mt. Scopus did not change the Kupat Holim directorate's position on the matter. The sick fund had no desire to compete with Hadassah in this realm and remained devoted to its social principles and purpose as a patient-oriented organization. For Sheba and Heller, the war and the establishment of the Military Medical Service presented an opportunity to establish the large medical center they dreamed of, independent of Kupat Holim.

Tel Letvinsky, which became a hospitalization center due to circumstances following takeover of the camp, enabled them to realize their aspirations.[94] The first step was to transform the convalescence facility on the premises into a bona-fide hospital that would admit wounded soldiers directly from the battlefront; the second step was to transform Tel Letvinsky into the IDF's primary hospitalization facility. To do so, they had to broaden the scope of medical practice and mobilize specialists in surgery, orthopedist, radiology, and pathology. Top specialists in these fields were not readily available. The only suitable candidates were doctors employed by Hadassah and Kupat Holim. The number of doctors at Hadassah was small and most were not interested in working for the MS, since they enjoyed both high professional standing and good salaries; moreover, in the first months of 1948, the Jerusalem doctors had their hands full treating wounded personnel on the Jerusalem front. Thus, the only ready reservoir was Kupat Holim. Sheba saw a marked advantage here, as he knew the staff personally and could choose the most able physicians based on his own personal evaluation and experience.

In October 1948, with completion of preparations to transform the convalescence facility at Tel Letvinsky into a regular military hospital, Sheba approached Dr. Posner—a surgeon at Beilinson Hospital who had been sent to the United States to specialize in chest surgery by the sick fund. In abrogation of Posner's contract with Kupat Holim (which had underwritten the surgeon's specialization), Sheba convinced Posner not to return to Beilinson, but rather to join the new hospital at Tel Letvinsky. Kupat Holim ordered Posner to stay in the United States to finish his training, however Sheba won Posner over to his side, based on the argument of national imperatives (that his skills were desperately needed immediately to save wounded soldiers), and the attraction of professional advancement the move entailed (such as the opportunity to head a large department, engage in research and enjoy access to sophisticated medical equipment). Posner returned to Israel forthwith and presented himself at Tel Letvinsky. Kupat Holim demanded that either Dr. Posner or the MS reimburse the sick fund for Dr. Posner's training in the United States. The MS refused, charging that Kupat Holim's demands were greedy, narrow, and selfish in a time of national emergency, and that the sick fund was unwilling to contribute to the health of the country.[95] A short time after bringing Posner aboard, Sheba recruited two more doctors from Beilinson Hospital: Dr. Spira, head of the orthopedics department, and Dr. Ashkenazi, head of the neurosurgery department. Sheba claimed that the move was justified by the very nature of battle wounds—that is, the two were needed more at Tel Letvinsky. Soroka wrote Dr. Meir: "For us, taking Ashkenazi is asking to drain the hospital of some content, and there is no argument between us on this. But Dr. Ashkenazi tells us—the same thing Posner and others have said—that under normal circumstances you are not able to give us beds, even on a limited scope."[96]

Sheba was not deterred by the fact that the neurosurgery department at Beilinson was only opened in March 1948 at great expense in special equipment, and mobilization of Dr. Ashkenazi left the civilian population void of any neurosurgical services since the neurosurgery department that had operated at Hadassah in Jerusalem had been temporarily closed due to the war.[97] In Sheba's mind the needs of the army and its personnel took precedence over all other considerations such as the needs of the civilian population, while he judged that Tel Letvinsky could provide for special civilian needs, if such arose. When Kupat Holim realized that it could not prevent Ashkenazi's recruitment into the MS, the sick fund applied pressure for sharing Ashkenazy, whereby the neurosurgeon would conduct operations at both Tel Letvinsky and Beilinson for the duration of the war. The sick fund was also weakened by the loss of another key staff member to Tel Letvinsky—the pathologist Dr. Karplus, and the gynecologist Dr. Rabau (who had also been one of the Beilinson rebels). Sheba brushed aside Kupat Holim's criticism of the MS for taking its best and

most essential doctors, arguing that the number of beds at Beilinson in surgery were limited and Kupat Holim hospitals were unable to provide the scope of operations needed by the MS, while Tel Letvinsky had unlimited bed capacity and could immediately meet the needs of both wounded soldiers and new immigrants. Sheba argued that the MS could not depend on Kupat Holim's services and it was its duty to ensure military personnel would get the best care possible, and Kupat Holim's criticism was uncalled for and unbecoming.

Examination of the employment rolls at Tel Letvinsky in its first year of operation reveal that all the camp's doctors and its auxiliary and administrative staff had been taken from Kupat Holim. Only one physician (among many) had been a private practitioner prior to joining the MS's medical staff. Doctors at other hospitals in Jerusalem and Tel Aviv either were not approached or chose not to join the new institution. Thus, willingly or not, Kupat Holim provided a reservoir of professional expertise and experience that the charismatic head of the MS was able to recruit and immediately redirect to organize emergency services quickly for Israel's armed forces in wartime, regardless of previous personal–professional ties or the bad blood the sick fund itself had generated during the Beilinson crisis, in the willingness of so many doctors to respond positively to Sheba's request when approached.

Military Hospital #5

On October 10, 1948, Military Hospital #5 at Tel Letvinsky began admitting wounded soldiers from the Negev frontline, and the number of hospitalized patients rose to five hundred. The mobilization of Kupat Holim doctors into the ranks of the MS increased as well. The hospital was administered by Dr. Heller, the medical director of Beilinson Hospital; upon his return from the United States where he had engaged in purchasing medical equipment for the MS, Heller began to work at Tel Letvinsky on a full-time basis, although officially he remained an employee of Kupat Holim. The growth in the number of mobilized doctors, particularly specialists in surgery, generated much concern within Kupat Holim. For the first time, the sick fund openly voiced concern that doctors were being recruited into the MS under the convenient guise of emergency conditions while under their noses, in essence, they were witnessing the establishment of a medical institution that constituted a possible alternative to the sick fund, or at least a serious competitor with Kupat Holim for the best specialist even in peacetime. Although the war was not yet over, Kupat Holim decided to embark on a struggle to preserve its status as a major player in the realm of hospitalization services. The official transformation of the camp from a convalescent facility into a

bona-fide hospital made it imperative for Kupat Holim to respond immediately. By October 1948 the invasion had been repelled and the IDF had taken the offensive in the war; thus, Kupat Holim was freer to speak out against plans to turn Tel Letvinsky into a thousand-bed hospital based, it believed, on siphoning off its own top personnel—without putting its public image in jeopardy.

The increase in Tel Letvinsky's operations with the open support and encouragement of the Ministry of Health only served to magnify Soroka's fears. Soroka wrote Dr. Meir who at the time was in the United States, requesting that he mobilize funding for Kupat Holim:

> In essence, nothing is changing in the government health department. Modest beginnings and a lot of talk . . . The practical part, mainly the hospitals, is in the hands of Dr. Lichtig (We will yet regret this appointment), and his is nothing more than a 'power of attorney' for Sheber-Heller-Padersky, consults with them based on pre-designed planning and thinking the main thing being to hold on to the hospital in Haifa as a future reserve for arranging work for all these doctors after their service in the military . . . On the other hand, a hospital is being constructed at Tel Letvinsky in Quonset huts, with 800 to 1200 beds with more and more plentiful equipment than that which Dr. Heller brought with him from America, of the richest style. The initiator and implementer in practice is Dr. Sheber and around him 'his people' are concentrated, and their aim is to concentrate the most important medical specialists, now under the slogan of caring for the wounded. Outwardly, the foundation for this hospital is that with the end of the war it will be turned into a hospital for immigrants. . . . In essence, Heller seeks what he planned at the time in the Beilinson Hospital . . . From all the above, I want to bring you to the serious point of thought that accompanies me and worries me: The shape and status of Kupat Holim in the health field in the days to come. . . . If other public medical institutions will be opened adjacent to us, that will take from us some part and if Heaven forbid our medical institutions will be small and on a low level, then within a definite time span, we will lose our stature and be just one of [many] institutions, and not the medical institution, as has been to date. . . . Our fundamental objective now is therefore—it's most urgent!—to enlarge Beilinson Hospital with a significant number of beds so we can preserve this hospital as the medical institution, compared to the other institutions that will be established in the country for a specific purpose. . . . We must begin to build Beilinson [according to] of the grand plan.[98]

According to Soroka, the proper response to the threat to Kupat Holim's hegemony was to adopt the large hospital concept, too, in order to compete for top specialists and stem the losses to the MS that Beilinson had experienced, thus transforming Beilinson into the flagship facility of the sick fund. The same month, the provisional government decided to encourage public hospitals to increase their bed capacity with an incentive: the government

would subsidize costs at a rate of two hundred Israeli pounds per bed. The minister of finance, Eliezer Kaplan, estimated that this sum was equal to a 25 percent of the total cost per bed per annum, and the incentive would add hundreds of beds.[99] Assistance hinged on at least a hundred beds being earmarked for hospitalization of immigrants, and both military and public civilian hospitals were eligible. The supplemental budget for new beds covered a full fifth of the operational budget of Kupat Holim, and amplified the competition between Kupat Holim and the MS for hegemony.

The MS and Kupat Holim in the Latter Part of the War of Independence

In November 1948, at a meeting of the regional directors and medical directors of Kupat Holim, Soroka raised the issue of competition with the MS and relationships between the sick fund and the Military Medical Service and between the two organizations and the Ministry of Health. Soroka framed the question at hand as, "What will be the standing of Kupat Holim within the government system in the short run and the long run?" Soroka said that until the present, the sick fund had focused on "preserving what exists," but now the time had come to focus on planning the sick fund's path for the future. He noted the tense relations with the MS, and the hostility and ingratitude that the heads of the MS harbored towards Kupat Holim while at the same time availing themselves of the sick fund's resources, its personnel, and medical experience in order to establish the MS's own operation:

> There is a government health department, not of a hostile country but rather of the State of Israel, whose role is to provide an answer to a string of problems regarding medical services in our Yishuv. This department is still pondering and grappling with its plans. At this time, we still don't know what will be the impact on the work of Kupat Holim: Whether it will compliment it or narrow it, ease its burden or increase it?. . . . We now face the ultimate question: Do we want to and are we capable of preserving this seniority and in the future as well to be The Institution [sic. The Organization]—with a capital T, of medical assistance in the Yishuv . . . and if to conclude I would say [we should] stick to [our] preferred path in the future—and declaration will not suffice, rather [we] must immediately go about setting up the tools to grow and expand to the extent that will behoove the new necessities.[100]

Soroka went on to cite the steps the sick fund must take to regain its leadership position: to expand medical intern by opening more clinics; to expand assistance to new immigrants; to open new institutes and laboratories; to expand rural clinics; to add beds and buildings to hospitals in order

to realize the program to recruit high-quality personnel. Here, for the first time, Soroka noted what he perceived as the difference in roles between the MS and Kupat Holim: Kupat Holim had a national, social responsibility for the health of the laboring public and the sick fund could not depend on the government to fulfill this role because the State of Israel was in no position to provide comprehensive medical insurance at this time. The sick fund's responsibility to the worker—to provide medical assistance on the basis of mutual assistance—was paramount, and must guide the workings of Kupat Holim for the foreseeable future:

> Therefore, we must ensure that in the future there will be no inroads on the roles of the institution. We, as laborers who aspire that medicine will be transformed into a popular asset and that medical assistance will be the responsibility of the state, and we believe this will surely come to pass. But at this point in time, we still don't know what will be the face of the country, and it would be good that when that hour comes we will be able to integrate in the roles of the State as a strong and established institution, and not as an institution that has thrown off the mantle of a host of responsibilities and roles.[101]

Soroka believed that the sick fund had to gird its loins and invest all its energies to reestablish its leadership position in health matters—a decision that spelled a struggle with the MS, and particularly against the accelerated expansion of Tel Letvinsky Hospital that already encompassed eight hundred beds, making it the largest hospitalization facility in the country.

In the months that followed, Kupat Holim went about expanding its own operation, including additional beds at its hospitals with the help of the government's special incentive grants. The sick fund added two hundred hospital beds: seventy-six beds in Beilinson B (which had become the Sharon Hospital, an independent facility); thirty beds in the Emek Hospital; forty beds in the Maternity Hospital in Kfar Saba. At the same time the sick fund began building another storey at the Beilinson Hospital—designed to house another eighty-six beds.[102] Soroka wrote in December 1948 to Dr. Meir in the United States:

> We decided to immediately build the fourth storey in Beilinson, and this is not instead of or in place of the [existing] extensive plan for Beilinson, but in addition to it and the explanation for such is simple. Any expansive plan for Beilinson that we begin will surely take 2–3 years and in the meantime where will be take beds from? And not only the question of beds for patients, but primarily: To give an answer to the doctors and allow them fitting work, because only by creating the possibility of work for doctors can we pass the test. We must give a solution to Dr. Ashkenazi, Dr. Posner and others. Addition of beds in Beilinson will allow us to work our way through the interim period with the expanded building renovated.[103]

The competition with the MS and the threat its Tel Letvinsky Hospital presented—that is, the need to win the hearts of the best doctors rather than solely be concerned with patients' needs—was what fueled expansion of Kupat Holim.

> Sheba, by contrast, saw little importance in new construction, and his primary focus was on increasing the number of beds—even if it led to crowded conditions within the existing physical plant. Soroka hoped that enhanced working conditions would be an attractive incentive for some of the doctors who had left to rejoin the sick fund—or at least would ensure that more doctors would not leave. In the estimation of Dr. Padeh and Dr. Brachot, colleagues of Soroka at the time, Soroka's gamble was correct. The arduous working conditions that resulted at Tel Letvinsky became a stumbling block in the work of its physicians; however, this was not registered at the time and the fierce competition between the two organizations continued unabated.

In December 1949 Sheba responded to Kupat Holim's charges for the first time in a formal letter, particularly to a series of letters that Soroka's sent to the minister of defense and the prime minister between September and December 1948 against plans to transform Tel Letvinsky into a thousand-bed hospital. Sheba noted in his response that he had not responded earlier to Soroka's objections solely due to lack of time in the face of other pressing matters; now, he said, in light of Tel Letvinsky's success in launching its network of operation theaters and hospital wards for soldiers and new immigrants—a solution that had indeed provided an immediate answer to the hardships of the times—there was clear justification for plans for a large hospital. In lieu of answering Soroka's complaints, Sheba disseminated a letter which he sent to the chief of staff, the minister of finance, the minister of health, officials at the Ministry of Defense and the Kupat Holim directorate suggesting that the recipients come visit Tel Letvinsky to observe with their own eyes how successful the facility was.[104] Sheba stressed throughout his letter that Kupat Holim had no workable solution to meet the needs for hospitalization services among immigrants and for the army, and had he listened to Kupat Holim, the outcome would have been "an immediate military defeat in the hospitalization of the wounded."

In response to Kupat Holim's criticism that establishing a large hospitalization network at Tel Letvinsky was wasteful and poorly-conceived in terms of organization, Sheba retorted that Kupat Holim had no prior experience in running a hospitalization system of this magnitude and therefore was hardly equipped to criticize it. He added that the military hospitalization setup he had established, particularly the large hospital at Tel Letvinsky, was capable of providing for the needs of the country in peacetime as well, not only in wartime, and therefore there was no waste of resources in its establishment. The establishment and continued operation of Tel Letvinsky was essential if

the State of Israel was to provide a proper response to the thousands of new immigrants who would be arriving in the coming years, as well as the needs of the IDF. In an article in the newspaper *HaBoker* on the workings of the IDF's military medicine machinery, Sheba explained to the reporter, "What the MS invests today, will serve the country tomorrow. The army is only a part of the Yishuv and we are building [it] for the entire Yishuv."[105]

Sheba, like Soroka, was keenly aware that medical services for immigrants was the key to control of the health system in the State of Israel, but Soroka, unlike Sheba, did not assess correctly the sheer magnitude of hospital beds that would be needed within a short time, under the double burden of immigrants and wounded soldiers; consequently, the Kupat Holim plan for increasing the number of its hospital beds was tailored to the needs of the sick fund, not the needs of the country. Sheba, on the other hand, expanded the number of beds at Tel Letvinsky and other military hospitalization facilities by one thousand beds, while Tel Letvinsky had close to a thousand beds alone. As a result, while Kupat Holim was woefully out of synch in its forecasts and the scope of its preparations, Tel Letvinsky and the MS were prepared to absorb the huge waves of immigration that doubled the population (seven hundred thousand immigrants) between 1948–51; 101,819 in 1948; 239,576 in 1949; and 170,215 in 1950 alone.[106]

In January 1949, Dr. Abraham Atzmon was appointed head of the MS, and Sheba, after turning down an appointment as general-director of the Ministry of Health, was promoted to the rank of general staff officer for military medicine and was dispatched to the United States to mobilize funding and to undergo advanced training in administration and emergency military medicine.[107] In June 1949, Dr. Meir was appointed director-general of the Ministry of Health. Kupat Holim hoped that the appointment would contribute to bringing Kupat Holim's clout back in balance with its rivals in the struggle for dominance of hospitalization services, although the main reason for their optimism was the significant advances in construction in late 1948 in Kupat Holim's physical plant, particularly the additional storey on the Beilinson hospital and the opening of the Meir Hospital in Kfar Saba. The sick fund's leader's optimistic expectations, however, were far removed from harsh realities.

The total increase in bed capacity at Beilinson that year was only eighty-five beds. While construction was carried out according to the high finishing standards the sick fund had set for itself, this did not carry very much weight with the doctors compared to the attraction of a significantly larger number of beds and patients offered at Tel Letvinsky. Nor could the Meir Hospital in Kfar Saba for treatment of tuberculosis compete as a professional challenge that would attract or bring back top medical staff; not only did the Meir Hospital's tuberculosis patient intake gradually decline, but many of the patients they expected to treat had already been hospitalized at Tel Letvinsky. Despite

the inferiority of its physical plant—difficult working conditions and wards in Quonset huts—Tel Letvinsky continued to attract and hold the country's best specialists due to the scope of its medical work. Due to the character of its operation and poorly-derived expansion policy, Kupat Holim was left on the sidelines, unable to compete in meeting the challenges that faced the medical community during the first years of statehood.

In deliberations in the Knesset in May–June 1949, the minister of health announced that the country had a shortage of twenty-five hundred general hospital beds and a similar number of beds were needed for the chronically ill and mentally ill. The two hundred beds Kupat Holim succeeded in adding to the country's health system was a mere drop in the bucket.[108]

The appointment of Dr. Meir as director-general of the Ministry of Health did not help Kupat Holim as it had hoped, since a short time prior to his appointment Dr. Meir found himself in an internal power struggle with senior civil servants within his ministry, a clash that prevented him from acting in behalf of the best interests of the fund, had he wished to do so. The appointment of Dr. Atzmon as head of the MS in place of Sheba, on the other hand, and crystallization of the MS's military framework and preparations to put the MS on a peacetime footing led the sick fund's management to believe that the balance on the hospitalization "playing field" would soon tip in their favor, for Dr. Atzmon held that there should be a clear separation of military and civilian hospitalization services. Atzmon felt that the IDF Medical Corp should aspire to establish hospitalization facilities on a small scale—several hundred beds—that could meet the needs of the army. The thousand-bed Tel Letvinsky facility that provided hospitalization services for both military personnel and civilians was not part of Atzmon's vision, and his people sought to curtail its operation accordingly. Thus, Kupat Holim assumed that internal policy changes within the MS would restore the balance of power to prewar levels without their lifting a finger, allowing Kupat Holim to reassume its position as an attractive place of employment for the country's top physicians.

Sheber was aware of Dr. Atzmon's views on the future of Tel Letvinsky. On the one hand, he tried not to oppose his successor openly in order not to undermine Atzmon's authority; on the other hand, although still in the United States, he made his position on the matter clear to the principals in Israel. Sheber remained in contact with policy-makers in Israel through an ongoing stream of letters and memorandums, thus playing a key role as a participant in deliberations and decision-making processes regarding the future of military hospitals that began at the beginning of 1949 as the war drew to a close.[109] In March 1949, Sheber sent key government functionaries, primarily figures in the Ministry of Defense, a memorandum on hospitalization services in peacetime. He argued that there was justification for maintaining the military hospitalization network that the MS had established, even in peacetime,

to carry out national missions such as care for new immigrants, thus maintaining an operating system that would be ready for times of crisis or disaster. Only the army "possesses the ample capacity to carry out [urgent missions]," he argued, and therefore it was essential to continue to develop institutions such as Tel Letvinsky.

Dr. Avraham Sternberg, a former employee of the MS, who in 1950 replaced Dr. Grushka as director of the Immigrant Medical Service, noted: "The school of thought that dominated thinking at the time held that the army would serve civilians, the army's medical services would answer all the civilian needs," but Kupat Holim still hoped for a reversal.[110]

The Last Battle

In June 1949, Kupat Holim tried for the last time to turn back the clock and bring about the closure of Tel Letvinsky Hospital, claiming the institution was a waste of precious resources, that it was suffering from organizational flaws, and that in the future there would be no need for such a large institution. A top-level meeting at the Knesset was called to discuss the future of "the Medical Service endeavors." Among the participants: Prime Minister and Minister of Defense David-Ben-Gurion; the chief of staff, Major General Yaakov Dori; Eliezer Peri (Perlson), the former director of Kupat Holim who had just been appointed director-general of the Ministry of Defense; Dr. Sheba, the founder and former director of the MS; Dr. Atzmon, the IDF chief medical officer. Atzmon asked to leave a limited autonomous hospitalization setup of four hundred beds in the hands of the Medical Corps, and to completely separate military hospitalization and civilian hospitalization services. Sheba defended the concept that had served as the foundation for the establishment of the Tel Letvinsky Hospital, arguing that a large central hospital under the responsibility of the army that would provide services to civilians was preferable, but Atzmon opposed this idea. During deliberations, Peri took the opportunity to present the fiscal problems facing the Tel Letvinsky Hospital and argued that in light of the wasting of resources, there was no economic justification in continuing to operate such a large hospital. Peri even stressed that the budgetary figures that Sheba had presented in order to demonstrate that such a large hospital would be more economical, were erroneous, adding that "the army can't be a contractor for civilian hospitalization." Sheba, who found himself cornered and sensed that the very existence of Tel Letvinsky Hospital hung in the balance, attempted to defend the concept of the large hospital with all his might, suggesting Tel Letvinsky be given a second chance to prove its sustainability as a large hospital under the aegis of the IDF, but if its economic logic could not be demonstrated during this trial period, then he would agree that the hospital

should be transferred to and managed by the Ministry of Health. The most important thing in Sheba's mind was to maintain Tel Letvinsky at its current size. He forecasted that Peri's and Atzmon's demand that the size of the hospital be reduced would not only undermine its stature but was likely to lead to its total closure. Examination of the protocols of deliberations over the fate of the military hospitals, and particularly the question of Tel Letvinsky, makes clear that Sheba felt he was fighting for the life of the institution he had dreamed of and finally realized. He mobilized a string of emotional-Zionist arguments ("for the good of the state") in an attempt to convince the participants to ignore the cut-and-dry economics presented by Peri, and Atzmon's reluctance to adopt his brainchild and its necessity:

> We, a group of crazed adherents who want to complete the endeavor that we began . . . Give us an interim period of half a year, while monitoring our actions to what extent we are more expensive, to allow us to finish the job. I say that I am not prepared to break up Tel Letvinsky, and it would be better to turn it over in one piece rather than demolish it in the middle . . . I'm willing to work even for the Ministry of Health. . . . assuming that it will be a government hospital. But if thing will be put on the table today, they destroy any possibility of development.[111]

Sheba perceived himself as thrust into the position of one of the two mothers who came to King Solomon each claiming the child was hers; he was willing to swallow his pride, preferring that his "baby" be given "unjustly" to the Ministry of Health if this was the only thing that would save its life.[112] As for the other military hospitals, Sheba was not concerned about their fate; they could be dismantled or be transferred to the Ministry of Health, but Tel Letvinsky, which embodied everything that he and Heller had dreamed of and fought for since the Beilinson revolt, was the pet project for which the two men were willing to struggle to the bitter end.

Deliberations about the status of the military hospitals continued through August 1949. In the end it was decided—to a large extent due to the recommendations of Dr. Heller—that all the military hospitals should be turned over to the Ministry of Health, and the Tel Letvinsky Hospital should be left in the hands of the IDF as a facility that would serve both military personnel and civilians.[113] It was also decided not to change the status or size of the hospital. Heller's main concern, like Sheba's, had been the future of Tel Letvinsky, and this was reflected in his own recommendation. Thus, the future of Tel Letvinsky was ensured and Kupat Holim was forced to accept the situation and deal with it. This was the last time that Kupat Holim sought openly to fight the concept of the large hospital that threatened its position.

Despite his victory on behalf of Tel Letvinsky, Sheba was unable to forgive or forget the attempts by Soroka and Perlson to torpedo the project, and he would cite their behavior time and again in years to come. Sheba

refused to ignore the role of Perlson in attempts to dismantle Tel Letvinsky; while objectively, from the military's standpoint, it was Perlson's duty to warn of the waste of financial resources he forecasted in Tel Letvinsky's operation, Sheba perceived him solely as a Kupat Holim implant, representing the sick fund's vested interests. To what degree this was true is hard to assess, but Perlson, who had administered Kupat Holim from its unification, and surely viewed the sick fund as *his* baby, was no doubt swayed to one degree or another in the position he took by the interests of the Kupat Holim as well as the interests of the Ministry of Defense.

Perlson's attempt to harm Tel Letvinsky continued to fuel Sheba's antipathy towards Kupat Holim, which was now based on both the Beilinson revolt and the war against Tel Letvinsky. In July 1949, Sheba sent a letter to his friend and colleague Albrecht describing his feelings about the collaboration that developed between Kupat Holim and the Medical Corps during deliberations on the future of Tel Letvinsky:

> As in other areas the 'utilitarian number crunchers'[114] in the Federation of Labor have apprehensions that the Engineering Corps and others will succeed, that the training of the soldiers will succeed, thus the MS harasses our people, and for now one should say 'yours,' not only because it's Sheber or Heller, but because at this time Blumowitz [Atzmon] and to the extent that he speaks the language of Soroka and Pearlman, you can see how the clash is even worse. There is a clash here between a young and weak State and veteran institutions, where the 'tuition' for their mistakes is also paid by the public, and right now the public needs to accept their authority and even to serve as a playing field for them as they see it. And we are getting further and further away. I argue that had Soroka been different, they would have replaced him. As he is, it's expedient because it generates power at little cost and [makes] a big impression. If I was able to give up hope of a large army and [if I would] aim for influence in the Yishuv, I would say about [Tel Letvinsky]: Take the whole inheritance. I'll go study and afterward I'll return and give me a department. I sacrifice that because I cry out that the transgression is in your hands, because if there isn't medical assistance for immigrants not I will be culpable, but they will be culpable . . . Right now, medicine will have more jobs because of the competition and already for that reason [alone] it is advantageous to the doctor public and the Yishuv that the 'enemy' MS was established. If he had been an opportunist seeing a quiet life, large hospitals wouldn't have been established, [they] wouldn't have dared speak of thousands of beds immediately . . . It's worthwhile living if one builds, despite the painful draining and cancerous hatred and [attempts to] undercut [realization].[115]

Once the future of the Tel Letvinsky Hospital within a military framework was ensured, the only issue remaining was the position of Dr. Harry Heller, a matter that had upset Kupat Holim since the establishment of the MS.

In May 1949, Kupat Holim had tried to find a solution to Heller's awkward position by bringing Heller back to work at Beilinson Hospital on a full-time basis, thus severing his ties with Tel Letvinsky. Beilinson, which had added eighty-five beds and another floor, was in need of a medical director with administrative experience at a large hospital, credentials that Heller possessed. Heller, it was believed, could successfully run and advance the facility as the fund's leading hospital.

In letters that Kupat Holim sent to Heller and other parties in the health care field, the sick fund charged that Heller had been derelict of his duties at Beilinson and was investing all his time and energies in establishing Tel Letvinsky contrary to all standards of proper public management. The sick fund complained that Heller's devotion to Tel Letvinsky was in very bad taste and had a highly detrimental effect on Kupat Holim in general, and Beilinson in particular. Because of the slurs to Heller's reputation and the pressure Kupat Holim's directorate placed on him, Sheba intervened directly. In late 1949 Heller requested to take his leave of Kupat Holim, and to transfer officially to Tel Letvinsky on a permanent basis. (Until that time, Heller was officially still a key employee in Beilinson's senior management, and had left abruptly without consulting his employers.) Sheba was keen to have Heller officially on his staff, but feared that Kupat Holim would block this move; therefore, Sheba sought to pull rank on Kupat Holim, literally and figuratively: he turned to the IDF chief-of-staff and requested that Dori arrange for Heller to be appointed the medical director of Tel Letvinsky:[116] "I see this appointment as an essential and immediate necessity if [we desire] to prevent the hospital at Tel Hashomer from losing him also."[117] Following Kupat Holim's refusal and sustained pressure on Heller to return to Beilinson and to sever all ties with Tel Letvinsky, Sheba appealed directly to the Kupat Holim directorate. In a long and emotionally-charged letter, he set forth the course of events since the Beilinson crisis and the establishment of the MS at the beginning of 1948. Sheba cited Heller's help and contribution and shared with the recipients for the first time his own ponderings, and Heller's, as to how to proceed in establishing the MS without detriment to Kupat Holim or Beilinson:

> When the war broke out and Israel Galili, National Headquarters Chief [head of the Haganah], then came to me with the question whether I would harness myself as head of the MS in the Haganah. I pointed to one better than myself, and he was Dr Heller, who was very strong not only in medicine but also in formulation and organization. Due to Kupat Holim's opposition, it was necessary to give up this force, and on the eve of the war to suffice with me as a substitute. . . . On more than one occasion you repeated to me and to others concerning your desire to get rid of Dr. Heller. . . . Although I met with Dr. Heller often and at length over the years, I did not raise with him, not even once not in the past nor to this day, on my lips what my ears heard, fearing that

> should he hear this, he would indeed leave Beilinson. Upon receipt of that well-known letter from the [Kupat Holim] directorate several months ago, Dr. Heller decided to leave and I prevented [him] from doing so, but it became evident, only for a short time. I am sorry about your shortsightedness but even when you planned the Big Beilinson [Kupat Holim's own expansion program] you were prepared to rid yourselves of him and now you have realized that without him the hospital will be orphaned And from here perhaps is the root of your rampant response as expressed in the letter to the Chief-of-Staff.[118]

Sheba's highly-charged letter was not sufficient to gain Heller's release from Kupat Holim; the direct intervention of Ben-Gurion was needed. In November 1949, for the first time, Ben-Gurion turned to the Kupat Holim directorate regarding the Heller affair.

In a long letter, Ben-Gurion came out against Kupat Holim's attack on Heller, and praised his outstanding and singular contribution, together with Sheba, to the establishment of the MS which saved countless lives in the course of the War of Independence. Ben-Gurion chastised Kupat Holim for their treatment and lack of appreciation of the two men who, after all, had come forward from among the sick fund's ranks and for their "tremendous undertaking," a deed that should be a source of pride to Kupat Holim, not reason for bitter complaint.[119]

Ben-Gurion's message was clear, and the sick fund had little choice in the matter. Early in 1950, Dr. Heller was relieved of his post in Kupat Holim and transferred to Tel Letvinsky. Adding insult to injury, Ben-Gurion himself stipulated that Heller's salary should be equal to that of the chief medical officer—far above that of any Kupat Holim physician, with all the accompanying perks of such a senior rank. Heller was then officially appointed medical director of the Tel Letvinsky Hospital.

The appointment was the final step in a lengthy battle of Kupat Holim to preserve its position as a dominant player and pacesetter in the health field in a society at a critical stage in the process of defining its character and guiding value, a battle that began with the doctors revolt at Beilinson, continued throughout the course of the War of Independence, and accompanied establishment of initial government machinery in the first months of statehood. If it terminated with strident tones, the outcome of this struggle determined the relative power of each of the main players in the health care power matrix, including the relative clout of Kupat Holim and newer organization born during the course of the war, the IDF's Medical Service and its leading hospital, Tel Letvinsky.

One might go so far as to conclude that in practice the Beilinson revolt came to a close not in November 1947 with the breakdown of negotiations between the sick fund's directorate and its senior doctors, but rather in the severing of the umbilical cord by the head of the revolt and the last of the Beilinson rebels to leave—Dr. Heller, and his rapid and successful absorption

into the ranks of the MS alongside his colleagues. The loss of Heller, while a painful blow to Kupat Holim, signaled the beginning of a transition period in the development of the sick fund as the Yishuv underwent the metamorphosis from a politicized community to a bona-fide polity. In the course of the struggle, Kupat Holim had gone from an almost exclusive health organization with no serious competitors, to an organization whose future and very existence remained shadowed in uncertainty.

In February 1950, a month after Dr. Heller's appointment took effect, the Kanev Commission, an inter-ministerial committee—suggested by minister of Finance Eliezer Kaplan and appointed by the ministers of welfare, health, and labor in November 1948 to draw up a social security scheme for the State of Israel (see chapter 3)—concluded its work and submitted its first report to Minister of Labor Golda Meir. Among the commission's recommendations was a merger of the sick funds and steps to transfer them into the hands of the state. Publication of the report was delayed at the request of the minister of finance, but was leaked to the press, generating stormy debate throughout the country. Thus, Kupat Holim had no time to mourn the loss of Dr. Heller, its failure to check the growth of the MS, and its overall loss of stature. It was forced to look to the future and begin charting its own course against the backdrop of new threats to its independence and stature as an organization and social institution arising from the Kanev Report: recommendations that Kupat Holim be nationalized and delivered into the hands the state.

Chapter Three

Towards a State Health System

Kupat Holim and the Health Insurance Question

In February 1950, the Kanevsky-Kanev Commission (the Kanev Commission)—established to investigate what shape social insurance in the State of Israel should take—completed its work and presented its first report to Minister of Labor Golda Meir (Myerson). Among the commission's recommendations was the suggestion that the health system be nationalized. Publication of the report was put off by the Ministry of Finance to prevent pressure on the government's budget, but the content was leaked to the press and sparked hot controversy. The Kanev Report was only made public three months later accompanied by a clarification that it did not reflect official policy, but the event marked the official inauguration of debate on the future of health services in the State of Israel, the place of Kupat Holim in the state, and, above all, whether to mandate a compulsory government health insurance law in the course of social legislation for the newly-established State of Israel.

Leaks to the press from the Kanev Commission's February 1950 report, and the stormy debate that it created, had already made it clear to Kupat Holim that it must put the issue on its own agenda and reformulate its position regarding the future. The sick fund had to decide how it viewed itself within the future health system after statehood and what its position was vis-à-vis the Kanev Commission's recommendation for compulsory health insurance law—the same kind of legislation that Kupat Holim itself had championed for almost two decades under the British Mandate, without success.[1]

Compulsory State Health Insurance—The Concept

The first plan for compulsory health insurance in a governmental framework was inaugurated in Europe towards the close of the nineteenth century. In 1883, Otto von Bismarck, Chancellor of Germany, legislated a compulsory health insurance law and established the first health and pension institute for laborers, based on progressive dues. While Bismarck's health insurance scheme was designed to further political objectives and gain the support of the laboring classes for his government, the conceptional roots of the system he established were paternalistic—the belief that the poor should place

their personal wellbeing in the hands of their masters, their government, the chancellor of the German Empire.

The concept that a ruler has a duty to care for the health of his subjects, including members of the working class, can be found as far back as the Roman Empire, from the rule of Julius Caesar onward. In the Middle Ages this idea was further entrenched as part of the feudal system, and although it was not anchored in any form of compulsory legislation, this duty was widely accepted by both nobles and vassals as an unwritten law. There are a number of documented cases in which vassals sued their masters for provision of health services as a matter of form, as well as cases of monarchs who demanded that their nobles fulfill this duty to their vassals. Failure to do so resulted in the offender losing face and stature in the eyes of his peers, the nobility. This was the state of affairs until the end of the Middle Ages, but the growth of the city and the weakening of feudal ties led to the transfer of responsibility for the health of inhabitants from the nobility to the community and the nation-state.

The first to provide conceptional justification for intervention of the state in economic and social affairs was Adam Smith (1723–90), a founder of the concept of political economy. Smith stressed that in spheres where unfettered economics undermine social justice, government controls are necessary to impose social reform. Smith championed government intervention in such cases, although this conflicted with the unregulated economic freedom he championed in a host of other realms. Although his writings on this issue related to rural society, his ideas were co-opted among thinkers in urban industrialized areas of Europe at the dawn of modern society.

The impact of epidemics on European cities in the early nineteenth century due to overcrowding, poverty, and poor sewage disposal and general sanitation and hygiene pushed authorities to intervene in the lives of subjects and bolstered the idea that it was a nation's duty to control the economic and social system, not out of concern for the welfare of the individual as socialist thinkers argued, but as an essential element in ensuring the sustainability of the state. A series of laws and regulations in Frankfurt (1849) and in the Confederation of Northern German States (1866) regulated the intervention of the regime in the lives of inhabitants, enforcing sanitary regulations that extended to the privacy of the home (requiring cleaning of domiciles to prevent epidemics). In 1976 Germany went so far as to establish a national health office to supervise health issues for the sate. The office published programs for vaccinations and supervision of sanitation, and invested absolute legal powers in district managers to intervene in any and all medical and health issues within the state. A similar office was established in England, but its authority and prerogatives to intervene in the lives of the inhabitants was more limited, reflecting differences in British political culture. According to historian H. R. Shryok, the willingness of rank-and-file

Germans to accept the intervention of state machinery in their lives and to obey the laws and regulations that the government formulated, as well as the structure of Bismarck's state that invested broad powers in the hands of the chancellor, played core roles in the process that culminated in health insurance legislation in Germany under Bismarck.[2] What fueled the expansion of government intervention in social and economic life and gave this trend its legitimacy was Bismarck's vision for the German polity as well as his desire to undermine support for his rivals, not concern for the welfare of his working class citizens, per se.

Bismarck's initiative in mandating health insurance under law was a natural progression from the assumption, first raised by Smith, that the nation-state should intervene in the lives of citizens and the legislative measures adopted by the federation of German States at the beginning of the century to impose standards of sanitation to prevent epidemics. Legislation that regulated provision of health services for poor laborers was a valuable socioeconomic tool in the war against poverty and maintenance of health throughout the nation. The forces that led Bismarck to introduce health insurance, pension rights, and worker's compensation reflected a view that the state possessed the right to intervene; the move also helped Bismarck to win the elections by undermining the opposition. Bismarck was able to kill two birds with one stone: mobilizing the sympathy of the masses and winning the elections. The legislation ensured a regular flow of monies from employers and employees to underwrite health services via sick funds, in lieu of the previous system based on insurance companies and private practitioners, with charity organizations serving as an informal security net for the masses. Laborers were now entitled to receive health services as a legal entitlement. No longer dependent on charity, the health status of the working class improved considerably.

Bismarck's health insurance, however, was designed to provide health services to a small minority—only salaried workers. Only years later was the outreach of health insurance extended to other sectors of the population, and only then did the focus of legislation shift from financing health services for workers to insuring basic medical services for the entire population. By 1885, health insurance in Germany encompassed four million laborers whose monthly health insurance payments were deducted directly from their salaries, making them eligible for health services, pensions, and worker's compensation for work accidents.[3]

Following Bismarck's example, similar legislation was adopted in Austria (1888) and Sweden (1891). By 1912, similar laws had been enacted in all countries in Central and Western Europe.[4] Organization of the service and provision of insurance was carried out by voluntary organizations that operated on a not-for-profit basis and established sick funds. These bodies enjoyed official status and the state supervised their operations and granted

them subsidies and special dispensations to help bolster and spread their operations. Most of the sick funds took the form of non-profit insurance companies; they did not provide medical assistance themselves, nor did they employ physicians on a salary basis, but instead contracted such services from private practitioners who were paid according to the number of patients received. Members of the sick fund were at liberty to choose the doctor of their choice from a list of physicians working under contract with the sick fund.

One should keep in mind that the first sick fund organized under Bismarck's legislation was met with opposition among the laboring class on political grounds. The laborers viewed Bismarck's social reforms as a ploy to garner their support. While Bismarck sought to use the insurance to achieve political objectives and defeat his socialist adversaries, the labor movement did not foresee the advantages that the law opened for them from a social perspective.[5]

Kupat Holim and Compulsory Health Insurance during the Mandate Period

Members of the Second Aliyah, the founders of Kupat Holim, envious of the social insurance system in Europe and familiar with the social welfare system in Europe and the foundations of its health insurance machinery and its advantages, viewed the German program of health insurance as a goal that they should strive to acheive in Eretz Israel on behalf of Jewish laborers. The expulsion of Turkish Ottoman rule, the conquest of Eretz Israel in World War I, the establishment of a British Mandate over Palestine, and establishment of a civil government prompted the heads of the sick fund to lobby on behalf of similar legislation in Eretz Israel.

The issue of compulsory health insurance within a governmental framework was first raised on the Yishuv's agenda in 1925, at the initiative of the sick fund. This was not only due to the clear advantages of such a system from both a social and health standpoint, but also, even primarily, due to the economic advantages. Kupat Holim had found itself in economic distress as a result of debts accrued in the course of the world war and due to the fund's rapid expansion of its operational base in the postwar years to absorb new immigrants, which was further harshly exacerbated by high levels of unemployment among its membership due to economic recession. Consequently, Kupat Holim sought to ensure its existence by organizing regular government backing for its operation that would be forthcoming under a legally-mandated compulsory health insurance system. Such a law would require employers to participate in social insurance for their employees based on a progressive scale linked to the worker's salary, with all the

proceeds earmarked solely for the sick fund (channeled directly to Kupat Holim, not via the Federation of Labor). At the same time, from an ideological standpoint, legislation would ensure funding for equalizing access to health services for all the Yishuv, and put an end to the current state, where health insurance was beyond the means of the majority of the Jewish community. Improvement in the health of the Yishuv by ensuring medical care for new immigrants and laborers in particular was perceived as a national priority, part and parcel of realization of the Zionist idea, and an important tool in consolidating the Yishuv politically and socially[6]

Yitzhak Kanevsky-Kanev was the moving force behind the idea of legislating a health insurance law under the auspices of the British Mandate. Kanev—a member of the Second Aliyah and one of the founders of Kupat Holim—was a member of the sick fund's directorate and occupied a senior managerial position within Kupat Holim. During the British Mandate, he was also a key figure behind social legislation in other domains (worker's compensation, mother's insurance and more).

In January 1930, after extended deliberations with the Federation of Labor's executive (vaad hapoel), the federation approved Kupat Holim's request to raise the idea of legislation of a compulsory health insurance law with the British High Commissioner, Sir John Chancellor. The British Mandate government, which was not prepared politically or economically for such an initiative, rejected the Kupat Holim proposal hands down, without any discussion. The reason cited by the secretary of the government was fiscal—that the scope of tax collection within the Yishuv was insufficient to support such legislation. Various attempts by Kupat Holim in the course of the 1930s to take the idea of legislation forward and put the issue back on the mandatory authorities' agenda were rejected unconditionally, both on fiscal and political grounds, since the British were not in the habit of introducing social legislation under the auspices of Britain's colonial rule anywhere else in the world either.

It should be noted that the position of the Federation of Labor, and particularly Ben-Gurion (who at the time was the head of the federation) was not unequivocally in favor of compulsory health insurance legislation. On the one hand, the federation had to publicly back any initiative for social legislation that would improve the lot of its membership and advance social equality; on the other hand, Kupat Holim was the federation's primary social institution and a powerful political and organizational tool. Legislation was liable to transform the sick fund into an autonomous body operating under the aegis of the government, weakening or severing the federation's control of the sick fund, undermining its own clout. Therefore, the federation chose a moderate line, avoiding any political clashes designed to advance the health insurance issue after mandate authorities rejected the idea. The importance of Kupat Holim to the federation, and the federation's dependence on it, only grew after dues to the federation and sick fund health pre-

miums were combined in 1937 into one lump sum—the *mas achid* or joint dues, merging membership in the Federation of Labor and Kupat Holim. Once the joint dues were channeled through the federation machinery, part of the dues previously collected for sick fund functions was siphoned off to support other federation activities. Had a health insurance law been adopted by the British Mandate government, it would have had a positive impact on both the sick fund and the health of the Yishuv, but it would have undermined both the stature and the finances of the Federation of Labor. Ben-Gurion was cognizant of the utility of the sick fund and its core role for both the federation and the labor movement as a whole, having commented as early as 1922: "Kupat Holim is the one institution that gives the federation power."[7] Thus, it seems clear that in the years 1948–50, when leaders of the federation discussed the shape of health services in the newly-established State of Israel, compulsory health insurance legislation and the status of Kupat Holim in Israel, federation leaders were all keenly aware of the role of Kupat Holim as a key source of power.

The ramifications of legislating compulsory health insurance that would transfer responsibility for and the center gravity in health matters from Kupat Holim to the state, and that was liable to drain the federation of much of its power, was a key political question for the federation, Kupat Holim, and Ben-Gurion on the eve of the establishment of the Jewish state.

The Program of the Institute for Social Research—The Planning Commission

On November 20, 1946, the Federation of Labor's executive announced that it was founding an Institute for Social Research that would operate "to forward social insurance, labor legislation, and social work under its auspices through research and to serve as an aide to the federation and the social insurance section and mutual assistance of the executive in these branches."[8] The role of the institute would be to engage in all aspects of debate on and passage of social welfare legislation, and to work towards social legislation similar to that in Great Britain. The state of health services, health insurance, and Kupat Holim were not mentioned at all in the declaration of the institute's founding objectives, other than that it would be housed in the quarters of the Federation of Labor's Central Committee (merkaz), and that Kupat Holim's directorate's library would be expanded and turned over to the institute. The institute was to be headed by Yitzhak Kanevsky-Kanev, that is, a member of the Kupat Holim directorate and a founder and old war horse in the struggle for social legislation in Eretz Israel.

A secondary reference to Kupat Holim appears in one of the appendixes containing a statistical report that presents a list of the federation's social

insurance institutions. Other institutions cited in the appendix were: the disability fund, the unemployment fund, and the compensation and pension funds *Meitziv* ("stability") and *MeiDor LeDor* ("from generation to generation").[9] Kupat Holim was cited as the most senior social insurance body in the Yishuv, together with a detailed description of the scope of the sick fund's operation and membership.[10]

A week after the decision to establish the institute, it was already announced that Kupat Holim was seeking "an employee for research roles concerning its social services. . . . with suitable training from England." In correspondence with a colleague, Kanevsky-Kanev sought to detail the kind of researcher he sought.[11] Nothing was said about compulsory health insurance legislation or that the institute planned to discuss the status of Kupat Holim in the Jewish state-in-the-making. In late 1946, the question of statehood and the shape the Jewish state should take was on the agenda, but the level of discussions was still on a distant, almost theoretical, plane: a date had not yet been set, nor was Great Britain thinking of abandoning the mandate government at this point. Thus, the institute began operation aware of the need for social legislation solely from a narrow perspective, mainly as an avenue to better the lot of workers as a federation interest, without regard for national goals in the framework of a future Jewish state and the social welfare system that would have to be established.

During its first year of operation, the institute did not initiate any meetings or deliberations of federation members, nor was any research work assigned to anyone. The institute's operation was limited to publication of a series of papers entitled "Labor Research," that focused on social insurance in various countries in the world, including surveys of issues such as disability insurance, labor law, and labor relation courts. In October 1947, a month prior to deliberation at the United Nations regarding the future of the mandate and the historic vote on November 29, 1947, in favor of the partition plan (UN General Assembly Resolution 181) that paved the way for an independent Jewish state, Kanevsky-Kanev published a survey of changes in social insurance in the world, and a report from the Kupat Holim delegation to the International Congress for Social Insurance in Geneva. The status of Kupat Holim in the state-in-the-making and impending turnover of responsibility for health issues to Jewish government auspices was not even mentioned.

The revolution in the focus of deliberations at the Institute for Social Research came only a month later—in November 1947—two weeks before the fateful UN vote, at the first annual convention of the institute. At the opening session, Peretz Naftali, a member of the institute, said that "establishment of the Institute for Social Research adjacent to the federation's central committee was an act in keeping with the times . . . It is our duty to make plans for the primary foundations of social insurance in the state." As for the objectives of the institute, Kanevsky-Kanev added that "topical problems

concerning social insurance institutions in Eretz Israel would be studied: Kupat Holim, the unemployment fund. . . . In the social assistance domain, it is vital to clarify the relationship between operation of social assistance of federation institutions and assistive enterprises of the Yishuv."[12] This was the first time that question of the shape of the Israeli health system, which would occupy the Federation of Labor, Kupat Holim, and the government of Israel for years to come, was even indirectly mentioned.

In order to take the question forward and prepare a contingency plan and other suggestions regarding social insurance issues that would become relevant as soon as independence was declared, the institute's management chose a planning committee that was divided into two working groups, one to plan social insurance, and another to plan labor legislation.[13] The members of the social insurance working groups were Professor M. Benenson, the actuary of the Federation of Labor's pension institutions; attorney Israel Bar-Shira; Zvi Berenzon, the federation's legal advisor; Dr. Giora Lubinsky-Lotan, a lawyer and a social security activist; Zvi Luft, director of the federation's insurance company, Hasneh; Peretz Naftali and Hans Rubin, Mapam Party members; L. Shneider, a civil servant in the British Mandate government's Ministry of Labor; and B. Ronen, an economist. Kanevsky-Kanev served as committee coordinator and secretary. Except for Kanev, there were no other members of Kupat Holim's management on the planning committee, although the committee was mandated to deal with Kupat Holim's fate within the framework of the new polity.

The committee members appointed Kanevsky-Kanev with the mission of bringing a proposal for social insurance after statehood to the planning committee by January 1948 that would also address the question of health services in the State of Israel. Upon completion, the proposal would be brought for preliminary discussion before the committee, which would then formulate recommendations to be submitted to the relevant federatin institutions for final drafting. Thus, in November 1947, concurrent with the UN decision to establish a Jewish state, the social insurance planning committee began its work.

The shape of social insurance in the Yishuv also occupied the Yishuv's most senior governing body, the national committee, at this crucial juncture. In June 1947 the national committee published a memorandum on public services, including health, education, and social work, for the Jewish people. In the course discussing the memorandum, Dr. Abraham Katznelson-Nissan, chairperson of the national committee's health committee, underscored that these services were available on an acceptable level but suffered from ongoing fiscal difficulties because the burden of underwriting them fell entirely on the shoulders of the Yishuv, without any British government support whatsoever. Katznelson related only to the current situation—primarily the meager involvement of British Mandate authorities, but did not relate to what was

needed or desirable for the future, once the British had left. Only 3 percent of medical services for Jews were provided by governmental institutions, and responsibility for the remainder fell on the Yishuv.[14] In December 1947, after the outbreak of the first phase of the War of Independence,[15] a revised memorandum by the national committee was published, entitled: "Social Work in the Transition Period."[16] The memorandum omitted previous references to the mandatory government and social insurance that were no longer relevant, and discussed organization of future social services, including health services established during the course of the war, and afterwards, once the Yishuv became an independent polity. The memorandum was part of a larger general push for the organization of public life on an emergency basis and the preparation of services that could fill the void created by British withdrawal.[17]

Along with the work of the Federation of Labor's Social Services Planning Committee, the Institute for Social Research published its plan for the transition period in a June 1948 report that called for broad government subsidization of the federation's social insurance enterprises:

> The government will back Kupat Holim's hospitals and disability fund . . . The government will back the social [welfare] budgets of the workers, and first and foremost, Kupat Holim. . . . The government will ensure via special legislation payment of the Parallel Tax[18] to Kupat Holim for State employees . . . Payment of maternity leave. . . . payment of compensation for work accidents . . . obligation of employers to pay costs of treatment [for work accidents] and health insurance of their employees at times of accidents and so forth.[19]

That is, the Federation of Labor expected that the government of Israel would provide most of the funding for social services, which would be executed by its own established health machinery. In addition to publication of the plan, other institute studies also published in June 1948 made the federation's intention all the more transparent:

> The Federation of Labor set up of late a special research committee to examine problems of Kupat Holim, but the federation and the employers must solve these problems and they should not be allowed to delude themselves that all the problems will be solved by an independent State. It will take a long time until there will be changes in social services. . . . Until then, we must preserve the existing enterprises and provide them with the ability to fulfill their daily functions without interference. . . . As a second function during the transition period, preparation of a rational program for social security in the Jewish state must be seen to. The Institute for Social Research will assist future legislators of the state by gathering the material required for their work. . . . This material and the preliminary programs will serve as a foundation for legislators in the state.[20]

The institute's personnel assumed that the State of Israel would not be able to undertake the financing of social services on its own in the first years of statehood. Therefore, they viewed it as the national duty of Federation of Labor institutions such as Kupat Holim to provide the services that would be needed in the meantime, while they worked towards formulation of an information system and a comprehensive program for the future. At the proper moment, responsibility would be transferred to the government and plans for a social security system in the State of Israel would be instituted.

In January 1948, on the basis of these assumptions, the Institute for Social Research began to deliberate the issues, to draw up the main points for a social security program for the State of Israel, and to discuss the future of health services and the future relationship between Kupat Holim, the Federation of Labor, and the State of Israel.

A general meeting of the institute's personnel was convened on January 13 and 27, 1948, at a time when most public attention was focused on bloody events of the inter-communal war launched by Palestinian Arabs to block establishment of a Jewish state, and various political moves were afoot around the world to reverse the march towards independence by the Yishuv set in motion by passage of the partition plan. At the meeting, Kanevsky-Kanev presented the outline for a social security system he had been asked to draw up for the social services planning committee as a basis for their deliberations. Discussion of the principles followed.

Kanev's recommended the gradual establishment, in two to three stages, of a comprehensive social security system for Israel. In the first stage, lasting four years, a program was envisioned to include the following: ". . . elementary medical assistance for all that would encompass hospitals and clinics; compulsory insurance for employees; amalgamation of all categories of insurance; independently employed persons . . . entitled to voluntary insurance; productivation of neglected youth."[21] In the second stage, medical assistance would be expanded to include x-ray institutes, specialist laboratories, convalescence and dentistry, preventive medicine, and transfer of social work to local authorities. The third state of the program would focus on child allowances and housing for the needy.

Kanev's program placed responsibility for establishment and management of health services on the shoulders of local authorities and called for a compulsory insurance institute for workers to assist in organization of service. Only in the second stage would the state initiate legislation of a compulsory insurance law providing the right to health services and other social services. Services would be given regardless of any co-payment. The medical institutions operating in the Yishuv—Hadassah and Kupat Holim—would continue to operate among the population, while the state would establish, under law, a basket of minimal medical services for all citizens. Local authorities could provide additional medical services either free or for a fee, while

the financial burden for such services would be shared by local authorities and the state.

Kanev suggested the following for the organization and provision of medical services:

> Execution will be in the hands of local authorities. Half of the expenditures will be paid by the local authorities and the second half by the state. . . . The Kupat Holim clinics will continue to exist and will be encompass all those enjoying compulsory insurance in the area or a particular neighborhood. Kupat Holim's network of clinics serves to ensure the rapid realization of compulsory insurance that will come in place of existing voluntary insurance.[22]

The program recommended that all hospitals, including those established by Kupat Holim, be transferred to local authorities, while the government would share half their expenses. Likewise, it was recommended that a "rational uniform hospitalization program" be drawn up for operating these locally-administered hospitals.[23]

The social security program was supposed to be a uniform plan administered by one institution based on a standard premium for all that would replace the social security institutions of the Federation of Labor. At the same time, the planning committee added a recommendation that Kupat Holim's clinic network be maintained in order to provide compulsory health insurance services, alongside the health centers and clinics that would be operated by local authorities. Thus it created a parallel secondary system that was discriminatory to some degree: one for members of the Federation of Labor and one for the non-federation members; one owned by the Federation of Labor, and the other owned by local authorities, both providing the same compulsory health services to insurees.

The first stage of the social security program focused on compulsory health insurance for salaried citizens and members of rural collectives—kibbutz and moshav settlements. To a large extent, the recommendation repeated Kupat Holim's call to legislate a compulsory health insurance law for salaried employees, championed by the sick fund during the mandate period (1925–30)—a program that was also designed and authored by Kanevsky-Kanev.

Kanevsky-Kanev's January 1948 proposal not only maintained Kupat Holim's stature as an independent and separate institution that would serve as a health service provider for implementation of the law; it also made allowances for Kupat Holim to provide additional medical services to its own insurees, members of the Federation of Labor—services that were not covered in the basket of services mandated by law for all citizens.

In Kanev's eyes, the Ministry of Health's role would have to be curtailed to supervisory functions and formulation of policy and responsibility for

preventive medicine and hospitalization of the mentally and chronically ill. The operation of all health services, including Tipat Chalav (mother-and-child clinics operated at the time by Hadassah and World Zionist Organization), would be solely in the hands of local authorities.

The social security institute for workers that Kanevsky-Kanev called for would be responsible for establishing clinics for insurees; caring for persons injured in work accidents; operating institutes and laboratories; caring for the disabled, convalescent, and rehabilitation facilities; and overseeing dental care. Most of the medical care would be turned over to Kupat Holim and local authorities. At no stage of the multi-phase plan was the possibility of establishing a network of government hospitals under the aegis of the Ministry of Health to provide hospitalization services to insurees considered. The Kanev plan—formulated and presented in the midst of a bloody intercommunal war—cited that social security would provide equal services to all Arab citizens who would choose to become part of the Jewish state.

The plan did not detail how the Kupat Holim, the Federation of Labor, and the government should cooperate in financing the sick fund's health services for the state's compulsory setup. It did not stipulate how such federation enterprises as the disability insurance and worker's compensation should be transferred to the state. Nor did it discuss the fate of the joint dues that combined fees for membership in the federation and Kupat Holim into one lump sum.

On January 13, 1948, after members of the planning committee gave the blueprint its stamp of approval, the Kanev plan was brought for discussion before a wider audience in a general meeting. The key discussants were members of the planning committee themselves, joined by Aharon Beker—a member of the management of Hamashbir Hamerkazi—the federation's wholesale supply network, head of the Haganah's quartermaster for emergency times and a member of Kupat Holim's supervisory committee;[24] Menachem Zinamon, founder and manager of Mivtachim, the federation's pension fund company; Walter Proise, head of the federation's statistics department; Reuven Shenkar, the past treasurer of Kupat Holim, a member of Kupat Holim's directorate in the 1920s, and a member of the management of Bank Hapoalim in the 1930s; and Zeev Abramovich, a representative of the Akhdut HaAvoda, the Zion-leftist faction (later part of the Mapam Party) in the federation.

Deliberations focused on three issues: first, the lack of certainty about whether the Kanev plan could be realized from an economic standpoint and the tremendous burden it would place on the budget of the newly-established state; second, whether health services for Arab and Jews within the new state should be separate or not (the majority opinion was that one common system should be established to prevent separation along political lines); and third, the suitability of the program to increases in population forecasted and the need to expand services accordingly. The participants

expressed apprehensions that application of the program as presented was too ambitious, too rapid, and beyond the abilities of the state. Most agreed in principle with its form, but their comments focused on practical questions about putting the plan into practice: what would the priorities be, and how would they formulate a modular program that would meet the expectations and the future needs of the state?

The discussions took a different turn when the suggestion that some Federation of Labor social enterprises be transferred to the state was raised. For the first time in their public careers, senior members of the federation who had been among the founders of Kupat Holim were asked to take a stand between the interests of the federation and the interests of the state-in-the-making—between the good of the working public in the Yishuv, and the future needs of the country.

Among the leaders of the opposition to the Kanev plan's call to transfer some federation social security frameworks to the state was Aharon Beker. Beker argued that abolition of the federation's social security structures was dangerous and premature, for it was not yet clear whether the State of Israel would be a socialist country. Beker declared that, "at present we are sure of a coalition [but] will have to struggle much [to achieve] a workers' regime." According to Beker, transfer of federation institutions into the hands of the state was a dangerous move that put the social security of workers and the principle of mutual assistance upon which membership in the federation rested, in jeopardy. Preserving the federation's format was more important in his mind than the savings from avoiding redundancy between federation institutions and state institutions. In his opinion, as long as there was no assurance that the State of Israel would be a workers' state, the federation should preserve its status as a key party in protecting the rights of worker and his security:

> And what does it mean to amalgamate all types of social security in order to prevent expenditures on the administration. Today as well there are various sick funds. I want to have mutual assistance with my comrades in the federation. This is one of the pillars of our existence . . . I don't understand what's the intention of Kanevsky's suggestion. There's not only a matter of averting expenditures here. . . . Loading dues on the shoulders of the laborer is extremely burdensome. We all know that in recent years the federation has struggled with balancing Kupat Holim's budget, and from time to time we have come to the conclusion that the working public doesn't have the strength to bear this burden. Here one should take into account significant participation of the state.[25]

Kanevsky rose to the challenge, responding directly to Beker's criticism:

> Comrade Beker raised the problem of mutual assistance among Federation members. One should keep in mind that mutual assistance is a more primitive

> form of assistance than social security . . . Of course our emotions lean towards our institutions of mutual assistance, but we are duty bound to see things as they are: These institutions do not excel in perfection, and they don't have the ability to give a pension to the old, the disabled, nor to families. Kupat Holim as well, our great[est] institution of mutual assistance, doesn't have the ability to give sick leave at a decent level and sufficient hospitalization. . . . and as for the organizational form, one cannot demand that the legislator in the Jewish state will mandate payment to the federation as an obligation and to like institutions of other labor federations. And what about unorganized workers? Will the obligation of insurance not apply to them and their employers will be exempt from this commandment?[26]

In Kanevsky's view the only suitable and fair solutions was compulsory state social security that would encompass the entire citizenry, without exception.

Despite the strong reservations Beker raised about the Kanev plan, there was no immediate danger to Kupat Holim because under the plan, the sick fund's clinics were supposed to continue to operate in tandem with a system of local clinics, to be established under the aegis of the new social security structure. In essence, what appalled Beker and his colleagues was the negative effect of separation of the salaried working public—the backbone of the Federation of Labor, and reorganization of the safety net of this major sector of the economy under state auspices in a social security system, legislation that, it was feared, would seriously drain the Federation of Labor of its sources of income and its power.

In January 1948, the question of health care was also raised in the press. In an article in *Haaretz,* entitled "The Hebrew State and Public Medicine," the author, Dr. G. Kremmer, argued that it was the duty of the national committee to initiate comprehensive planning of medical services in the future Jewish state. This, he said, should be accomplished within a government framework, accompanied by legislation. The division of health services during the mandate period, he argued, was a result of the national committee's impotence. As a result, the burden of service was transferred to Hadassah and Kupat Holim. Now that statehood was within reach, this situation should be rectified by establishing a government-run health system.[27] How the relationship between Kupat Holim and the federation (and their ties with the state) should be resolved was not discussed by Kremmer, nor was it raised elsewhere or by others at the time.

Thus, the first deliberations regarding a social security system for the new Jewish state among Yishuv leaders and in the press began in January 1948. At the time, the discussants had no idea what the war had in store—the number of casualties and the cost in both financial and human terms that Israel's fight for survival would entail—including six thousand fatalities or 1 percent of the population of the Yishuv. Likewise, policymakers couldn't imagine the influx of immigrants that Israel would face—not only Holocaust

survivors from Europe lingering in detention camps, but also hundreds of thousands of Jews from Arab countries who left or were expelled—'transferred' to Israel under pressure of their hostile governments. Of the seven hundred thousand immigrants that came to Israel between 1948 and 1952, 330,000 were Jewish refugees from North Africa and the Middle East (and a small percentage of immigrants from other parts of Asia, such as India) who came penniless and often in poor health.[28] Moreover, in early 1948, trustee plans were discussed for raising foreign capital to replace the mandate with another form of international supervision as the British prepared to withdraw; it was not yet certain that a sovereign Jewish state could be established in five months' time. When such ambitious social security plans were being raised, no one grasped the economic pressures the State of Israel would face in its first years of independence. While discussions at the Social Research Institute were well-meaning, they were very naïve and rife with overly-optimistic projections that had little bearing on reality.

The Federation of Labor under Statehood

The Social Research Institute only indirectly touched on the primary question at the time: the status and future of the Federation of Labor within the state. As declaration of independence drew near, concern over this quandary among the leadership of the Yishuv's working public became more and more acute. With the outbreak of the first stage of the war at the end of November 1947, the federation mobilized all its resources to help the national committee deal with the growing scope of hostilities. Solel Boneh, Hamashbir, and Kupat Holim were all mobilized to assist, and did so without hesitation.[29] The federation assisted in practice and in many cases took full responsibility for providing missing services to the army and on the home front. At the same time, it was clear to federation leaders that there was a need to make preparations to meet the new realities that independence would bring, and to seriously discuss the scope and the nature of its own operation under statehood.

In December 1947, two weeks after passage of the partition plan, the dominant ruling Labor Party, Mapai, established an internal committee to discuss the status of the federation within the state.[30] The committee was asked to formulate a proposal on this issue to be presented at Mapai's next national convention that month. The committee was composed of key federation leaders, including members of the Social Research Institute (Berenzon, Gluberman, Peretz, and Kanevsky-Kanev). The outlooks of the participants pitted three groups against one another. The first group, pragmatists led by Pinchas Lavon, supported the concentration of public services control in the hands of the state, meaning the transfer of many federation institutions to the State

of Israel. Pinchas Lavon argued: "Our orientation must be in the direction of establishing a state whose state machinery is strong, including and encompassing all life domains, without any buffer between the state and its citizens." At the same time, the "Lavon group" believed that the federation's status as a core labor organization in the state had to be maintained, and that common ground had to be found that would enable coexistence between the two entities, without undermining their respective power and autonomy. Thus, for instance, Lavon and his colleagues agreed that all military matters should be transferred to the government's responsibility, but institutions such as Solel Boneh and Kupat Holim that were the wellsprings of the federation's power, should not be transferred to government auspices.

The second group, the statists or "mamlachtiim"—supporters of Ben-Gurion—viewed the federation as an instrument for advancing the interests of the state, without any separate mission of its own. They championed extending government functions as much as possible, even at the price of undermining the status of the federation, all in the interests of the state. They did not call for the dismantling of the federation, but they assigned it secondary roles. Ben-Gurion expressed this strategy, arguing:

> During the British Mandate period, the federation fulfilled state functions out of awareness of its historic mission, and due to the absence of Jewish state machinery. Continuation of these functions after the establishment of the state [of Israel] is a superfluous burden on the federation and a severe blow to the state. . . . The Federation is not a rival or a competitor of the state, rather [it is the state's] faithful assistance and devoted support.

Yet, Ben-Gurion added:

> When I say State, I don't mean the state machinery in particular. Many services can be maintained in a more effective manner by organizations run by beneficiaries and consumers, such as health services. It would be a serious mistake and a social and public loss if, for instance, the medical service will entirely become a service run by the officialdom-like machinery of the state since the large majority of citizens in the state, and first of all members of the federation, have organized medical assistance on their own steam, on the basis of mutual assistance that has reached a high level. But the state must ensure general health care to all the population of the state, and any person who is not a member in the organization of insurees within Kupat Holim, will receive medical aid directly from State institutions. But the autonomy of the insurees' organizations in Kupat Holim must be preserved, and the rest of the inhabitants must be encouraged to join these organizations.[31]

The third group represented the normative position: the Hashomer Hatzair and Kibbutz Hameuchad (kibbutzim established at the outset of 1948

by the radical Marxist left-wing Mapam Party) who viewed the federation as an educational-political tool of the first order, whose role was to preserve the almost unchallenged hegemony of the labor movement as a political, economic, and social monopoly—even after statehood—and who opposed any change in the federation's government-like functions.[32]

All three positions were expressed at the conference and other meetings that took place in the months that preceded declaration of independence. These discussions influenced the way various institutions addressed the Kanev plan for health insurance drawn up at the request of the social services planning committee, and its attempts to determine the proper and rightful place of the sick fund within the state.

Political scientist Yair Zalmanovich holds that David Ben-Gurion's willingness to leave Kupat Holim in the hands of the Federation of Labor was based primarily on narrow political considerations, not state interests:[33] on one hand, the desire to weaken the rival and more radical Mapam party (established in January 1947 in the midst of the war by Hashomer Hatzair and Achdut Haavodah); and on the other hand, the need to collaborate with the religious parties in forming a coalition in the provisional government that would be established with declaration of statehood, and to enhance Mapai's position vis-à-vis Mapam in the first Knesset elections. Leaving Kupat Holim within the Federation of Labor enabled Ben-Gurion to reward the religious front by giving them two perks: first, he gave his religious coalition allies control of the health portfolio; and second, he ensured that the preferential status the religious party's constituency currently enjoyed would continue—that is, the regular health services that Kupat Holim was providing at reduced rates to the religious parties, particularly members of the socialist-religious Poel Hamizrachi party, without their having to join the Federation of Labor.

Two other scholars, David Horowitz and Moshe Lissak, believe that the reason general agreement among participants in Mapai's December 1947 convention to leave Kupat Holim in the federation's hands stemmed to a large extent from apprehensions of possible loss of socialist hegemony within a democratic state and the desire to maintain the federation as a fallback reserve power base should their worst fears be realized. Horowitz and Lissak wrote that the underlying motivation was "the desire of the labor parties to operate social security institutions independent from the state . . . and in this manner they could secure the entire program from action by a hostile anti-labor government that is liable to be established in the future."[34, 35]

One way or another, despite differences of opinion over the role of the federation within the state, all were in agreement, for various reasons, that Kupat Holim should not be surrendered into the hands of the state. On the face of it, Kupat Holim did not seem to be in any danger.

The months of January through May of 1948 were not easy times for the Federation of Labor. They were marked by the spread of hostilities, the pressure of

a lack of resources and the federation's growing trepidation about its role in the state, the closer the Yishuv came to the moment of truth when the British would withdraw and an interim provisional government would need to be established by the Jews. Many of the drafted personnel, people who had been rank-and-file members of the federation and the sick fund, failed to pay their joint dues, and by March 1948 the federation's income levels had dropped to an all-time low. The drop in payments had an immediate effect on Kupat Holim's ability to function, as well as that of other federation institutions that had been harnessed to the war effort.

On March 24, 1948, the federation executive convened to discuss the joint dues, expressing growing concern about the situation. Melech Neishtat (Noi), a member of the federation's executive noted with anxiety that dues payment had plummeted to 8 percent of the membership:

> Without wanting to spread panic, I must tell you that for several months I have lived with great anxiety for the joint dues. . . . We're in a state of total impotency. . . . The question arises how Kupat Holim can continue to operate in this situation. We can't threaten to cease medical assistance, but (SS for) such will generate bitterness and indeed: How can one cease medical assistance to a farm or a cooperative in such times? It's essential that we devote attention to this situation, and not wait until we end up in a wholesale collapse.[36]

At the end of the debate the participants resolved unanimously "to turn to the working public with a call to strictly follow regular payment of the joint dues in keeping with [the federation's] binding decisions, to ensure the operation of the institutions whose existence [hinges] on the dues during these emergency times."[37]

Two months later, the Federation of Labor's executive approved, at special request from Soroka, addition of an emergency surcharge to the joint dues to improve the economic circumstances of the sick fund. In a discussion of Kupat Holim's financial situation held on May 10, four days prior to the historic declaration of Jewish statehood on May 14, Soroka spoke for the first time of his worries about the future of the sick fund within the state, despite the fact that the Kanev plan called for Kupat Holim to continue to function as an autonomous body: "We are told that we face tremendous changes in the country and the timing is not ripe for examining the fundamental questions of Kupat Holim. While it is possible to postpone clarification of fundamental questions for other times, the question of the existence of Kupat Holim right now (beyamim eleh) is in need of urgent clarification and decision making."[38]

Soroka was not the only one bothered by this quandary. In the meeting called to approve the supreme medical committee's conclusions regarding admittance of workers to federation institutions, Hans Rubin, a member

of the federation's executive, expressed his concern over the lack of any attempt to reorganize and position the federation accordingly as establishment of statehood drew near, including moves that were designed to skirt the federation's institutions in organization of new political machinery for the state. Rubin stressed: "We haven't heard anything about the work of the state employees' section regarding the question of establishment of the new machinery and ensuring the status of the federation in all this affair."

The response of Akiva Gluberman (Govrin) that the federation was trying with all its might to maintain its position did not satisfy Rubin or other discussants in the debate. Most expressed their concern regarding the reduction in the stature of the federation that establishment of an independent Jewish polity threatened to bring about. Berl Raptor declared frankly:

> I want to tell the [Federation's] Executive Committee that in my best opinion, in regard to establishment of the state's machinery, there are two possibilities . . . Either the federation will present itself in its full power with participation of its members in all the departments in Haifa and in Tel Aviv or a devil's dance will commence of outside parties and Federation parties. I warned that we should begin action as soon as possible, and I don't think that the People's Executive has taken any decisions on this matter, and I don't know who decides and who stipulates and who arranges [things], and in the meantime a machinery with Yishuvist importance is being put in place without the participation of the labor factions.

Yosef Lem was even more candid: "We are also interested that the important posts not be handed over to opponents of the labor movement, and such a danger exists today." Most of the participants in the meeting called for establishment of a committee that would address the matter, the general mood being that if discussion of the relationship between the federation and the state was postponed, it might be too late.[39]

At the beginning of May 1948, the federation's place within the state was a burning issue that did not leave the members of the federation's executive at all content. They viewed the state machinery being established before their eyes as a threat to their hegemony and their birthright, so to speak. The independent actions of state institutions were viewed as challenges to the federation's near monopoly in the social security domain. The provisional government established in May 1948 was founded on a coalition of most of the established mainstream Zionist political parties. The social welfare portfolios were given to the smaller parties due to the low value they were assigned within the cabinet. Thus, the Ministry of Welfare was given to the non-Zionist religious party, Agudat Israel; the Ministry of Health was given to the Labor Zionist religious party, Hapoel Hamizrachi; and the Ministry of Labor was given to the far-left Marxist Labor Zionist party, Mapam. While initially most government employees came from

the ranks of the Federation of Labor, within a short time, civil servants in the government machinery quickly began to divest themselves of their former ties and allegiances to the federation.

The more independence Israeli government clerks exercised in the execution of their duties, the less formulation of policy hinged on their Federation of Labor roots. As government service expanded, this trend was accompanied by the influx of civil servants who came from other sectors of society with no Labor Zionist background. Furthermore, policymaking was fueled by tremendous pressures to find immediate solutions to distress caused by mass immigration; thus, each of the ministries began to formulate independent welfare programs to meet the exigencies of the times. The federation not only ceased to be an almost exclusive agent in the health and welfare field; once a dominant institution, the federation began to be pushed to the sidelines. Until this point, absorption of immigrants was carried out primarily through the auspices of federation's and the socialist parties' institutions, bolstering the membership rolls of the federation and the political parties within it and enhancing their clout. When responsibility for absorbing immigrants became the responsibility of the state, absorption plans were drawn up and new independent nonfederation institutions for dealing with immigration were being established, draining the federation of future reserves. The only federation institution that continued to absorb newcomers was Kupat Holim, due to the agreement it had established with the Jewish Agency, by which all immigrants were initially insured by the sick fund during their first few months in the country.

On May 27 and June 2—prior to the release of the final Kanev plan for social security and health insurance—the federation executive met officially and publicly for the first time, to discuss the question of "the federation within the state." Leading members of the federation attended two lengthy meetings.[40] In his opening remarks, Sprinzak, the chairperson of the meeting, cited the heart of the matter:

> Here we are now, the federation within the State of Israel. . . . First of all, it is important for us to establish contact between us and the government that was established. . . . Contact with our comrades in the government is important to us. . . . The government is [the] government and our comrades in it constitute a part of the People's authority but we and they are interested that their drawing upon the roots from which they have drawn until now won't stop and they will be in touch with us in their thoughts about various matters.[41]

Other than such unwritten understandings with the government, Sprinzak also noted that first steps had been taken to establish a federation lobby within the government's machinery to forward federation issues and bolster the federation's influence within the government, particularly to ensure that

the federation's executive would have access to information and influence on decision making:

> We had a meeting with four comrades from the government and we arrived as a sort of hope of an arrangement vis-à-vis relations and ties. We reached an agreement that once every two weeks a meeting of the [Federation's] Coordinating Committee will be held with our comrades in the government. There will be a liaison comrade between us and the various departments of the government (We need a road guide of who's who, and who's relevant to this matter and who is otherwise).[42, 43]

In ensuing discussion, most of the participants focused on preservation of the Federation of Labor's status and influence within the decisionmaking hubs of state governance and what had already been done to ensure this. Namirovsky (Namir), who spoke after Sprinzak, said:

> The first matter is relations with the government. . . . The question is whether we will learn within a short time (in this I'm not among the optimists) to devise a satisfactory arrangement between us and our comrades in the government from the standpoint of reciprocal contact and influence—It's a decisive question not only for the future of the federation within the state, but rather also for the future of the state and its government itself.[44]

The members of the federation's executive committee knew that they were walking a tightrope between safeguarding the stature of the Federation of Labor and assisting Israel's young government in wartime. At the same time, one should note that the importance of the place of the federation in the new state was clear to them all. The steps the federation consequently took to establish certain realities in their favor through a semi-covert lobby of like-minded comrades within the government and the civil service was designed to help the federation remain a major player in the sovereign state.

Beyond calculations of political self-interest and the natural response of a organization as an organism to strive to survive, the federation's sense of peril was not only the upshot of the transformation from a voluntary society fueled largely by common values and norms, into citizenry of a polity founded on law (and coercion, as the case may be).[45] It was also a response to the influx of so many immigrants who did not share their social philosophy and whose arrival totally changed the normative character of society-at-large. Throughout the mandate period, life in the New Yishuv was for the most part dominated by an altruistic ethos and pioneering spirit (whether in theory only or practice). Laborites felt this ethos had to be inculcated into newcomers if Israel was to survive and not be torn apart by conflicting cultures in a society whose process of self-definition had, by circumstances, been thrown up for grabs, a situation exacerbated by gross inequalities, severe

rationing, lack of decent housing, and other basic human needs. Thus, while the tone of discussion was strident to democratic ears, one should keep in mind that founders of the federation sensed that all they had accomplished since the 1920s in building a Jewish society in Eretz Israel on enlightened values and social solidarity was liable to be washed away by demographic forces if laborites inside and outside government did not quietly collaborate in accordance with their equalitarian values and visions of forging a "New Jew," or, in the case of the more radical Marxist wing of the labor movement, a socialist workers' state.

Deliberations conducted by members of the federation executive on the question of the federation's place within the State of Israel also dealt with Kupat Holim. The federation's position was very close to the position formulated at Mapai's December 1947 convention. This is not surprising, particularly since the identity of the participants were largely the same. Here as well, discussants fell into three groups—the 'Statists' (*mamlachti'im*), the pragmatists, and the normativists (i.e., those who sought to maintain the *status quo*), but there was a significant difference: current deliberations took place after independence had been achieved and a provisional government was already in office. Consequently, discussion was more specific.

Mordechai Namir asked candidly:

> What will be the fate and the status of Kupat Holim within the state? Is it necessary, like all the nations that have achieved a high level of hygienic and social [welfare] culture, that elementary health and even not only elementary will be given to the working public, and even not [the working public] only, at state expense? And if so, through existing institutions, that at this time are Federation institutions, will [they] be liquidated in the course of transferring the burden [to the state]. And not only fiscal, but also nitty-gritty care on the shoulders of governmental institutions? One can raise a catalogue of hundreds of such questions.[46]

On the other hand, Meir Yaari—the leader of Hashomer Hatzair and Mapam—noted that transfer of socialist institutions of the Federation of Labor to the state would be possible only on condition that the entire country be labor socialist, and until then it was the federation's duty to continue to provide these services. The duty of the federation, according to Yaari, was first and foremost to ensure the establishment of a workers' state, and only afterward to consider transfer of the federation's institutions to the state. Similar stands were adopted by Mapam leader Yaakov Hazan; Beba Edelson, leader of the women's league in the federation; Berl Reptor, and Moshe Aram.

Pinchas Lubianiker (Lavon), a leading member in the federation, agreed with some of these sentiments, but added that he was angry with Ben-Gurion's government that it had not gone far enough in taking advantage of the federation in the course of the war, and therefore the federation had been thrust

onto the sidelines. Lavon reiterated his position as he had presented it at the Mapai convention, citing that establishment of the state required a change in the federation and its social security institutions, as well: From a system that insured only workers who were members of the Federation of Labor—as had been the case up to now, there was the need to go over to a system that would cover all salaried persons in the country based on progressive dues and participation of employees and the government in underwriting the system. At the same time, Lavon did not champion immediate dismantling of Kupat Holim or any of the other federation social security institutions, and like the other discussants, Lavon also held that the stature of the Federation of Labor had to be ensured before any changes were made.

Protocols of the federation's executive at the two meetings called to discuss the status of the federation within the state run fifty-seven pages long. Every member expressed an opinion in detail. Yet one idea runs like a thread throughout all: the belief that the primary duty of the federation, before any other mission, was to maintain the Federation of Labor's clout by practical steps, viewing the federation as a shield of the working class. None called for dismantling institutions or services at this stage or turning them over to the state. There was strong emphasis on the degree to which the government would engage in these functions and the primacy of the federation's social commitment above all other considerations—to serve as a shield for the working public.

It was against this backdrop and ideological milieu that Kanev's social security plan for the State of Israel was debuted in the latter half of June 1948.

The Kanev Plan—Who Will Insure Workers' Health?

On June 19—a time of turmoil within days of the Altelena episode[47] and on the eve of the Ten Days Campaign[48]—the Mapai party daily *Davar* published Yitzhak Kanevsky-Kanev's program for social security in the State of Israel.[49] The Kanev plan, formulated in January 1948 and only made public six months later at the height of the War of Independence, failed to attract public attention, which was solely focused on the war effort and dealing with massive numbers of causalities. Nevertheless, the plan sparked serious discussion both within the medical community and among the two rival workers' parties—Mapai and Mapam.

In July, the Mapam party newspaper *Al Hamishmar* published two articles focusing on the status of the federation within the state, and the question of Kupat Holim in particular. The articles did not deal directly with the Kanev plan, but readers could read between the lines. Both expressed Mapam's unequivocal position regarding the place of the federation within the state and expressed clear concern that "dismantling of the federation

at the initiative of Mapai," was afoot, as well as establishment of a coalition government that would not necessarily include all socialist parties or be limited to labor components—steps that in the mind of Mapam would lead to the labor movement losing power within the state, endangering all that had been achieved to date. The articles, penned by Mapam members Ben-Ari and Shapira, addressed Kupat Holim's status directly:[50]

> The Federation's economic institutions, even here opinions have become current that they should be transferred partially or entirely as is to the authority of the state. There are those who say: Kupat Holim? Of course it should be transferred to state authority. The State should be responsible for the health of laborers. This is logical and stands to reason, and therefore it's all too easy to dismantle this autonomous institution that we have nurtured and cultivated and to turn it over to the authority of the state. But can the state at this point preserve and elevate it? Will this institution, after it is encompassed among the state's institutions, be able to give the laborer what it gives him today?[51]

Consequently, Mapam held that it was imperative to preserve the federation's status as is at all costs, and Mapam opposed any plan that would undercut its power—first and foremost, to resist any change in the status of Kupat Holim as a key component in the federation's clout.

Similar sentiments opposing any change in Kupat Holim's status were expressed in another lengthy article in *Al Hamishar* published in August and written by Dr. Y. Halbrecht Sheba's close colleague and confident, written from a professional-medical perspective. Halbrecht argued that the pros in favor of an independent Kupat Holim outweighed the cons. Nationalization of the system would lower standards considerably to the inferior level that prevailed in government hospitals and ultimately would have a detrimental impact on the health of the citizenry. He held that it was imperative to pass a compulsory health insurance law that would obligate the government to participate in the cost of health services, but legislation should leave health care itself in the hands of existing health care providers such as Kupat Holim and Hadassah. He opposed the Kanev plan's call to transfer all hospitals to local government authorities or to the government of Israel, warning that such a move would undercut the standard of medicine in Israel. He argued that the Ministry of Health had absolutely no experience in hospital administration and that, for the meantime, all existing government hospitals should be transferred into the hands of Kupat Holim, which had experience in this domain. In the interim, the goal for the future should be to establish joint administrative machinery among all health agents in Israel—including Kupat Holim, Hadassah, the local authorities, and the IDF—that would re-assume responsibility for uniform administration of the health system on a national basis. Halbrecht stressed throughout his article that Israel's newly-established government viewed health matters as a low priority, and therefore he urged all

the parties currently engaged in health care not to rush to transfer ownership of their institutions to the government.[52] It may be safely assumed that publication of Halbrecht's article in *Al Hamishmar* represented the party's political position on the matter, and like the Ben-Ari's and Shapira's articles was designed to ground the Kanev plan and prevent its implementation.

Mapai and the Federation of Labor were also displeased with the prevailing mood and the ideological debate that the Kanev plan had generated, although the plan ensured Kupat Holim's autonomous status. On July 5, 1948, the federation announced the establishment of a special committee under the auspices of the federation's executive to examine labor legislation and social security issues. The members of the committee were Berenzon, Gluberman (Govrin), Lubianiker (Lavon), Kanevsky-Kanev (as chairperson), Reptor, Hermon, Cheskin, and Sverdlov. The committee was charged with presenting to the government of Israel the Federation of Labor's position vis-à-vis social security and labor legislation. In addition, members of the committee were told to examine the Kanev social security scheme from all possible angles and present their appraisal of the plan to the federation's executive. While things were not spelled out, the objective of the committee was, it seems, among other things, to find a way to maintain the federation's stature while implementing Kanev's plans. Labor legislation historian Avraham Doron surmises that the committee was also established due to the apprehensions of Kanev and his colleague that fragmentation and division of social security coverage among a host of different government ministries would result in each domain (health, severance, workers' compensation, pensions, etc.) operating within the narrow confines of each ministry's goals and vested interests. Such a state of affairs would not only be detrimental to the plan, it would push the planners (he and his colleagues) to the sidelines without any ability to influence future developments in the social services domain. They hoped that the committee would enable them to influence the government, particularly Mapai members in the cabinet, to adopt a coherent policy on social security planning. In Doron's view, there were political considerations, as well: "Mapam constituted the primary rival of Mapai within the federation and within the labor movement. Mapai was therefore very sensitive to its rival's accusations. Moreover, within Mapai itself strong factions had crystallized that supported the autonomous continuity of Kupat Holim and other social security institutions of the federation."[53]

In addition to establishing the special committee, the Federation of Labor published a call to the government of Israel, demanding that funding be transferred to Kupat Holim in recognition of the services it had provided to mobilized personnel and their families, and that the government initiate legislation that would require employers to participate in payment of 3 percent of the joint dues (to the federation and Kupat Holim).[54] The federation's pronouncements regarding its financial demands from the government

were accompanied by clarifications that receipt of governmental financial assistance demanded by Kupat Holim was a proviso for any discussion of the Kanev plan. The assistance was earmarked for addressing immediate health needs, while the Kanev plan sought solely to solve long-range problems.

According to Doron, when the Kanev plan was first published in January 1948 it was already out of date with the times and the needs of the State of Israel.[55] The war, mass immigration, and the economic straits the State of Israel found itself in, with all resources stretched to the breaking point, abrogated any possibility that the Kanev plan could be implemented. On the other hand, the aspirations and principles upon which the scheme was founded—to establish a comprehensive compulsory social security system for Israel—remained on the public agenda. The forces behind crystallization of the program were the ideological commitments of its architects, and ideological issues were what caused debate between supporters and opponents. Ideological ardor was strong enough to fuel attempts to overcome objective difficulties. But in addition to ideological leanings, there were also practical considerations. Questions about how much the plan would cost, who would pay for it, and what the economic and social ramifications of the plan would be were discussed at length and became the focus of heated public debate. Doron, however, adds that such practical matters played a much smaller role compared to ideological differences and vested interests. If practical matters had a role, they focused either on demands concerning social security that had been presented to the British Mandate government in the recent past, or social programs being drawn up for the future, at least in general terms. What seems clear is that achievement of statehood and the heavy responsibility it carried led to a weakening of plans for daring and sweeping social changes. Yet one should not ignore the fact that despite the extraordinary and pressing nature of the times, key parties in the political and social establishment considered far-reaching plans for a comprehensive social security system in their evolving society as an important enough issue to justify discussion despite other burning issues.

The Kanev Plan—The Physicians' Posture

The question of health insurance in the State of Israel—particularly the question of the future status of Kupat Holim, generated much interest among the doctors' community. At the outset of July 1948, following publication of the Kanev plan, the house organ of the doctors' professional organization, Michtav Lechaver published an editorial calling upon the physicians to discuss and even conduct a referendum among its membership on this key issue. The author of the editorial wrote that the government had three options: The first was to maintain the status quo. The second was to nationalize the system

and to turn it over to the Ministry of Health. The third was to find a "middle road of legal arrangements that would prevent irresponsibility on one hand, and would nevertheless leave living room for separate institutions with a level of regulation."[56]

Among the three possibilities, the doctors forewarned the public of the ramifications should things be left as they were: each sick fund would simply do as it pleased and compete with all other health providers by cutting fees in a manner that in the end analysis would be detrimental to both the doctors and the insurees. As for the option of nationalizing the system and creating a government-operated health insurance program under the aegis of the Ministry of Health, the doctors' professional organization argued that government ownership of health services would lead to a large, inefficient bureaucratic system rife with red tape. Therefore, the doctors' organization argued, a middle road was the best course to take, whereby there would be:

> a legal agreement for sick funds. . . . In such an arrangement it will be stipulated: 1. the kind of persons eligible to enjoy the fund's insurance; 2. the minimal level of dues that each fund will receive; 3. the kind of medical assistance that the fund is committed to provide to its insurees; 4. minimum membership [needed] to maintain a fund; 5. Which public bodies are authorized to maintain a sick fund . . . In this manner the law can prevent the establishment of private sick funds and ensure a certain standard among all the public sick funds. Within this framework, there is room for an institute for insurance from illness for the weak class such as the sick fund of urban or rural counsels and so forth.[57]

The physicians in the doctors' professional organization did not object to the very idea of health insurance, but it viewed its implementation through the prism of their own vested interests, economic and professional. Insuring the middle and lower class would still leave in the hands of the doctors a broad, lucrative market of well-to-do patients who would turn to private practitioners. For the same reason, the doctors' professional organization preferred public sick funds operating under law with a defined grouping of services, to private sick funds. Physicians in Israel in the latter half of 1948 were for the most part employed by Kupat Holim, Hadassah, and the IDF. Most of the physicians were salaried, either part-time or full-time. For years their salaries had been set by collective wage agreements negotiated by the doctors' professional organization. The doctors' professional organization had also been responsible for professional supervision and for establishment of norms of behavior between doctors and their employing institution; between the doctor and the patient; and between the doctors and their colleagues. It had set forth codes of ethics. And, it had served as an effective shield against any undermining of the professional clout the doctors' organization wielded as the only representative body of the physicians in the

State of Israel. Establishment of private sick funds or other private medical institutions that would compensate doctors on the basis of services rendered or some kind of personal contract, undermined the exclusive control that the doctors' professional organization enjoyed, since the body could not realistically expect to gain a footing or standing in negotiations over wages and remuneration within private sick funds, and would not be in any position to block such funds from lowering fees or taking advantage of their doctors in other ways. Nationalization of the system and making it subservient to the Ministry of Health would have undermined their stature as well, since in any clashes with the government there would be little or no room for power projection or application of pressure on government negotiators since in a nationalized system for the overwhelming majority of doctors, there would be no alternative for practicing medicine outside the system. The best alternative from the doctors' perspective was to maintain public sick funds and health organizations like Hadassah as independent public bodies, and tie their operation to compulsory health insurance (along the lines of the models established in Germany and Holland). Such a law would lead to expansion of the number of insurees in the sick funds, while protecting the professional status of the doctors within the public health system. Thus, the Kanev plan which left Kupat Holim standing (while weakening the independence of non-medical administrators in policymaking, an additional bonus) while transferring authority to local authorities (rather than the more powerful national government level) was the least undesirable option from the perspective of the doctors' professional organization. Establishment of a national government-run authority that would coordinate all social security systems including Kupat Holim's was the worst of the choices from the doctors' perspective that feared any exclusive government intervention in the health field. From their standpoint, a pluralistic health system was preferable, offering maximum competition and more latitude for the doctors to maneuver between compulsory insurees and the private practice market.[58]

Establishment of the Ministry of Health and presentation of the Kanev plan all at the same time, in the middle of the war, pressured the doctors' professional organization to define its position on the plan and to open communication lines with the newly-formed ministry in order to influence the formulation of policy in the halls of government. In early August, even prior to the expansion of deliberation among the doctors themselves on these issues, fearing that the Kanev plan was liable to be implemented without revision, the doctors' professional organization presented to the Ministry of Health its position on a number of key issues, including future health policy in the state, the role of the ministry in medical assistance, governmental hospitalization services, and a system of preventive medicine, among other topics.

Dr. Sherman, the chairperson of the Israeli Medical Federation (IMF), suggested that a referendum be conducted among the membership to garner opinions on these issues and present them to the ministry in a major document.[59] On August 4, 1948, Dr. Sherman summarized the position of the doctors' professional organization in a lecture on issues concerning the Ministry of Health's function and the social security issue. The IMF's position, as Sherman presented it, was that the Ministry of Health should focus on formulating policy and supervising and inspecting health services, and should not assume an active role in providing health services, nor should it own or operate its own health institutions: "The Ministry of Health should encourage the establishment of institutions, and support their establishment, expansion, and improvement, to coordinate their work, to supervise and guide, but not to manage. The Ministry of Health should leave the administration of institutions in the hands of local authorities or public organizations."[60] As for compulsory insurance, Sherman stressed:

> We must declare that we can't agree to Kanevsky's plan. We must work up another plan. We welcome general compulsory insurance. But from a fiscal standpoint it cannot be carried out and it is necessary to narrow it. After all it is better to remove from the insurance framework those classes of the population who have the financial ability to care for themselves even if they will be outside the ranks of the insured, and to concentrate all efforts to organizing sophisticated medical assistance for those without means.[61]

In its discussion of the Kanev plan, the IMF even went so far as to try to dictate terms to the government of Israel, setting forth under what conditions the doctors' professional organization would agree to collaborate in implementation of the Kanev plan. The provisos included making the IMF a partner in program management, employment of all doctors within the insurance program, improvement of the working conditions of doctors, improvement in wages, free choice of doctors, the right to engage in private practice for doctors employed in the public system, and limitation of insurees to the middle and lower class only. In Germany and Holland the wealthy actually had the option of joining the public insurance plan, while Israeli doctors sought to bar them from participation, leaving them at the mercy of private practitioners and the whims of the market.[62] While the Israel Medical Federation's demands stemmed directly from a desire to address a market with a surplus of physicians and to ensure employment to all, as well as rights and privileges that the physicians' community had worked for years to gain, such as the right of doctors in public institutions to engage in private practice, the organization's position did not enjoy the support of all doctors, although it did enjoy the support of the majority. Some, however, objected to presenting provisos to the government, and called for

unreserved support for health insurance from a purely moral and ideological standpoint—but their numbers were few.[63]

The question of nationalization of medicine and health insurance continued to occupy the physicians' community for months to come. The IMF invited its membership to debate the issue and express their views in writing, and a synopsis of input was published in subsequent issues of *Michtav Lechaver*. The physicians were divided into supporters and opponents of nationalization. The supporters were further divided into two camps: those who espoused a socialist ideology and viewed nationalization as but another move in the right direction for a workers' state, and those who viewed nationalization as a practical instrument for expanding employment opportunities for doctors and enhancing their earning power. Sherman was spurred to dash the overly optimistic expectations of the latter, explaining that the number of government jobs for doctors was liable to drop, and that there was no assurance that doctors would, indeed, reap economic benefit from a nationalized system. Sherman underscored that the governmental system would view its mission as improving the lot of the population, not improving the lot of doctors. He warned supporters of nationalization that they should not expect that economic salvation would arise from nationalization. Those who supported nationalization, he warned, were liable to end up digging their own grave.[64] He said: "According to the method employed in this [sick] fund, one doctor is needed for every thousand souls. That means that in order to implement insurance for the entire population (let's assume in the vicinity of eight hundred thousand souls) eight hundred doctors will be needed. What will be the fate of almost two thousand remaining doctors? What will be the fate of new immigrant doctors."[65]

Thus, the Kanev plan stood to endanger the doctor community, and their professional organization set forth to protect the physicians' vested interests by opposing the Kanev plan. Considerations such as the health of the populous and newcomers, social equality, and the public welfare that expansion of health insurance would bring was irrelevant in formulating the official position of the physician community.

In September 1948, three months after the Kanev plan was published and before the special committee appointed by the Federation of Labor's executive could reach a verdict or make any recommendations, the Kanev plan had already become a point of conflict among health agents, with each party seeking to pull the system, still in its formative stage, in their own direction, blocking any possibility of reaching an accord or a compromise.

In October 1948, after no progress had been made on the health insurance issue, the Minister of Finance, Eliezer Kaplan, announced a budgetary supplement to hospitalization facilities, primarily in order to add hospital beds and relieve the burden and the pressure created due to the war and the influx of immigrants. In budgetary deliberations over the supplement,

Kaplan mentioned the issue of social insurance for the state and underscored that the issue would soon be raised for a decision in the cabinet. Following Kaplan's comments, the Minister of Welfare Y. M. Levine went on to add that his ministry's legal advisor was processing all the material that had been gathered on the social security question and social security legislation. Nothing was mentioned regarding implementation of the Kanev plan or whether the program being worked up by the Ministry of Welfare was based on the Kanev plan or was being formulated on a different basis, independent of Kanev's work and recommendations.[66]

Establishment of the First Kanev Commission

On November 21, Eliezer Kaplan turned to the ministers of welfare, health, and labor, suggesting that an inter-ministerial commission be appointed to draw up a social security scheme for the State of Israel. The commission was headed by Yitzhak Kanevsky-Kanev. Kaplan's suggestion was to a large extent the upshot of constant pressure from Kanev and his colleagues who sought to enhance their influence by dominating a government committee and preventing decision making from falling into the hands of others. The IMF's reservations about the original Kanev plan and the opposition of Mapam, along with the Ministries of Welfare and Labor's independent appraisals on social security, made it clear to Kanevsky-Kanev that if he and his comrades did not act swiftly to reclaim control of the situation, their initiative would be lost. There were similar feelings among members of Mapai who feared that control of such a key social issue would fall into the hands of small parties—that is, their labor rival Mapam, the religious party Agudat Israel, and the non-socialist Progressive Party. This was liable to push Mapai on to the sidelines on a critical issue, just as the first elections for the Knesset approached. The purpose of Kaplan's initiative, as a member of the Federation of Labor's lobby in the cabinet and a key member of Mapai, was therefore to give in to Kanevsky-Kanev's pressure to establish a government investigatory commission. The choice of an inter-ministerial commission was also taken for political reasons—primarily to neutralize Mordechi Bentov, the minister of labor and a member of Mapam who had opposed the Kanev plan from the start. Bentov, for his part, sought to appoint the commission members himself and by determining who would sit on the commission, to ensure Mapam's position was heavily represented.[67] Because the government had not appointed any particular body to handle social security matters, Kaplan was able to take the bull by the horns and convene a special ministers meeting that approved establishment of a commission. What became known as the Kanev Commission was then brought for approval of the cabinet of the provisional government. Thus, primarily for political, not professional, reasons, others were brought into the decision-mak-

ing process of designing the country's social security system. The minister of commerce and trade—a member of the non-socialist General Zionist Party worked feverishly to get one of his cronies on the commission. Similar efforts were afoot by a mélange of movers and shakers: the Minister of Agriculture Aharon Tzissling, also a Mapam member and one of the heads of the Kibbutz Hameuchad Movement, the Manufacturers' Association, and the IMF, which had expressed concern regarding the Kanev plan immediately after its publication and sought to sit two representatives on the commission. In the end all these sundry appeals were ignored, and a nine-member commission was appointed. Kanev was appointed chairperson, followed by four directors-general of relevant ministries: the Ministry of Labor (Zvi Berenzon); the Ministry of Welfare (Y. Landau); the Ministry of Finance (David Horowitz); and the Ministry of Health (Dr. Avraham Katznelson who was later replaced by Dr. Meir when Katznelson resigned his post as the ministry's chief administrator.) Since it was questionable whether such high-ranking officials could participate in ongoing meetings of the commission, each commission member appointed a substitute who all served as deputies to Kanevsky—Dr. Theodore Grushka, director of the Immigrant Medical Service, and Ch. Yeffet, Dr. Giora Lotan, and Y. Ronnen, leading government administrators. In other words, four of the Kanev Commission members sat on the original Kanev Committee that drew up the Kanev plan.[68] Furthermore, the makeup of the new inter-ministerial commission ensured that the framework of the original plan would be preserved, although this time Dr. Meir—who in the past had been the medical director of Kupat Holim—was on the commission. Kanev, it should not be forgotten, was chairman of Kupat Holim's directorate committee. Clearly with this kind of makeup, Kupat Holim's interests would be protected or at least well represented at every turn. On January 20, 1949, Minister of Finance Kaplan informed Prime Minister David Ben-Gurion of the appointment of the inter-ministerial commission and that the commission had already commenced its work. The objectives of the commission as presented to the government cited the following goals:

a. To examine the problems of social security and existing services in this domain;

b. To carry out the work of planning social security, including all branches;

c. To coordinate suggestions and to hear opinions of the federation [of Labor] and interested institutions;

d. To prepare suggestions that will be brought before the government and the People's Assembly,[69] to set forth a social security program and to coordinate activities between the government ministries in regard to it;

e. To suggest a financing system and stages for implementing the program;

f. To formulate a full report.[70]

In essence, the directions were a broader repeat of the steps behind formulation of the plan developed by the Institute for Social Research, only this time design was being conducted under governmental auspices—something that Kanev hoped would give the commission's decisions and recommendations far more clout than the federation-organized committee, and lead to their implementation. On the face of it, the members of the commission judged that implementation of social security, including health insurance, were well within sight.

Politics and Health Insurance— The Struggle Outside the Commission

The swiftness with which the new commission was appointed and the quickness with which it began its work meant there was no pause in debate over social security issues. In January 1949, approximately eight months after declaration of independence, the first national elections took place in Israel and in March the first democratically-elected government, headed by Ben-Gurion, took office, replacing the provisional government. The government was a coalition government supported by a broad seventy-five member majority of 120 members of the parliament—the Knesset. The coalition included the dominant Mapai party, the religious bloc, and the Progressive Party. Mapam—which had been one of the primary opponents to the Kanev plan for a comprehensive national social security system and the primary force championing preserving the power of the Federation of Labor and keeping Kupat Holim as an independent framework—remained in the opposition. On the face of it, the fact that Mapam was left outside the government would seem to have improved the chances of passage and implementation of sweeping changes that would make social security the responsibility of the state, yet Mapam swiftly rallied and took the offensive to attack Mapai and accuse it of betraying its socialist principles by allying itself with bourgeoisie and religious elements. In the course of their struggle with Mapai, Mapam leaders stressed that the social security plan, particularly health insurance that Mapai sought to introduce, was ill-conceived and unrealistic: They charged that it threatened the status of the Federation of Labor and Kupat Holim and that Mapai sought to fool the public into believing that they would enjoy health insurance while in fact economic realities indicated that there was no chance of implementing the program under prevailing conditions. Despite Mapam's attacks that indeed undermined Mapai's attempts

to pass revolutionary legislation that would have brought about changes in the status of the federation and its institutions, the new government stuck to its founding principles and commitment to institute a social security system that would include state-sponsored health insurance.

The differences of opinion over social security included issues of health insurance—debate that focused primarily on the status of Kupat Holim, including attacks on the government from the non-Socialist political center and right. Thus, Yosef Sapir, a member of the General Zionists also argued that the government's plan sought to hoodwink the public. Nationalization of services and their transfer into state hands would accomplish nothing, he argued. Just the opposite. At a Knesset plenum session in March 1949, Sapir charged that such a move would serve as a guise for the government to channel monies to Federation of Labor social institutions that would increase the federation's power.[71]

Debate of social security was not solely the province of the opposition. Even within Mapai there were various opinions on this issue. Ben-Gurion, while he was a champion of statism, was conflicted by mixed feelings. On the one hand, he aspired to introduce a government social security system to weaken the Federation of Labor, primarily by transferring these functions to the government. On the other hand, maintaining Kupat Holim within the federation served other objectives, primarily rewarding the religious parties by providing their constituents with cut-price medical care through the auspices of Kupat Holim while gaining the religious bloc's support as members of the government in return for portfolios that lacked any real clout (the health portfolio, the welfare portfolio, and so forth). This consideration became all the more weighty after the first national parliamentary elections left Mapam outside the government, forcing Mapai to establish a coalition with the religious parties. Beyond coalition considerations, Ben-Gurion feared that leaving Kupat Holim and other power bases in the hands of the federation would strengthen the federation to such an extent that the Federation of Labor could threaten his position as prime minister and prevent Ben-Gurion from forwarding his social agenda for the government in areas that up until then had been the province of the Federation of Labor.[72] The leaders of the federation, who were also members of Mapai, feared just such a trend and sought to prevent a situation where the source of the federation's power—its social institutions—would be transferred to the government. For their part, federation leaders sought to influence the formulation of the government's plans in a way that would keep the federation a key player in this domain. A third group of Mapai members were greatly concerned with the economic burden that such an ambitious social security system would entail and expressed reservations as to the state's ability to carry through. At the other end of the spectrum was the fourth group within Mapai—Kanev and his supporters who were totally convinced and committed ideologically

to the position that social security was the role of the state. They held firm that just as they had demanded—unsuccessfully—that the British Mandate government initiate compulsory health insurance, thus they were now again making the *same* demands of the State of Israel. As far as Kanev and his colleagues were concerned, issues such as the country's objective economic strength and ability to operate such a system or the ramifications of such a system on the Federation of Labor could not justify delay of legislation. These were the price of achieving a lofty and long-sought goal. Kanev tried to convince his party colleagues in Mapai of the logic of his position:

> Mutual assistance is a more primitive form than that of social security. . . . Of course our emotions go out to our mutual assistance institutions, but we are duty-bound to see things as they are: These institutions are not crowned with perfection, and they haven't got the ability to give pensions to the elderly, to the disabled, nor to families. Even Kupat Holim, our great[est] institution for mutual assistance, doesn't have the ability to provide sick leave at a decent rate nor enough hospitalization. . . . And as for the organizational format, one cannot demand that the legislator in a Jewish state order it be compulsory to pay [dues] to Federation institutions and similar institutions of other workers' federations.[73]

The Position of the Israeli Medical Federation

The multitude of positions for and against the Kanev plan were not only the subject of debate among elected officials and members of the government, and the political opposition. The IMF's lack of success in bringing about appointment of representatives of the physicians' professional organization on the inter-ministerial commission and the fear that a plan would emerge from it that would undermine the position of the doctors prompted the IMF to initiate a series of actions designed to apply public and political pressure as the commission went about its work, in the hopes that such tactics would impact on its findings. During the IMF's annual convention in July 1949, Dr. Sherman publicly called upon the government of Israel, demanding IMF representatives be allowed to participate in the Kanev Commission's dealings. At the same time Sherman sent a letter to Kanev stressing the bitterness the doctors felt in light of the failure to make them a party to the commission's work.[74] When his appeal failed to generate a response, Sherman appealed directly to Ben-Gurion and requested his intervention. In his letter to the prime minister, Sherman wrote,

> The doctor public is very interested in planning of sick insurance in all its aspects, in that [the doctor public] is one of the implementers of the enterprise and is liable to be hurt by it should [health insurance] not be properly

> planned. Thus, it is clear that the doctor public is very interested in the success of the enterprise, and we therefore want to participate in its planning.[75]

Ben-Gurion, who did not want to make a decision on his own, approached Minister of Labor Golda Myerson-Meir for her view. When Myerson (Meir) rejected the doctors' request, Ben-Gurion adopted her position, and rejected the IMF's plea to intervene in their favor. Myerson (Meir) was irked by the request which she viewed as a challenge to enlightened government and a throwback to the way politics were conducted prior to statehood, during mandate times: "There are still organizations that apparently cannot free themselves from the habits of Mandatory government customs, and at times forget that we established an independent parliamentary state, and public representatives and not sundry organizations are the ones that lay down the law."[76]

Sociologist Avraham Doron believes that the doctors' demand that they be partners in the Kanev Commission's works was rejected not only because the political leadership rejected their demands, but also due to apprehensions that if the doctors would be added, it would serve as a precedent they would regret, for surely there would be other organizations that would demand the same, in order to sway the commission's findings.

The Struggle within the Commission

The Kanev Commission began work in the midst of a stormy election, and pressures from external sources and by changes in the political situation within the government. These forces led to fierce political conflicts among the commission's members that were no less bitter than the conflicts in the political arena. Kanev, who saw the commission as a direct vehicle for reconfirming his original plans for state social security and health insurance, was not prepared to deal with the politicking—internal and external, that accompanied the commission's work. Nor did the administrative framework within which the commission's work was carried out contribute to his mission: Eliezer Kaplan's original initiative—based on an inter-ministerial body, was 'structured' to operate under the auspices of a 'neutral' body, the prime minister's office—thus, preventing undue influence by any one of the participating ministries in the deliberations. However, a short time later, following appointment of Golda Myerson (Meir) as Mapai's minister of labor, the commission's work was transferred out of the prime minister's office to the Ministry of Labor. A special division was even created for this purpose—the social security division, designed officially to assist the commission in its work. Yet, Doron believes that despite the fact that Kanev occupied a senior position within the division's hierarchy, in practice his influence was greatly

undercut by the move, and in fact it was senior bureaucrats in the Ministry of Labor who actually called the shots. The bureaucrats undermined the commission's efficacy and its future by blocking Kanev's work, and in his memoirs, Kanev recalled that he was forced to request the intervention of Minister of Finance Kaplan in order to receive the administrative assistance he needed in order to make progress.[77]

Kanev decided that the first stage of the commission's deliberations would be based on interviews and hearing testimony and expert opinion of various relevant parties in the social, economic and health domain. The second stage was devoted to discussion among the commission members to reach conclusions and hammer out recommendations that could be presented to the government. As could have been expected, the focus of disagreement centered on health insurance and management of health services—primarily the question of the Kupat Holim-Federation of Labor linkage.

Despite the importance of the issue, the Federation of Labor refrained from sending any representatives to appear before the Kanev Commission to present the federation's recommendations, primarily because the federation's executive had yet to meet and discuss this issue—thus, the federation still had no official policy position on the issue despite the key nature of the question for the federation as an organization. Avraham Doron and Chaim Shlomo Halevi who studied the mood within the first Kanev Committee and the various positions presented by those who did give testimony before the Kanev Commission cited that "all the bodies that testified before the Inter-Ministerial Commission openly expressed their opinion that the state needed to take upon itself direct responsibility for the administration of health services."[78]

This position clashed with Kanev's original program that held that Kupat Holim would remain within the framework of the Federation of Labor, while parallel to this serving the government-run social insurance network. Dr. Chaim Sheba said that "There is only one solution to the medical problems in any country—and in Israel in particular—and it is nationalization of medicine." Dr. Giora Yoseftal, head of the Jewish Agency's absorption department, testified that "ownership of medical service should be in the hands of the government. Ben-Zion Michaeli, representative of the roof organization of local government councils also supported transferring health services to the hands of the government and opposed the continued existence of sick funds. This was the position of the Israeli Medical Federation as well, but the doctors' professional organization set forth a number of provisos for its support of nationalization of medicine—that is, ensuring employment for all doctors; improving the working conditions of doctors (a six-hour workday); and allowing doctors to engage in private practice in their homes—practice that would be part of government health services. The primary motive behind the IMF's position was

the desire to curtail the power of Kupat Holim that dominated the public medicine market in Israel and forbad its doctors to engage in private practice and set rigid work norms for salaried physicians—norms that required doctors to carry an exceptionally heavy case load and work extremely long hours. Dr. Bickels—the representative of the IMF and the chairperson of the Kupat Holim Doctors' Association—stressed that while Kupat Holim insured 43 percent of the public in Israel, the sick fund employed only 18 percent of the doctors; if the sick fund would be incorporated in state health insurance, it would compel a large portion of the public of insurees to accept Kupat Holim's employment policies and only worsen unemployment among physicians.[79] Similar arguments had been voiced by the doctors in July 1948 after publication of the Kanev plan drawn up by the Federation of Labor's Social Research Institute.

The abundance of testimony championing nationalization of medicine left Kanev in the minority on the commission he himself had fought to establish. Most testimony explicitly recommended nationalization of Kupat Holim and its transfer to government hands, while Kanev himself championed a two-tier service system: Kupat Holim on one side and government health insurance on the other. Kanev found himself odd-man-out on all scores: Even his argument that the state did not have the financial ability or the necessary experience to take upon itself ownership of Kupat Holim—a point Moshe Soroka cited time and again, was rejected by the members of the commission. The director-general of the Ministry of Welfare, Moshe Landau, said explicitly that he did not see any difficulty in transferring the sick fund to the state. The position of the commission members and the overwhelming support for nationalization of medicine among his commission members on one hand, and the interests of the Federation of Labor's social security enterprises and Kanev's personal sentiments and loyalties to Kupat Holim on the other, placed Kanev on the horns of a dilemma: Whether to begin formulating a state plan for health insurance by nationalizing medicine as dictated by the commission membership, or to remain loyal to the core source of his deep-seated worldview—Kupat Holim and the Federation of Labor. Kanev, who had been one of the founders of Kupat Holim and one of the movers and shakers behind social insurance within the Federation of Labor, was unable to lead a move that would undermine Kupat Holim and its historic ties with the Federation of Labor. The solution was, therefore, to formulate recommendations that could be read more than one way making it possible to preserve the federation-Kupat Holim linkage.[80]

Despite the intensive work of the commission to crystallize a plan as fast as possible, realities on the ground demanded an immediate solution to the harsh conditions that the country found itself facing—first and foremost, shortage of hospitalization facilities that prompted the commission to adopt an interim solution to hospitalization and medical assistance for immigrants.

1. Maternal and Infant Welfare Center, Tipat Chalav ("Drop of Milk" Station) in new immigrants village, 1954. On the wall, a propaganda poster for diphtheria immunization. Courtesy of the Government Press Office.

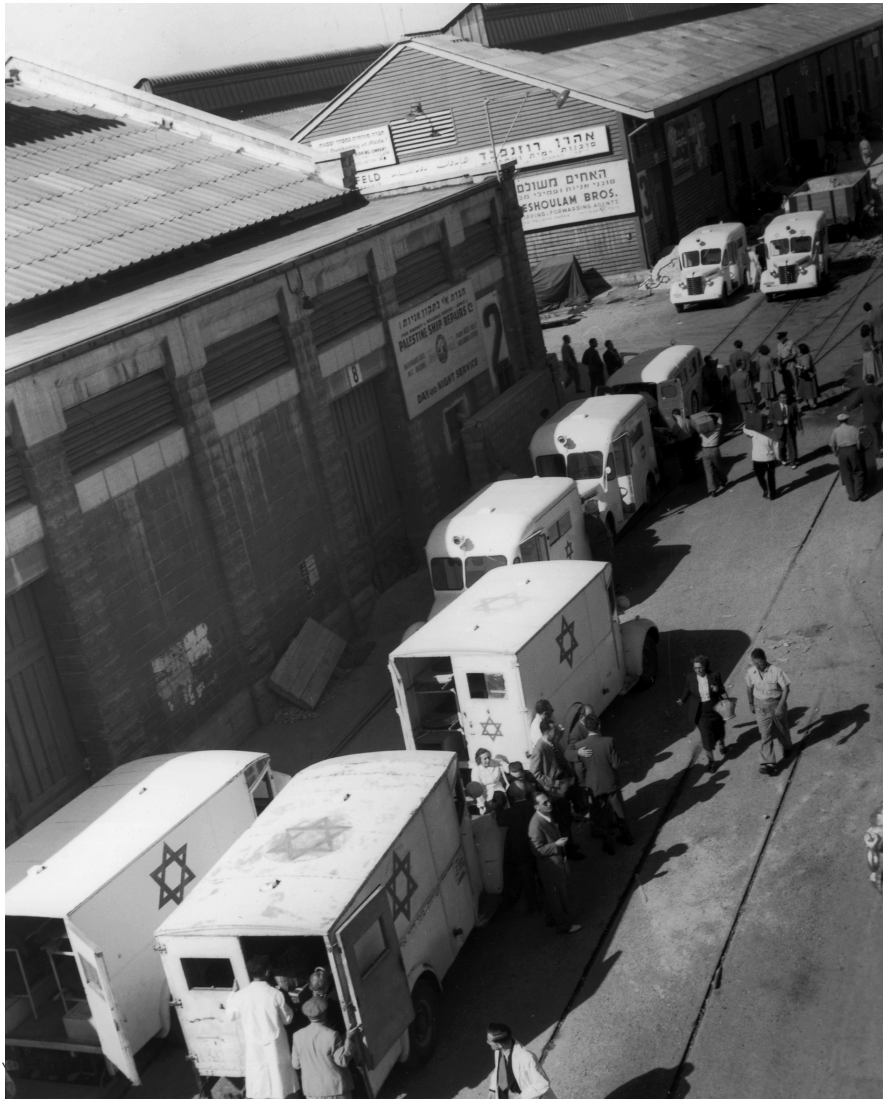
2. Living condition in new immigrants' camp, Israel 1950s. Courtesy of the Israel Defense Forces Archives.

3. Cleaning work in new immigrant camp, Israel 1950. Notice in the middle of the image a milk powder box provided by one of the international welfare organizations created in Israel during this period. Courtesy of the Israel Defense Forces Archives.

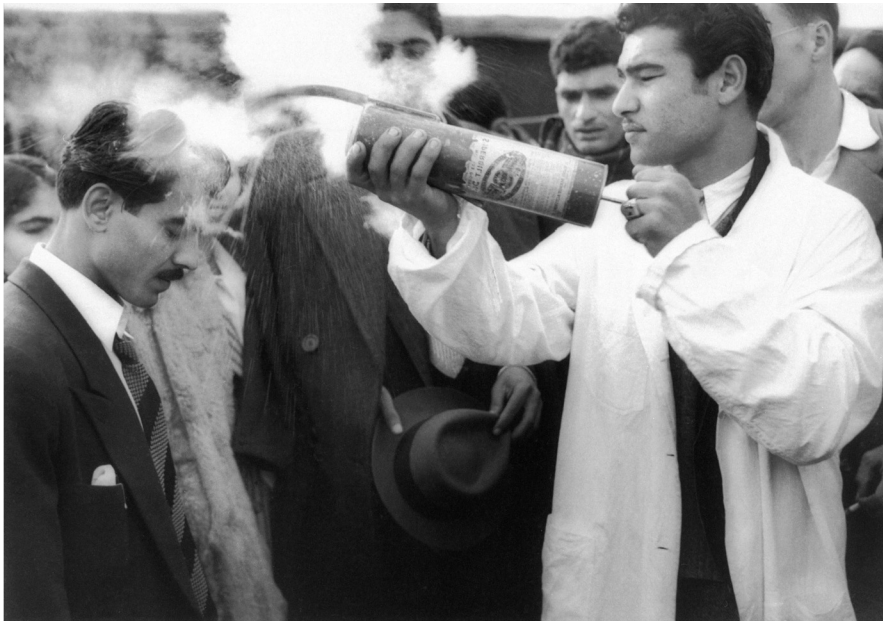
4. A crowd of new immigrants awaiting Ben Gurion's visit in the camp, 1950s. Courtesy of the Israel Defense Forces Archives.

5. "A glass of milk a day." Milk being distributed to new immigrant children by a soldier. Milk was mainly provided by UNICEF. The IDF took an active part in helping organize camp life. Courtesy of the Israel Defense Forces Archives.

6. Mobile clinic visits new immigrants' village. Ambulances to serve new immigrants donated by UNICEF and the Jewish Distribution Committee, JOINT. Courtesy of the Israel Defense Forces Archives.



7. "From ship to hospitalization." Ambulances awaiting ill immigrants. Ten percent of immigrants needed immediate hospitalization upon arrival to Israel. Courtesy the Central Zionist Archives, Jerusalem.



8. Dusting a new immigrant with DDT upon arrival to Israel was recommended and supported by UNICEF and WHO in order to prevent the spread of contagious diseases. Courtesy of the Israel Defense Forces Archives.

9. New immigrants arriving to Israel, early 1950s. Courtesy of the Israel Defense Forces Archives.

10. Living conditions, Israel new immigrants camp 1950s. Courtesy of the Israel Defense Forces Archives.

11. David Ben Gurion, Israel's first prime minister, and Dr. Haim Doron, then director of Kupat Holim, the Negev region. Dr. Doron, a new immigrant himself, had come to Israel in 1953. Courtesy of Professor Doron's private collection and the Ben-Gurion University of the Negev, Arrane Central Library, David Tuviahu Archives.

12. Moshe Soroka, treasurer of Kupat Holim (middle), and David Tuviahu, then the mayor of Beer Sheva (right) looking for an appropriate location to build the Central Hospital of the Negev. Background: old buildings of the city of Beer Sheva. Courtesy of Professor Doron's private collection and the Ben-Gurion University of the Negev, Arrane Central Library, David Tuviahu Archives.

13. Mobile clinic serving the Bedouins community in the Negev area, 1950s**.** The mobile clinic was donated by the Jewish Society for Humane Service. Courtesy of Professor Doron's private collection and the Ben-Gurion University of the Negev, Arrane Central Library, David Tuviahu Archives.

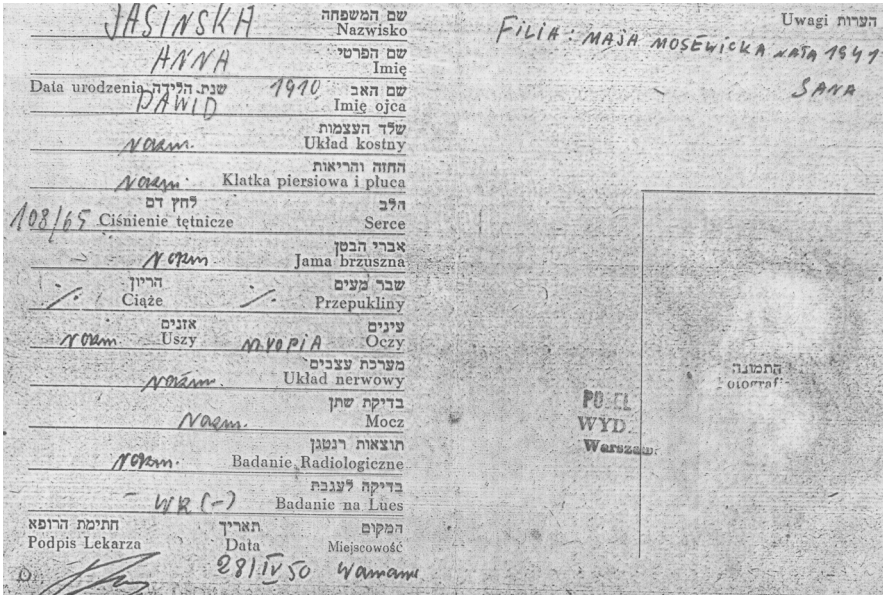
14. Children in front of the new Central Hospital for the Negev, opened 1960. Today the Soroka University Medical Center. Courtesy of Professor Doron's private collection and the Ben-Gurion University of the Negev, Arrane Central Library, David Tuviyahu Archives.

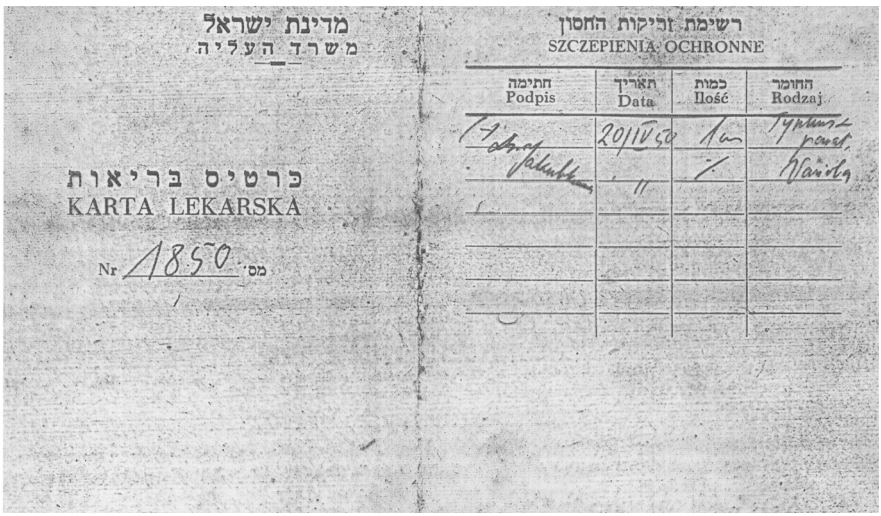
15. Milk distribution in new immigrants' camp, Israel, 1950s. Courtesy of the Israel Defense Forces Archives.

16. Hadassah Maternal and Infant Welfare Center, Tipat Chalav ("A Drop of Milk" Station) 1950s. On the wall the picture of Henrietta Szold, Hadassah president and founder of the maternal and infant welfare centers in Israel. Photographer: Z. Kluger. Shifra Shvarts private collection.

17. President Chaim Weitzman visits Tel Letvinsky Camp (Tel Hashomer), October 31, 1948. Photographer: Teddy Brauner. Courtesy of the Government Press Office.

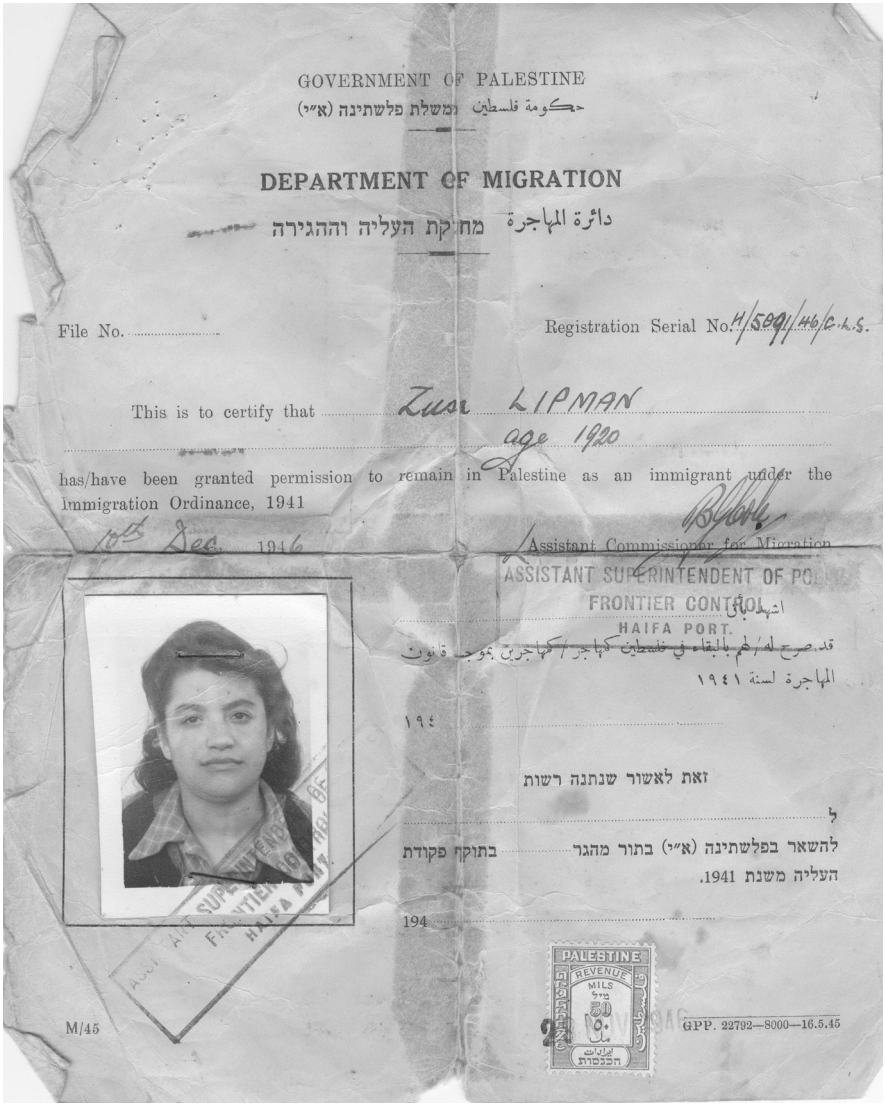
18. President Chaim Weitzman visits Tel Letvinsky Camp (Tel Hashomer), October 31, 1948. Photographer: Teddy Brauner. Courtesy of the Government Press Office.





19–20. Health certificate of a new immigrant to Israel, Anna Jasinska. Medical checkups were conducted as part of the pre-immigration procedure. The certificate stated the following: bone structure = normal; chest and lungs = normal; heart and blood pressure = 108/85; abdomen = normal; hernia = none; pregnancy = none; ears = normal; eyes = myopic (shortsighted); nervous system = normal; urine = normal; radiological test = normal; venereal disease = negative. The health certificate is signed by a doctor in Warsaw and dated April 28, 1950. Courtesy of Maya Finger (Jasinska's daughter) private collection, Omer, Israel.

21. Medical personnel and ambulances awaiting sick and old immigrants arriving in the port of Haifa, 1949. Ten percent of immigrants needed immediate hospitalization upon arrival to Israel. Courtesy of the Central Zionist Archives, Jerusalem.


GOVERNMENT OF PALESTINE
حكومة فلسطين ومشلت פלשתינה (א״י)

DEPARTMENT OF MIGRATION
دائرة المهاجرة מחלקת העליה וההגירה

File No. .....

Registration Serial No. H/509/46/C.A.S.

This is to certify that Zusa LIPMAN
age 1920

has/have been granted permission to remain in Palestine as an immigrant under the Immigration Ordinance, 1941

10th Dec. 1946

Assistant Commissioner for Migration

ASSISTANT SUPERINTENDENT OF PO
FRONTIER CONTROL
HAIFA PORT.

اشهد بان
قد صرح له/لهم بالبقاء في فلسطين كمهاجر/كمهاجرين بموجب قانون
المهاجرة لسنة ١٩٤١

١٩٤ .....

זאת לאשור שנתנה רשות

ל .....

להשאר בפלשתינה (א״י) בתור מהגר בתוקף פקודת
העליה משנת 1941.

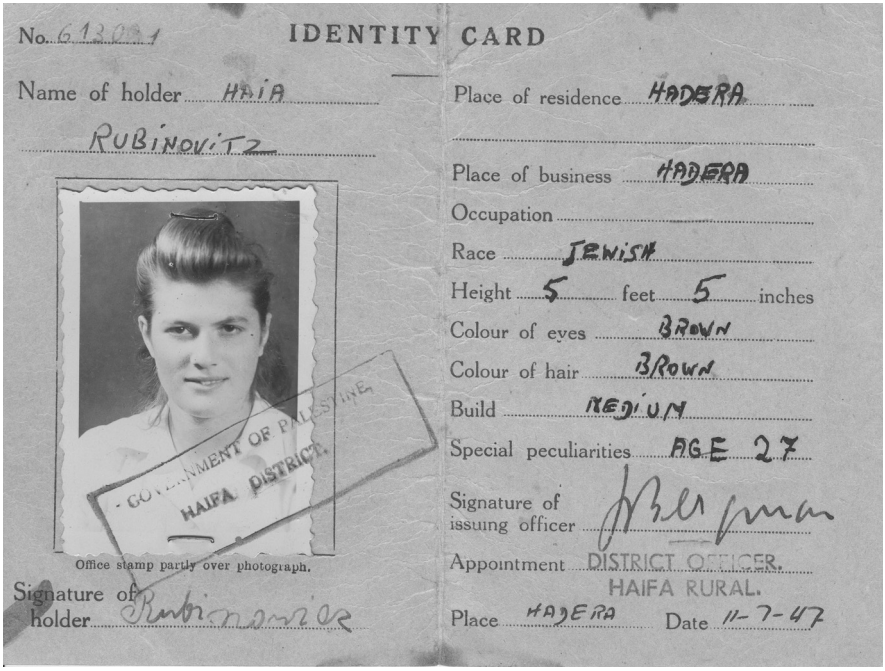
194 .....

PALESTINE REVENUE MILS מיל ٥٠ ملّ ٥٠

M/45

GPP. 22792—8000—16.5.45

22. British Mandate Government of Palestine migration card of a Jewish immigrant, 1946. Courtesy of Dov Shvarts private collection.



23. British Mandate Government of Palestine ID card of a Jewish immigrant, 1947. Courtesy of Dov Shvarts private collection.

On May 15, 1949—exactly a year after declaration of statehood—the commission submitted its recommendations to the government. The recommendations were defined as a blueprint for a transition period, designed to address current needs until the commission completed its work. Among the recommendations was "a plan for rapid development of hospitalization, marking locations, type of hospitals, and necessary budgeting . . . The concrete suggestions for rapid development of hospitalization in 1949 encompassed 1,400 additional beds in general hospitals, 1,020 beds for lung patients and 625 for mental patients."[81]

Implementation was jointly assigned to the Jewish Agency and the government of Israel. Financing would be share by the two parties, according to recommendations set by the commission and based on division of labor agreed upon by the two parties. In practice, the commission's decisions to expand the general hospitals with financing from the government and the Jewish Agency served primarily the interests of Kupat Holim, which viewed this windfall as an opportunity to expand the number of beds in its hospitals and use the funding as a vehicle for enhancing the sick fund's standing within the Israeli health system. Moshe Soroka—the administrative director of the sick fund who headed the opposition to nationalization and was very apprehensive about the final recommendations of the Kanev Commission—judged that the larger the Federation of Labor's hospitalization network became, the harder it would be for the State of Israel to transfer it to government auspices. Soroka surmised that "if [the Kupat Holim hospitalization network] will be too big," Kupat Holim would be able to save itself and escape the threat of nationalization.[82] Government and Jewish Agency financing was a genuine boon to government hospitals, as well. The primary beneficiary was the Tel Letvinsky Hospital—owned and operated by the Military Medical Service. The additional bed capacity would enable the facility to meet the needs of the civilian population while increasing the MS's own fiscal reservoirs.

The Kanev Commission's Conclusions

On February 5, 1950, the Kanev Commission presented its plans and recommendations to Golda Myerson (Meir). Kaplan requested that the recommendations not be released to the public, fearing the economic ramifications the report would have on the economy. Nevertheless, details of the plan leaked out. Its key recommendations—published in the daily papers even before the Kanev Commission's findings were brought for approval of the cabinet—became public knowledge.[83] In May 1950, for the first time, Itzhak Kanev and Golda Meir presented an official synopsis of the Kanev Commission's recommendations to the press, but only in October 1950 was the final

detailed commission report publicized.[84] The first press release was accompanied by a change in the name of the Ministry of Labor and Construction to the Ministry of Labor and Popular Insurance. Doron believed that the name change reflected the decision to hand over custody of social security planning to the Ministry of Labor and its Mapai minister, Golda Meir, in order to prevent other ministries, primarily heath and welfare, portfolios that were in the hands of the religious parties, from controlling the fate of such a key area of social services.[85] In the same spirit, when the Ministry of Labor in the provisional government was in the hands of Mapam, the dominant Mapai party had taken similar steps to block the issue being controlled by Mordechi Bentov, the Mapam minister: Eliezer Kaplan, who headed the Federation of Labor's lobby within the government, had, at the time, insisted that the issue be handled by an inter-ministerial group—a move based on personal-party affiliation (Bentov-Mapam vs. Meir-Mapai) not objective-professional criteria (i.e., that a collaborative effort would be more effective). Haaretz noted that "while the previous Minister of Work and Construction, Mr. Bentov, boycotted the commission in the hopes of adding this planning to his own ministry. Now his objection has been removed."[86] Following the name change, a special Popular Insurance Division was created, under the directorship of Kanev.

The commission's report was divided into four parts, two applied and two informative.[87] The two main parts dealt with the concrete plan for social insurance crystallized by all the commission members together; in practice, however, the plan was a repeat, an application of the recommendations that in fact had been drawn up by Kanev together with a small number of like-minded colleagues.

The Commission recommended a program whose goal was stated to be:

> . . . augmenting existing social insurance, its coordination, development and gradual expansion into a comprehensive system of social insurance for the entire populace that would include: medical assistance for all; disease prevention and development of the health of the populous; compulsory social insurance including: sickness insurance [SS sick leave and occupational illnesses compensation]; mothers' insurance; work accident compensation; disability insurance; elderly, widows and orphans compensation; unemployment insurance; children's supplements.[88]

The program that integrated social insurance and health insurance was supposed to be introduced in three stages: [89] stage one: hospitalization for all; completion of preventive medicine; dental care for every child; medical care for those without means; pensions for the elderly, widows and orphans; grants for every newborn; grants to families in cases of death; social pensions in transitional periods- until a permanent national insurance will be set; compulsory insurance for farmers and the working public]; unemployment

insurance for salaried workers; stage two: health insurance for all; disability insurance for all; completion of social work; stage three: children's grants and completion of hospitalization.

In its details on insurance implementation at each stage, the commission noted that: "under the conditions of the extraordinary times in which the plan is being drawn up—the preliminary phase of creation and building of the state, with the burden of security, mass immigration and absorption and cost-of-living expenditures—the plan shall be realized stage by stage."[90] The first stage—with its ten clauses—was designed to be implemented within a three year period from the date of adoption and approval by the Knesset and the government. The commission labeled this stage—"from social insurance to social security." [91]

Details of the scope of insurance and services was set out in full detail of the health services that insurees would receive in the first stage: free hospitalization and preventive medicine; systematic supervision and dental care for children; medical assistance to those lacking means and grants to every newborn. These services were designed to cover the entire population, without discrimination. In addition to these services, it was stipulated that comprehensive health insurance would extend only to salaried workers and members of cooperative entities (kibbutz and moshav settlements). Comprehensive coverage included the following services: "medical assistance via clinics and health centers; specialist assistance; x-ray service and laboratories; medical treatment in the patient's home; convalescence and rehabilitation after an illness or operation; elementary dental care . . . The insurees and their families will receive hospitalization at the expense of the National Hospitalization Fund."[92]

In its recommendation regarding organization of the health system so to provide the array of services set forth by the commission, the report added:

> The Commission recommends that the government choose one of four possible systems according to which the insurance will be [executed and funded]: 1. the state alone; 2. various associations of insurees and their organizations; 3. a singular institute of insurees, without government participation; 4. a singular institute with both government and insurees participating jointly.[93]

The report went on to discuss the pros and cons of each of the four options. As for health service-providers, it was recommended that all the public hospitals—including Kupat Holim's be transferred to government responsibility—leaving only primary and secondary care (family medicine clinics and specialist clinics) in the hands of the sick fund, along with auxiliary service institutes, convalescence homes and rehabilitation facilities.

The commission also recommended that all the public sick funds be merged into one entity, under one roof, in a framework similar to Kupat

Holim's. Until such amalgamation could be carried out, the commission set forth regulations that designated how the public sick funds should operate in the interim period: Each sick fund must serve a membership of at least ten thousand persons and operate as a not-for-profit organization, under the supervision of the Ministry of Labor. Despite the great detail of the program and the three-year limitation on execution of the first stage, no time schedule was cited for transfer of hospitals to government auspices or merging of the public sick funds. The commission's decision not to decide on a binding time schedule for implementation of the organizational change it recommended in the health system, reflected the commission's submission to Federation of Labor and Kupat Holim pressure which sought to block transfer of the sick fund's hospitals to the government, and Kanev's desire to curtail as much as possible any detriment to the federation or the sick fund. Thus, in practice, the commission determined a constellation of sick funds in the state that would entrench the *status quo* for an unlimited period of time which the commission euphemistically labeled 'a transition period.' The commission's refusal to set forth a binding decision only strengthened Kupat Holim and ensured that there would be no sweeping reform in the structure of the health system. Researcher Ch. Sh. Halevi believes that the Kanev Commission's recommendations and its evasion of setting binding priorities and timetables for structural and organizational reform demanded by policymakers in Israel in 1950, led, in practice, to a pluralistic health system, with all the pros and cons that entails.

Following submission of the Kanev Commission's report, the program was turned over to attorney Zvi Bar-Niv to be phrased in legal terminology as proposed legislation that could be presented to the government, in addition to other social clauses hammered out by the commission.

In essence, the commission's recommendations were an 'encore' with minor revisions to the program for compulsory social insurance and health insurance raised two years earlier by the Kanev Committee. Unlike the first program, however, free services for the entire population was limited to hospitalization. Moreover, health insurance in the first stage was designed solely for salaried employees, farmers and needy persons; general health insurance was supposed to be introduced only after the three-year first stage of the plan was consummated.[94] Like the first plan, all public hospitals were supposed to be transferred to the Ministry of Health, yet actualization of this move was deferred indefinitely due to technical problems within the Ministry in absorbing the facilities within its operations.[95] Doron believes that postponement on technical grounds was merely an excuse to reject the recommendation and keep the hospitals within the framework of Kupat Holim. He notes: The Ministry of Health at this point already owned and operated a large number of hospitals and there was no objective reason for the ministry to claim it was 'unable' to absorb other parts of the hospitalization network.

The excuse, again, was a mute surrender to pressure from the federation and Kupat Holim to put off a decision on the matter.[96]

Examination of the commission's recommendations as a whole, led one to the conclusion that the deliberate objective of the plan at all stages was to benefit Kupat Holim and preserve its status, while advancing and championing health insurance for all. Kanev sought to have his cake and eat it, too: to build a progressive governmental social security system and to maintain Kupat Holim's piece of the action without stepping on any toes.

For and Against Health Insurance—Kupat Holim's Stance

In June 1950 Kupat Holim's Fifth Convention was convened. Seven years had passed since the Fourth Convention, the last major gathering of the heads of the sick fund having been held in 1943 in the midst of World War II. Thus, the convention was the first held by Kupat Holim after establishment of the State of Israel. For this reason, as well as the proximity of the convention to publication of the Kanev Report on health insurance—the relationship between Kupat Holim within the State of Israel was the key issue on the agenda. The titles of the speeches—noted in a special convention supplement of the Mapai party newspaper Davar[97]—leave little room for speculation as to the focal point of deliberations: "Can We Carry the Burden of Medical Assistance Alone," "Kupat Holim and the State," "Ingathering of the Exiles and Health Absorption," "Kupat Holim—A Health Institution?," "Independence within Adaptation," "An Independent Kupat Holim in Our State" and "Kupat Holim—Until Compulsory Insurance." [98] The sentiments of Yaakov Ori—a member of the laborite aristocracy and a founding member of the first moshav—Nahalal, reflects the dominant concerns and the flavor of deliberations:

> Our Convention must examine well the details of the problems of Kupat Holim's existence within the state and discuss seriously coordination of operations between them, on the assumption and with the aspiration that the day will come and the health of the laborer will be placed in the hands of the state alone . . . Kupat Holim and the state together will weigh their opinions and reach a decisive decision and determine the right and proper time for this. Until then, we must strengthen our sick fund, to expand the scope of its activities and deepen its content, under the clear assumption that Kupat Holim is one of the instruments for strengthening the state, and the state is the most effective tool for ingathering the [Jewish] People from its Diasporas and to unite it as a healthy People in its own land. [99]

Alongside expression of support in the Kanev plan, there was sharp criticism voiced at the Convention against the doctors' opposition to health

insurance, charging: "private medicine served them as a working field, and a source of profit, and [they] fear so-called socialization of medicine. Their motto—'Part-time Physician, Free Choice of Doctor'—is no more than a cover up of aims to undermine Kupat Holim and its foundations."[100]

In summing up the three-day convention, the participants jointly called for preservation of Kupat Holim's independence within the framework of the Federation of Labor. The majority supported Kanev's recommendation for compulsory health insurance legislation that would be provided to all the country's citizens through the auspices of an independent Kupat Holim, not a nationalized sick fund. They all called for the government and every employer without exception to participate in underwriting health services. They noted the national and social significance of such a law both for the citizenry and Kupat Holim, and underscored the key role of Kupat Holim in realization of the Zionist dream, while at the same time noting that in the future, responsibility for health services would, indeed, ultimately be transferred to the state. But, until then, particularly due to pressures from immigration and economic problems, the system should be left as is—that is, Kupat Holim would remain an independent entity with a key role in the health domain of the new state. It should not be nationalized; it should not be amalgamated with the other sick funds; and the special linkage between Kupat Holim and the Federation of Labor should not be severed. Time and again in deliberations speakers framed their support as conditional: "until the state will have the ability." This and similar phraseology was adopted not only by Kupat Holim's leaders who used the proviso to paint their desire to maintain the sick fund's stature in a positive light, but also by individuals such as Eliezer Kaplan—head of the pro-federation lobby in the government, who genuinely opposed reform at this juncture for objective professional reasons. Kaplan stressed that the economy could not afford to take responsibility, organizationally or fiscally, for providing health services to all citizens of the magnitude the sick fund provided its membership—whether they were dues-payers who received health services as part of their federation rights, or new immigrants whose health care was covered under the sick fund's agreement with the Jewish Agency.

The convention therefore adopted the Kanev plan for health insurance in principle . . . but for implementation only in the future, without setting any binding timetable. In short, they could have it both ways: Supporters of the Kanev plan were not forced to pay a price of any sort—organizational or political and in fact, stood to profit from the plan due to the demand that the government and all employers participate in underwriting Kupat Holim's operation, as the government's primary service-provider for the present. Nevertheless, in the course of four days of debate, there were two aspects glaringly absent from debate: The first—there were no voices heard at the convention from doctors who opposed the Kanev plan. The second—Kanev himself was

not a key speaker at the opening of the convention, and his response to other speeches in the course of the conventions were not even cited in the *Davar* supplement devoted to a roundup of the convention. The Fifth Convention of Kupat Holim, in short, addressed one goal only: preserving the current status of Kupat Holim within the state.

For and Against Health Insurance—The Physicians' Position

The Kanev Commission's evasion of one-sided recommendations, such as nationalizing the health system, and its choice of a path that enabled Kupat Holim to preserve its integrity, was immediately criticized by the doctors' professional organization. Within days of receipt of the Kanev Commission's recommendations by Golda Myerson (Meir)—material that was supposed to be confidential—the IMF launched a counterattack on the Kanev plan in the daily press although the plan had yet to be discussed or approved by the Cabinet.[101] No timetable had been set for preparation and passage of suitable legislation in the Knesset, and the recommendations formulated and submitted to the Minister of Labor had been embargoed and were not supposed to be made public. Despite the broad public campaign conducted by the doctors to torpedo the Kanev plan, the government was not deterred from seriously discussing its far-reaching ideological orientation and organizational recommendations. In the framework of the first publicity that the Minister of Labor gave to the plan, published prominently on the front page of Davar, Myerson (Meir) stressed: "Introduction of compulsory insurance will not shake the foundations of the economy. . . . The government does not plan to nationalize private hospitals."[102]

The announcement, however, was accompanied by a brief article below the main story that contained the reservations of the Ministry of Finance to the program for social security, and their recommendation that insurance for the aged and unemployed be transferred to the second stage of the Kanev plan and that only health insurance, mothers' insurance, work accident and disability compensation be introduced in the first stage.

The Physicians' Opposition to the Kanev Plan

Both discussion of the Kanev plan in the government that began in 1950 including information leaked to the press on the Ministry of Finance's reservations and its demands that the plan be tailored to the economic abilities of the state, and the principle that had been approved earlier—that Kupat Holim's independence be preserved—prompted the IMF to launch a swift opposition campaign. In October 1950 the General Zionist Union party

organized a national conference of physicians and pharmacists to discuss the Kanev plan and the impact of health insurance on the country's doctors and pharmacists. According to media reports, the gathering closed with "a series of resolutions, including protest of the trends towards Mapai's domination of the doctors and a call for the General Zionist Union's directorate to discuss the medical insurance issue and to formulate a joint position together with the representatives of the doctors, the dentists and the pharmacists."[103]

It seems, on the face of it, that collaboration between the IMF and the General Zionist Union emanated not only from shared attitudes towards the Kanev plan and the desire of the General Zionists to provide a platform for opinions that supported their party's social and political philosophy. They also stemmed from fear among the General Zionists—who operated their own sick fund (today, the Meuchedet Sick Fund)—that if nationalization would be carried through, the smaller funds including their own would be amalgamated under the aegis of the far larger and dominant Kupat Holim. The General Zionists' sick fund operated primarily on the basis of a reservoir of private practitioners, a design that reflected the party's liberal non-Socialist organizational ideology. Compulsory health insurance would have been detrimental to their sick fund's selective membership—members of the young, healthy, economically-established urban middle class it served, and the independent physicians who worked for the fund. The doctors established a strategic partnership with the General Zionists, as the two bodies were similarly invested.

The catalyst of the rise in sensitivity and concern among doctors for their future under statehood at this juncture in time in particular, was not only the Kanev plan; it was also a natural reaction to deliberations in the Knesset of an amendment to the law regulating the work of physicians that had first been raised at the outset of that year, and was discussed extensively in November 1950.[104] Among the proposals raised by Kupat Holim was a suggestion that every new doctor be required to serve on the periphery or in an immigrant camp in order to receive a license to practice medicine from the Ministry of Health. While this suggestion was sparked primarily by the shortage of doctors in these areas, the notion was totally in conflict with the IMF's worldview that rejected any form of coercion in this matter. The chief champion of this idea was Kupat Holim since the sick fund, in fact, carried the brunt of providing medical services in immigrant camps. This fact, however, could not mitigate the harsh impression the proposal made on the IMF, which already viewed Kupat Holim's autonomy as a threat to the occupational freedom of the doctors.

Despite the IMF's public campaign to undermine the Kanev plan, their arguments fell on deaf ears. On October 15, 1950, David Ben-Gurion resigned from the prime ministry due to a coalition crisis that had nothing to do with health matters. Two weeks later a new government was formed—the second in

the history of Israel. Y. Gary, a representative of the unaligned 'independent' MKs, joined the government and Chaim Moshe Shapira who in the first government had been Minister of Health and Interior was forced to cede the health portfolio and was left only with Interior. The development and mail portfolios remained unassigned. The health portfolio was defined as an appendage of the Ministry of the Interior, and in practice was administered by Dr. Chaim Sheba who was summoned from the United States to take up the post of director-general of the Ministry of Health in place of Dr. Meir, who had resigned. Pinchas Lavon joined the government as Minister of Agriculture and David Remez as Minister of Education. The key portfolios—the prime ministership, and the Ministries of Defense, Finance, Foreign Affairs, and Labor—remained in the hands of their previous ministers—the hard core inner circle of Mapai leadership: Ben-Gurion, Kaplan, Sharett and Meir, respectively. Against the backdrop of political crisis, and social and economic distress, including the hardships of massive rationing of commodities, unemployment, substandard housing and other sources of unrest, the doctors' arguments failed to generate interest or empathy, and were pushed aside. With Kupat Holim providing health services to the majority of the population—both veterans and new immigrants, and defense and economic matters dominating the agenda and overshadowing all other issues, it does not seem that the government had any interest in discussing separately or even devoting time at all to the doctors' position on the Kanev plan, particularly since it was clear that the campaign was a political struggle over economic interests of a limited public that was fairly well off. That is, it was not a social or national issue. Just the opposite. The doctors were forced to wait for a more opportune time to raise their objections to the Kanev plan.

Compulsory Health Insurance and National Health Services

In November 1950, Dr. Chaim Sheba took up the post of director-general of the Ministry of Health. Not only did the senior administrative slot give Sheba a lot of clout; his power was greatly amplified by the fact that there was no Minister of Health above him, thus in practice—he was the most senior administrator and senior policymaker in the health system. This state of affairs put Kupat Holim between a rock and a hard place—at loggerheads with a person who only three years prior had led the revolt against Kupat Holim's leadership, then gone on to establish a military–civil health services network that challenged Kupat Holim's hegemony and constituted a serious rival to the sick fund and in any case had no love of Kupat Holim. This threatened to flower into a worst-case scenario of the first order.

In late 1950 Kupat Holim was thrust into a unique position: the sick fund's membership rolls had been swollen by thousands of new immigrants, doubling the number of sick fund insurees, from 328,000 members in

1948, to 690,000 members in 1950. Two-hundred thousand were new immigrants.[105] Much of this was the result of Dr. Meir's support when as director-general of the Ministry of Health, Meir had pushed for transfer of most of the health care for new immigrants onto the shoulders Kupat Holim. Division heads within the ministry charged that Meir's policy had resulted in weakening of the Ministry of Health clout and control and created a situation where the ministry kowtowed to the sick fund, and the tail began to wag the dog.[106] The resignation of Kupat Holim's man in the ministry left the sick fund bereft of influence and threw Kupat Holim out of the inner circle of government policy policy-formulators and decision makers, although in practice—out in the field, Kupat Holim remained the dominant force in the health domain. As a result of Dr. Meir's conflicts with senior civil servants in the Ministry of Health over his clear favoritism towards Kupat Holim, Meir resigned—a move that left Kupat Holim beyond the pale, transforming the ministry into what Soroka labeled "a hostile country" as far as Kupat Holim was concerned.[107]

In addition to renewed personality clashes with Sheba on the personal level, Kupat Holim had to grapple with another objective problem. Sheba was an ardent champion of government health insurance through nationalized health services, and had expressed his opinions in favor of this path when he testified before the first Kanev Committee established by the Federation of Labor. Prior to taking up his post as director-general of the Ministry of Health Sheba presented his own scheme for government health insurance to Ben-Gurion, a plan that was significantly different from Kanev's. The program Sheba drew up was based on the British system. The primary components of the system were: establishment of a government-run health authority; division of the country into service areas; establishment of an ambulatory health service network of clinics, affiliated with local hospitals; coverage of primary medical services by the government plan for primary medical services; and the option for supplementary health insurance for the citizenry through the auspices of unions, political parties or sick funds; under the program envisioned by Sheba, hospitalization services and expensive medical care were to be provided to citizens gratis, at government expense.

Kupat Holim and the Federation of Labor leadership who supported the Kanev plan (which would preserve Kupat Holim's autonomy and its federation ties) found themselves challenged by Sheba's proposal that was extremely far-reaching and perilous from their viewpoint—based on full nationalization of health services and their transfer to government auspices. Kupat Holim, according to Sheba's scheme, could continue to function, but under government—not federation auspices. While Sheba's scheme also called for transfer of the independent Military Medical Service to the government, as well—not just the civilian sick funds, from the standpoint of federation and Kupat Holim leaders, his visions were a concrete threat.

Sheba's management style in seeking to realize his own visions for the health care system were similar to the way he had conducted the doctors' struggle at Beilinson Hospital—an uncompromising battle in which he applied all the clout he possessed without hesitation, a struggle marked by personal clashes with anyone who stood in his way. Sheba had no quandaries in pushing his plan forward, even before it was presented to relevant decision-making social and political bodies in the Knesset and elsewhere. Sheba viewed realization of his program for compulsory health insurance and the establishment of a national health system as an essential move in the course of nation-building with statehood: It was designed to transform the Ministry of Health into a powerful, independent player in the health domain that would not be dependent on other major players in the health field—particularly, not on Kupat Holim.

Irrespective of his personal rivalries with his former employers and personal ambitions to amass power, Sheba viewed such a unified system as becoming of an enlightened and independent state that logically should replace what he perceived as a fragmented pre-state system, just as Ben-Gurion viewed dismantling of the Palmach as a necessary measure after statehood.

In any case, Sheba found himself at odds not only with Kupat Holim and the federation, but also with the private sector of the medical community that feared Sheba's designs for nationalization, and the heads of the Military Medical Service he himself had founded, who had no desire to be dismantled or amalgamated into a civilian system. Sheba rejected all attempts by Kupat Holim and the Federation of Labor to reach a live-and-let-live compromise in the institution of a national health system. Sheba immediately rejected requests by heads of the Federation of Labor that he slow down and postpone any discussion or implementation of sweeping change for a more propitious time, after the current crisis over compulsory education that threatened the coalition government could be settled and after economic pressures on state resources, including severe rationing, would be eased. Sheba, however, had no patience to wait. He wrote: "Not only the Prime Minister, but also the executive people Pinchas Lavon and Mordechi Namir, told me: Be patient—Within two years we'll get there; first we'll finish education and afterwards we'll go for health and make a government service. . . . But even Ben-Gurion was not whole-hearted that state-[sponsored] health service is an essential matter."[108]

The Default—Health Insurance or Social Security?

On February 14, 1951, Ben-Gurion again resigned from the prime ministry for the second time, bringing down the government and leading to new parliamentary elections. The source of the crisis was rivalry over the shape

of the country's educational system: The religious parties opposed both establishment of a 'religious track' along side the secular progressive track of the Federation of Labor-run workers' stream[109] of the educational system, and efforts within the government to amend compulsory education legislation by establishing a unified state-run public education system and reverse further trend towards fragmentation in the first years of the state, tensions greatly exacerbated by a government Commission of Inquiry, the Frumkin Commission, that found Mapai leaders guilty of pursuing a brutal 'melting pot' policy that suppressed religious expression.[110]

A custodial or caretaker government ruled the country until July 1951 elections of the second Knesset were held. As a transition government, the six month period between the fall of the government and July elections created a 'window of opportunity' for reform, free of coalition pressures and threats to non-confidence to bring down the government.[111] On the other hand, the government's behavior reflected attempts to garner maximum support of the electorate through popular decisions and quick legislation. Reflecting the impact of election fever, in March 1951 the government unanimously declared that it intended to rapidly legislate a social security law, including health insurance based on the Kanev plan. Chaim Sheba's proposal for compulsory health insurance within a national health service was not even raised for discussion. Parallel to government activity, the Federation of Labor's executive also convened to discuss ways to forward legislation that had been delayed by nine months. Baruch Linn, chairperson of the Mutual Assistance and Social Security Department of the Federation of Labor, and Yitzhak Kanev were the chief discussants at the meeting.[112] The two jointly called for the Federation of Labor to mobilize its forces behind immediate realization of the Kanev plan, but with a major revision: Health services should not be organized under the auspices of local authorities—as set forth in the original plan, but rather solely through the auspices of Kupat Holim "as an institution recognized by the government, to implement the insurance in cases of illness among workers."[113]

Shortly after the government's election-motivated declaration, the cabinet appointed a committee headed by jurist Zvi Berenzon, director-general of the Ministry of Labor, to formulate a proposal to the government for legislation prior to July elections. Yitzhak Kanev—who had resigned six months earlier from his post at the Ministry of Labor in protest over postponement of legislation—was added to the committee in an advisory capacity. The government's behavior, clearly motivated by electoral considerations, sparked criticism in the political arena and in the media and charges that legislation was being fueled by the desire to attract votes, while the country was in no position to implement such a program, even if it was voted into law.[114] Avraham Doron believes that the government of Israel had no plans to pass such legislation and the declarations and appointment of a committee were

solely an election ploy in the campaign.[115] Yet, the government's actions engendered the IMF to renew its own campaign. The doctors' professional organization turned to Pinchas Rosen, the Minister of Justice and a member of the Progressive Party, requesting that Rosen intervene in preparations for legislation and prevent any decisions that would undermine the interests of the doctor community. Rosen responded favorably—even with fervor, to the IMF's appeal.

The Progressive Party viewed itself as the voice for the middle class. Protecting the rights of physicians as free professionals was perceived as a fitting even integral component of the party's social platform. Thus, it was natural that the doctors turned to the progressives' cabinet member to act on their behalf, although in the past the General Zionists had been the ones who aided the doctors in their battle against the Kanev plan. The General Zionists were now out of power, an opposition party, therefore, the progressives could be far more effective in championing the IMF's cause, while the progressives considered the doctors a valuable constituency worth wooing in the upcoming election. Similar to the doctors, the progressives did not oppose compulsory health insurance legislation in principle; they only had reservations about the way it should be implemented under the Kanev plan, and had clarified this in public, stressing: "The Progressive Party is committed to state social security for every citizen. . . . The first step in realization of this program must be merging the sick funds in the hands of various public organizations into a governmental institution that will ensure the health of every citizen in the Yishuv."[116]

In principle, their proposals were very similar to Sheba's proposal for health insurance via a government health service. As for their plan, they added that it would "ensure non-dependence of doctors and the right of patients to choose physicians."[117] In the course of coalition negotiations, the party had taken a clear stand, committing itself that "within social security, the standing of private doctors will be maintained."[118] Thus, Pinchas Rosen had the full support of his party to intervene in the work of the Kanev Commission appointed by the government to hammer out the wording of a social security system bill for passage in the Knesset.

During the months of March–June 1951, Pinchas Rosen worked vigorously to tie the hands of the commission. He opposed the appointment of Zvi Berenzon as coordinator of the committee on a technicality, claiming that the committee was supposed to be a committee of ministers and not a committee of ministry representatives. He submitted a series of reservations designed to sow dissent among members of the commission on the health insurance issue—particularly in regard to the status of the doctors within the framework of the law, and initiated a host of other tactics designed to undermine the commission's work. His primary demands were: anchoring the status of physicians as a free profession under law; ensuring the right of

patients to choose their doctors; and the standing of private practitioners within the proposed health system.[119] Despite his forceful intervention, the commission rejected the reservations presented by the Minister of Justice and remained dedicated to the original Kanev plan: Compulsory health insurance through Kupat Holim for salaried employees and farmers only.

In June 1951, the government conducted its first deliberations on the proposed bill for social security and compulsory health insurance. Despite first impressions that the government would approve the proposal as is and then proceed to work towards passage of the bill into law, surprisingly the proposed legislation ran into opposition in the course of deliberations in the cabinet among Mapai's own ministers. Most of the opposition focused on clauses that dealt with compulsory health insurance.

The opposition was led by Pinchas Lavon, the minister of agriculture. Ironically, up until his appointment as a government minister, Lavon had been an ardent supporter of the Kanev plan, and represented the pragmatic wing within the labor movement regarding the status of the Federation of Labor within the State of Israel. Now Lavon called for erasing any and all references to compulsory health insurance within the bill, leaving only the part dealing with direct social security coverage. This was a total departure from Lavon's previous position over the course of the preceding two years, expressed at Mapai's convention and on other occasions within the Federation of Labor's executive. If in the past, Lavon had supported health insurance as envisioned in the Kanev plan, now he made a total reversal of his position. Lavon did not explain why he had reversed his position, yet one may assume that at the decisive moment, Lavon feared that the move was liable to be detrimental to the future status of Kupat Holim and even lead to nationalization of the sick fund. He was probably also influenced by the positions taken by party colleagues in the federation leadership and the pro-federation lobby within the government who voiced fears of the danger to the federation, and Kupat Holim in particular, inherent in the Kanev plan. Similar apprehensions were also expressed by other members of Mapai, outside the cabinet. Ben-Gurion, by contrast, did not take a clear stand on the issue. The prime minister vacillated between support for aborting the move for legislation entirely, and approving it in the Cabinet, but without health insurance. The only supporter of the proposed legislation as written was Golda Meir who viewed retraction of the health insurance clauses a blow to the spirit and the essence of the law. Avraham Doron believes that the decisive move that led to expunging compulsory health insurance from the social security package in the proposed bill was the work of the minister of justice, Pinchas Rosen.[120] While previously Rosen's reservations had failed to have an impact on members of the commission drawing up the bill, when the proposed bill came up for discussion in the cabinet, Rosen's opposition carried decisive weight:

Rosen's convictions that the proposed bill would be particularly detrimental to the doctor community was consistent and unbending: he offered a compromise that would allow him to support approval of the bill, the proviso that the health insurance clause be dropped. According to Rosen, the suggested wording of the legislation left provision of health services in the hands of Kupat Holim intact, a situation that would be greatly detrimental to the doctor public and was liable to generate serious unemployment among its members. Only by providing health services through the auspices of a governmental social security institution . . . or as Dr. Sheba suggested, through the auspices of a national health service as in Great Britain, was acceptable in Rosen's mind. This proposal, however, was out of the question for supporters of the Federation of Labor and Kupat Holim among the Mapai cabinet ministers since such a design spelled nationalization of Kupat Holim.

On May 13, the government of Israel approved the proposed social security bill, without comprehensive health insurance. Five members of the cabinet voted in favor and two against. A last ditch effort by Golda Meir to abort the decision to exclude health insurance, on procedural grounds failed. Attempts by the heads of the Ministry of Labor, Kanev, Berenzon, and Lotan, to backtrack and discuss the health insurance clause was also rejected by the cabinet. Appeals to the Minister of Justice to drop his opposition to compulsory health insurance were similarly rejected by Rosen. Rosen merely reiterated the arguments he had raised in the months preceding discussion in the Cabinet, all the more forcefully.

On June 19, the government of Israel presented a proposed bill for social insurance to the Knesset without compulsory health insurance. Explanations to the Knesset as to why health insurance had been omitted from the bill cited economic and administrative reasons, but without any further detail. Three years of deliberations, planning, committees, and commissions, political discussions and internal conflicts, and expectations of a new era in the health domain, went down the drain and were shelved indefinitely. In a summary of the health insurance law affair in *Al Hamishmar,* Baruch Linn wrote: "The government has given in on sickness insurance and balked in the face of pressure of the bourgeoisie and doctor circles thronging after them, it has surrendered, deciding the place of public medicine among us."

Baruch Linn refrained from quoting the articles that had appeared in *Al Hamishmar* two years prior that attacked the Kanev plan and charged that it was liable to bring about nationalization of Kupat Holim. Linn's accusations were rather ironic: The Progressive Party's opposition that brought down government-sponsored health insurance in an attempt to protect what Linn labeled "bourgeoisie and doctor circles," in fact, served Mapam's own position and objectives; after all, Mapam championed leaving social insurance as a whole, and first and foremost health insurance,

in the hands of Kupat Holim and the Federation of Labor, in order to preserve the power of the labor movement within the state, and this was preserved by the progressives' opposition.

Doron is of the opinion that the government's retreat from a government-sponsored health insurance program was the upshot of mistaken impressions. According to his findings, based on interviews with Kanev and Lotan, members of the commission, Pinchas Rosen's opposition that led to dropping health insurance was the result of an unfortunate misunderstanding: Rosen, according to Lotan, "thought that Kupat Holim would not be willing to ensure full employment to all the doctors willing to work within the health insurance framework," although in Lotan's opinion, "there was full agreement of this on the part of Kupat Holim."[121] Doron feels that had Rosen known this, he would not have opposed the program, and the entire social insurance program, including health insurance would have been executed by the government. Lotan even stressed that in his opinion (quoted by Doron) the government had put the issue of social security—including health insurance, on the public agenda to gain points—without any intention of carrying through on it. The political crisis of 1951 that re-raised the issue of health insurance and led to a minor battle over the issue in the cabinet, took on a life of its own, so to speak: While it ended with health insurance being dropped, painting the progressives as the guilty party, nevertheless, in retrospect the ploy set in motion deliberations whose dynamics led to approval of the social clauses of the proposed bill as a compromise, and ultimately enactment of national insurance in 1954 without any prior intension to do so at this time.

In July 1951, Israel's second general elections were held. Ben-Gurion's Mapai Party received only a small majority of the votes and chose to form a coalition government, a coalition that left the progressives outside the government. Thus, the Progressive Minister of Justice Pinchas Rosen was replaced by Mapai M. K. Dov Yosef, who also held the trade and industry portfolio. Dr. Yosef Burg, head of the religious Mizrachi Movement was appointed Minister of Health. Despite the changes in the political arena, including changes in the affiliation of key ministers, the government stood firm on the wording of the social legislation that had been under consideration by the Knesset. The proposed law remained focused solely on establishing a social security framework, without any attempts to amend the bill to include health. Two years later, following a third reading, the National Insurance Law was passed and took effect in early 1954.

Health insurance was re-debated only in 1955 in the framework of guidelines for the seventh coalition government established by Ben-Gurion. Yet, here as well health insurance failed to gain approval, due mainly to the opposition of the federation lobby in the Knesset and in the government.[122]

Health Insurance for the Maabarot (Immigrant Transit Camps)

In October 1951, Dr. Chaim Sheba resigned from his post as director-general of the Ministry of Health in protest over discrimination against health service employees of the ministry in wages and job slots, in contrast with Kupat Holim employees. Another reason behind his resignation was disappointment with the government's retreat from a compulsory health insurance law and the inability of the government in general, and Ben-Gurion in particular, to bring about a radical change in the health system—particularly in regard to the status of the Ministry of Health which remained a prisoner of Kupat Holim. Although under pressure from Ben-Gurion, Sheba retracted his resignation, this did not change the glum mood prevailing within the ministry. Towards the end of the same year, the IDF and its medical service announced it was closing out its role in providing medical services in the maabarot (transit camps for immigrants), and the Immigrant Health Service curtailed its own operation. The Ministry of Health prepared to take over full responsibility for supervising health services in the maabarot.[123]

Sheba requested on behalf of the Ministry of Health that the military maintain its current presence level in the maabarot for a longer period, but his request was rejected. The Ministry of Health feared that the arduous conditions in the maabarot where thousands of immigrants dwelled under woefully sub-standard housing and health conditions was a peril that could have catastrophic ramifications. Thus, Sheba had no time to "mourn" the death of his dream of compulsory health insurance. The ministry had to gird its loins for a tremendous effort to organize and provide medical services for immigrants—void of the political backing or supportive legislation it objectively needed to do so, and at a time when, in practice, health services (and health policy on the ground) were controlled by Kupat Holim—Sheba's historic rival. Due to the objection of Minister of Labor Golda Meir, attempts by the Ministry of Health to expel Kupat Holim from the maabarot was a failure. Consequently, the maabarot were transformed into a new battlefront for control of the health system in the State of Israel.

Chapter Four

Health and Politics during the Great Mass Immigration

Scope of the Influx

Declaration of statehood on May 14, 1948, brought with it mass immigration. Between May 1948 and December 1951, 700,000 immigrants arrived in the State of Israel, doubling the Jewish population of the country (see figure 4.1).[1] Immigration originated from two geographic regions: Europe and the Balkans, and Africa and Asia.[2] The total number of Holocaust survivors among the newcomers was 330,000—approximately half the immigrants during this two-and-a-half year period. The number of immigrants from North Africa and Asia totaled 370,000—123,300 from Iraq; 48,300 from Yemen; 34,500 from Turkey; and approximately 45,400 from North Africa (see figure 4.2).[3]

By contrast with immigration during the mandate period, which was primarily from Europe and America, more than half the immigrants in late 1951 were from Asia and Africa, with the number of children and elderly exceptionally high, and the percentage who were of working age was middling. For the most part, the immigrants from Asia and North Africa arrived in family groups and entire communities, but their emigration was hastily organized due to political pressures.[4] The newcomers did not have the luxury to gradually make preparations for the move—to sell their assets or liquidate businesses, nor to prepare themselves psychologically and emotionally for grappling with a strange country and the arduous conditions they would encounter there, difficulties further amplified by the fact that most were disenfranchised, arriving with meager possessions or only the clothes on their backs. Had leave-taking been more graduated and orderly, the transition would have undoubtedly been eased. The arrival of such masses of newcomers transformed Israel's population into "a society of immigrants"—one in which 75 percent of the total Jewish population in the country at the close of 1951 were immigrants.

The influx placed tremendous and unprecedented challenges before the Israeli public. While the Yishuv had experienced waves of immigration in the past throughout the history of the Zionist endeavor, nothing had prepared the Yishuv's national institutions for what would transpire. Before the establishment of the state, absorption had been facilitated either through political

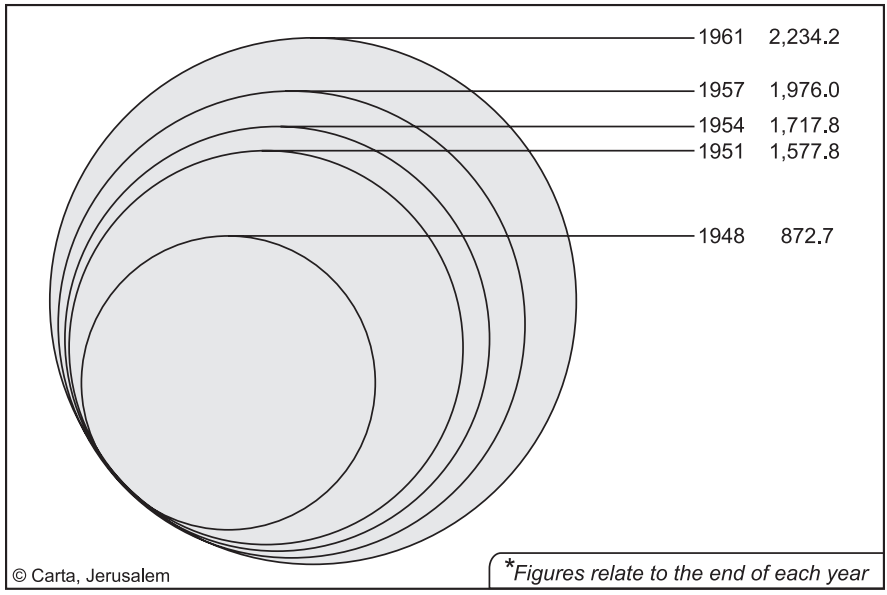


Figure 4.1. Population growth in Israel (in thousands).* © Israel Science Foundation (ISF) 1217/04.

parties or different Zionist ideological movements that assisted their "own" immigrants (particularly groups of young people who arrived in organized groups); or through individuals, particularly families with some assets who were left to their own devices in settling down, save modest assistance from the Yishuv's national institutions. The sheer magnitude of immigration in the early 1950s, coupled by the meager financial resources of the state and wartime conditions prevailing in the Yishuv made these absorption strategies almost irrelevant. Most of the immigrants were politically unaffiliated and did not have the financial assets to settle themselves. Consequently, in the first stages, most of the immigrants were absorbed through makeshift arrangements, either sent directly after their arrival to take up residence in towns and villages vacated by Palestinian Arab residents in the course of the war, or sent to immigrant encampments, tent cities run by the Jewish Agency where initial processing and absorption was concentrated.

The immigrants who arrived in these first years of the state for the most part came without any material or financial assets, in a state of physical and mental exhaustion and in very poor health.[5] The newcomers suffered from malnutrition and a high incidence of disease, particularly tuberculosis, ringworm and trachoma, particularly among children and the elderly. In addition, there was a multitude of disabled, frail, and mentally-ill persons who could not care from themselves, let alone adapt to new circumstances in a

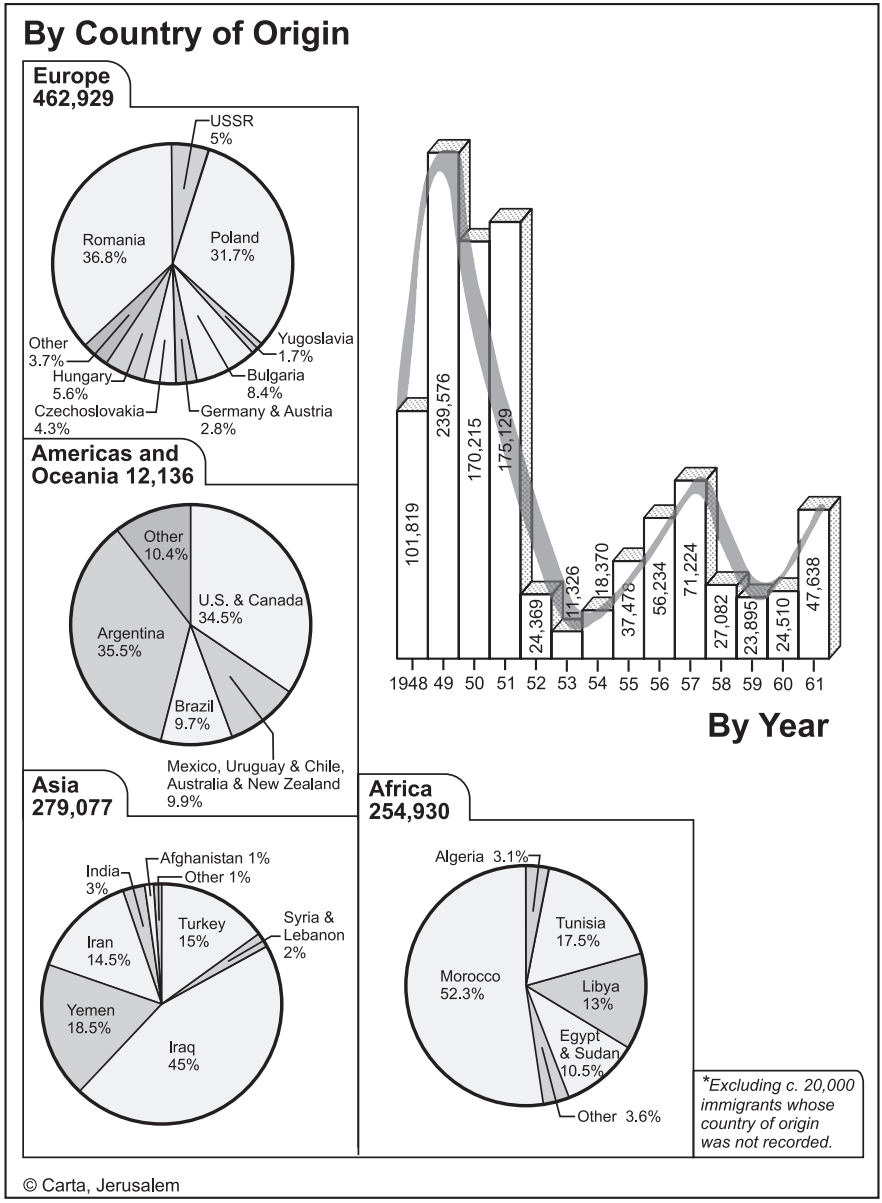


Figure 4.2. Jewish Immigration (*Aliyah*) to Israel, 1948–61. © Israel Science Foundation (ISF) 1217/04.

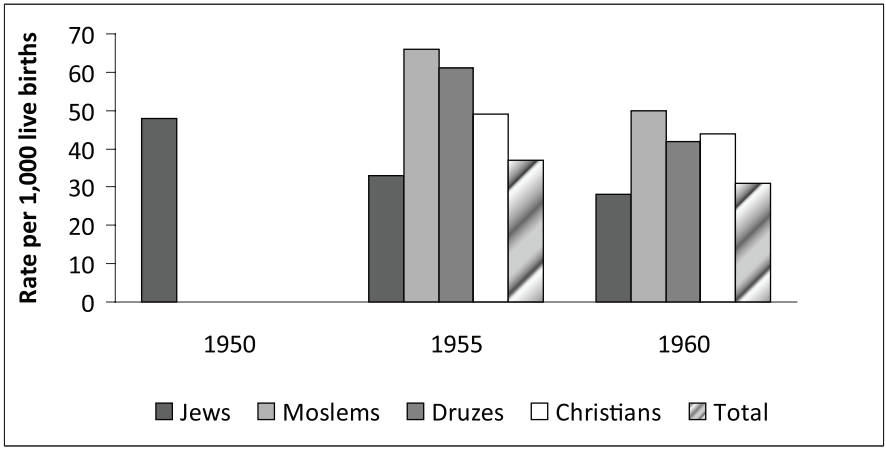
strange land. According to the reports of the JOINT—the dominant Jewish welfare organization caring for Holocaust survivors in camps in Germany, 10 percent of all immigrants suffered from a medical condition that required immediate hospitalization. Yet, the State of Israel did not have enough hospital beds, and most immigrants were left, in the first stages, without suitable care, hazards to themselves and to the public-at-large as a source of infection, with the danger that, if left untreated, they were liable to infect others and lead to a spread of disease that would swing out of control.

Crowded living conditions in the transit camps and immigrant camps established by the state to absorb immigrants in tents and other temporary shelters such as canvas and tin shanties with minimal sanitary conditions, led immediately to a significant increase in infant mortality among the immigrant population. While among the veteran population of the Jewish community infant mortality was 16.2 per thousand births, the ratio of infant deaths among immigrants in transit camps was 157.8 per thousand births (fig. 4.3–4.4).[6] The Jewish Agency—the body that cared for immigrants during their first year in the country, cited in particular that among the 50,910 immigrants housed in thirty-three transit camps during the first half of 1949 "1,253 social welfare cases were registered, including 829 ill and disabled, 188 elderly, and 236 widows and their children."[7]

Thus, the young country was required to organize and grapple with not only economic absorption, but also address the mental and physical wellbeing of the immigrants and supply essential medical services in order both to safeguard the lives of the newcomers, and to prevent a health catastrophe or epidemic.

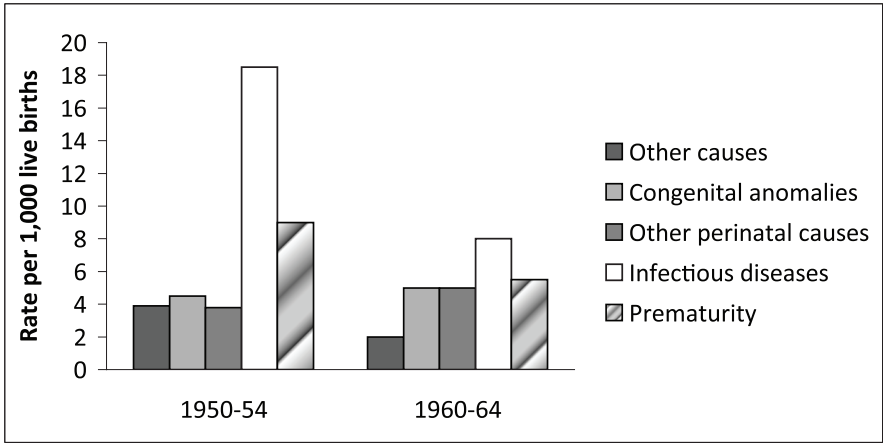
The Immigrants' Medical Service

The Immigrants' Medical Service (IMS) was founded by the Jewish Agency in late 1944 at the request of Dr. Yosef Meir, the medical director of Kupat Holim. Dr. Meir asked the agency to arrange for medical services for immigrants who were expected to arrive in the country with end of World War II. He envisioned a separate organizational framework that would be designed to meet the special health needs of immigrants and operate solely among newcomers (while Kupat Holim addressed the health needs of old-timers). While an agreement was signed between Kupat Holim and the Jewish Agency stipulating that the sick fund would provide every new immigrant with health insurance for the first three months in the country, with the Jewish Agency paying the premium, it was clear to Dr. Meir that this step was not enough.[8] It was necessary to establish a special institution, independent of Kupat Holim and other existing health institutions, that would take upon itself overall responsibility for providing for the immediate health needs



Source: Israel Central Bureau of Statistics

Figure 4.3. Infant mortality rates by religious groups in Israel, 1950–60.



Source: Israel Central Bureau of Statistics

Figure 4.4. Trends in infant mortality rates among Jews in Israel by main cause of death, 1950–64.

and physical and emotional rehabilitative machinery the arrivals would require, particularly for those immigrants who would decide not to continue their membership in Kupat Holim (which required payment of joint dues to the Federation of Labor, as well) beyond the period covered by the Jewish Agency. Establishment of a separate institution to care for immigrants beyond the existing ones would also ensure separate budgeting for this purpose from the Zionist movement.

Until 1946, the IMS operated as a separate Jewish Agency department. On October 1, 1946, the Jewish Agency and the Hadassah Medical Foundation agreed that the IMS would be transferred to the auspices of Hadassah.[9] The agreement was motivated by financial considerations: the hope that Hadassah would contribute to finding hospitalization solutions for immigrants and underwrite the work of physicians in the immigrant camps. Although responsibility was transferred to the shoulders of Hadassah, this did not free Kupat Holim of its involvement in providing health services to immigrants, and the sick fund committed itself to providing nursing services in the immigrant camps at its own expense and medical assistance in clinics in locations where Hadassah lacked services. Thus, new arrivals who were sent via direct absorption to begin life anew by moving into abandoned Arab neighborhoods, towns, and villages or by being sent to other places outside the immigrant camps such as temporary housing in maabarot and new agricultural villages on the frontier, immediately received medical assistance from Kupat Holim. Disabled persons, tubercular patients, and those suffering from chronic diseases were hospitalized in special institutions that were established, by agreement, by Kupat Holim with financial assistance of the Jewish Agency.[10] Reimbursement to Hadassah and Kupat Holim for their services was carried out on an annual basis, according to the disease status and number of patients treated.[11] Moreover, it was agreed that coordination of medical work between Hadassah and the Jewish Agency and Kupat Holim would be carried out by the Central Bureau for Public Hygiene Services, the coordinating entity on health matters that operated under the aegis of the national committee's (Vaad Haleumi) health department, whose members included the director of Hadassah, the head of the medical department of Kupat Holim, and the director of the Immigrant Health Service.

Even prior to this, in 1945, Hadassah had established a special camp for immigrants in Raanana, north of Tel Aviv, that processed the trickle of immigrants allowed in under strict British quotes that had been imposed under the 1939 White Paper. Between 1946 and 1948, the postwar years prior to independence, Kupat Holim had together with Hadassah assisted in organization of health services for undocumented immigrants, Jewish Holocaust survivors without entry certificates, sent to detention camps in Cyprus after being caught by the British attempting to enter Mandate Palestine without visas, on ships financed by the Zionist movement. The sick fund even mobilized specialists to serve in the detention camps on the initiative and at the expense of Kupat Holim.[12] At the outset of 1948, when the wholesale release of the internees in Cyprus was certain, awaiting only declaration of independence, Kupat Holim sent a special medical mission to Cyprus to prepare the immigrants for their arrival in the country; approximately twenty-five thousand medical checkups (out of thirty thousand immigrants in the Cyprus camps) were conducted among the internees.[13]

The voluntary involvement of Kupat Holim in medical care for immigrants was not greeted warmly by members of the Immigrant Health Service which during its three years of operation had developed separate and independent machinery for fulfilling the identical functions and feared that the sick fund would overshadow, even indirectly dominate the IHS's own organization. Personnel at the Immigrant Health Service found a ready partner in Dr. Chaim Sheba, who sought ways to sever ties with Kupat Holim after the November 1947 failure of the Beilinson doctors' revolt (discussed in chapter 1), and who from January 1948 poured all his energies into establishing the Military Medical Service (MS) as a separate and significant player in the health domain (discussed in chapter 2). Sheba believed that care for immigrants must be in the hands of the state, not the Federation of Labor and Kupat Holim, which were to a great extent partisan bodies with political aspirations. He believed that the MS he was organizing should be the prime body assigned a role in meeting the health needs of immigrants. In the long-term, Sheba believed care for immigrants should be the prerogative of state health machinery that would provide medical care to the entire population under a compulsory health insurance system—in place of a system that provided health care solely to the membership of the Federation of Labor. Therefore at the beginning of 1948, Dr. Sheba and Dr. Grushka joined forces to prevent Kupat Holim from expanding its services for immigrants. For instance, the heads of the MS and the IMS worked in tandem when the subject of establishing a special hospital for immigrants based on special funding from Germany was raised. In a letter to his friend and colleague Dr. Halbrecht in May 1947, Sheba wrote: "The emergency medical services will be able to carry out establishment of the first hospital for *absorbing* immigrants. Submit a suggestion without mentioning my name and the things I wrote to Dr. Grushka, with a copy to the Supreme Medical Council for the Emergency."[14]

In his letter Sheba openly requested that Dr. Halbrecht join forces with him to block Kupat Holim's aspirations to establish a hospitalization center for immigrants under its own auspices. Sheba believed that the Tel Letvinsky infrastructure, where the MS was planning to establish a large military medical facility, could also house a civilian medical institution for treating immigrants. In this manner, Sheba judged that he could ensure a large reservoir of civilian patients who would guarantee the sustainability of the military hospital in both wartime and peacetime, while blocking Kupat Holim's efforts to expand its outreach and influence (and preventing the immigrants from being tied to or made dependent on the rival Kupat Holim system).

In 1948, when Sheba began his mission to convert the abandoned British convalescence facility at Tel Letvinsky into a hospital, Dr. Sheba and Dr. Grushka signed a memorandum of cooperation between the IMS and the MS to hospitalize immigrants at Tel Letvinsky. Dr. Grushka wrote in a note that:

> I talked today to Dr. Shiber about the shape of collaboration between the Immigrant Health Service and the and the Medical Service for the army regarding administration of the Tel Letvinsky hospital. In this camp part of the pavilions have been *earmarked* for the military hospital and part for a hospital for immigrants. Dr. Shiber declared that the MS will be prepared to take the [Quonset] huts into its hands and to give us the opportunity to hospitalize sick immigrants in numbers as needed. Dr. Shiber suggests that there will not be separate wards for the sick and for immigrants, rather immigrants will be admitted to all the professional departments of this hospital.[15] [Shiber] turned things inside and out in order that the Immigrant Service would be transferred to the military and be operated by military personnel.[16] Indeed, already in the summer of 1948, two hundred TB patients were already hospitalized and treated at Tel Letvinsky.[17] Parallel to the TB ward, Sheba opened a maternity ward designed primarily to serve immigrants. A pediatrics ward was opened in direct response to a request from Ben-Gurion "in light of the "catastrophic situation of disease among children.[18]

In May 1948, the need to provide hospitalization facilities for thousands of unaccompanied immigrants and to address the urgent health needs of immigrants who were arriving at a rate of tens of thousands a month at the peak of the wave became critical. Kupat Holim found itself in economic distress due to a growing gap in cash flow between its growing expenditures and reimbursement via the Immigrant Medical Service for the services it was rendering to newcomers. Kupat Holim's offered to take full responsibility for medical services for all immigrants, including hospitalization of both regular patients and those suffering from chronic diseases, but this offer was rejected outright by the IMS, which was unwilling to relinquish responsibility for administration and care for immigrants that ensured unlimited funding for the salaries of its own medical professions in the community. At the same time, the IMS was willing to collaborate with the MS, largely due to the fact that the latter did not threaten the IMS's existence as an organization.

The antipathy the IMS harbored towards Kupat Holim is clearly reflected in the collaboration between the IMS and the small Leumit sick fund. In May 1948 the Leumit Sick Fund established a special section designed to treat new immigrants, and reached an agreement with the IMS that newcomers could receive medical services from their sick fund, without any provisos. The Leumit Sick Fund was officially recognized and authorized to operate in the immigrant camps, and received funding from the government and the Jewish Agency for its services, at the same rate as Kupat Holim.[19] Thus the IMS did not oppose working with the sick funds; it only opposed working with Kupat Holim, primarily due to the sick fund's dominant position that sparked institutional rivalries.

Despite the moves taken jointly by the IMS and the MS to curtail the activities of Kupat Holim, the sick fund continued to expand the scope of its special

Table 4.1. Sick funds member distribution (in thousands), 1950–60

Year		Kupat Holim Clalit	Leumit (National)	Maccabi	Meuchedet (United)	Total	% insured of members in sick funds out of total population
1950	Members	582	73	24	30	709	55.9
	%	82.1	10.3	3.4	4.2	100.0	
1955	Members	1,050	133	42	45	1,270	72.6
	%	82.7	10.5	3.3	3.5	100.0	
1960	Members	1,440	161	87	78	1,766	83.4
	%	81.5	9.1	4.9	4.4	100.0	

Source: Israel Central Bureau of Statistics

services for immigrants, to a large extent thanks to the monies it received from the Jewish Agency for this purpose. When the gates were opened after May 14 and the influx of immigrants skyrocketed, Kupat Holim established seventeen clinics to provide primary care for immigrants. Between January and October 1948, more than thirty-four thousand immigrants joined Kupat Holim after they were examined and their membership in the Federation of Labor and Kupat Holim was approved (see table 4.1).[20]

In October 1948, when the number of immigrants arriving in the country reached ten thousand a month, Hadassah requested that it be relieved of its responsibility for providing health services to immigrants. The organization was unable to provide health services of this magnitude due to two factors: Hadassah's main facility, the Hadassah Hospital complex on Mt. Scopus, was under siege by the Jordanian Arab Legion and was inaccessible, and the hospital's staffing had already been severely crippled by the April 1948 ambush and murder of seventy-nine Jews in a humanitarian convoy of doctors and nurses and their guards on their way to Hadassah Hospital on Mt. Scopus in Jerusalem, including the head of the hospital Dr. Yaski and other key senior physicians. Secondly the cost of caring for tens of thousands of immigrants was beyond the economic capabilities of Hadassah. If in the past Hadassah had been asked to care for approximately eighteen thousand immigrants per annum, now there was an immediate need to care for a hundred thousand immigrants over a six month period. Within a month of its announcement, Hadassah ceased to provide separate medical services to immigrants and curtailed its services to operation of Hadassah's network of pre-natal and post-natal clinics for mothers and infants, Tipat Chalav, among concentrations of immigrants in the cities, and to hospitalization of immigrants, according to need and in keeping with its own capacity to assist.

Hadassah's retreat from management of medical services for immigrants was a window of opportunity for Kupat Holim to gain control of health services for immigrants. In contrast to 1944 when the sick fund decided not to take upon itself the organization of health services for immigrants, Kupat Holim now realized that care for immigrants' health needs was a powerful political tool that could ensure the status of Kupat Holm within the country's emerging health system.

On September 17, 1948, Soroka then the treasurer of Kupat Holim wrote Dr. Meir, then the medical director of Kupat Holim, stressing that the issue of medical care for immigrants, and state employees in the future, would ultimately determine the status of Kupat Holim and the status of the Federation of Labor. Soroka suggested for the first time that there could be a conflict of interests between the federation and Kupat Holim on this question:

> There is another very important problem of concern to us, and it is: The entire state machinery and care for its medical assistance. If it will be arranged

> through governmental institutions directly, in [the Government's] hospitals and clinics, this will be a hard blow to Kupat Holim. If it will be given over to Kupat Holim, the Government will demand that all those receiving assistance will not be required to be members of the Federation and that means: a harsh blow to the Federation that still doesn't want to agree to such. Thus we see fissures in our agreement with the [Jewish] Agency regarding insurance for immigrants. The care for immigrants is, in essence, accompanied by a controversy—whether it belongs to the Agency or the State of Israel. Each side explains that concern should fall on the other side. But surely a compromise will be found, as usual. Those involved in the matter claim that be what may—surely the State of Israel must care for the health of immigrants and it must give this assistance directly from its own institutions. . . . Hadassah has withdrawn from providing assistance to immigrants in the camps, and despite our offer—that we are prepared to take it upon ourselves—we have not yet received an answer. I don't know how things will fall. Surely we will overcome this, but we should learn the danger that awaits us for some time.[21]

Despite the contents of this letter, Soroka—an old-timer in the struggle to control health services—had no illusions.

> There isn't a chance that we will receive medical care for the immigrant in the camps as we desire . . . for the medical service for the [IMS] wants to hold on to this no matter what the price, and it has the cooperation of and mutual exchange with the army's MS and accepts immigrants in military hospitals without any payment. After all, it is the MS's interest to expand and to hold onto as many hospitals as possible, and in order to justify expansions of operation and additional investments it is expanding its services for the immigrant.[22]

Indeed, Kupat Holim's offer to take medical services for the immigrant upon itself was rejected, and the government of Israel decided to establish an independent department adjacent to the Ministry of Health for this function. The estimated budget per annum was in the vicinity of seven hundred thousand Israeli pounds a year (about two million dollars),[23] a burden that was supposed to be shared by the State of Israel and the Jewish Agency.[24] However, in the end only the government underwrote the entire service after the Jewish Agency failed to meet its original commitment—not because it did not want to, but because it was unable to do so: 95.6 percent of its budget was spent covering the cost of bringing the immigrants and absorption work, leaving no money in its coffers to help cover health services for immigrants (see figure 4.5).[25]

According to a government decision, all immigrants received three months insurance (paid by the Jewish Agency) in one of the sick funds—usually Kupat Holim or the Leumit Sick fund since the other sick funds didn't operate in new immigrant neighborhoods and settlements. (The insurance for immigrants in the sick fund became effective only on the day the immigrant

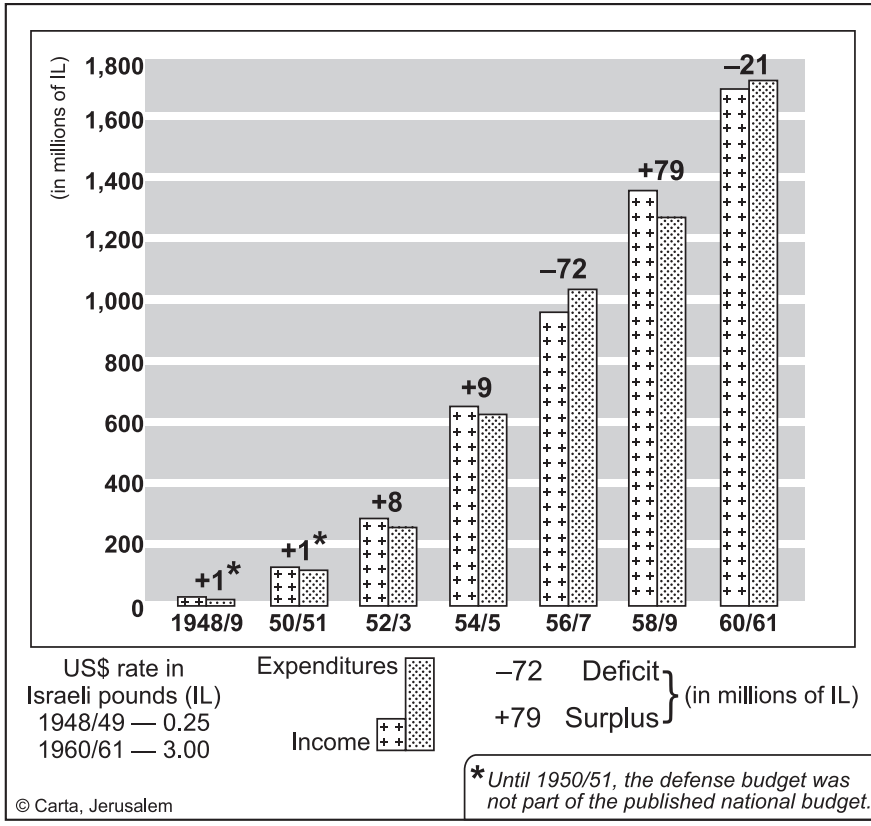


Figure 4.5. Income, expenditures, and the national deficit in Israel, 1948–60.
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left the processing camp.) The medical care provided by the IMS in the immigrant camps included supervision of sanitation; service of health clinics and first aid during the immigrant's sojourn in processing camps (machanot maavar). In addition medical assistance provided for the first twelve months for immigrants who according to the Government,[26] had been rejected for membership by Kupat Holim or did not want to join Kupat Holim for a host of reasons (following the three months paid by the Jewish Agency). This service was provided only after the sick immigrant's needs and social situation was assessed and only if the immigrant was under fifty years of age. Those over fifty were forced to appeal to government welfare machinery and non-government assistive frameworks. Medical assistance to uninsured immigrants included hospitalization due to illness, hospital deliveries for women, transportation of patients, convalescence following illness, dental care, eyeglasses, and orthopedic and prosthetic devices.

At the outset of 1949, when the scope of immigration surpassed two hundred thousand immigrants, the IMS's staff was 245 personnel—six doctors, 112 nurses, eight dentists and eight nurses in dental hygienists. In March 1949, the medical service had been responsible for covering the costs of thirteen thousand sick days in hospitals; hospitalization days for seven hundred maternity patients; three-hundred-sixty tuberculosis patients; and approximately one-hundred-fifty mentally ill persons. It also operated sick rooms in the processing camps with a capacity of three hundred beds, all told. At the same time, the IMS operated four hospitals on an independent footing that provided 128 beds: A children's hospital in Pardes Hana in the Sharon (forty beds); a children's hospital in Raanana, north of Tel Aviv (twenty-five beds); a hospital in Beer Yaakov (twenty-five beds) and a hospital in Kfar Brandeis, east of Tel Aviv (thirty-eight beds).[27]

At this juncture, a word would be in order to put in context and proportion the fierce competition of health entities that arise from the research. While rivalries may reflect narrow vested interests, the struggle for power by individuals and institutions must be understood in the context of a newly-established polity and the power vacuum—to one degree or another—that is generated following the withdrawal of any colonial power.

In the case of Israel, the fact that the Yishuv functioned largely as a state-within-a-state pre-positioned many of the players within an existing power matrix mitigated the void. Nevertheless, the events and establishment of statehood with its government authority and budgets provided amble windows of opportunity to enhance one's position on the playing field and this is reflected in the behavior of people and institutions in the transition period and the first years of statehood.

In many other post-colonial polities such bids for power have been far more vicious and self-serving, often accompanied by gross corruption, nepotism and other forms of mismanagement, and at times—a genuine bloodbath. The lack of violence is not only the result of the Yishuv's highly-structured self-governing machinery prior to independence; it also reflects the Jewish political culture which has been remarkably free of violence—the assassination of Yitzhak Rabin being the exception.

Selection on Medical Grounds or Unfettered Immigration

In January 1949 elections for the first Knesset, the Israeli parliament, were held. In March 1949, the first duly-elected government took office under the leadership of David Ben-Gurion. The Ben-Gurion government was comprised of the dominant Socialist Zionist party, Mapai, together with representatives of the religious parties. The smaller but more militant Socialist Zionist party, Mapam, was left the opposition, outside the government.

Many viewed Mapai's political collaboration with the religious parties and avoidance of a partnership with Mapam as "a tremendous catastrophe for the workers' movement."[28] Rabbi Moshe Haim Shapira from the United Religious Front party, a forerunner of today's National Religious Party, was appointed minister of health.

In April 1949, a short time after the Ministry of Health began full operation, Kupat Holim was already operating energetically in countless immigration encampments established throughout the country. After two months of work, it was already clear that tuberculosis was the core health problem among the immigrants. In the first report sent by Dr. Meir sent to the minister of health and immigration, Kupat Holim's director cited:

> According to the evaluation of physicians dealing with tuberculosis, presently there are about a thousand patients with active tuberculosis in the community . . . One can easily imagine to himself what damage these sick people could bring under the crowding and the hygienic-sanitary conditions prevailing in the camps . . . One can equally derive and summarize with certainty that among the two hundred thousand new immigrants that have come in the past year, there are some 1,700 stricken with active tuberculosis in the Jewish community . . . without forgetting this number does not include local patients [with tuberculosis] up to this year. [29]

Dr. Meir noted in particular the problem of children with tuberculosis whose numbers among North African immigrants was particularly high, and there was not one hospital bed in existing local hospitals for them. In that there was no suitable solution in the country for tuberculosis patients and since American Jews were prepared to mobilize funding for their treatment in medical centers in Colorado and in Switzerland, Dr. Meir recommened to the minister of health: "instead of bringing ill immigrants here and letting them wander about and infect others due to lack of beds or to send them from here to America or Switzerland—wouldn't it be better to take these people straight to countries abroad to Davos (Switzerland) and to keep them there until they are cured—and then it will be also possible to place all the financial burden on other federations such as the JOINT, SPHJ etc."[30]

Dr. Meir's recommendation to identify the tubercular and curb their immigration and institute a process for medical selection among immigrants was not a new concept. In the years that preceding World War II, the Jewish Agency had engaged in weeding out sickly applicants, based on a set of criteria and preventing such persons from immigrating. In fact, the Jewish Agency had, at its own initiative, returned at its own expense some two-hundred-forty immigrants to Europe who had already arrived in the country and who subsequently were found to be suffering from chronic illnesses—primarily tuberculosis and mentally-ill persons.[31] This policy had been put aside to a large extent during the period of Aliyah Beit (illegal immigration)

on both political and humanitarian grounds, when in the wake of the Holocaust shiploads of undocumented displaced persons (DPs) who wanted to begin life anew in Eretz Israel were organized by the Zionist establishment to board ships that tried to break through the British blockade as a challenge to British immigration policy.[32]

With the establishment of the State of Israel. In the face of the sheer numbers of sick among the immigrants, the suggestion that selection on medical grounds be reinstated again was raised on the pubic agenda.

In October 1948, even prior to the close of the War of Independence, for the first time, serious discussion of the health and immigration issue was conducted particularly vis-à-vis Holocaust survivors and the ability of the state to direct and control the composition of immigrants arriving in the country. The discussion took place within the framework of the Coordination Institute (Hamosad Letium)—a working framework established to coordinate immigration and abortion activities among relevant parties—that is, the government of Israel, the Jewish Agency and various Jewish institutions in Israel and abroad. The minister of health in the provisional government, Rabbi Moshe Haim Shapira cited explicitly at the outset of discussion:

> There is another serious matter—choosing the immigrants . . . Within immigration, there is too high a percentage of elderly and weak who are neither fit for war nor for work . . . In place of a frail Jew it's possible to bring in a Jew who is able either to 'work for the economy or wield a weapon' . . . I tell you they are taking on to the ships mentally ill and those sick with tuberculosis and all kinds of diseases that are a disaster for the Jewish community and the country.[33]

Minister of Finance Eliezer Kaplan added in the wake of Shapira's comments that he was in favor of "regulation of immigration in qualitative and quantitative terms." Kaplan, who was aware of the sensitivity of the subject of selection on medical grounds—particularly among Holocaust survivors, said:

> I'm not afraid of revealing my opinion. First of all from a qualitative standpoint: By lack of any monitoring of immigration, we are creating serious problems in the country. It's clear to all of us that in wartime we need immigrants who can be absorbed in Eretz Israel, both in the army and in the economy. We don't have the ability to open old age homes and facilities for the disabled. What did they do? They took the weak the old and flew them in planes to Israel because it was hard to go by ship . . . What will these people do without us making arrangements for them? Is this absorption—to bring them to the shores of Israel and abandon them to their fate? In my opinion, they should not be brought. I say this in regard to sectors for whom I am responsible.[34]

Kaplan expressed a similar position vis-à-vis bringing in Jews from North Africa and argued that attempts should be made to carry out preliminary medical classification among Jews there, as well.[35]

In response to Kaplan's words, Yaakov Zrubavel, a member of the Jewish Agency directorates suggested discussion be conducted on how it would be possible to prevent immigration of mentally ill and tubercular patients to the country, while at the same time to find medical solutions for them abroad. The most extreme position was voiced by Yitzchak Greenbaum, minister of internal affairs, who called for a total blockage on immigration of the sick and the elderly, without exception. The example that Greenbaum gave was rumors concerning the high incidence of venereal diseases among immigrants from Casablanca, and Greenbaum called for preventing their arrival, but he underscored that "I say there only as an example, but this doesn't concern only Casablanca Jews."[36] In Greenbaum's estimation not only the health status but also the ideological association of the immigrants should be examined and those distanced from Zionism prior to immigration should be rejected.

Greenbaum's comments were widely quoted in subsequent meetings of the Coordination Institute. His comments regarding the Casablanca Jews in particular sparked an immediate reaction from Bechor Shitrit, Knesset member and leader of the Sefardic Jewish community, who retorted, charging "from this one could conclude as if all the immigrants from Morocco are God Forbid afflicted with diseases."[37]

The question whether immigration should be selective or unfettered troubled David Ben-Gurion, the first prime minister of the State of Israel and one of the architects of the idea of large-scale mass immigration. During a join meeting of the government and the Jewish Agency, Ben-Gurion said, "There are two questions here. The question of the relationship between the Zionist Federation and the State and the question, what Zionism—which encompasses both the State and the Zionist Federation and more than that, what it must do—planned immigration, limited immigration or unfettered."[38]

Ben-Gurion was not bothered in particular by the poor health status of immigrants or this or that disease; what he found particularly worrisome was the larger picture—the overall summary that showed approximately 10 percent of the immigrants arriving would place a heavy economic burden on the young nation that was still in a state of war, and whose resources were not organized to deal with them in terms of employment, education, housing as well as health.[39] Already during the first discussion held by the Coordination Institute, Ben-Gurion cited in response to estimates of the number of sick individuals one could expect among the immigrants, that "the percentage is too high." Although his general attitude favored "absorbing as many as at all possible," Ben-Gurion was apprehensive in the face of the sheer magnitude of the number of immigrants, particularly the quality of Holocaust survivors and Jews from Islamic countries:[40]

> We face an immigration that is different not only quantitatively, but also qualitatively from previous [waves of] immigration. The mass immigration that will

> now arrive in the country . . . will come primarily from Jewish centers impoverished materially and in spirit . . . The character of the Jewish community of Israel is liable to be impaired and its pioneering image will fade.[41]

Ben-Gurion said things in a similar vein in inner meetings with the IDF brass, and other closed gatherings and even addressed this in his diary noting: "Among the immigrants there are many sick with tuberculosis and venereal diseases—and this should be forestalled. In January fifteen hundred patients with trachoma arrived—these can be cured. Severe disease should be forestalled."[42]

Despite his reservations about bringing over sick persons, Ben-Gurion did not issue a wholesale order to prevent their arrival. Generally he brought all demands to limit immigrations for medical reasons from Yoseftal—the head of the Jewish Agency's immigration department, or from Dr. Sheba for discussion in the Cabinet or referred them for discussion by the Coordination Institute, headed by a leader of the Mizrachi religious parties, Yitzchak Rafael—a body that accepted responsibility for dealing with the issue, whose members included the director-general of the Ministry of Health.

> Sheba came to me and complained about the immigration from Tripoli. Among a group of 356 immigrants that just came there are 26 blind and additional ill persons. . . . There are about 4,5000 candidates for immigration, among them 125 blind, 200 blind in one eye, 60–80 with active tuberculosis, 5–10 mentally-ill, 5–10 paralyzed, and a few more disabled. . . . a serious moral problem.[43]

When it was impossible to delay immigration from certain countries for political reasons or when there were serious apprehensions that the exit gates would suddenly be closed, extraordinary steps were taken to ensure problematic populations could be safely admitted: for instance, Ben-Gurion was asked to approve establishment of a special quarantined camp under military supervision for adolescents from North Africa sent by their parents to Israel unaccompanied by family, who were found to be afflicted with ringworm and trachoma. In February 1951, the head of the Jewish Agency's immigration department Giora Yoseftal wrote to Ben-Gurion explaining:

> We need a reception camp with severe medical quarantine. We suggest that the role of receiving the youth be assigned to the Gadna[44]. This will ensure a. that there will be severe medical quarantine under the administration of the Military Medical Service. . . . Both the leadership for the Gadna and the Medical Service of the army as well agree to this proposal, but they need a directive from the Minister of Defense and the Chief-of-Staff. I request that this proposal be approved.[45]

In his public appearances and at Knesset deliberations, Ben-Gurion called for unfettered immigration with no restrictions, demanding the state adjust itself to absorption needs and not the opposite. Historian Zvi Tzameret has grappled with the enigma that was Ben-Gurion's sentiments: "It is hard to answer the question to what degree Ben-Gurion was truly optimistic about the ability to absorb masses of immigrants from all the Diasporas, or whether his public statements stemmed from the desire to project optimism toward the public and from political interests not to hurt the feelings of the immigrants." [46]

Despite the public call for unfettered immigration, Ben-Gurion did not oppose internal deliberations in the government, in the Knesset or closed discussions on the subject. One can assume that his sanction of carrying on such deliberations emanated from Ben-Gurion's inner apprehensions, although he refrained from expressing them publicly.

Pinchas Lavon, the secretary of the Federation of Labor, presented an attitude divergent from Ben-Gurion's, based on apprehensions regarding the fate of the federation in the face of such a large influx of immigrants, particularly Mizrachi Jews who were ideologically distanced from the Federation and its values and aspirations for the State of Israel.[47] While publicly Lavon called for limiting immigration for this reason, he did not suggest preventing certain immigrants from joining the federation. Just the opposite. Anyone who requested federation membership was accepted, under the assumption that the growth in membership would strengthen the federation's stature and clout, even if the new members lacked identification with the organization's ideology and had joined for purely practical reasons.

Criteria for classifying immigrants if a selective immigration policy was to be adopted were not discussed—not by Lavon, nor by Ben-Gurion. Whether health status of immigrants should be a means of preliminary classification was not discussed even if it was the simplest and most natural or logical yardstick. Ben-Gurion's and Lavon's quandaries remained on the ideological level. It was Minister of Health Shapira and his senior administrators, the IMS, the IDF's MS, and Kupat Holim, who pressed the issue, based on purely medical grounds (the prevalence of tuberculosis, disabilities, venereal diseases, mental illness, and so forth).

Indecisiveness over the question of unfettered immigration or selective immigration relating specifically to the health status of the immigrants was raised in deliberations among representatives of the JOINT, the humanitarian aid organization of the Jewish community of the United States that took an active part in financing, organizing, and assisting in handling the influx of immigration, primarily through their work in the DP camps in Germany where Holocaust survivors awaited permission to immigrate to Eretz Israel. The official position of the JOINT was that there should not be any discrimination between healthy and sick, or young and old immigrants, and all should be helped to immigrate. In discussions between the head of the European

branch of the JOINT, Joe Shwartz, and the government of Israel, all agreed that there should be no discrimination. Yet, following a detailed tour of the camps where immigrants were housed and direct confrontation with the harsh realities of the health situation there, JOINT's representative in Israel, Harry Vitalis, expressed reservations regarding this position. After touring the transit camps where he saw conditions firsthand, Vitalis was more understanding and sympathetic to suggestions raised by heads of the health system in Israel that immigrants be classified in terms of health status.

In a detailed report that Vitalis sent, together with his colleague Dr. Theodore Grushka, director of Immigrant Medical Services, to JOINT management in New York, Vitalis criticized the Jewish Agency's policy in the first year of mass immigration (1948–49) to bring immigrants to Israel without any prior medical examination, primarily Holocaust survivors from Europe, a situation that led to the influx of many tubercular patients; contrary to this, other aid organizations such as the JOINT and Jewish HMOs operating in Europe such as the SPHJ, conducted medical examinations of immigrants among the Holocaust survivors prior to their immigration, and those in need of treatment were hospitalized locally and were allowed to immigrate only after they were cured or their condition significantly improved [48] Vitalis warned that steps must be taken in advance to meet the special needs of sick immigrants in the foreseeable future, since the displaced persons camps were scheduled to be closed; the camps housed a high percentage of ill persons left in Europe temporarily in order to receive medical care before immigrating. With the dismantling of the displaced persons camps, they would soon be arriving in Israel despite their medical situation.

In order to make the necessary preparations, Vitalis attached to his report a detailed description of the incidence of disease among Holocaust survivors in the DP camps in Europe up to the first half of 1949, and his evaluation of the scope of health services that would be required to absorb the wave of immigrants that Israel could expect with the closure of the camps. According to his' data, among 120,000 immigrants who had already been examined in the DP camps, approximately 12,000 were in need of immediate medical care: 1,500 tuberculosis cases; 400 mentally ill; 600 cases of chronic illness; 2,500 blind persons; 3,000 elderly in need of nursing care; 3,000 unemployable elderly in need of welfare support; 3,000 disabled persons in need of medical support, full or partial nursing care; and 500 children with mental illnesses, various disabilities or other functional deficiencies. In the meantime, however, the health system had no long-term nursing care solutions at its disposal, not even hospitalization.[49] Vitalis estimated that the cost of medical care for the 120,000 immigrants who had already arrived, including opening facilities for specialized hospital care and organizing hospitalization for the chronically ill, had been in the vicinity of a million pounds (about three million dollars). A memorandum from Dr. Grushka accompanied Vitalis' report. Dr. Grushka

cited that according to his calculations, total costs would be even higher: A million and a quarter pounds per hundred thousand immigrants. He judged that the costs of caring for two-hundred fifty immigrants he expected would arrived by the end of 1950 would be 2.5 million pounds. (Based on hospitalization costs of three pounds per day in general hospitals, and 1.5 pounds per day for mental patients). This burden did not even take into account the medical care the State of Israel would need to allocate for casualties from the War of Independence and care required by the veteran civilian population in Israel [50] It is important to remember that the annual budget for medical services for immigrants in 1944–45 was a mere 40,000 pounds, and in 1948–49 was 700,000 pounds,[51] thus expected expenditures of 2.5 million pounds (7.5 million dollars) for medical care of the first post-independence wave of immigrants was astronomical in terms of those days. Vitalis did not say so explicitly, but between the lines he was signaling that he believed the question of unlimited immigration of ill immigrants should be reconsidered, or else—authorities must taken into account the ramifications and take suitable measures. Vitalis makes it clear that under prevailing conditions in the transit camps, suitable medical care could not be provided to those who had already arrived and those yet to come, if policy was not changed. Similar dire financial forecasts of expected outlay appear in Jewish Agency reports of the period.[52] The JOINT's readiness to conduct medical classification to postpone arrival of the sick and to try to care for the tubercular in venues outside the State of Israel was also discussed widely in the Coordination Institute. The institute supported the solutions offered by the JOINT and was inclined to transfer responsibility for care to the JOINT. [53]

On May 3, 1949, the Immigrant Medical Services resolved for the first time that "entrance into the country of those with tuberculosis, mental illness and patients with contagious diseases is prohibited. The Immigration Ministry will issue proper directives to authorized agencies abroad."[54] Thus, Dr. Meir's suggestion that medical selection be inaugurated fell on fertile ground, and was favorably, if reluctantly, adopted. For the IMS, the decision to call for medical selection, even as a temporary measure, was not an easy one, particularly in light of Ben-Gurion's public stance on the matter and the guidelines of his first coalition government that declared that the government should encourage mass unfettered immigration in order to double the Jewish population of the State of Israel.

Within a short time, rumors of restrictions on immigration among the sick reached the ears of Holocaust survivors in displaced persons camps in Germany, sparking alarm among the immigrants. The very idea of medical selections as a condition for immigration aroused painful memories for Holocaust survivors; moreover, most had nowhere else to go. Consequently, many tried to avoid medical examinations and sought ways to bypass the Jewish Agency in order to immigrate without having to endure a preliminary

medical examination. In letters sent by Dr. Chertok, a physician working in the displaced persons camps in Germany, Chertok said:

> some sick persons filled with fright for their fate on Germany soil, and they succeed in immigrating without a permit from the Immigration Department. The sense of fear is so poignant among the camp dwellers who lived in concentration camps that it overpowers all considerations of logic and the immigrants don't take into account the possibility of infecting others. . . . We have to reach the conclusion that despite inspection, no small number of sick people will arrive in the country; moreover, some of the immigrants harboring inactive clinical findings in their lungs under new economic and climatic conditions will become active carriers in need of hospitalization. If we will not be prepared to isolate these patients, there is the danger the disease will spread on a wide scale [55]

Ben-Gurion was also aware of the difficulty in enforcing medical checkups, and wrote in his diary: "Of late, there are medical checkups in all the countries, but there are cases of cunning and infiltration . . . in a number of countries where we have control—the situation is totally good. Sick persons aren't accepted."[56]

Declaration of abolishment of selection on medical grounds could perhaps have calmed the sick immigrants and brought them back into the framework, but such an announcement was not forthcoming. On the other hand, the issue became the focus of political controversy in the Israeli parliament.

On May 18, 1949, the Knesset conducted the first broad discussion of what was labeled "the health and hospitalization situation"—a discussion carried out in collaboration with the head of the finance committee and the minister of health. The debate was the initiative of M. K. Israel Rokach, a leader of the General Zionists party, and the mayor of Tel Aviv, sparked by the shortage of hospitalization facilities in his city. The discussion turned into a stormy, week-long debate (until May 23) that focused on the influx of mass immigration, how sick immigrants should be handled, and the shortage of hospitalization facilities. In the course of the debate, the medical selection question was raised. Minister of Health Shapira presented an overview of the health situation to members of parliament, underscoring that,

> With the stream of immigration, these two problems—hospitalization of those with tuberculosis and the mentally ill—have worsened to a very dangerous degree. All our general hospitalization problems don't even approach our those unique hospitalization difficulties . . . In regard to medical services all our budgetary calculations have proven erroneous . . . since the torrent of immigration decimates all calculations. The [Immigrant Health] Service attempts to prevent the immigration of sick persons, and there are preliminary checkups, and there

> is supervision. But among the immigrants rushing to immigrate to the country there are no small numbers that have learned to overcome all the checkpoints and they are arriving by all sorts of avenues. [57]

Shapira went on to detail the activities of the Ministry of Health—including the budgetary straits the ministry found itself in, and emergency plans the ministry had prepared in order to cope with hospitalization needs.

Minister Shapira's declaration that the Immigrant Health Service endeavored to prevent the immigration of the sick sparked angry responses from the left and the center parties in the Knesset, but for opposite reasons. Chana Lamdan a representative from the left-wing socialist opposition party Mapam, claimed: "In recent days there are . . . articles appearing in the press expressing the same tone: Instead of bringing immigrants without preparing beds for the sick ones in hospitals, it would be far better not to bring them at all. There is a similar tone voiced in the words of the Minister of Health and the Minister of Immigration. I am very saddened that he in particular has voiced things of this sort."[58]

On the other hand, Gil and Persitz from the General Zionists attacked the minister of health for failing to scrupulously implement the policy of selection on medical grounds: "Proper checkups of the immigrants as they leave the Galut (diaspora) is lacking. The JOINT was advised to send 2,000 tuberculosis patients among the immigrants to Switzerland. They were not sent there and some of them infiltrated the State of Israel and endanger the health of the healthy. We heard there are 1,760 cases of active tuberculosis."[59]

Shoshana Persitz even stressed that the Immigrant Health Service should be required to carry out "a first-rate checkup of all immigrants arriving in the country and be responsible that not one of them will evade the eye of the [Immigrant] Health Service." [60] When Shapira sought to deny he had said things in this vein, Tzizling burst in, citing that Shapira had even numerated a maximum ceiling of ten thousand immigrants a month who would be allowed to immigrate, while MK Elisar charged that "a directive was given not to bring in any more immigrants from Tunisia." Shapira had no choice but to defend himself against the attacks on what he had said, regarding selection on medical grounds:

> While indeed a year ago I spoke at a session of the Zionist Executive and my 'sin' I remind you of here this day, I was the one who said we must examine immigration in a very stringent manner and for the time being, not to permit bringing sick persons to Eretz Israel, but to seek a way together with the JOINT to cure them abroad. I was the one who demanded the Executive regulate immigration but regulation of immigration and closing immigration are miles apart. . . . Yes, I did suggest [it], but I'm not about to make an accounting right now . . . I say there isn't a directive to this effect. [61]

Shapira's declaration that there was no explicate official directive for conducting medical selections among immigrants lowered tensions in the air a bit, but not for long. A series of articles in the press written by journalist Arieh Gelblum under the headline "I Was a New Immigrant for a Month," described in starkest terms the distress of the immigrants and the almost non-existent presence of health system in the camps. The series addressed the issue of restrictions on immigration for sick persons or at least regulation of the flow of immigrants to the country in order to prevent "a catastrophe." Gelblum's articles received a critical review at the hands of David Zakai, a leading journalist and senior editor of *Davar*, the ruling socialist party's newspaper, and the debate over the distress of the immigrants again became a fierce political controversy. Minister Shapira's description of shortages in hospital beds and details of the Knesset debate broadly covered in the press, together with debates in the newspapers over regulation of immigration, brought Dr. Meir (who had been appointed director-general of the Ministry of Health in May 1949, in place of Dr. Katznelson) to publish an open letter in Davar in response to David Zakai's criticism, to clarify his position and that of the Ministry of Health, and smooth things over, particularly in regard to selection on medical grounds and restrictions on immigration. He wrote:

> While today anyone who raises his voice against immigration provisions, his words are taken as if he is in favor of limiting immigration, and we are not dealing with limitations on letting immigrants in but with regulating immigration, and anyone who says that all regulation of immigrant means restrictions on immigration is merely admitting our utter failure—a sign that [the speaker] has become despaired and that there is no possibility of regulation and therefore it is essential to limit immigration. If this is so, if truly there is no possibility of regulating, I do not recoil from saying openly that regulation of immigration is preferable to regulation of absorption because in the end we will eventually reach some sort of limit: Another 10,000 will be crammed into the [intake] camp and 2,000 will leave, and again 10,000 will enter and again 2,000 will leave, and after that what will be? . . . Isn't it more logical to do things in advance, before the catastrophe? The same person from Bulgaria diagnosed with active tuberculosis in his country of origin who has nevertheless been sent to Israel, and the same Yemenite child brought by plane with active tuberculosis—I don't know if it's possible and if their arrival should have been delayed—but one thing I do know—that before sending them to us, a hospital bed must be prepared for them. If we haven't done that, we are committing a sin first of all against the immigrants themselves.[62]

Indicative of the difficult dilemma embodied in adoption of an immigration policy of selection on medical grounds can be found in the words of Yitzhak Rafael, head of the Immigration Department during the years 1949–1954. According to Rafael[63] due to political pressure and the danger facing most

of the Jewish communities awaiting immigration—both in Eastern and Central Europe and in countries of the Middle East and North Africa, it was not possible to apply a policy of selective immigration on medical grounds or other grounds—such as age. Thus, for instance, in December 1950, news of the dire conditions among Yemenite Jews waiting to immigrate, reached Israel. Several months earlier, the frontier between Yemen and neighboring Aden had been closed, leaving immigrants who had already left their homes and were on their way, stranded at the border—without any form of assistance. When the border was reopened, thousands of Yemenite Jews streamed into the transit camps in Aden, a country still under British control, and therefore used as a staging area for transporting Jews directly to Israel. Many were in poor health, including people near death—suffering from ringworm, trachoma, malaria, and tuberculosis. The government of Israel was asked not only to send medical assistance to those in the transit camps, but to organize their immediate transport to Israel before the gates would close again. In the coming months close to fifty thousand Yemenite immigrants—almost the entire Yemenite community en bloc, were airlifted to Israel, including a large number of children and elderly persons, disabled persons, frail, and chronically ill. Their medical state and the ability of the Israeli medical system to care for them were not discussed at all. The dire political situation dictated policy, and in fact still does today. That is, a race against the clock due to hostile regimes who threatened to close the gates, or changes in the regimes of countries have time and again dictated the tempo of immigration, its immediacy, and its scope above all other considerations. In practice almost every Jew who requested to immigrate in the first years of the state, was allowed to do so without any restrictions.

While Rafael remained in favor of the principle of free immigration, he agreed to head a committee that would study the situation. In January 1950, Yitzhak Rafael ruled that unfettered immigration should continue and "no one would be prevented from immigrating to Israel, except due to medical or grave moral reasons . . . Anyone who must immigrate as a case of being rescued, will be brought in."[64] Rafael's decision came to a large extent in order to fend off pressure from those in favor of selective immigration, who continued to press their case. In May 1950 Rafael's directive was amended and broadened: All immigrants were required to undergo a medical checkup prior to immigrating. Yet, in practice only a handful of immigrants were held up. According to Ben-Gurion, Rafael issued a directive "to take only the healthy and the young"[65]

The Law of Return and Selection on Medical Grounds

Although there was no political unanimity on the issue of selection on medical grounds, in July 1950, the Knesset passed the Law of Return (Chok HaShvut).

The Law of Return entitled every Jew wherever he or she be, to immigrate to Israel, but cited that an individual could be prevented from immigrating "if the Minister of Interior was convinced that the applicant . . . was liable to endanger the public health or the security of the state . . . the explicit restriction in the clause . . . would apply also to receipt of an Immigrant Certificate."[66] Minister of Health, Moshe Haim Shapira was acting minister of interior at the time. It may be assumed that inclusion of a health clause (2B) in the Law of Return was, to a certain extent, the product of public debate on the jeopardy to health inherent in immigration to the public-at-large. The law, however, did not detail what were the steps the Jewish Agency or any other organization engaged in immigration were to take in order to locate sick immigration who were liable to jeopardize the public health. On the other hand, the Law of Return gave exclusive authority to the minister of interior to prevent the immigration of an ill person who was liable to constitute a public danger. Theoretically, it was possible to apply this clause to thousands of immigrants with active tuberculosis who had come to the country and to block the influx of many others. In practice, however, pressing realities were what determined how events unfolded, and the law's restrictions were applied only when pressure was applied on the minister by various agents to do so. For the most part, the health clause of the Law of Return remained solely on the books: of the tens of thousands of immigrants who came during this period to Israel, only several dozen applicants were rejected on medical grounds.

Dr. Sheba's Position and the Ministry of Health

In November 1950, Dr. Chaim Sheba, head of the Military Medical Service, replaced Dr. Meir as director-general of the Ministry of Health. Immediately upon assuming his post, Sheba rekindled debate on the medical selection controversy. Dr. Sheba was of the opinion that all sick immigrants should remain abroad until cured and only after their recovery be permitted to immigrate. He argued that Israel's health services were unable to provide medical assistance to such massive numbers of sick persons with contagious diseases, and the increase in their numbers endangered the healthy population as a whole. In order to bolster his position in favor of selection mechanisms, Sheba claimed that very high concentration of newcomers ill in body and soul would jeopardize the future of Jewish settlement in the country;

Sheba's call for selection on medical and social grounds received the support of Dr. Giora Yoseftal, head of the Absorption Department of the Jewish Agency. Yoseftal lent his support to Sheba's position, but only after much hesitancy and even then—only after he was convinced that the medical system in Israel would collapse if the wave of sick immigrants was not checked.

Thus, it would be in the immigrants' best interests that they be treated prior to immigrating.

According to Yitzhak Rafael "the fact that Dr. Sheba had unprecedented influence over David Ben-Gurion (who was also a member of the Coordination Institute), weakened to a large extent Ben-Gurion's support, that at the outset had been extremely enthusiastic regarding immigration," and fueled harsh disputes over the issue.[67] Ben-Gurion wrote in his diary:

> Sheba grumbled about Rafael from the Jewish Agency that he violates decisions taken by the Coordination Institute concerning medical checkups by the Ministry of Health, bringing into the country blind and paralyzed persons who become a burden on the public. In Persia he gathered together a motley crowd and brought them into the country without a permit. A person whose both legs are paralyzed was brought from North Africa. I requested he bring me the material in writing and I'll approach Rafael.[68]

In the latter half of 1951, the Coordination Institute approved a decision that was designed to apply some sort of classification to immigrants—not necessarily medical, in order to ease pressures on the system. The institute decided: "Vis-à-vis countries where it is possible to choose candidates such as Morocco, Tunisia and Algeria, Turkey, Persia, India, Central and Western Europe, the administration has decided . . . permission to immigrate for these candidates will be given only after a thorough medical examination, supervised by a physician from Israel."[69]

The medical sphere was only one criterion, weighed together with demographic restrictions of age, employability, occupation and means. At the same time, the Institute set forth that preference would be given to immigration from countries where there was a danger that the exit gates would be closed. The criteria of political immediacy and danger were thus the first and foremost consideration, and other factors—including medical considerations, were secondary.

In practice, these decisions were applied in a relatively small number of cases in comparison with the overall scope of immigration, which was of a magnitude of tens of thousands every year. Thus, for instance, from a survey of deliberations in the Coordination Institute in the closing chapter of mass immigration following the establishment of the State, it becomes apparent that among a total of 23,843 immigrants who arrived in 1952, only several hundred were refused entrance and several dozen were returned to their country of origin—for the most part, sick children who arrived in the framework of Youth Aliyah.[70] In general, return abroad was carried out only after a case was raised and discussed specifically, and was not an automatic procedure. Thus, a special discussion headed by Ben-Gurion was convened concerning the return to Morocco of six children who, it was discovered after

their arrival in Israel, were mentally ill and emotionally disturbed and their behavior constituted a public jeopardy. Return of the children to Morocco was approved only after the children refused to accept medical treatment in Israel, and when it became apparent that their families intended to stay in Morocco. Thus, the youngsters were returned to the care of their families. Dr. Sheba and others involved in immigration activities claimed the children had been sent to Israel on purpose by their families, to transfer responsibility for their care to Youth Aliyah. In a similar case, the immigration of six children from Persia with syphilis whose eligibility for immigration had been disqualified by Dr. Sternberg, an Immigrant Medical Service employee, was discussed; in this case, the six children were not returned to Persia, but rather sent for treatment at local facilities.[71]

In that most of the immigration in the first years after independence were from countries where there was political pressure on Jews or apprehension that avenues for exit would be closed, decisions of the coordination committee were of no operative significance and their recommendations were carried out only in extraordinary, singular cases, on a very small scale. In cases where attempts were made to classify immigrants on the basis of age or health status, particularly among immigrants from North Africa, the young people in the family refused to abandon the elderly and go separately. Consequently, the immigrants' social pressure, both in the Moroccan case and elsewhere, obliged the Jewish Agency to give in and bring everyone—elderly and sick included. In communities where attempts were made to conduct selection on medical grounds to prevent the immigration of families in which a member was sick, in many instances things ended up on the table of the Cooperation Institute or the Ministry of Health; in other cases public debate and political clashes in the Knesset were kindled. In the end, the demand for medical selection was dropped.[72]

It is hard to gauge the impact of selection on medical grounds on trends and scope of immigration in the first years of the State. Opponents to selection such as Yitzhak Rafael claimed that selection led to cessation of immigration; others claim that selection had a marginal effect on the magnitude of immigration, and the decrease in the number of immigrants should be assigned to political circumstances in the diaspora, or the fact that the reservoir of potential immigrants had been exhausted. Despite the differences of opinion, at the beginning of 1953, when it became evident that the scope of immigration had dropped considerably, the Coordination Institute reviewed the question of selection on medical grounds to mitigate its impact on the scope of immigration, if there was any in the first place. In deliberations conducted in March of the same year, discussion headed by David Ben-Gurion, for the first time compound criteria were discussed for bringing sick persons as part of a supporting family unit, particularly if most family members were young and employable and only one family member was

ill, disabled, or elderly. In light of Ben-Gurion's evaluation that selection on medical grounds, and even more so selection on socioeconomic grounds, was having a negative impact on the desire to immigrate, particularly among North African Jews, Dr. Sheba suggested significant liberalization of health status criteria for candidates for immigration. The only exceptions would be a number of specific diseases that would continue to be grounds for barring entrance, such as tuberculosis or genetic syphilis. In summing up the session, Ben-Gurion suggested that in place of selection on medical grounds, selection based on family grounds be initiated, stating: "If the entire family is immigrating, and there is a person whose livelihood must be provided for, this will not be used to postpone the immigration of the entire family" [73]

Dr. Btesh, who in 1953 was appointed director-general of the Ministry of Health in place of Dr. Sheba, recommended disqualifying the immigration of healthy children within the framework of the Youth Aliyah who came from families where a serious medical problem existed—in order to prevent the family coming under family unification criteria, in order to detour medical selection. The suggestion was rejected due to the categorical objection of Ben-Gurion and Rafael. In order to ensure members of the committee that there would be no wholesale detour of selection on medical grounds through demand for family unification, Ben-Gurion stressed: "There is a clause in the Law of Return that speaks of prohibiting the immigration of people who are a danger to public hearth or criminals. The door is open to prevention." The claim of family unification could stand the test of the law, should problems arise, argued Ben-Gurion.[74]

At the beginning of 1954, along with formulation of a program to encourage immigration from Morocco and Tunis, even at the cost of bringing in the sick, and to continue to nurture immigration of North African Jewry to Israel, the Coordination Institute announced that it was "lightening selection criteria." In addition, the institute resolved that sick members of Moroccan and Tunisian Jewish communities who would arrive with their families would be treated in Israel and their immigration would not be delayed, stating: "The Coordination Institute confirms the motion to transfer for treatment in Israel, families inflicted with trachoma and ringworm whose breadwinners are healthy."[75] The same month, final approval was given by the Ministry of Health for the admittance of the Cochin Jewish community.

Thus, almost without exception, in the first four years of statehood, although conscious of the risks and the cost, the Yishuv consciously chose to open the gates to the country to both European Jews who had survived the Holocaust and countless Jewish communities in distress throughout the developing world and particularly the Arab world, including their weakest elements (the sick, the disabled, the elderly), despite the heavy burden on social services and health hazards this policy would place on the shoulders of the state.

Chapter Five

Kupat Holim and Mass Immigration

Who Will Care for the Health of the Immigrants?

The decision of the Israeli government to place medical services for immigrants in the hands of an independent government-run agency, totally separate from the Kupat Holim system, forced the sick fund to formulate policy and procedures on their further care for immigrants. While Kupat Holim representatives were supposed to sit with Dr. Sheba and representatives of the municipal emergency medical committees to coordinate medical work in immigrant concentrations throughout the country, such cooperation among all the health agents existed only on paper. In practice the Immigrant Medical Service collaborated only with the Military Medical Service, and simply ignored Kupat Holim as if it didn't exist.

The agreement between the Jewish Agency and Kupat Holim stipulating that all immigrants would receive medical insurance gratis from Kupat Holim, health care underwritten by the agency, continued to function even after the establishment of the state, however, no procedures existed as to how immigrants who wished to continue their membership in Kupat Holim after the first three months of free coverage must proceed. Consequently, Kupat Holim had to formulate and set forth criteria for membership in the sick fund and the Federation of Labor for such newcomers. Policy also had to be set regarding eligibility for membership of immigrants with existing serious medical conditions such as the disabled, the chronically ill, and the mentally frail and elderly applicants.

At the beginning of 1949, Kupat Holim began to hammer out procedures for continuing its work with immigrants and for admitting new members to the sick fund. Since the first wave of newcomers had been sent to find shelter in homes and villages vacated by Arabs who fled or were expelled in the course of the war, Kupat Holim opened clinics in almost every new point where immigrants settled. In June 1949 there were already thirty-eight sick fund clinics in various geographic concentrations of new immigrants.[1] Most clinics were staffed by a doctor and a nurse. In most cases the physicians themselves were new immigrants who underwent three months training—primarily language training in Hebrew. At the end of the training period the doctor was promised

housing adjacent to the clinic in the new settlement where the immigrant doctor would be posted. Such housing—in times of acute shortages with tens of thousands of persons housed in temporary and flimsy shelters—was part of the physician's remuneration and served as an attractive bonus for immigrant doctors who themselves were struggling to adjust. Most of the doctors who joined Kupat Holim were either older physicians (usually age fifty and above) or doctors who for other reasons, were unsuitable for the draft and had received exemptions. Kupat Holim also launched a campaign to mobilize nurses for work in its clinics among immigrants, both assisting the doctor and engaging in preventive medicine, hygiene, and other forms of health education among residents. In addition to ongoing medical assistance provided by Kupat Holim clinics, the sick fund also established and ran Tipat Chalav (which translates as "A Drop of Milk") mother-and-child prenatal and postnatal care stations inside Kupat Holim clinics, a service underwritten by the minister of health. The clinic doctor, in most cases, was expected to provide medical services on a rotation basis to neighboring settlements, as well.[2]

In January through March of 1949, Kupat Holim operated five medical processing stations in the intake camps that carried out general medical checkups, lung x-rays and serological blood tests for venereal disease.

With the establishment of the central intake camp Shaar HaAliyah south of Haifa on the coastal plain, where most immigrants were subsequently processed upon arrival, Kupat Holim decided to established and post a special medical team in Shaar HaAliyah to coordinate all the medical examinations in the camp. Medical checkups were limited to diagnosis of tuberculosis and venereal diseases (syphilis and gonorrhea), and blood tests as needed.[3] Thus, Kupat Holim brought two mimeograph machines into the camp to conduct lung diagnoses and established an onsite laboratory to conduct blood tests. All children age eight and above were x-rayed and all immigrants fifteen years of age and above underwent blood tests for venereal diseases. Once newcomers were screened for these contagious diseases, the other stages of physical checkups and classification of immigrants were carried out at local residential Kupat Holim clinics in the place where the immigrants were sent to settle. The logic behind the sick fund's arrangement was that in such a manner, it would be possible to examine a thousand persons a day and immediately pinpoint those who presented a risk—preventing contagious newcomers from exposing others in the Shaar HaAliyah camp to communicable diseases while awaiting a more thorough but time-consuming check-up procedure that would slow down the process.[4] The checkups were one of the clauses in the agreement signed by the Jewish Agency with Kupat Holim as a service-provider for immigrants. The sick fund committed itself to provide test results within twenty-four hours to ensure immediate isolation and care of those with active tuberculosis. The average time spent at Shaar HaAliyah was one week. The IMS was responsible for vaccinating immigrants against

typhus and smallpox. The immigrants were forbidden to leave the intake camp until they completed this checkup and immunization process—all the more so since conditions in transit camps and elsewhere in the country were marked by crowding and inadequate sanitation, making identification of those with diseases such as active tuberculosis an absolute imperative if the outbreak of epidemics was to be prevented.

In the months March through June 1949 Kupat Holim conducted such preliminary medical checkups on one hundred thousand immigrants that passed through the Shaar HaAliyah camp, including thirty thousand chest x-rays and twenty-nine thousand blood tests. The staff was comprised of twenty-one staff members—only one a physician.[5] The average examination took ten to fifteen minutes; if there was any hint of disease, the individual was summoned for re-examination.

The preliminary medical data on immigrants was designed to assist in providing short-term care and in the future, to assist Kupat Holim determine the medical status of individuals who requested to join the fund—or, as Kupat Holim's critics' charged, to prevent those with chronic diseases and existing disabilities from joining the sick fund.

Issues such as confidentiality, the use and misuse of data and concepts of patients' entitlement to medical information about their person were not raised for discussion at the time—not by the immigrants, nor by those carrying out the physicals. One of the chief critics of Kupat Holim's actions in the immigrant camps was Dr. Avraham Sternberg, Dr. Grushka's deputy director in the IMS, and later its director. Steinberg charged:

> As strange as it may seem—indeed during those difficult days at the outset of 1949, another national medical institution was operating in the same immigrant camps themselves, it was the General Sick Fund. In one of the worst places, in the Natanya camp, I met a doctor from Kupat Holim who was engaged in examining the immigrants with the assistance of a nurse and a clerk who recorded the results. And for what? In order to determine medical limitations in receipt of people for membership in Kupat Holim. This was absurd under the terrible conditions then. The mighty Kupat Holim machine operated with maximum utility, without consideration of people and their torments. After all, medical assistance was realistically a precious commodity and needs were tremendous then. And Kupat Holim doctors were used to ensure that the institution would not fail, God forbid, in accepting a member and giving rights that [the person] was not entitled to according to Kupat Holim's regulations and this, when most of the examinees were unable to grasp for what and why they were signing [their names], and how much unnecessary hardship would be caused them in the future on the penchant of a rash and unsubstantiated notation.[6]

Yitzhak Kanev categorically rejects the charge: "There was never such a thing. Kupat Holim was the only institution that reached the maabarot and

the new immigrant settlements. Kupat Holim doctors did great works, above and beyond what others did."[7]

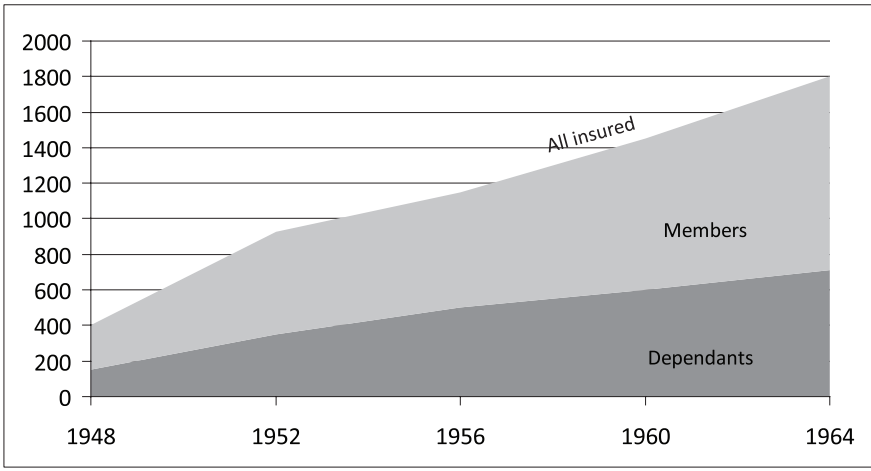
Despite the harsh tones and serious charges against Kupat Holim, and an insinuation that the sick fund withheld rightful entitlements from immigrants because of narrow institutional interests, Steinberg admitted: "Kupat Holim did great things in this area, even if its clear intention was to fully reveal these sick people in order to limit their rights in the future in accordance with [the sick fund's] regulations and in order not to have to carry out later examinations when the immigrants were already spread out from one end of the country to the other."[8]

Intentionally or unintentionally, Sternberg failed to recognize the fact that in practice, at the end of the three months free coverage, most of the immigrants who wished to do so, were able to pay the joint dues and eligible to join the sick fund without almost any restrictions, and to receive full medical services. This was the case, despite the medical data concerning previous medical conditions that Kupat Holim had at its disposal from its work in the intake camps and immigrant encampments. In most cases, it was the immigrant's employer that determined whether an immigrant would join Kupat Holim; that is, membership in the Federation of Labor through one's place of employment—at a time when most places of employment were "union shops" with collective wage agreements, was the decisive factor, not an individual's health status. Membership in the sick fund was one of a series of privileges that came with federation membership. Furthermore, the small number of immigrants who wished to join Kupat Holim that the sick fund rejected on medical grounds (usually due to mental illness or disabilities that the sick fund did not treat directly in any case) were referred to the Federation of Labor to be addressed in the framework of the federation's disability fund, which took upon itself to address the needs of several hundred mentally ill immigrants, immigrants with paralysis and tuberculosis. The disability fund's services were funded out of federation dues, along with outside assistance from Hadassah and the Jewish Agency, with the government paying 100–150 Israeli pounds for every hospital bed or rehabilitation bed. Only a small number, primarily mentally ill and frail and disabled immigrants fifty years old and above, deemed unsuitable for the disability fund framework, were referred for government-sponsored medical assistance and welfare services, beyond the federation's own health and welfare institutions. In many respects Sternberg's harsh criticism of Kupat Holim was unwarranted, at best a tempest in a teacup. Just how detached Steinberg's claims were from realities on the ground is clearly reflected in the fact that in 1950 Kupat Holim provided full medical insurance to 60 percent of Israel's citizens, Jews and Arabs. By 1954, the sick fund was providing insurance to approximately 90 percent of the country's citizens. Examination of Kupat Holim records from the period did not uncover even one letter totally withholding membership in the sick fund from a person on

the basis of information gathered in the course of conducting checkups of masses of immigrants in the camps. The information was primarily used by the sick fund to formulate policy, forecast hospital bed demands and plan the location of clinics and primarily—to settle financial accounts with the government based on epidemiological data gathered by Kupat Holim in the course of processing immigrants. The individual immigrant did not 'suffer' and was not discriminated against in any way as a result of this process. As for mental ill and frail individuals, in any case the sick fund did not provide such services—even to its veteran members. As during the madate period, these services were provided through the auspices of the Federation of Labor's disability fund or were the responsibility of the mandatory government, a role passed on to the Israeli government (see figure 5.1).

In May 1949, as noted above, the Knesset conducted its first discussion of health services in the year-old State. Discussion focused on the shortage of hospitalization services and the emergency services program drawn up by the Ministry of Health to cope with growing health needs. Another issue on the agenda was additional budgeting for health—questions concerning closing the gap in doctor and nursing staff and the role of local municipal councils in addressing the shortage. In the course of the debate the government was criticized for appointing only a part-time minister, who was responsible for Interior and Immigration, as well as the Health portfolio—although the Ministry of Health objectively needed a full-time minister. In addition, Knesset members harshly criticized the lack of suitable care for those with TB and the dangers this presented to the public, and insufficient care in other sectors—particularly new mothers and children, as well as the inefficacy of the Ministry of Health in organizing medical work among the immigrants. Most of the speakers cited in particular the duty of public institutions such as Hadassah, WIZO, the Joint and the Jewish Agency to assist the Ministry of Health provide medical services for immigrants, but they categorically ignored Kupat Holim. Kupat Holim—the organization that at the time insured 40 percent of the country's inhabitants—objectively, was the body with the most experience in organizing medical services on a large scale, yet it was only mentioned in passing in the course of debate. The only delegate who related to Kupat Holim as a core agent in the health field that could be assistive in creating practical solutions to alleviate prevailing hardships was MK Hannah Lamdan from Mapam.

> If the government would have adopted a [policy] line of support and encouragement of health institutions, the situation would be different. I'll take Kupat Holim as an example, a health insurance fund that provides assistance to about 350,000 souls, among them many immigrants. And Kupat Holim alone is not able to carry this burden of absorbing sick immigrants. If the Ministry of Health would depart from this framework of narrow-mindedness and view an



Source: Lavon Institute, Labor Archives, Kupat Holim files, IV-104-38

Figure 5.1. Increase of Kupat Holim population, 1948–64 (in thousands).

> institution such as Kupat Holim as an important popular insuring institution, it would encourage Kupat Holim and the local councils. The Government alone can't solve the question. If it will continue along the path it is taking, who knows when we will reach a more or less orderly situation,[9]

The Ministry of Health, which had only begun its operations a few months earlier, was not interested in the assistance of its "big sister," Kupat Holim, which not only was much larger than the ministry in its early days; Kupat Holim hardly hid its readiness to take upon itself responsibility for organizing health services in the state. The Ministry of Health wanted to build itself as the central agency controlling health matters on behalf of the state on its own, without any partners. Therefore, the only form of cooperation that could be considered from the ministry's standpoint was collaboration with institutions that did not threaten the ministry's hegemony or compete with it, such as Hadassah, the IDF, WIZO, and the JOINT. In 1949, Hadassah's operation had been paralyzed by the loss of its primary power base, Hadassah Hospital on Mt. Scopus, which was left at the end of the 1948 War as an enclave completely surrounded by Jordanian-held territory, unable to function as a public institution or assist the Ministry of Health. The JOINT, on the other hand, focused most of its operation on immigration, not absorption.

Dr. Avraham Sternberg presented a different picture of reality in the Knesset debate, beyond his previous criticism of the sick fund in other forums. According to Sternberg, Knesset members participating in the debate over health services did not have a proper grasp on the situation and did not understand the relative clout of the medical agents operating in

the health field and immigrant medical services. In his view, Kupat Holim was not being discriminated against; rather, the immigrants were being short-changed by the sick fund evading responsibility for treating them. In Sternberg's estimation, Knesset members should have demanded that Kupat Holim gird itself to care for the immigrants and not let the sick fund dodge this mission. Sternberg held that ignoring Kupat Holim's duty to assist in hospitalization and organization of health service, as reflected in the Knesset debate, was in Kupat Holim's vested interests, for it placed the weight of responsibility on the shoulders of the Ministry of Health although the Ministry was largely helpless, unable to take any significant action to rectify the situation. In either case, Kupat Holim was not required to take any action, and Knesset members participating in the debate did not consider Kupat Holim's participation in formulation of health policy to be a necessity, nor did they consider the sick fund responsible for providing medical services to immigrants in the camps, even if, in practice, it was doing so in the field.

Despite the almost total disregard of Kupat Holim by the Ministry of Health—which did not view the sick fund as a partner in decision-making on health matters—particularly immigrant policy, nevertheless, Kupat Holim did not treat the situation on the ground lightly or consider it someone else's concern.

Hospitalization Shortages and Health Policy

On May 19, 1949, parallel to debate in the Knesset, Kupat Holim's Medical Council (Moetza HaRefuit) convened to discuss "The Question of the Hospitalization Situation in the Country and Worsening of the Sanitary Situation in the Camps and New Points of Settlement of Immigrants."

The council concluded that care for immigrants in the camps and immigrant neighborhoods, as was the case at the time, was insufficient. Medical services for the immigrant would be expanded

> by introducing medical specialists, enhancement of medical equipment and establishment of sick rooms on a large scale within the camps themselves. . . . The Medical Council brings to the attention of the [Jewish] Agency that insurance of new immigrants in Kupat Holim for medical assistance for three months does not contain a complete solution for ensuring medical assistance to immigrants. Under prevailing conditions most of the immigrants don't have [the means] to continue their independent membership in Kupat Holim after the first three months, and they are left without any medical assistance, a situation that intensifies incidence of morbidity and the danger of the outbreak of disease. The Council recommends to the absorption institutions to extend immigrant insurance for an additional period.[10]

The Kupat Holim Medical Council warned in particular of the dire shortage of hospital beds that had already been discussed in the Knesset, calling for immediate steps to add thousands of hospital beds under Ministry of Health funding. The medical council itself announced that it would work towards expanding Kupat Holim's own hospitalization facilities and even initiate the building of new hospitals.

In June, the shortage of hospitalization was again debated in the Knesset, with particular emphasis on the shortage of beds for children. Knesset Members Rokach and Lavon complained that despite the Knesset's decision to approve special funding for hospital beds for children, the Ministry of Health had not added even one bed, and of the hundred-and-forty infants and children from immigrant camps that were in need of hospitalization in the first week of June, only forty-one were accepted; the rest had been sent back to their homes without suitable care. The distress in pediatric care was exacerbated by the outbreak of an epidemic of jaundice that affected some twenty-seven thousand children. The Ministry of Health, however, was slow to respond—whether due to the shortage of resources and overload of services in so many fields in the country—all demanding a solution; whether due to the ministry's lack of experience in large-scale management, or whether due to lack of funding. Whatever the reason, the tempo of expanding hospital bed capacity in government-run facilities lagged well behind acute needs.

It was clear to both the ministry and the sick fund that an all-out effort was needed to increase hospital capacities—both to meet the needs of the immigrants who were already in the country, and for future immigration. The sick fund management, under the leadership of Soroka, understood that if Kupat Holim could not provide an adequate solution to the shortage of hospital beds for immigrants in the short run, then responsibility for such would be transferred to governmental agencies, diminishing the status of the sick fund. This worry was amplified by the rapid growth of the Tel Letvinsky hospital and the underlying competition that had already developed between Soroka and Dr. Sheba over who would dominate the hospitalization system in the country. Soroka understood that if the sick fund took steps on its own initiative to add hospital beds in its institutions and if it provided suitable care for immigrants in need of hospitalization, this would strengthen Kupat Holim both in the short-run and in the future. The Ministry of Health sought quick cheap shortcuts to provide hospital beds in existing structures and institutions, most void of suitable infrastructure for a hospital—a strategy epitomized by the rapid growth of Tel Hashomer (Letvinsky). By contrast, Kupat Holim knew only one way of solving the shortage—building high-standard hospitals in a given time frame of two to three years in the hopes that needs would not change in the interim and the newly-constructed facility would be suitable to needs and operate accordingly. Soroka also hoped that the construction of a streamline and innovative institution would

attract outstanding doctors and prevent the slow loss of doctors to government institutions.

The decision of the sick funds to build more hospital facilities in order to meet the needs of immigration and to reinforce its position as a dominant player in the health field, was reinforced by the appointment of Dr. Meir—who had been the medical director of the sick fund and Soroka's close colleague for many years—to the position of director-general of the Ministry of Health. The appointment of a Kupat Holim person to the most senior management position in the health system aroused expectations of improved relations, a share in decision making on a national level and greater government funding for Kupat Holim, replacing the competition and enmity of the past with a positive and practical collaborative relationship between the ministry and the sick fund.

Yet, despite the expectations that Dr. Meir would bring the two bodies closer together, the Ministry of Health, primarily its division heads, continued to go it alone and even estranged themselves from Kupat Holim. While Dr. Meir tried to change policy towards the sick fund, the division heads and the ministry's other senior employees refused to collaborate with Kupat Holim, charging that the latter only sought the good of the sick fund, neglecting the needs of the ministry. Thus Kupat Holim remained isolated. The minister of health as well, struggling to establish his own political position and establish the authority of his ministry in the health field, was not eager to nurture a close relationship between his people and Kupat Holim's. As a result, most of Dr. Meir's time and energy was invested in serving as a go-between and coordinator between the minister and his senior officials, and Kupat Holim's senior management, all the time forced to address attempts from within the ministry to diminish his own authority and clout within the ministry, because he was viewed as a Kupat Holim implant within 'their' ministry.[11]

In June Soroka announced that Kupat Holim intended to launch an expansion program of its hospitalization capacities "to catch up with growing needs in the wake of the immigration." The program called for adding a wing to the Beilinson Hospital, opening a maternity facility in Kfar Saba, expanding the maternity facility in Rechovot and building a new hospital adjacent to Beilinson Hospital. According to the heads of the sick fund, the new hospital was designed to provide hospital beds for TB patients among the newcomers. In addition the sick fund announced it was opening additional convalescent homes, expanding existing convalescent homes and adding additional clinics in the immigrant camps. In order to provide a suitable solution for sick immigrant children, Kupat Holim said it would send three pediatrics specialists to the immigrant camps to serve as advisors and instructors for local physicians and nurses in the camps. The gesture was made possible by "temporary waiving of supervision by the doctors of children's houses in the kibbutzim, while

recognizing the urgency of providing rapid assistance to the immigrant children in the camps."[12]

But allocation of doctors did not solve the problem of insufficient medical services for immigrants, nor did it stop the public criticism of Kupat Holim. The daily press, particularly the center and right-wing media which devoted ongoing reportage of conditions in the immigrant camps, was in the habit of quoting various parties that, on one hand, accused Kupat Holim of not doing enough for the immigrants, while others charged that the medical services the sick fund was providing were a mobilization ploy designed to increase membership in Kupat Holim and the Federation of Labor. These charges were primarily leveled by Knesset members from the non-socialist General Zionist Party who focused their charges on hospitalization shortages and raised this issue time and again in Knesset debates. In August 1949 Knesset member Gil from the General Zionists attacked Kupat Holim's activities in the camps and even demanded that an investigatory commission be appointed to examine its conduct.

> The workers' sick fund announced this week in the Sunday [edition of] *Davar* that it has absorbed in six months, January to June this year, more than 120 thousand immigrants. That is to say, more than 240 thousand immigrants over a year. For these immigrants Kupat Holim receives from the government and the [Jewish] Agency, in addition to the [physical] examination fee, insurance payments for three months to the amount of close to five Israeli pounds per family and three lira per single person, as they exit the camp. The workers' sick fund is the one responsible for the health of the immigrants for at least the first three months. With the monies it receives from the Agency and the government, it is Kupat Holim's duty to provide medical assistance and suitable hospitalization for immigrants whom it has insured. But in practice, I saw primitive medical arrangements in the abandoned villages and shortage in the proper number of additional beds in Kupat Holim hospitals for immigrants, who almost all are automatically registered by the [Jewish] Agency in the workers' sick fund. . . . I call for a parliamentary commission being appointed that will investigate the situation in the provision of medical assistance domain and arrangements for hospitalization of immigrants by the government in general, and by Kupat Holim in particular." [13, 14]

Gil's criticism was not new and in essence repeated criticism he and his colleagues had voiced in the first discussion of the issue in the Knesset in April of the same year. The frequency with which General Zionist Party leaders raised the health issue in the Knesset, particularly in relation to the role of Kupat Holim, reflects not only the critics' genuine concerned with health issues, but also, even primarily, vested interests: the masses of new immigrants joining the Federation of Labor and the federation's sick fund—Kupat Holim after their initial three month period of free

health coverage. Whether the decision to join was totally a matter of free choice, or whether it stemmed from other considerations, such as lack of any other health provider in many outlying areas, or the enhanced prospects for employment in labor-owned industries that federation membership carried along with medical insurance, clearly the swell in membership rolls was advantageous to both the federation's and Kupat Holim's status and political clout. The General Zionists, it should be kept in mind, had their own sick fund at the time—the General Zionist Sick Fund, which later changed its name to the Merkazit (Central) Sick Fund, today the Meuchedit (United) Sick Fund. The General Zionist Sick Fund operated mainly in urban areas, with medical services provided by private practitioners. While the General Zionist Sick Fund had no desire to provide services in the immigrant camps, nevertheless, it feared that Kupat Holim's presence would lead to the Federation of Labor's sick fund dominating the health services field, pushing all of its smaller competitors out of the market entirely. The General Zionists' positions also reflect the first steps taken by the Kanev Commission in early 1949, to formulate a plan for legislation of a national social insurance plan that would include compulsory health coverage. The General Zionists opposed such health coverage on principle, and as a matter of self-preservation. In any event, a compulsory health system would have amplified the clout of Kupat Holim in light of such a plan's broad outreach, and diminished the standing of the General Zionists' own sick fund and the independent private practitioners who not only worked with the General Zionists' sick fund, but were an important political constituency of the General Zionist Party at the time.

Thus, Gil's criticism of Kupat Holim's work among the immigrants was marred to a great extent by vested political interests, even if it was correct from a factual standpoint as to prevailing conditions and flaws in the quality of health service in the camps.

Mass immigration and the potential of thousands of newcomers receiving services from Kupat Holim also impacted on the deliberations of the Federation of Labor's coordinating committee, executive council, and secretariat. In April 1949, the coordinating committee decided that immigration would be the first item on the agenda of the Federation of Labor's National Convention, scheduled to take place during Passover week.

The Federation of Labor's Policy

In August 1949, the federation's executive council convened to discuss the Federation of Labor's plans for the coming year. The central theme of deliberations indicated, in essence, that they were "not interested that the government will maintain the organizational institutions of the federation

and the [federation's] Union Section will absorb immigration, explain to immigrants the federation's way, educate them, teach them Hebrew and absorb tens of thousands of new members into the federation, whom we are absorbing day and night. We are not pleased with this [kind of] absorption of immigration."[15]

The coordinating committee's motion "to change the existing method of collecting dues, as well as a suggestion to change the internal allocation of dues among the [federation's] institutions" was a key issue, including reduction of joint dues by an average of 18 percent, thus easing the financial burden on the individual worker or employee.[16] The goal of reducing dues was clear: "By lessening the dues burden we will be able to gain new members." The goal evaluation of the coordinating committee as presented during discussion was that the new joint dues per worker at its new levels would range from 4.5 percent to 5.5 percent of the wage earner's gross salary. At the same time, it was decided that the reduction would not affect level of services members received from the federation or the scope of medical services provided by Kupat Holim. Soroka and Dr. Tova Yishurun-Berman (who had been appointed medical administrator of the sick fund in place of Dr. Meir), conducted a long and stormy discussion with members of the federation's executive. But the issue discussed was not the need to find an immediate solution in the short-run to Kupat Holim's growing budgetary straits and difficulties in organizing health service for immigrants. Rather, discussion focused on the future of the sick fund and the options it faced in light of the realities created by mass immigration and the need to absorb so many people. In essence, hardships in hospitalization due to shortages of physicians and nursing staff wasn't even discussed. At the same time, formulation of federation policy was discussed, policy that would require all the public construction companies to erect clinics in every immigrant neighborhood they build, in proximity to already planned public buildings—the kindergartens, schools and general store. Soroka and Berman protested that present finances were so dire that the sick fund would be unable to staff and operate all these new clinics—all the more so, when the federation was cutting budgets, rather than increasing them to cover such expansion. In response, the coordinating committee

> took responsibility that in time of distress at Kupat Holim, [the committee] would take care of securing an easy credit loan, in order to help Kupat Holim extricate itself from [its] straits. A proviso to this decision was that Kupat Holim was not permitted to curtail at all the medical services it provided at the time to the member. . . . If it would become evident that reduction in dues was liable to damage the ability of Kupat Holim to maintain its services in full—in accordance with the approved plan—the Coordinating Committee would consider it its own duty to find a way to help Kupat Holim to get through the transition period.[17]

Along with such soothing words for Soroka and Berman promising that the committee would serve as a safety net for the sick fund, the Kanev Program for compulsory health insurance was also cited in discussion. Its implementation—deemed to be just a matter of time, would transfer a lot of the responsibility to the government, and reduce, to a certain extent, the responsibility and financial burden placed on Kupat Holim. Aharon Beker even underscored that

> We read in recent days that the Minister of Labor, comrade Golda Myerson, announced in the Knesset that she hopes or promises that in the current year, in the coming months, the first law for social insurance will be introduced in the Knesset. . . . The first law will surely include health [insurance] for the federation's organized labor and the poor in the country and for all employees. It is entirely possible that if the Knesset will succeed in this, as for Kupat Holim's budget, the effect will be many times more than the sum we are talking about.[18]

The federation preferred to relate to the great future awaiting just around the corner—tens of thousands of potential dues-paying members from among the masses of new immigrants arriving in the country, attracted to join the federation due to Kupat Holim's services. Yet, at the same time, the coordinating committee did not provide any suitable solution to the immediate problems facing the sick fund. In the long-run, the principle set forth by the federation in 1949—that every new immigrant neighborhood would have a Kupat Holim clinic as an integral part of local public services, impacted positively on federation membership rolls. A rapid expansion in membership was registered in the first half of the 1950s when building of permanent housing was at its apex.

The immigrants sought to avail themselves of Kupat Holim's services since practically it was often the only accessible source of primarily medical care in their vicinity, particularly on the periphery. In the Lachish development region in the Northern Negev and in the Galilee, federation-run building companies were the dominant player building new immigrant housing—allowing the federation to maintain the principle of neighborhood primary care by mandating construction of a local Kupat Holim clinic as part of the infrastructure, and in such a manner to create a *de facto* monopoly on primary health care in such communities.

This principle was preserved even after the government decided that a number of immigrant camps would become new immigrant housing apartment blocks. In the wake of the plan, Kupat Holim approached the Immigrant Medical Service and requested that the clinics that had operated in the camps be turned over to Kupat Holim so it could provide services to newcomers being housed in the complexes who were insured by the sick fund during their first three months in the country, and until it would be

decided who would be responsible for providing medical care to these points of settlement in the future. In the course of taking over the clinics, Kupat Holim demanded that Tipat Chalav mother-and-child prenatal and postnatal care be administered by Kupat Holim as well from the same clinics, instead of Hadassah, and Kupat Holim was willing to wrestle with the Ministry of Health on this issue. Jenny Tushtein, a member of the Ministry of Health's Preventive Medicine Committee, wrote Kupat Holim directorate member Ben-Yitzhak:

> Your telephone message from July 16, 1950, that Kupat Holim insists on opening a mother-and-child station in the new immigrant neighborhoods in the Tichon region, including Kerem Maharal, Ein Hod, Geva, Hacarmel, Ein Haiyalah and Atlit, surprised us . . . We charged the Hadassah Medical Federation with investigating the possibility of establishing stations in these points for preventive medicine . . . We request that you explain to us what propelled you to contest this decision of the Preventive Medicine Committee.[19]

But Ben Aharon knew what was behind this move. In the margins of the copies of the letter that he passed on to the other members of the directorate Ben Aharon noted "It is the opinion of Dr. Berman that we should not give up this area. . . . Kupat Holim's appeal and details on the content of the appeal you will receive from Dr. Berman at the next meeting."[20] In the end, Kupat Holim only received a number of stations, but succeeded in reaching an understanding with the Ministry that operation of mother-and-child stations in immigrant neighborhoods would be coordinated with the sick fund, and they would not be transferred solely to Hadassah. In the mid-1950s, when Hadassah transferred all of its mother-and-child stations to the Ministry of Health, the ministry asked Kupat Holim to provide these services in isolated and distant settlements within its own clinics to save the expense in staff and equipment of operating separate facilities. The ministry undertook to compensate Kupat Holim for the work of the station—a service that was mandated by law. Yet, in the eyes of the public-at-large, who for the most part were unaware of the internal arrangements between the sick fund and the government, prenatal, and postnatal care was perceived as a service provided by the federation and its sick fund. All the more so, from the perspective of local residents, Kupat Holim appeared to be the only health agent showing any concern for their health needs. The transfer of clinics into the hands of Kupat Holim and operation of mother-and-child prenatal and postnatal care in immigrant neighborhoods, even on a temporary basis, clearly enhanced the image and the status of Kupat Holim in the eyes of newcomers, who came to view the sick fund as the core health-provider in their new country.

Within a few short years, by 1955, the decision of the Federation of Labor's executive to use Kupat Holim as a core mobilizing tool to encourage new immigrants to join the federation through rapid expansion of services,

transformed the sick fund from an organization serving 43 percent of the population, into an almost exclusive health organization, serving 68 percent of the population.[21]

Kupat Holim's Ascendancy—The Situation in the First Year

In October 1949 the supervisory committee of Kupat Holim convened to sum up the first year of work in immigrant camps and to formulate plans for the foreseeable future. All twenty-two members of the supervisory committee were present, together with nine members of Kupat Holim's directorate and two delegates from the Kupat Holim physicians' committee. The discussion focused on a number of issues that in the eyes of the participants were considered critical to the future of the sick fund, against the backdrop of mass immigration: how to address ongoing care of new immigrants in the camps and immigrants in newly-constructed immigrant apartment blocks; how to deal with the "frightful" immigration from Yemen; how to address shortages in hospitalization capacity; how to deal with tensions between veterans and newcomers in setting the sick fund's priorities; what form should the working relationship among the government, Kupat Holim and the Federation of Labor take; and how to deal with the fiscal problems and shortage of personnel that limited the ability of the sick fund to function properly. Soroka opened the meeting with an overview of the situation, saying:

> According to a cautious appraisal, by the end of this year we will reach 473 thousand souls in Kupat Holim, compared to 325 thousand we had the past year. These figures envelop the fundamental problem of Kupat Holim. . . . Kupat Holim's population has grown by 50% and more . . . There are times that performance is delayed due to lack of plans and at time due to lack of means. Everything that we manage to carry out is the product of overcoming changes in the above factors. We still have before us a great feat of establishing buildings and housing for institutions and medical institutes. Our work plan for the year 1949 includes an addition of 220 beds. . . . We must make sure that Kupat Holim will add beds, otherwise we will lag behind in providing this assistance to our members . . . In [the intake camp] Shaar HaAliyah all the immigrants that went through were examined. On the other hand, all those who did not manage to go through the 'Shaar,' only a portion were examined. We expanded the service of central clinics for tuberculosis.
>
> Third wave of immigration (from Yemen)—there has yet to be such a frightful immigration. All the immigrants from 'Magic Carpet' suffer from severe malnutrition, 30%–40% have malaria, a large percentage with trachoma and skin diseases.[22] The change in the ethnic composition of Kupat Holim requires that we adjust our *modus operandi*. . . . In 150 points of settlement we established

> medical aid stations, and all this despite the lack of vehicles, telephone contact and so forth . . .
>
> In government hospitals members of Kupat Holim do not receive beds or they receive them in tiny degrees . . .
>
> During the past year there were attempts here and there to empty Kupat Holim of its substance. There were 'advisors' who wanted to transfer certain roles from Kupat Holim to the state.
>
> Kupat Holim lags behind from the standpoint of providing for the medical needs of its members. To date we have managed to fulfill the most urgent needs. It's our duty to improve the medical aid by giving special assistance.[23]

Kupat Holim was well aware of the challenges it faced and who were its competitors, how it must plan its steps, and what other players in the health field might need to be confronted or challenged. Even the solutions that Kupat Holim formulated, such as expansion of special services for Yemenite newcomers, organization of mobile clinics in ambulances to combat trachoma and establishment of daycare centers under the supervision of a doctor and nurse, along side mother & child prenatal and postnatal centers, were realized within a short time.[24] The only nagging question that accompanied these endeavors from the start was how to bridge the gap between needs and capacities—particularly how to deal with the shortage of professional personnel which constituted one of the main barriers according to Soroka, and impeded the development of the sick fund and prevented expansion of hospitalization capacities and clinics in keeping with the demands of mass immigration.

The Shortage of Medical Personnel

One of the core questions that Kupat Holim was forced to grapple with when it entered the immigrant camps was the question of medical personnel, primarily nursing staff. Most of the medical work focuses on health education, care of chronically ill and daily assistance with advice and information for people in distress—tasks that needed to be carried out by trained nurses.

In Soroka's estimation, Kupat Holim needed seven to eight employees per thousand members in order to provide full medical services. In practice, it was possible to supply only half that number, and the shortage of registered nurses was particularly acute.

Shortage of Nurses

The backbone of Kupat Holim services in the camps was its nursing staff, without whom it would have been impossible to expand services or even

operate them. There were three reservoirs of nursing personnel that Kupat Holim (and the health system as a whole) could draw upon: the first, graduates of Kupat Holim's and Hadassah's nursing schools; the second, immigrant nurses who underwent short intensive training that would enable them to organize services in the camps, and other immigrant concentrations elsewhere in the country; the third, short intensive training program to train practical nurses who could help in points of settlement where there were not enough registered nurses, who could provide assistance under close supervision of a registered nurse.

The medical service would not have been able to function without the registered nurses who carried out both administrative and organizational functions, parallel to responsibility for ongoing medical services. Although there was a shortage of registered nurses, in the first months of 1949, Kupat Holim mobilized nurses already employed in Kupat Holim who were willing to volunteer to go out for short periods to assist in the national absorption effort. Nurses were mobilized from kibbutzim. Both campaigns were, at best, only a temporary stop-gap solution. The number of nurses willing to live permanently in relatively isolated transit camps or immigrant towns was very limited. Only a handful of veteran nurses agreed to leave their families and homes or to find alternative work for their spouses so they could accompany them, in order to devote themselves to working among the immigrants. Moreover, the large number of new hospitalization facilities established for the most part near large cities, increased the demand for nurses in hospitals under far more attractive conditions. As a result, many nurses preferred to opt for a hospital setting rather than setting out to serve in an immigrant camp in the boondocks.

Consequently, medical service in the immigrant camps, and particularly that provided by Kupat Holim, suffered from a chronic shortage of nursing staff. Makeshift conditions, rapid turnover in staff, and the ongoing shortage of registered nurses in general, all had a negative effect on the scope of medical services and access to them.

In July 1949, a short time after taking up his post as director-general of the Ministry of Health, Dr. Meir put the issue of the nurse shortage in the immigrant camps on the public agenda. He described conditions on the ground, noting that

> With all the difficulty in obtaining suitable nurses, one can say with absolute certainty that in the cities of Tel Aviv and Haifa, the situation is far easier than in other places and all the more so within the camps: The nurses are not eager to leave the city, married nurses are not able to leave the city, nurses who are mothers of children we ourselves can't send into the camps. . . . Much to our sorrow, over the years a 'particularism' and aspiration for 'Spartanism' has developed in well-established institutions, and I must say with sorrow that for many years the Tel Aviv Municipality was not the last in this aspiration.

> I thought innocently, that the great awakening among the pubic-at-large in regard to disease and infant mortality would extricate the institutions from this ego-centricism and much to my sorrow I was proved wrong."

According to Meir, at the time the thirty-one clinics operated by the Ministry of Health in the camps—a population of seventy-thousand persons—were staffed by only thirty-four registered nurses. The only backup was sixty-six practical nurses and caregivers (metaplot) who underwent intensive short-term training in childcare, "who in their entire lives had never seen how to care for a baby."[25] Ben-Gurion noted that the shortage of trained nurses was not solely the problem of the civilian sector, noting "There are no nurses, not even for the needs of the army." Dr. Meir demanded that the hospitals in the cities and Kupat Holim allocate one registered nurse or a nursing student for a month's work in the camps during the summer as a stopgap measure, until the committee discussing the crisis could complete its work and formulate a policy for mobilizing nurses for the camps. Dr. Meir forewarned that those institutions that would not respond positively to his call, would face nurses being drafted from among their staff according to need and without any prior notice. When a nurse failed to show up from Tel Aviv, based on claims that for the Tel-Aviv municipality's part, there was "a supreme effort of the municipal hospital in Tel Aviv" already afoot, for "maximum care for immigrants," and therefore they could not send a nurse, Dr. Meir replied to Rokach, the mayor of Tel Aviv: "I place all the responsibility for the results of this refusal on you."[26]

Kupat Holim suffered from a shortage of nurses even more than the Ministry of Health. At the time, the sick fund operated two nursing schools with a total student body of eighty students, each graduating class no larger than thirty students. In addition to these two schools there were special programs for training nurses for x-ray clinics that graduated twenty-five students every two years, and a program for "nurses for physical medicine." Under normal conditions, the number of graduates was sufficient to fill the ongoing needs of the sick fund, but mass immigration and need to immediately increase the scope of medical services—at both the hospital and clinic level, changed the entire situation creating an immediate demand for a large number of nurses.

The most acute shortage was at the clinic level. Kupat Holim's working principles called for the sick fund to maintain a clinic in every point of settlement—as was the case in kibbutz and moshav settlements prior to mass immigration. While in Tel Aviv it was possible to relax this principle and meet prevailing exigencies by merging clinics and establishing split shifts where a clinic served different neighborhoods at different times of the day, this was not practical in rural areas on the frontier. Generally these clinics were budgeted and operated based on minimal staff that could not be stretched; mobilization of a nurse or doctor to serve a frontier village meant

closing a clinic in a veteran settlement. In 1949 clinics and medical aid stations were established in a hundred and fifty different points of settlement, in both immigrant camps and immigrant neighborhoods, creating tremendous pressures on nurse staffing and the sick fund's ability to function.

In order to try to close the gap in nursing staff, Kupat Holim opened another class at its nursing school adjacent to Beilinson Hospital bringing the sick fund's total nursing student body to 126 enrollees. Parallel to their studies, the nursing students all worked at the Emek Hospital or at the Beilinson Hospital, thus partially alleviating the shortage of nurses.

In addition a large number of practical nurses and infant caretakers were trained; while professionally their medical knowledge was limited, the practical nurses were able, after minimal training, to assist in the operation of clinics in the camps, helping to alleviate the shortage of personnel. Consequently, when the Ministry of Health requested that Kupat Holim transfer a full quarter of its graduates to the Ministry in order to care for the Yemenites brought by airlift, the sick fund was unable to meet the request. "Kupat Holim doesn't want to give nurses," Ben-Gurion wrote in his diary after Giora Yoseftal, the treasurer of the Jewish Agency, complained to the prime minister regarding the special problems in absorbing the Yemenite immigration. "Dr. Tova Berman, the doctor who replaced Dr. Meir, should be contacted," wrote Ben-Gurion. "Kupat Holim also promised a fourth, but it isn't providing."[27]

In the months January–December 1949 Kupat Holim nurses conducted more than twelve thousand house visits of pregnant women and infants in the immigrant camps and in new agricultural settlements populated by immigrants; this was in addition to their regular work in Kupat Holim clinics and in addition to the operation of the fifty-two Tipat Chalav mother-and-child clinics that the sick fund maintained throughout the country that conducted a hundred-and-twenty-thousand home visits in 1949.[28] Thus, it seems that Kupat Holim's refusal to give up a quarter of its graduates was unfairly perceived as arbitrary and selfish when, objectively, Kupat Holim simply could not respond positively to the request without undermining vital services for immigrants it was barely able to provide with its own staff.

Shortage of Physicians

Another difficulty with which Kupat Holim was forced to grapple was the shortage of medical specialists who were willing to devote themselves to treating immigrants. In April 1950 the doctor community in the country stood at 2,801 physicians. Five hundred and forty were women doctors, half were aged fifty and over, and only 40 percent had a specialty. Some two thousand general practitioners—most over fifty years of age, were employed

in existing frameworks (the Ministry of Health, Hadassah, Kupat Holim, and the IDF Medical Corps). Only six hundred physicians were under age forty; this group was, in essence, the only genuine reservoir for physicians able to serve in rural villages and kibbutz settlements, and new immigrant neighborhoods and development towns. But the same number of doctors was needed to staff expanding hospitals, to maintain a 1:15 ratio between physicians and hospital beds.[29]

Dr. Meir's appraisal of the situation was that the public health system needed another eight hundred full-time doctors immediately, just to meet current needs. The doctor shortage in the public sector was so severe that in January 1950 Knesset Member Ami Asaf, a member of the ruling Mapai party, introduced a bill designed to bolster efforts to ensure medical services in immigrant camps and requested that the Minister of Health Shapira relax requirements for a license to engage in medicine, and permit the director of medical services to issue temporary licenses to practice medicine in settlements in need. The purpose of the law was to attract medical students at the School of Medicine in Jerusalem to apply for unfilled positions for doctors in public service in immigrant camps and outlaying settlements, before they formally completed their studies, forgoing completion of their hospital residency requirements. In order to prevent undermining the level of medical practice, it was suggested that the permits be limited to six months. Although the Minister of Health was well aware of the acute shortage of doctors, Shapira did not immediately support the bill. After investigating the issue in depth the minister of health did not categorically reject similar legislation, although he stressed that in his opinion it would be better for all sides if the graduates would complete their residency and gain valuable hands-on experience, before being sent to care for new immigrants, if a decent level of medicine was to be preserved.

Despite the high demand for doctors in the public health services, close to eight hundred doctors chose to engage solely in private practice, with no institutional ties whatsoever. While most did not enjoy a full-time livelihood, they declined to leave the cities to practice medicine in the immigrant camps or on the periphery. Consequently, the daily newspapers carried conflicting stories that on one hand described the shortage of medical personnel due to the influx of masses of immigrants and the "hunger" of the public health system for more doctors, while at the same time reporting the on "severe lack of work among the doctor public" in the country.

The shortage of skilled doctors for work in the immigrant camps and afterwards in the maabarot that replaced tents and shanties with sturdier but substandard housing (wooden prefabs and small cinderblock dwellings) had another dimension: competition in attracting specialists to Kupat Holim. Because the reservoir of doctors was limited, and the number of immigrant doctors who were suitable and available was

also limited, Kupat Holim personnel in the camps were in the habit of approaching doctors employed by the Immigrant Medical Service and attempting to lure them to join the sick fund—sparking resentment in the IMS which itself was grappling with a shortage of medical personnel for its operations. In March 1950, Dr. Sternberg wrote an angry letter to Dr. Tova Yishurun-Berman complaining about the sick fund's employment offers to IMS's doctors.

> Again it has happened that Haifa Kupat Holim people have approached a doctor of ours in the Pardes Hanna Immigrant Camp and offered him work in Haifa (to Dr. Segal). I repeat and request that you ensure that the agreement between us will be upheld, that is to say only a letter from you to us obliges us. I request therefore to inform the Haifa District that they must stop partisan arrangements.[30]

After the sick fund failed to comply, and the regional physician of the Shomron District offered Dr. Nerson, head of the pediatrics department at the Pardes Hanna Hospital to transfer to Kupat Holim's clinic in the town of Hadera, Dr. Sternberg again wrote, "I demand from you clear orders that will prevent repeat of cases such as this on the part of Kupat Holim proxies, otherwise we will have no alternative but to prevent by ourselves meetings and arrangements such as this."[31]

Sternberg's anger was understandable. First of all, Dr. Nerson was the only pediatrician on staff, and had he accepted the offer, the Pardes Hanna Hospital would have been left without a pediatrician and been forced to close its department. Secondly, the IMS itself not only suffered from a shortage of doctors, its wage scale was 30 percent lower than Kupat Holim's. There was a genuine danger that doctors in the IMS would be unable to withstand the temptation of transferring to Kupat Holim to improve their own lot. Thus, Sternberg had no choice but to stand in the breach to prevent defection of its best doctors to greener pastures. The loss of even one IMS doctor was likely to set in motion the desertion of others, attracted by Kupat Holim's higher salaries and less stressful working conditions, depleting the IMS of its most vital staff members—a situation Sternberg could not let happen.

The general shortage of doctors and the competition in staffing between the IMS and Kupat Holim was accompanied by a third factor—hardships resulting from the labor dispute that broke out towards the close of the 1948 war between the Kupat Holim management and the sick fund's physicians.

With the outbreak of the 1948 war, Kupat Holim doctors had agreed to freeze a number of their wage disagreements and moderated other demands for improvements in working conditions as part of the doctors' contribution to the war effort, recognizing the dire straits of the Yishuv and the need to put national interests above personal issues. For its part, the sick fund preserved the rights of the doctors who volunteered for military service or were

drafted, promising to return them to their positions at the end of the war. The agreement of the sides to put their differences on the back burner for the interim did not, however, eliminate or reduce the tensions between the management and its doctors. The tensions that resulted from the failure of the Beilinson Hospital doctors' struggle in November 1947 (discussed in chapter 1) was amplified by the competition that developed at the beginning of 1948 between Kupat Holim and the emerging Military Medical Service, and towards the close of that year—between Kupat Holim and the doctors at Tel Letvinsky, and between Kupat Holim and the Ministry of Health. In mid-1949 tensions went from bad to worse with the establishment of the first duly-elected government (March 1949) which led to up scaling the Ministry of Health to full operation and the loss of doctors previously employed by Kupat Holim to other medical institutions such as the IMS and newly-established government-run and IDF medical corps-operated hospitals.

Competition between Kupat Holim and the other health organizations logically should have impacted on the institutional identification of Kupat Holim doctors, nurturing their solidarity as a separate sector from physicians working for other institutions; in fact, Kupat Holim doctors' primary identification was with their national professional organization—the Israeli Medical Federation (IMF), an umbrella organization of all physicians, and less with their place of employment—Kupat Holim. Discussions of wages and working conditions between the sick fund's management and its doctors usually went beyond what was typical of employer-employee negotiations; they became a nationwide debate in which the IMF and various political parties who believed they had a stake in the issues took part—such as the Progressive Party or the General Zionists party.

1949 opened with Kupat Holim investigating every possible avenue in order to address the health needs of masses of immigrants, against the backdrop of severe shortages in trained personnel in general and the draft of many young doctors into the Medical Corps that stretched the sick funds ability to function to the limit. Despite this, in March 1949 the remaining Kupat Holim doctors operating the sick fund's network of clinics passed a resolution at their annual convention demanding the work week be reduced to a six-hour workday: "With all the importance of this question for the institution, for Kupat Holim members and our institution's doctors, we did not *raise* the practical discussion out of consideration for emergency conditions, but today with a return to normalcy and with the date of our Convention approaching, we do not see any avenue before us other than a joint inquiry in the executive."[32]

In August 1949, after the Federation of Labor's executive did not immediately respond to the demands of the doctors, the council of the Kupat Holim doctors' organization declared its decision, including the demand for shorting the workday of doctors: "The Council stands behind the decision of the

last convention of Kupat Holim doctors on a six-hour workday for all doctors and authorizes the national committee to enter into negotiations towards realization of this in stages."

The target date for completion of negotiations with the management of the sick fund on actualization of the demand was set for September 1949—that is, almost immediately. Along with its demand for reducing the workday, the council also demanded payment of a thirteen-month salary check—that is, an end-of-the-year bonus equal to one month's salary.[33] Despite the ultimate tone of the demand, the doctors did not threaten to resort to sanctions or a strike. In October, a month after the date the doctor's had set for meeting their demands, the issue was brought for discussion at a meeting of the supervisory commission of Kupat Holim during its annual meeting with Kupat Holim's directorate. Two representatives of the doctors' committee participated, Dr. Borstein and Dr. Feller, as well as Dr. Tova Berman, the medical director of the sick fund who was also a member of the Kupat Holim directorate, and Dr. Shatkai who was also a member of the executive. As expected, the Kupat Holim directorate refused to accept the demand, and the issue was transferred for discussion in the Federation of Labor's executive. Dr. Feller's suggestion "to freeze assistance in the hospitals and convalescent homes and increase the assistance in the clinics. . . . expanding assistance to membership-at-large is far more important than providing assistance to a seriously ill individual" and his claim that "the benefit of the member and in the name of aid and economy, the number of work hours of doctors should be cut," were also not passed. The physicians' demands, as raised during the meeting, were totally out of line with the horrific shortage of personnel discussed at the same meeting—and all the participants roundly criticized the doctors' position. Members of the executive not only took the doctors to task for their specific demands, but also for their attitudes towards Kupat Holim in general and their refusal to serve in immigrant camps and rural settlements.[34]

It is hard to fathom the motives of the Kupat Holim doctors in demanding shortening their work week as well as receiving a significant salary bonus, in view of the situation in the country, in the health field in general, and the sick fund in particular—hardly normal times by any measure. On the other hand, since November 1947, when the Beilinson doctors' revolt ended, the sick fund doctors had frozen all their professional demands for three years, and had not renewed calls for improvement in their wages since 1947. It may be that in the doctors' minds, the close of the War of Independence and the establishment of the first elected Government of Israel signaled a return to normalcy and therefore they decided to restate unresolved issues. It is also possible that the development of two large doctor communities *parallel* to the sick fund—both in the medical corps and the Ministry of Health, were perceived as warning light. That is, Kupat Holim doctors

may have feared that their status and work conditions would be jeopardized should these other groups make demands before they did, leaving the issues raised during the Beilinson revolt up in the air. The absence of any minutes regarding discussions that preceded presentation of the doctors' demands leaves this question open to speculation. Whatever the motivation, Kupat Holim could not accept the doctor's demands. Times had hardly returned to normal, and in any case such far-reaching changes would have only intensified the economic straits of the sick fund. This was doubly so since the doctors' working conditions were anchored in a collective wage agreement and their demands were not limited to the work of physicians in clinics or in immigrant camps. Consequently, any gains would have been across the board. Moreover, improvement in the doctors' working conditions was likely to spark similar demands among other sick fund employees.

Due to the preferred working condition of Kupat Holim doctors, Dr. Sternberg really had a good reason to worry that his doctors would be attracted to seek employment with Kupat Holim.

Medical Services in the Maabarot

At the outset of 1950 there were more than a hundred thousand persons living in immigrant camps under harsh and crowded conditions. The unbearably Spartan conditions were further exacerbated by the pending arrival of even more Jewish refugees—Jews from Arab countries being pressured by repressive Arab regimes to leave,[35] the first waves from Iraq and North Africa. Creation of more stable living quarters for masses of immigrants was a national imperative.

In March of the same year, Levi Eshkol, then head of the settlement division of the Jewish Agency, raised the idea of establishing what came to be known as maabarot[36]—transit camps designed to serve as an intermediary solution until permanent housing could be erected. The plan was to establish such maabarot in proximity to veteran settlements; the latter would provide educational and health services, and old-timers would assist the newcomers to learn the language and to find employment in the local market—thus paving the way for the immigrants' gradual absorption into the labor market. Eshkol initially called for taking ten thousand families out of the camps and relocating them in places where there was work. Afterwards he expanded his proposal "to dismantle the camps and disperse the immigrants [throughout] the country." In debate within the government, there were a number of ministers who voiced worries that it would be difficult to get people to leave the camps voluntarily and such a campaign would demand a large degree of coercion, even use of physical force.[37] In any case, it was clear to all the members of the cabinet that there was no alternative.

In mid-1950, the government started to transfer immigrants from the camps to newly-constructed maabarot or to change the status of some of the camps and convert the camps themselves into maabarot by adding sturdier housing (mostly wooden prefabs) and public services. The alteration in status required organizational changes that would enabled the immigrant camps to function as semi-permanent settlements—that is, as maabarot (Rosh Haain camp became Rosh Haain Maabara). In 1950, fifty-six immigrant camps (out of sixty-two) underwent conversion as maabarot. The conditions in thirty-seven of them, where there was no running water, no electricity, were particularly harsh. In addition there were fifty-two working villages on the periphery—rural agricultural villages and development towns established by the Jewish Agency's settlement department by May 1952. By May 1952 the number of maabarot had risen to 111, and the number of maabara residents to a quarter of a million souls.[38]

From the Immigrant Medical Service to Kupat Holim

According to plan and in keeping with the agreement between Kupat Holim and the Jewish Agency for the sick fund to provide medical services during the first three months after an immigrant's arrival, Kupat Holim was supposed to be responsible for organizing medical assistance services in the maabarot in place of the IMS. Since the maabara was the permanent place of residence of the immigrant, responsibility for the health of the residents became Kupat Holim's responsibility. The IMS continued to operate in the temporary immigrant camps—particularly Shaar HaAliyah that remained the primarily intake camp where newcomers underwent medical checkups and processing before being sent to other housing accommodations.

On the surface, transfer of responsibility for health services in the maabarot to Kupat Holim was natural, at least in terms of the way the agreement between the sick fund and the Jewish Agency was construed. At the same time, it was clear to all that there was a 'political bonus' for the sick fund that came with the territory. In January 1951, well aware of the broader impact of work in the maabarot, Kupat Holim Leumit approached Dr. Sheba, at the time director-general of the Ministry of Heath, requesting that the Leumit Sick Fund be allowed to open clinics of its own in the maabarot.

Sheba responded, writing David Melamadovich, the secretary-general of the Leumit Sick Fund:

> The problem here is not medical, but public. On the other hand in that the agreement with Kupat Holim regarding the maabarot was, to the best of my knowledge, not taken by the Ministry of Health but rather by the Jewish Agency. As for the heart of the matter, I request that you consider whether the

> suggestion of there being two services in one maabara is good, realistic from the standpoint of materials and personnel. Lastly, it is no less clear to me that redundancy will cost a lot of money to the Yishuv, but these considerations, of course, are totally to the point. Therefore I hope that you will understand that the address for discussion of this problem is not the Ministry of Health.[39]

Indeed, the Leumit Sick Fund appealed to the IMS, which subsequently permitted Leumit to open clinics in the maabarot. Leumit's request was not a sudden affair, void of planning. Since 1948, Leumit had a special department that dealt with new immigrants and operated clinics at Shaar HaAliyah and at Atlit, near Haifa. Leumit tried to make the immigrants aware that they were entitled to join whatever sick fund they wished after the first three months of free coverage by Kupat Holim underwritten by the Jewish Agency. While certain parties in the government frowned on Leumit's operation in the camps and tried to prevent them from operating there, the fact that the health and welfare portfolios during these year were *not* in the hands of the ruling Mapai party prevented barriers placed before Leumit. In the mid-1950s, Leumit was even granted the same government funding that Kupat Holim enjoyed. As a result of its work in the immigrant camps and afterwards in the maabarot, approximately fifteen thousand immigrants joined the Leumit Sick Fund in the years of mass immigration[40]—although a combination of inertia, hegemony (the latter not solely in the health field either), and a host of attractive perks for immigrants, prompted most immigrants to remain with Kupat Holim.

In June 1950, in concert with the IMS, Kupat Holim began to take over medical services in the maabarot. The first camps turned over to the sick fund were the Talpiot camp and the Machane Israel camp (in Jerusalem), and Natanya camp (between Tel Aviv and Haifa). According to the agreement between Dr. Sternberg and Soroka, it was stipulated "that all medical personnel (doctors and nurses) would be placed at the disposal of Kupat Holim." The sick fund would pay their salaries and after a probation period, the sick fund would decide whether to accept each of the former IMS doctors as a rank-and-file employee of Kupat Holim. It was also agreed that the medical equipment in the camps would be transferred to Kupat Holim until the sick fund could arrange for its own equipment, or that it be left permanently—if the sick fund decided to purchase the equipment from the IMS. A similar arrangement existed in regard to buildings and use of the Magen David Adom ambulance.[41] The underlying principle was that the transfer of authority and infrastructure in all the camps would be orderly and fully coordinated between the parties. Medical personnel would be transferred as needed. As for hospitalization, since Kupat Holim could not fulfill all the needs of immigrants from the maabarot, it was decided that the Ministry of Health would continue to allocate beds for immigrants in the government's

general hospitals. The infant daycare and houses in the maabarot, particularly those serving Yemenite immigrants, were to remain the responsibility of WIZO and other organizations. The doctors staffing the infant houses were to be budgeted from among the Ministry of Health's contingent of physicians.

From the dearth of correspondence from the late 1950s between the IMS and Kupat Holim concerning transfer of responsibility for medical matters in the maabarot to the sick fund, it seems that despite occasional hitches and despite the negative sentiments remaining from tensions and competition between the IMS and Kupat Holim in past years, the first stage of the transfer was carried out with any political clashes. While there were exchanges between the sides with comments such as "Natanya announced that despite the summary with Dr. Sternberg, the medical instrumentation was removed from Beit Lead, and we object to this" or "I want to remind you that the furnishings and equipment from the Natanya camp (transferred on July 1, 1950) and Rosh Haayin (transferred on August 6, 1950) has yet to be returned to us," yet the number of exchanges of this kind were small considering the complexity and scope of the endeavor.

It should be noted that the IMS quickly internalized the fact that responsibility for medical services for immigrants in the maabarot had been transferred to Kupat Holim. The IMS did not try to hold on to these functions by force or undermine in any way the smooth transfer of authority. It responded immediately when problems arose. At the same time, the tone of the correspondence reveals a certain degree of satisfaction at the situation in which the sick fund found itself: If Kupat Holim had been overly eager to take over full responsibility for health matters in the camps, the IMS could hardly be expected to wring their hands in anguish if the sick fund now found it may have bit off more than they could chew. Yet, the IMS did not seek to make matters worse by complicating the handover.

Health Entitlements for Immigrants by Kupat Holim

Following the transfer of health services for masses of immigrants in the maabarot onto the shoulders of Kupat Holim, the sick fund, for the first time, published a document entitled "Rights of New Immigrants." According to the Kupat Holim directorate, the immigrant was not only entitled to three months of free coverage, in keeping with the agreement with the Jewish Agency: an immigrant was exempted from paying membership dues in the following three months if the person was unemployed, and immigrants enjoyed a 40 percent discount for the following nine months, if they joined the sick fund (and the Federation of Labor). Kupat Holim stipulated that the immigrant was entitled to extra privileges in health services compared to

veteran members and new members who were not immigrants. For instance, new immigrants were entitled to treatment by a doctor or a medic, medications, physical therapy, x-ray and radium tests, special treatment, surgery in the clinic and hospitalization due to disease without any additional payment. New members who were not immigrants faced a two to six month probationary period of limited coverage, until they were entitled to such services. New immigrants were also exempt from payment for delivery costs in maternity wards during their first year, vaccination, supervision of school health services and Tipat Chalav pre-natal and post-natal care. Moreover the caseload of doctors treating new immigrants was set at 350 to 650 sick fund members, while other doctors were expected to bear a caseload of 1,000 to 1,800 members.[42] In the report that accompanied the letter of immigrant entitlements, the executive cited that the cost of the special benefits for immigrants to the sick fund constituted 60 percent of the cost of the service per immigrant. The difference was covered from other sources within the federation, or simply added to operational deficits.

Despite Kupat Holim's readiness and willingness to shoulder the burden, responsibility for the maabarot plunged Kupat Holim immediately into a harsh shortage of staff and means of transportation. "Kupat Holim needs doctors and vehicles" was a common headline in the daily press. One such article reported, "Due to the shortage of vehicles many doctors working in distant points (particularly in the Negev) waste their time in queues or waiting for hitches. Kupat Holim demanded the government approve 100 vehicles for doctors, but only 25 were authorized . . . Kupat Holim is in need of an addition of 200 doctors."[43] Skilled doctors willing to work in the maabarot were, however, few and far between, and government assistance with vehicles was limited.

One of the first steps taken by Kupat Holim after entering the maabarot was to expand informational work (hasbara) among immigrant residents by all means at their disposal—both to increase the number of immigrants who would extend their membership in Kupat Holim and to enhance cooperation between patients and caregivers in Kupat Holim. In addition to organizational content, Kupat Holim also took steps to disseminate health information designed to raise hygiene levels and quality of childcare. Doctors and nurses were expected to lecture on health matters beyond their regular work hours, and the staff conducted a rotation system for lecturing among the camps. Thus for instance, in June alone, there were twenty informational lectures in moshav settlements populated by new immigrants in the Galilee and the Negev.[44] Parallel to this, the Information Dissemination Department also broadcasted programs on hygiene twice a week on the radio in various languages, and in addition to this, a special program designed for Yemenite immigrants in Hebrew as part of a feature entitled "Yemenite immigrants."[45] The programs for Yemenites reflects both the

sick fund's naiveté and paternalistic attitude towards the immigrants Kupat Holim took responsibility for. While their intentions were good and in certain areas such initiatives were objectively justifiable, it is questionable whether anyone among the Yemenite immigrants listened to the "hygiene corner" that the Information Dissemination Department broadcasted on the radio. Many Yemenite Jews indeed knew Hebrew, but it is improbable that any had a radio in their Spartan dwellings in the maabarot.[46]

Tipat Chalav Stations in the Maabarot

When Kupat Holim received responsibility for the maabarot and their residents, the sick fund, Hadassah, and the Ministry of Health had to decide who would continue to operate the Tipat Chalav stations and the information dissemination centers for female immigrants. The sick fund was prepared, in principle, to accept responsibility for Tipat Chalav, integrating this function into the operation of its clinics. Tipat Chalav and hospitalization in maternity wards for pregnant immigrants was the ministry's administrative and fiscal responsibility; transfer of actual operation of the Tipat Chalav stations to the sick fund in return for budgets from the government for this service would help economize the running of Kupat Holim's clinics and ease its budgetary problems. At the same time it was not clear whether the sick fund had the staff needed to add this service to its operation in all locations. Nor was it clear whether Hadassah would agree to be relieved of this function. In the overall plan for transferring responsibility for the maabarot to Kupat Holim, the IMS, and the Ministry of Health had committed themselves to coordinate operation of Tipat Chalav stations in the maabarot with the sick fund. Thus, in December 1950, Dr. Jenny Taustein, a civil servant responsible for mother-and-child services in the Social Work Wing of the Ministry of Health, requested that Kupat Holim pass on to her a list of maabarot where the sick fund requested to operate Tipat Chalav stations, including the personnel who would carry out this function and the number of hours that would be budgeted for each station. In its reply, Kupat Holim provided a list of forty-three stations in maabarot and new immigrant settlements where the sick fund took upon itself to operate a mother and child station. Operation hours ranged from 8 hours daily in large camps such as Tira that housed 650 families, to only twelve hours a week in smaller maabarot such as Migdal-Gad that had only 260 families. In other maabarot a mobile clinic visited several times a week, or according to need. The medical supervision of Tipat Chalav services remained solely in the hands of the Ministry of Health. When it became necessary to expand the service in a particular maabara, the ministry turned to Kupat Holim requesting that the sick fund add hours or open a permanent station if the maabara had been ser-

viced by a mobile unit. Cooperation with the Ministry of Health in opening new stations or expanding existing ones was required since the ministry was the agency underwriting the service. Thus, Kupat Holim opened twenty new Tipat Chalav stations in November-December 1950, while Hadassah opened twenty-two new stations in January 1951.[47] Most of Hadassah's mother-and-child stations, however, were in the Jerusalem vicinity and in new urban centers—in the towns of Beer Sheva, Tiberias and Afula—while Kupat Holim, by contrast, operated stations throughout the country. There was no competition between Hadassah and Kupat Holim over mother-and-child station territory, and, in fact, in a number of cases there was even discussion of collaboration between the two organizations particularly in regard to staffing matters. In addition, the Ministry of Health requested that Kupat Holim serve as a supervisory proxy for the ministry in places where the ministry could not supervise operations. Thus, for instance, the Ministry of Health requested that Kupat Holim take upon itself the medical supervision of Hadassah's Tipat Chalav in the Eliyashiv maabara where three hundred Yemenite immigrant families were houses.

> Our suggestion is: A. That your pediatrician in the district, Dr. Sternovsky who is already visiting the station, will continue these visits (once-a-week visits) and include also supervision of the school, the kindergarten and the little infant house on site. B. that the gynecologist from your maternity hospital in Hadera visit the station for pregnant women once every three weeks. Please inform us of your agreement to this setup which will advance welcome cooperation between the institutions dealing with preventive medicine in immigrant housing, and will even be important in including the hospitals within the framework of preventive medicine.[48]

The depth of Kupat Holim's involvement in local health matters in the maabarot hinged to a large extent on local initiatives. In a number of maabarot, Kupat Holim staff agreed to take upon themselves the supervisory functions of schools and educational work in preventive medicine, without any remuneration. In other places, Kupat Holim staff limited their focus to serving only members of the Federation of Labor, leading to complaints that the sick fund "refuses to take care of hygiene matters in the general school, claiming that the sick fund only provides assistance to members of the federation. In this way, the school is left all the time without sanitation and hygiene supervision, even if the situation in the maabara calls for this." [49] A similar complaint was registered against Hadassah which refused to budget a regular nurse in the school. Generally, local residents were not interested that supervision of educational institutions was officially the responsibility of the Ministry of Health, not Kupat Holim. In their perspective Kupat Holim or Hadassah were the only agent's responsible for their health—for better for worse, and their complaints reflected this perspective. Kupat Holim's

explanations that this was not their duty did not convince the locals that the sick fund was acting correctly.

The Ministry of Health apparently served as the only coordinator between Hadassah and Kupat Holim, for there is no evidence of direct correspondence between the two organizations to be found. At the close of 1952, Hadassah transferred to the Ministry of Health all the mother-and-child stations it had operated. Thus, mother and child stations in the maabarot remained at the same time, in the hands of Kupat Holim and the Ministry, dividing between them the work according to areas agreed upon in advance. The regional allocation between the sick fund and the ministry in running mother and child stations continued even after residents of the maabarot began to move into permanent immigrant apartment blocks. Thus, Kupat Holim was requested to open Tipat Chalav stations and provide preventive medicine services in new immigrant neighborhoods that began to be constructed in development towns including Yokneam, Atlit, Tira, Givat Olga, and Kfar Yona, and in veteran communities including Rechovot and Gedera that absorbed immigrants. The ministry underwrote the programs and supervised them.

Health Politics in the Maabarot

In October 1950, Ben-Gurion announced his resignation as head of the government. His resignation was designed to enable addition of another minister to the government—the minister of industry (in place of the Minister of Finance Kaplan who had held the industry portfolio temporarily). Appointment of a separate minister of industry was designed primarily to formulate national strategy that would bolster the country's economy. But the addition of another minister to the coalition government had political ramifications—challenging the existing delicate balance between coalition partners within the government. The appointment had to be acceptable to all the parties and not all were in agreement. The primary opponent of this move was the religious bloc. Ben-Gurion had to resign and threaten new elections to pressure the religious bloc to give in. A new government was formed with thirteen ministers in the cabinet, and on November 1, 1950, the second government took office. Yaakov Geri was appointed minister of trade and Industry. The Ministry of Health, as well as the Interior and Postal Services portfolios, was again placed in the hands of a member of the religious bloc. As under the first government, Shapira held three portfolios and again there was no full-time health minister. Moreover, Shapira's energies were focused on running Interior, while Health was viewed as a political extra designed to maintain the fine balance within the coalition.[50]

The political crisis in the middle of establishing the maabarot did not impact directly on the course of events, but indirectly influenced both the

public and the Knesset. The crisis demonstrated just how fragile the government was, while events—dealing with mass immigration and the ongoing influx of more and more destitute refugees—called for prompt and bold moves by a firm and united government that simply was not to be found.

The Ministry of Health 'Putsch'

In the midst of the coalition crisis within the government, an internal crisis within the Ministry of Health broke out totally independent of the political crisis. Director-general Meir resigned after an extended battle with senior civil servants and department heads within his ministry and with representatives of the physicians in public service. Most of the Ministry personnel's complaints focused on Dr. Meir's centralized management. Ministry employees claimed that Meir's management style limited their ability to function and undermined their work with immigrants in the camps and in the maabarot in particular. Furthermore, they charged that Dr. Meir was driven by considerations that were not in the best interests of the ministry: They claimed that Meir failed to use his authority to keep Kupat Holim in line when this was required; allowed the sick fund to enjoy a favored position in establishment of new services; and in general put the sick funds' interests above those of the Ministry of Health; and refrained from working towards fair pay for government doctors whose wages were below those of Kupat Holim doctors. The physicians also cited Dr. Meir's opposition to permitting doctors in public service to engage in private practice on the side, and Meir's harsh criticism of doctors at the Tel Hashomer Hospital (mostly, doctors serving in the IDF) who were engaging in private practice—an unresolved issue that had been the subject of a bitter struggle between the doctors and the Yishuv's public health institutions even before the establishment of the state.[51]

The senior servants' revolt against Dr. Meir was brought up in the cabinet. Ben-Gurion's attempts to reach a compromise between the sides and prevent Dr. Meir's resignation failed. Dr. Meir was offended by the fact that the ministerial committee appointed to investigate the roots of the conflict failed to give him unreserved backing, and Meir preferred to resign. The Ministry of Health was left without a director-general at a critical juncture for the state—all the more critical since the ministry had only a part-time minister which further expanded the role of the director-general as the chief policy-maker.[52]

The resignation of Dr Meir brought collaboration between the Ministry of Health and Kupat Holim to an end. Yet, it should be noted that during Meir's tenure, even when there were clashes between the sides, in general disagreements were settled by a compromise with which both sides could live, or at least to the satisfaction of Kupat Holim. The senior servants in the

ministry charged that, in fact, decisions *always* were taken in the interest of Kupat Holim, and cooperation was merely for appearance sake. Under the surface, the bitterness felt by ministry personnel built up until it broke forth with full force. Yet, examination of ongoing correspondence of the ministry with Kupat Holim regarding health services in the maabarot reveals that the general atmosphere was not as bad as ministry personnel described it. The overriding attitude of onsite personnel was that problems should be solved practically and as realities dictated, refraining from getting involved in political clashes or competing for power bases.

Nevertheless, the entry of Dr. Chaim Sheba as director-general of the Ministry of Health in November 1950 brought a complete turnabout in interpersonal relations. On one hand, Sheba succeeded in ending labor unrest within the ministry by inaugurating full cooperation with his department heads and even heading a struggle to raise the salaries of government physicians, as they requested. On the other hand, his appointment again raised the old animosities and conflicting visions of the face of health services in the state, between Sheba and Kupat Holim.

Upon accepting the appointment, Sheba wrote to a friend,

> Soroka was very angry that the doctors in the Ministry brought about this development, the resignation of the former manager of the Ministry of Health, Dr. Meir . . . If the doctors did everything in the proper manner or not—I don't know. But they called this a putsch and they say they forced Meir to resign, or they forced the Minister of Health and the Prime Minister to request Dr. Meir to leave, because there began to be differences of opinion whether the Minister of Health should stand on its own and create tools in order to give service to mass immigration or that the Ministry of Health should be a branch of Kupat Holim.[53]

Dr. Meir, for his part, preferred not to reply to the charge. In a summary report on the state of the Ministry of Health that he wrote following his resignation, Meir devoted only a few lines to the matter:

> On the contrived revolt of 4 wing managers in the Ministry of Health, on the unbridled incitement carried out against me with the knowledge of the Minister of Health and the form, how matters were 'managed' over four months—I refrain from providing details. The matter was clarified in the special government committee by the Prime Minister, the Minister of Finance and the Minister of Health, and not I, I am surely too subjective in this matter, to have the last word. I cannot but note that had the Minister of Health known or had he desired more objectivity, things would not have reached the point of inflation of matters, the staging of a resignation and such a morass that was organized intentionally from the start.[54]

Sheba knew his agreement to take the place of Dr. Meir would be coldly received by Kupat Holim, and even noted this openly:

> I wrote all the comrades who approached me, that I have already gotten a taste of going for a position without the consent of Kupat Holim's directorate and I don't see the backing that I'll receive, in order that I will be able to establish a Ministry of Health free of foreseeable pressure, and that pressures can be expected, this I became aware of from a meeting with Mr. Soroka. . . . If I'll be a good boy—I'll get help. If I won't be a good boy—it won't go.[55]

Sheba, as could be expected, had his own opinions as to the proper role of the Ministry of Health and the future face of the Israeli health system. He had already expressed his views early in 1948 with the establishment of the MS. Kupat Holim's directorate feared for the future of the sick fund within the state, and therefore Sheba's views were hardly viewed with favor. This placed the sick fund's leaders and Sheba at loggerheads, each side convinced that its vision for the health system was the best for the country as a whole and for the immigrants in particular.

"Sheba hoped that the Ministry of Health would be allowed to establish its own services and enterprises in order not to have to stand like a pauper at the door and request serves from others, thus would be created the possibility of merging medical services into a single State service, of which the Military Medical Service would be a branch."[56]

The appointment of Sheba changed both the general atmosphere and the balance of power between the Ministry of Health and Kupat Holim—including the question of medical care in the maabarot. In Sheba's mind, most medical care should be transferred to the military, with the Ministry of Health supervising this work, since only they had the power to grapple successfully with overall organization and medical services on such a large scale.

Sheba's appraisal was driven home by facts on the ground—the physical degeneration of the situation in the maabarot and the impact of the weather.

'Operation Maabarot'

The fall season of 1950 brought stormy weather. Tents collapsed and wooden prefabs were damaged, and the maabara program encountered countless problems. Housing was not ready on time although waves of immigrants continued to enter the country without almost any limitations due to political conditions in their countries of origin. All this came on top of the usual problems of shortage of cash and personnel that prevented completion of the task before the onset of the rainy season. The government was forced, at Sheba's recommendation, to order the army into the maabarot.

In November 1950, the IDF announced preparations for a special campaign—"Operation Maabarot"—parallel to the government emergency

program designed to provide a "roof over the heads" of children in the maabarot, Kupat Holim's directorate feared that its image would be damaged and that the entrance of the IDF into the camps would be interpreted by the public as an admission of the sick fund's inability to provide suitable medical services in the maabarot. It responded immediately, disseminating a press release stating that "Kupat Holim is responsible for most of the medical care in the maabarot" stressing that within six months the sick fund had taken over responsibility for 108 maabarot and working villages whose population encompassed sixty thousand persons. The executive also underscored that only twenty out of 108 maabarot had been turned over to the army's care, and in only seventeen had Kupat Holim clinics been temporarily turned over to the IDF.[57]

On November 17, 1950, Colonel Yaakov Prolov, head of the IDF operations department published the details of orders for "Operation Maabarot." The operational order was classified "urgent-confidential" and was disseminated to various Jewish Agency departments, the director-general of the Ministry of Defense, the prime minister's military secretary and the Israeli Police Force. The order was also sent to all IDF units scheduled to participate in the operation. Kupat Holim was not among the recipients, even though it was scheduled to partake in the program.[58] The order spoke of fifty-six maabarot, thirty-seven where situation was particularly dire, and more than fifty-two working villages and permanent settlements where immigrants had been settled.

The operation orders stipulated that the army would take over full responsibility for thirty-seven maabarot in difficult straits, organizing and maintaining sanitation and preventive medicine, information dissemination, care for facilities, disinfecting immigrants with DDT dust, hygienic supervision, regular check-ups, erection of sick rooms for hospitalizing serious cases, visits by doctor squads, care in children's institutions including medical supervision and collaboration with government hospitalization facilities, as needed.

Primary care (in clinics) in most of the maabarot where the situation was fair was assigned to Kupat Holim. In maabarot where the situation was worse, the ones whose entire administration was turned over to the army, it was stipulated that the sick fund's medical teams would continue to provide medical services as in the past, but would be subordinate to the maabara commander's orders. Daily food supplies to local general stores remained in the hands of the Federation of Labor's supply network—Hamashbir Hamerkazi. Tipat Chalav services were shared by the Ministry of Health, Hadassah and Kupat Holim. Eight hundred hospital beds in the camps and the maabarot remained the responsibility of the Immigrant Medical Service and the Ministry of Health.

The primary reason for Operation Maabarot was cited in the order itself, the title of which was, "The Mission—Assistance to Maabarot in the Winter

Period." The primary goal was to prevent flooding, leaks in housing blocks, collapse of tents or huts, and cutoff of access to maabarot that would disrupt ongoing supplies to immigrants. Activity in maabarot that were deemed to be in peril of collapse into chaos, focused on engineering and organizational work at the camp level, and assistance to individual immigrants in distress on the individual level.

In December the budget for Operation Maabarot was set, particularly allocation of the fiscal burden. In the first stage, the cost of the entire operation was estimated to be 375,000 Israeli Pounds. Immediate health expenditures were estimated to be 10,000 Israeli pounds; Kupat Holim was called upon to cover 25 percent while the remainder was laid on the Ministry of Health. Hadassah was not mentioned in the operation's program. The Immigrant Medical Service was not mentioned at all. The primary outlay was for engineering work and personnel—mostly IDF reservists, including two hundred doctors called up for active reserve duty. The maabarot were divided up among the IDF's three regional commands (Northern, Central, and Southern Command) by geographical area. Medical responsibility was placed in the hands of the medical corps. Maabarot were also given to the Air Force and the Navy, following special requests from these branches that they be allowed to take part in the operation. [59,60]

Drafting Doctors for the Maabarot

On December 1, 1950, Operation Maabarot was officially launched. While the army had already been active in the maabarot, it was deemed necessary to officially declare the operation, both as a matter of public awareness, and for record-keeping, budgeting and organization. On December 18, the Ministry of Labor announced compulsory draft of physicians under the Emergency Regulations for Mobilization of Manpower–1948.

The announcement on compulsory mobilization of doctors was a matter of great concern within Kupat Holim. First of all, the sick fund had not been party to the decision. Present at the decisive meeting were the commander of the medical corps, representatives of the Ministries of Health and Labor, and two representatives of the medical federation. Dr. Lotan, the Ministry of Labor representative, was the unofficial representative of Kupat Holim, since he has deliberated with the sick fund on the issue several weeks prior and therefore was assumed to know the sick fund leadership's position. Dr. Sheba and Dr. Lotan saw no problem in orders to draft doctors from the sick fund's perspective. Dr. Sheba even stressed in discussion that in his opinion, Kupat Holim would be the chief consumer of the services provided by mobilized doctors and there was the assumption that Kupat Holim would, logically, unconditionally support the measure.[61]

Dr. Lotan sufficed with citing the fact that Kupat Holim urgently needed thirty doctors and would be willing to employ in its maabara clinics doctors drafted by the Ministry of Labor. Lotan did not relate to the mobilization of Kupat Holim doctors to active reserve duty, a critical issue from the standpoint of the sick fund. The decision was taken without Kupat Holim having the opportunity to present its position and without any joint discussion of the issue between Kupat Holim, and the Ministry of Health and medical corps before voting on the mobilization order.

Subsequently, Kupat Holim's directorate immediately appealed the wording of the decision adopted regarding the doctors' draft although in principle it supported mobilization of doctors and had even demanded such a move months prior. On January 1, 1951, less than two weeks after the announcement of a compulsory draft for physicians, Kupat Holim's directorate initiated a meeting in the minister of health's office to discuss again how to mobilize the doctors. Participating in the meeting were Minister of Health Shapira and Dr. Sheba, Eliezer Peri, the representative of Kupat Holim's directorate, and Dr. Tova Berman, the medical director of the sick fund. Soroka was not at the meeting. One of the sick fund's key arguments was that the announcement was too general, was not egalitarian, for it exempted in advance immigrant doctors. Moreover, it would enable many private practitioners to dodge being drafted and ultimately place the entire burden of mobilization on public institutions, first and foremost on Kupat Holim. Moreover, the sick fund argued that the period of mobilization, two to six weeks, was too short and would not answer the genuine needs of the clinics in rural villages and maabarot. The sick fund suggested, in addition to a compulsory doctors' draft, that newly-licensed doctors be required to serve two years in a rural settlement or a maabara as a proviso to receipt of a license to practice medicine. As for nurses, although the shortage of nurses was greater than the shortage of doctors, the Kupat Holim directorate demanded that mobilization of sick fund nurses be cancelled, since all were already engaged in vital jobs, whether in hospitals or in maabarot, and it was impossible to surrender even one of them.

Dr. Sheba objected to the sick funds' demands and its suggestion that the draft regulation be changed to create a more egalitarian sharing of the burden. In his view, working in a village did not have to be a proviso forced upon immigrant doctors in exchange for a license to practice medicine because the immigrant doctors were not skilled enough for such work. He also argued that mobilization of veteran physicians and specialists was what was really needed—individuals whom Sheba believed were capable of providing a real contribution and improving the situation in particularly distressed points of settlement. Most of the veteran specialists were in Kupat Holim, and it was their mobilization that the sick fund feared the most. In the end, the discussion ended without any progress. The compulsory draft

remained as drafted, and the only promise the minister of health made to the sick fund was that if the mobilization was not carried out as planned, the issue would be re-discussed.

The shortage of medical staff in the private market—paradoxical as there was a surplus of doctors in the city—and a serious shortage of doctors in rural areas, especially in maabarot and in the public service on the whole, was discussed a number of times in the Knesset and was the focus of debate between representatives of the doctor community, and heads of the public health system. Most of all, the doctors wanted to prevent legislation that would coerce them to work according to the needs of society and sought to preserve their organizational and professional independence. By contrast, members of the public health system sought to initiate legislation that would force young doctors and doctors with vital specialties to invest some of their time in service to the public. Because the legislative process designed to regulate the work of physicians in the country and to attract or to push physicians to work in rural villages was a slow business, a compulsory draft for short periods under the force of the country's emergency regulations was the only solution. The IDF medical corps which bore most of the responsibility for Operation Maabarot, supported this strategy. Another supporter was Dr. Sheba, the director-general of the Ministry of Health, who much earlier had held that demands should be made on medical experts to fulfill a certain quota of service to the public, even without hinging licensing on mobilization and without forcing young doctors to serve in the periphery before finishing their training.

Declaration of compulsory mobilization of doctors by the government required the Israeli Medical Federation (IMF) to take a stand on the issue. For months the IMF had been struggling to establish its position as the dominant voice and even sole representative of the doctor public in the country, seeking to prevent establishment of a Federation of Labor organization that would represent only physicians in public service or only Kupat Holim physicians. In addition, they sought to bring the new doctor sector that had emerged—government doctors, under the authority of the IMF. It was clear to the leaders of the IMF that they must change their orientation, and depart from their traditional stand. In the past, the IMF had opposed any form of compulsory draft. It argued that mobilization of this sort primarily assisted Kupat Holim, allowing the sick fund to bring doctors into its ranks, employing them on a temporary basis through the Ministry of Labor without any of the professional and social commitments entailed in regular employer-employee relationships. Now, in an unusual move, the doctors' professional organization announced that the IMF supported compulsory mobilization of doctors to serve in the maabarot, and added that the IMF's own leadership would be the first to volunteer to serve.[62] The surprise announcement thrust the doctors' professional organization into the forefront as an organization ready

to assume social responsibility by placing the needs of the country above all other considerations in its readiness to fully cooperate with the government in an urgent national endeavor. By placing the doctors' professional organization and the government in the same camp, it pushed to the side criticism of the IMF from Ministry and Kupat Holim quarters in the previous year during the struggle over professional representation of the doctor community. While it may be that in the long run the IMF hoped its support would be translated into political clout—recognition of the organization as the sole representative of the doctor community in the country, the organization's unequivocal stand committed doctor members be drafted who in the past had not considered it their duty to come to the aid of the maabarot—now, out of commitment to their professional organization and to maintain the IMF's credibility and stature in the eyes of the public. Facts on the ground, however, were less positive and the honeymoon was short lived.

In March 1950, four months after the Ministry of Labor announced compulsory mobilization of doctors, it became evident that Sheba's appraisal had been wrong, and Kupat Holim's had been correct. In practice, many of the civilian doctors drafted for short periods succeeded in dodging service in villages and maabarot. As a result, in April, the government announced it was raising the age for mobilization to fifty-five. This move, however, did not significantly change the situation and even sparked anger within the IMF. Thus, after a short hiatus of collaboration with public institutions, the IMF was again at loggerheads with government authorities and the public medical system as a whole, this time over the status of doctors and the remuneration they would receive for their work in various capacities.

The shortage of medical personnel in Kupat Holim's services in the maabarot was so severe that Mordechi Namir, chairperson of the Federation of Labor executive's coordinating committee, threatened in an April 1951 telegram sent to Prime Minister Ben-Gurion that Kupat Holim would suspend its services to immigrants, because monies promised the sick fund had not been forthcoming, but mainly due to the shortage of personnel that made it impossible for Kupat Holim to function. Namir demanded immediate government assistance and demanded that the draft period for doctors be extended to prevent the total collapse of Kupat Holim. Similar warnings were published in the press, including the reason for the dire state of the sick fund and the demands from the government.

The tension between the sick fund and the public system brought the issue to the prime minister's office, as well. In July of the same year, Prime Minister Ben-Gurion met with representatives of the medical federation to discuss a suitable solution to the shortage of personnel in Kupat Holim. The IMF representatives, Dr. Avigdori and Dr. Druyan, told Ben-Gurion that continued compulsory mobilization of doctors and the sick fund's demands under prevailing circumstances was a wasted effort, of no utility. Dr. Avigdori argued that since

the number of doctors promised to Kupat Holim was similar to the number of doctors in the sick fund of draft age, only a handful of doctors would be added to Kupat Holim staff. Moreover, according to the notes of the meeting in Ben-Gurion's diary Avigdori also claimed that "physicians work in the army is not economical. A doctor doesn't work more than two hours a day. . . . as a doctor. The doctor doesn't have a vehicle that would allow him to move from place to place. Sits in place and his work is meager. In Imperial Germany there were 300 doctors for 100,000 soldiers. Here the doctors engage in [military] exercises. With the doctor shortage this is unnecessary. There's wastage of manpower." In his summary of the meeting with the doctors, Ben-Gurion said,

> Avigdori suggests a committee to clarify the need for doctors. Avigdori also disagrees with the army's assumption that the best doctors will be sent to the army, the weaker ones to the maabarot. The opposite. The army has healthy boys, in the maabarot are the weak. Since the establishment of the state, 1,200 doctors immigrated to Israel. This number should be enough for immigration (600,000 immigrants). Everywhere in the world this is enough. . . . Atzmon [SS the Chief Medical Officer] denies that military doctors work 1–2 hours. The opposite. [They] work more than anywhere else, 12 hours a day, expect for places in the Arava. There are also civilian doctors in the army—51. . . . in reserves. The budget, the staffing strength is very small.[63]

Despite Ben-Gurion's personal involvement, no solution emerged from the meeting. The IMF refused to continue to cooperate, and Kupat Holim did not receive additional doctors beyond the first draft. The shortage of medical personnel in the maabarot remained unchanged.

In March 1951 Operation Maabarot officially came to a close. The order, signed by the chief of operations, Yitzhak Rabin, stated,

> In accordance with clause 2D in its above letter, Kupat Holim is prepared to take over care for the maabarot that remain in the medical care of the IDF beginning July 1, 1951. . . . Departure of the army medical squads will take place only after the entrance of Kupat Holim's medical personnel to each maabara. . . . .The Chief Medical Officer Command will attend to coordination between the Kupat Holim directorate and the Southern Command.[64]

Despite clear orders, there was no coordination, and transfer of authority from the IDF to Kupat Holim did not go as planned. According to reports sent by Dr. Tova Berman to members of the sick fund's directorate and to government ministries who had been involved in the campaign, most of the military physicians left before the arrival of their replacements. In other cases, doctors from Negev settlements and maabarot were drafted into regular military service and the settlements were left without a doctor. Dr. Berman stressed that "drafting into conscript service and for academic deferments also decimates

our work." To reinforce her complaints she brought nine examples where a doctor in a maabara or a new immigrant moshav settlement had been drafted, leaving an entire group of settlements without medical assistance. As a result, Kupat Holim doctors caring for new immigrant villages in the Negev had to take care of a larger number of settlements. For example, the doctor at Kibbutz Saad was responsible for eight other settlements, while the maabarot Zarnoga, Migdal-Gad, Beer Sheva and Yavneh remained without even one doctor after all the doctors in these isolated settlements were drafted. She also cited the case of the Nes Tziona doctor who had to be sent to Eilat—leaving the immigrant neighborhood where he had worked without a doctor.[65]

Despite Dr. Berman's criticism, leveled primarily at the Medical Corps and drafting policies for doctors, the army's Maabarot Campaign was a success, particularly from a logistics standpoint. The establishment of orderly organization by the army enabled the maabarot to begin to function as immigrant housing projects. As a result of the army's successes in the winter of 1950, when similar needs arose after more maabarot were established, the army again stepped forward to renew Operation Maabarot.

At the beginning of August 1950, the IDF was again mobilized to assist in the maabarot. The new mission orders, classified "urgent-secret," read,

> Mass immigration as planned in advance, has confronted the Absorption Department of the Jewish Agency with severe problems that it cannot solve through its permanent machinery . . . As a result, the maabarot are in a bad sanitary state and a dissonant public atmosphere. In addition there is a severe shortage of suitable personnel to operate those facilities established in the maabarot. The army is needed to go into a number of maabarot and take their organization upon itself.

Clause 7 of the order was entitled "Medical Care" and stated that "medical care is given in all maabarot through the auspices of Kupat Holim. The army will assist in bolstering professional staff—primarily medics."[66] This time few doctors were drafted for the operation, and little was accomplished in improving the staffing problems of the sick fund. Shortage of medical personnel in the maabarot continued to be the key weakness of Kupat Holim's operation among immigrants—not only in the maabarot but, in essence, throughout the entire period of mass immigration.

In November 1951, a few months after the official close of the first Operation Maabarot, and at the close of the second mini-operation, Sheba released a report detailing the breakdown of draftees among the doctor public. Thirty-nine percent were doctors from private practices, 11 percent were physicians employed by municipal bodies, 6 percent were employees of other sick funds, ten percent were government employees and thirty-four percent were Kupat Holim doctors. According to Sheba's records, a total

of 244 of approximately 500 doctors who were draft age were sent for service on the frontier, primarily at the request of Kupat Holim; eighty of them were Kupat Holim doctors. In the end, only forty-five doctors out of all those drafted were sent to the maabarot. The doctor community in the country, with the exception of Kupat Holim, mustered only one-hundred-sixty doctors—twenty-four of them government doctors although there were approximately three thousand state-employed doctors at the time.[67]

In Sheba's eyes, the doctor draft was a success, and he even requested that his report be read in the sum-up meeting of the Federation of Labor executive. In the eyes of Kupat Holim, the drafting campaign had been a failure—an additional burden in addition to the ongoing responsibilities of the sick fund in the maabarot. While the draft, which the sick fund's management could not enforce on its own, coerced a number of the sick fund's specialists to go out to serve in villages, every drafted doctor from urban clinics or Kupat Holim hospitals increased the already existing pressures at these service points. Thus, in the last analysis, Kupat Holim didn't receive any significant assistance from the doctor draft for the maabarot.

One of the difficult aspects of the shortage of medical staff in the maabarot clinics that prevented continuous supply of medical services to immigrants was the increase in violence against health agents in the maabarot—whom the resident population viewed as responsible for their distress. As a result of the rise in attacks by immigrants on physicians (and their families who lived nearby), the Kupat Holim directorate wrote the Jewish Agency that

> There is no possibility of maintaining a clinic and serving the population there with medical assistance in places such as this. The doctors and the other workers are under the pressure of constant terror. The patients dictate to the doctors the medical certificates regarding their ability to work, in regard to insurance, in regard to medication and illness, and so forth. Every impartial refusal is met with unruliness and [physical] blows. The police onsite tried to do something, but either its force is limited or too tired. . . . If the police won't know how to enforce order, there will not be any doctors worthy of their title that will be willing to work under such conditions, and even today, in practice I can't find suitable personnel for this maabara.[68]

An attached appendix to the letter contained specific cases of violence in the Ramat Hasharon maabara—with the names of the violent immigrants who were labeled "genuinely [from] the underworld." The Kupat Holim directorate underscored that it was not a matter of isolated incidents, or only the Ramat Hasharon maabara, but rather a phenomena that existed in many other places. The sick fund called upon the Jewish Agency to act. Otherwise, the sick fund would suspend its services at such sites.

It should be kept in mind that violence in the maabarot was evidenced in other areas, other than health—in education, welfare, social benefits—

reflecting the desperate circumstances of immigrants, who in many cases merely sought to force the 'system' to provide them with the services they needed.

It is important to underscore that the shortage of medical personnel was part of a general shortage of services in the Israeli social system. There was also an acute shortage of teachers, social workers, and other personnel. Few were willing to work in the maabarot, even on a temporary footing. There were also serious problems in mobilizing skilled personnel to deal with immigrants suffering from an inability to cope, disabilities, and mental illness. In some cases, where possible, the government trained new immigrants to staff social services that could not be filled. Thus, for instance, new arrivals with suitable scholastic backgrounds were trained in short intensive courses to serve as social workers and other supportive functions in the maabarot and in the welfare services.[69]

The Ministry of Health and Kupat Holim—Relationships during the Maabarot Period

The tensions surrounding the acute shortage of personnel and endless disagreements over drafting of doctors, whether for the army or the maabarot, impacted on already tense relationships between the Ministry of Health and the Kupat Holim management—particularly Dr. Sheba's attitude towards Soroka and Dr. Berman. Sheba was personally insulted by the sick fund's criticism of the ministry's performance in dealing with mass immigration—whether in the media (primarily the Mapai party daily, Davar), whether in internal sick fund publications that fell into the hands of the Ministry. Sheba took the criticism personally, and responded accordingly.[70] The handful of letters that Sheba wrote to Soroka and Dr. Berman were penned in a tone that clearly reflected his stormy frame of mind. Soroka, Dr. Berman and others replied in kind. The tension between the two bodies was paralleled by disagreements regarding legislation of a compulsory health insurance law within the framework of social insurance, and the political barriers that the Progressive and General Zionist parties, or the IMF itself sought to establish to undermine such legislation. Correspondence between Kupat Holim and the ministry over provision of medical services to the maabarot and immigrant settlements became intense and quarrelsome, marked by mutual accusations with each side criticizing the other's performance and accusing the other of responsibility for the situation. The ministry sent tens of letters to Kupat Holim complaining that the sick fund was not providing the health care it promised, accusing the sick fund of dragging its feet in opening clinics, charging that the sick fund was responsible for the shortage of nurses, caretakers and medics, bottlenecks in hospitalization and so forth.

There were accusations from both quarters surrounding the shortage of hospitalization facilities of children. Kupat Holim protested Tel Hashomer Hospital's refusal to admit children that the sick fund referred for hospitalization, although Kupat Holim believed there were empty beds available, while the ministry protested the fact that the sick fund was sending children for hospitalization in facilities that were not designated for pediatric care. Both sides habitually argued that the right of the maabarot children to receive care should take preference over other children, but in practice, every case rekindled the dispute over who was responsible for providing the service, who would pay for the service and who was at fault when treatment was delayed. The Ministry of Health demanded that the sick fund provide services that were not set forth under its arrangement with the government, such as hygiene in the schools or kindergartens in the maabarot, and when Kupat Holim refused to do so for lack of staff, or requested extra funding for the service, the Ministry of Health's response was very harsh. Because the Ministry of Labor, under the leadership of Minister Golda Myerson (Meir) was partially responsible for organizing services through the labor of draftees, the Kupat Holim directorate often referred requests and complaints to the Minister of Labor who then referred them to the Ministry of Health. The absence of a direct line of communication between the sick fund and the ministry generated a lot of anger and counter charges from within the Ministry of Health which did not look fondly on involving the Ministry of Labor in their affairs. They viewed labor's intervention as a conscious attempt to sully the image of their ministry and to skirt the sick fund's responsibility, particularly because Golda Myerson, they charged, always sided with Kupat Holim whenever she was asked to intervene. For example, Dr. Jenny Taustein wrote the Kupat Holim directorate:

> Dr. Lehrman from the Ministry of Labor transferred to us several months ago the report of a Kupat Holim physician from the Judea District on the situation of infants and children in Moshav Zavdiel and requested that we visit onsite and suggestions for improving the situation. This visit was carried out by us and we summed up the visit in a report that we handed over to Dr. Lotan [SS the Ministry of Labor] to whom the Kupat Holim request was addressed rather than to us. . . . Our visit in Zavdiel did not clear up for us [why] the alert to the Ministry of Labor by Kupat Holim, when most of the rectification of the situation is intensification of medical work that is in the hands of Kupat Holim, and not in the hands of the Ministry of Labor.[71]

The news media as well frequently and prominently dealt the struggle between Kupat Holim and the Ministry of Health over health services in the maabarot. For instance, articles were published with headlines such as "A Journey in the Kingdom of the Struggle Over Health," and "Doctors Attack Agencies Regarding Health Absorption of Immigrants." In any case, the tension between Kupat Holim and the Ministry of Health hardly contributed to the "health" of health services.

In October 1951, Dr. Sheba resigned as director-general of the Ministry of Health, but agreed at the personal request of Ben-Gurion, to stay on until a new Minister of Health took office or until a replacement for him could be found. Kupat Holim immediately recommended Dr. Abeles, a sick fund doctor, for the position, but as the bitter political crisis within the government over establishment of a state-run educational system worsened, no decision was taken on the matter. Dr. Sheba's resignation was a protest fueled by continuing discrimination in the wages and working conditions of Ministry of Health employees compared to Kupat Holim employees, but the move was also a protest against delay in social legislation that Sheba felt would free the health system from the control of Kupat Holim—control that in Sheba's mind was the root of most of the health system's problems.

> When I was called upon against my will to go in and manage the Ministry of Health, I brought the Kupat Holim directorate—with its say-so and control of the purse strings, as a decisive argument for my reluctance [to take the post], for I feared that should I not be willing to do the bidding of this body, I will be a target of slander by the regular routine. Not under any conditions or promise of protection am I prepared to continue the empty controversy on the pages of the press with an institution that has its own private paper and own public paper for smearing another person and praising itself, nor [will I] cause the downfall of the government in whose name I operate.[72]

It was evident to Ben-Gurion as well that the tensions between Kupat Holim and the Ministry of Health were blocking any progress in providing for the maabarot and formulating general policy for the state. Following the meeting in which Sheba told Ben-Gurion of his desire to resign, Ben-Gurion wrote in his diary that "it is imperative to bring Kupat Holim's operation into line with the needs of the state."[73]

In November 1951, Kupat Holim's 1952 budget was set at fourteen million Israeli pounds, while the Ministry of Health budget was set at only seven million pounds. In 1952, Kupat Holim's budget almost doubled—twenty-one million pounds, while the budget of the Ministry of Health's budget was only eight million pounds—one-and-a-half million of which was transferred to Kupat Holim for medical services it provided immigrants in the maabarot who were not members of Kupat Holim.[74] Thus, it is no wonder that Sheba felt his ministry was placed in a greatly inferior position compared to Kupat Holim.

Kupat Holim towards the Close of the Period of Mass Immigration

In November 1951, Kupat Holim's National Supervisory Committee convened a special meeting to pass a number of decisions regarding the relationship

between Kupat Holim and the state, and Kupat Holim and the Federation of Labor. Most of the discussion focused on formulation of a call for the government of Israel and the Ministry of Health to change the law regarding drafting doctors in a manner that would solve the chronic shortages of medical personnel. The supervisory committee requested that doctors serve in villages and maabarot, establishing a proviso that only a doctor who fulfilled this duty would receive a license to practice medicine; that the mobilization of nurses be made compulsory; and that a compulsory national service law be passed for veteran nurses and doctors for service in villages. Lastly, the supervisory committee demanded that the government of Israel "recognize legally that Kupat Holim is a vital institution with all the rights emanating from this." The supervisory committee also addressed Kupat Holim's relationship with the Federation of Labor. At the close of discussion it was decided to call upon the Federation of Labor's executive to work towards advancing all the sick fund's demands from the government; to attend to financial backing from government agencies for all Kupat Holim operations in the realm of investment in infrastructure and absorption; and to increase the sick funds budget from the joint tax.[75] The supervisory committee's point of departure and the foundation for its demands from the government and from the Federation of Labor was the assumption that the scope of immigration would continue as is, and the sick fund's operations within the health system would continue as in the past, and even grow. But this was not the case.

At the outset of 1952 the scope of immigration to Israel dropped significantly.[76] According to Yitzhak Rafael (director of the immigration department in the ministry within the Jewish Agency), various limitations on immigrants and immigration were behind the drop, discouraging more newcomers from coming. Others cite political changes in the countries of origin that either barred exit or made immediate immigration less attractive, while the reservoir of Jewish communities with immigration potential had largely been depleted during the first years of statehood. While the drastic reduction in the influx of newcomers reduced the overall percentage of immigrants living in maabarot, in practice the problem inside the maabarot multiplied: The strongest elements among the newcomers, those with the best coping skills, left the maabarot for immigrant neighborhoods or found permanent housing solutions and livelihoods in other frameworks, on their own. Thus those left in the maabarot were the weakest elements in terms of age, health status, employability and cultural acclimation. The maabarot rapidly became pockets of people marginalized by social disorientation and distress, rather than the stopgap shelters for which they were designed.

In mid-1952, realizing that the situation was changing and assuming that the maabarot would soon be dismantled, Kupat Holim saw that it would have to change its pattern of services and shift the focus of its work to immigrant neighborhoods and rural moshav settlements. Yet, the sick fund leadership

was aware that in the meantime they would have to continue to provide services to thousands of immigrants who remained in the maabarot, with all their serious health needs.

Kupat Holim annual reports on the scope of the sick fund's operation in the maabarot and immigrant villages in the years 1952 and 1953 reveal that despite the drop in the scope of immigration and despite the need to open new clinics in immigrant neighborhoods, all the Kupat Holim clinics in the maabarot continued to function.

The geographic outreach of Kupat Holim encompassed 353 settlements, including maabarot and abandoned Arab villages now populated by Jews that had makeshift facilities or no previous infrastructure whatsoever. For instance the Judea District of Kupat Holim—a triangle between Tel Aviv, Jerusalem, and Rechovot—operated health clinics in seventy-three different points of settlement, including sixteen maabarot and abandoned villages. The district employed 157 general practitioners, 104 of them in the maabarot. In addition there were eight pediatricians and seven specialists (orthopedics, and so forth). By contrast with the scope of operations in new immigrant neighborhoods and clinics in the city—work in the maabarot was almost entirely in the hands of Kupat Holim. For instance in the Negev District where most of the immigrants were concentrated in new rural settlements, there had been only two active maabarot—in Beer Sheva and Eilat; Between 1950–52 Kupat Holim opened forty-one new clinics—a two-room clinic in every moshav. That year thirty-four general practitioners worked in shifts at the various clinics in the Negev District. In the Beer Sheva and Eilat maabarot new clinics were not opened; rather the inhabitants were served by existing clinics operating in the two towns. In Beer Sheva twelve doctors in Kupat Holim's Central Clinic in the Gimel neighborhood served the adjacent maabara, and in Eilat, eight doctors working in the town provided medical care to the town's maabara, as well. The clinics in the moshavim did not operate on a daily basis; the frequency of weekly schedules was adjusted to the size of the moshav population. There were some traveling doctors who served between five and eight different settlements. The major concentrations of maabarot where Kupat Holim still maintained clinics included the Judea District (in the vicinity of Rishon Le-Zion)—twenty-four maabarot and abandoned villages; the Sharon District (in the vicinity of Petach Tikva)—eleven maabarot and abandoned villages; the Shomron District (in the vicinity of Natantya)—8 maabarot. In the Jezreel Valley there were two maabarot clinics. In the Galilee (including the development town of Kiryat Shmona) the number of clinics between new rural moshav settlements (twenty-five clinics) was almost equal to the number to the clinics in twenty-nine maabarot and abandoned villages.[77]

The financial reports of the same year (1952–53) demonstrate that the sick fund's expenditures didn't really go down following the drop in immigration.

In fact distribution of membership simply grew, requiring the sick fund to construct and staff a large number of new clinics. Fifty-percent of the annual budget was earmarked for clinics, and 20 percent for hospital care. Administrative costs were extremely low—only 3 percent of the budget. In other words, most of the budget was earmarked for medical work in the field.

In 1952, Kupat Holim employed a total of 5,665 personnel serving about three quarters of a million members, including 1,257 doctors, 1,587 nurses, 233 dentists and their assistants, 220 pharmacists, 275 lab workers and technicians, 1,285 auxiliary staff, and only 908 administrative staff. The overwhelming majority of Kupat Holim's income came from Federation of Labor sources—either federation dues (42 percent—the joint dues or employer participation in social benefits 37 percent—the parallel tax). The government's direct funding of sick fund operations was a mere 8 percent of Kupat Holim's total budget.[78] In February 1952, the Federation of Labor employed 13,500 persons—40 percent of them in the sick fund (the others were in federation-owned industries). Not only was Kupat Holim the largest health institution in the country, it was also the Federation of Labor's largest institution, and, in fact, one of the largest employers in the public sector as a whole.[79] Despite the sick fund's size and its almost all-pervasive scope of operation, Kupat Holim's political stature was still not strong.

On December 19, 1952, Ben-Gurion resigned for the third time in four years. Five days later, a new government was formed—the fourth in the history of the State of Israel. Yosef Serlin, a member of the General Zionist Party, was appointed Minister of Health. Four days after the new coalition government was formed, Dr. Sheba requested to meet with Ben-Gurion and reiterated his desire to resign. Following his meeting with Sheba, Ben-Gurion wrote about the health issue in his diary in a manner that basically echoed the complaints Sheba had raised:

> At the moment there are 4 health authorities in the state: the state, Malben, Kupat Holim, [local] Authorities (except for Hadassah).[80] The Yishuv expends about 70 million on health, 14% of the [gross] national product, twice that in England. Plurality brings waste. Kupat Holim provides deluxe services to a portion of its members; most of the income not from members, but from the state, from the [United Jewish] Appeal, and employers. Soldiers' families and civil servants insured with them, by the state. This is expensive. Preventive medicine shouldn't be separate from curative care. The patient isn't just an individual, but a family and society; Requires also merging the Medical Corps with the Ministry of Health. . . . I told him to reconsider. While now it will be harder to merge Kupat Holim with the state, but after the elections for the Federation [of Labor] it will be possible, and hearts should be won over[81]. If he leaves, it will make things harder. Also possibly easier to collaborate between the state and between Malben, the [local] Authorities and the army when he will head the state service.[82]

Ben-Gurion's attitude towards Kupat Holim, as expressed in his diary, was nothing new. Ben-Gurion's declarations that in the future Kupat Holim should be merged with the state had been hanging over the sick fund's head like a Damoclean sword for years, and was a driving force behind the sick fund's attempts to do everything in its power to reinforce its position and broaden its base of operation to a point of no return beyond which the state would be unable to nationalize Kupat Holim. It is clear from the entry in his diary that Ben-Gurion accepted Sheba's picture of reality without cross-checking the facts as to the genuine scope of Kupat Holim's operation or the sources of its funding. Half of Kupat Holim's budget was from joint dues, in other words, from the Federation of Labor, not from the state as Ben-Gurion concluded—under Sheba's influence. Most of the immigrants joined the Federation of Labor through their workplace, and federation dues were what underwrote the majority of the sick fund's services. The State of Israel's direct assistance to the sick fund in 1952 was a mere half a million Israel pounds budgeted to cover expansion of hospital beds in the sick fund's hospitals. The exact same amount was given to other public hospitals so this was not something exclusive to Kupat Holim. The state's participation as an employer in paying the parallel tax for civil servant's health insurance constituted only 13.5 percent of Kupat Holim's income.[83] The Ministry of Health's additional payment to the sick fund—for health services for immigrants who were not members of the Federation of Labor, was only half a million Israeli pounds, of twenty-one million budgeted by the fund that year. Therefore, it is hard to accept Ben-Gurion's conclusion, as recorded in his diary, that the source of most of the sick fund's budget was the state.

Ben-Gurion's description of Kupat Holim's services as "deluxe" was also unjust, and to a large extent simply echoed Sheba's charges for years concerning the so-called "luxury" Kupat Holim had instituted in its hospitals. Every time this accusation was raised, Yitzhak Kanev and Moshe Soroka defended the quality of construction of Kupat Holim's hospitals and central clinics, arguing that this was the sick fund's deliberate policy, based on the assumption that quality construction in the long run would enable the sick fund to provide quality care, and ultimately would justify themselves economically since the buildings would serve Kupat Holim for years to come. In the final analysis, the outlay on quality would save maintenance costs and renovation farther down the road. Writing in an article published in May 1953 in *Davar* in response to but another attack on the sick fund, Kanev retorted, "Here's but another sin to Kupat Holim's account. Its hospitals are among the most sophisticated. Indeed, there are primitive hospitals in the country, yet we did not assume that as a result we are duty-bound to lower the standards of care in Kupat Holim hospitals."[84]

Sheba, and Ben-Gurion operating under Sheba's influence, were in the habit of comparing the facilities at Tel Hashomer with those at nearby

Beilinson Hospital. Indeed, the differences were stark. The technical and structural condition under which Tel Hashomer operated, in old pre-World War II buildings including separate Quonset Huts, were Spartan, even substandard. But, jumping to the conclusion that hospitalization services of Kupat Holim were luxurious and that the benchmark should be Tel Hashomer had no objective or logical basis. In any case, comparisons of the sick fund's hospitals, which for the most part were newly-constructed, with government hospitals which operated in decades-old buildings not designed for this purpose was raised in the press over and over, each time Kupat Holim dared to criticize government officials.

Ben-Gurion's request that Sheba reconsider his decision to resign was to no avail. Several weeks after meeting with Ben-Gurion, Sheba submitted his official resignation and was replaced by Dr. Btesh, who until his appointment had been administrator of the state-run Yarkon Hospital and a civil servant. Kupat Holim had been unsuccessful in bringing about the appointment of one of its own people as director-general. Sheba's resignation did not lower tensions between the ministry and Kupat Holim. Nor did the drop in the influx of immigrants that made the maabarot a less burning issue change the relationship between the two leading health agents in Israel. Ben-Gurion's conclusion—that the state should attempt to transfer Kupat Holim into government hands provided enough fuel to keep tension high between the two.

In May 1953 the Knesset held a broad discussion of health issues in the State of Israel, in the framework of budget debates. The focus of deliberations was the multitude of problems providing health services for immigrants. Most of the charges of dysfunction within the health system were leveled at Kupat Holim. First and foremost among the accusers was the new minister of health, Yosef Serlin. Serlin's complaints against the sick fund reiterated both the criticism and the solutions proffered by Serlin's predecessor—that is, to transfer Kupat Holim into government hands. The attacks on the sick fund were prominently reported in the daily press: "The Minister of Health attacks Kupat Holim" (*Davar*); "The Minister of Health accuses Kupat Holim of Redundancy of Services" (*Jerusalem Post*); "The Minister of Health Attacks" (*Al Hamishmar*); and "The Minister of Health Demands from Kupat Holim" (*Haboker*). Yitzhak Kanev penned a strongly-worded article in response to the minister's accusations and policy. He contradicted Serlin's accusations in the Knesset, point by point, particularly regarding Kupat Holim's work in the maabarot, leveling charges of his own against the government and the Ministry of Health.

> The Minister of Health claimed in the Knesset that Kupat Holim opens clinics in points [of settlement] where the government is also opening its own clinics. This is the first time this claim is being heard. . . . Now let the Ministry

> of Health reply: What are the points where they are willing to open clinics, except that Kupat Holim delays [them]? Where is the government establishing clinics that will also serve the insured population in Kupat Holim? In any case, Kupat Holim's directorate is willing to discuss any concrete suggestion such as this out of good will for coordination and cooperation. The Minister of Health claims, relying on his advisors, that it would be correct to open clinics adjacent to hospitals. Such clinics already exist, and as experienced people we can say that this kind of clinic has the power to provide ambulatory assistance only to a tiny portion of the public. Hospitals are not able to absorb masses of ambulatory sick persons because the hospital medical personnel devote their operation primarily to the hospital. In most places of settlement there aren't any hospitals, and in the cities there is no ability to concentrate sick people around the hospital particularly, and experience has taught us it is necessary to establish regional clinics. Is there substance to the proposal to refer the 10,000 callers daily at 24 Kupat Holim clinics in Tel Aviv to the municipal hospital in this city, as well as the thousands of callers at the clinics in Jaffa—to the government hospital The existing clinics adjacent to the hospitals—by nature distinguish themselves in special expertise like central clinics and will only serve a limited number of inhabitants. Kupat Holim is experienced in ambulatory work and it examines all the methods that are feasible, and if hospital doctors are willing to serve as consultants in central or regional clinics, Kupat Holim is prepared to receive their services, with pleasure.[85]

In 1953, Kupat Holim operated clinics in 164 immigrant moshav settlements, 84 maabarot, 21 work camps, 28 immigrant neighborhoods and abandoned villages, and 56 new immigrant neighborhoods on the outskirts of cities and in development towns. The number of Kupat Holim members stood at 366,000 households who together with their families encompassed approximately one million persons, most of them new immigrants who had arrived in the country between the years 1948–52. No other body among Israel's health agents provided services of this magnitude; in fact, no other health agent wanted or requested to do so. Sirlin's charges that Kupat Holim undermined the Ministry of Health services and its clinics had no factual foundation (see tables 5.1–5.3).

Despite Kanev's attempts to defend Kupat Holim's image and reputation during the maabarot period, the Ministry of Health's criticism of the sick fund made it clear to Kupat Holim's leadership that the ministry's negative attitude towards the sick fund remained even after Sheba's resignation. Under the new minister, the sick fund continued to feel threatened by aspirations to nationalize it—a goal that the new minister expressed openly. Now that the battle on the maabara front had subsided, or at least come officially to a close, Kupat Holim began to focus on expanding its operation on another front—in frontier areas close to the border, in immigrant neighborhoods, in new moshav settlements of new immigrations throughout the Negev and the Galilee, and the development towns that sprung up on the periphery.

Table 5.1. Members progression in Kupat Holim

Year	Members	% of Growth
1948	328,000	—
1949	475,000	44.8%
1950	690,000	45.3%
1951	875,000	26.8%
1952	900,000	2.9%
1953	960,000	1.4%
1954	975,000	1.9%
1955	1,000,000	2.5%

Jewish community in 1955—1,500 million and members of HMO—1,000 million (64.5%)
Source: Lavon Institute, Labor Archives, Kupat Holim files, IV-104–38

Table 5.2. Employee progression in *Kupat Holim,* 1948–55

Year	Number of Employees	% of Growth
1948	1898	—
1949	2475	30.4%
1950	3516	42.1%
1951	4600	30.9%
1952	5118	11.2%
1953	5733	15.8%
1954	6156	17.8%
1955	7066	14.8%

Source: Lavon Institute, Labor Archives, Kupat Holim Files, IV-104–38

According to Kanev, Kupat Holim did not encounter any opposition to, nor competition for, its work in the development of towns and rural agricultural settlements—not from the Ministry of Health, nor from Hadassah. The opening of a new clinic in a moshav or development town did not generate any expressions of disapproval from any quarter. Kupat Holim clinics completely controlled health care in the Galilee and the Negev. In 1953 a full two-thirds of the inhabitants of the State of Israel received their medical

Table 5.3. Budget of Kupat Holim

Year	Budget (IL)	% of Growth
1948	2,721.844	—
1949	4,534.614	66.6%
1950	7,626.962	68.2%
1951	11,797.961	54.7%
1952	20,760.083	76.0%
1953	30,445.483	42.1%
1954	39,293.770	25.2%
1955	46,431.180	18.2%

Source: Lavon Institute, Labor archives, Kupat Holim files, IV-104–38

care from Kupat Holim. If, in essence, this left countless inhabitants with no choice but to join Kupat Holim (and the Federation of Labor), a factor that would ultimately be to the sick fund's detriment, competition or not—Kupat Holim's decision to remain firm in its devotion to its founding philosophy of bringing health care to local communities was truly a boon under the harsh living conditions of the 1950s when transportation and carfare, like countless other things, were scarce commodities.

In December 1953 the State of Israel underwent a political upheaval when David Ben-Gurion resigned from the government. Unlike his previous resignations, Ben-Gurion did not relent this time, and Moshe Sharett was appointed to establish a new coalition government, and Pinchas Lavon was appointed minister of defense. In February 1954, Ben-Gurion returned to public service as minister of defense under Sharett. Yosef Serlin continued as minister of health throughout this period. Yet, Kupat Holim sensed that the threat to its independent existence had been sidelined—at least temporarily, by the change in Ben-Gurion's status.[86] While Dr. Sheba continued to be very active in formulation of health policy in the country, both in his position as administrator of the IDF's central hospital—Tel Hashomer, his sway over the question of Kupat Holim's independent status was diminished. The presiding director-general of the Ministry of Health, Dr. Btesh, did not possess enough political clout within the health system to take such a far-reaching and decisive move, and Kupat Holim did not consider him a serious threat although Btesh was in the habit of declaring publicly over and again that he had plans for nationalizing the sick fund.

Yet consolidation of health services in the hands of the ministry were afoot elsewhere. In 1953, the medical corps began to transfer the Tel Hashomer

Hospital over to Ministry of Health hands, following a decision on principle within the army not to operate its own independent hospitalization facilities, but rather to obtain such services for army personnel from government facilities, as needed. Thus, the IDF's hospitals were gradually turned over to the Ministry of Health, transforming it into the largest provider of hospitalization services in the country. The political changes towards the close of 1953 and the structural changes in the ministry brought about some change in attitude of the state towards Kupat Holim—if not in practice, than at least in terms of official communicates. It appears that the growth tempered the ministry's sense of inferiority to and intimidation by Kupat Holim. At the same time, the ministry became Kupat Holim's primary competitor as a hospitalization service-provider. This competition had a far-reaching impact on the ministry's hospitalization policy and funding of hospitalization by other public institutions, Kupat Holim in particular. For instance, it affected the setting the daily cost of hospitalization, investment in infrastructure and demands that the sick fund adjust its budget to Ministry of Health pricing, set according to the budgets of the ministry's own institutions, and not according to actual expenditures within the sick fund and its institutions, in practice.

On February 28, 1954, Moshe Soroka summed up the issue in an address before a session of the National Supervisory Committee, entitled "Kupat Holim and the State." Soroka discussed changes that had transpired in the six years since the Yishuv gained statehood—from the 1948 war to mass immigration, and summed up the work of Kupat Holim during this entire period. He opened his overview by quoting the words of the Ministry of Finance Levi Eshkol regarding the government budget during a speech in the Knesset a week prior:

> We are happy that the public organized within the Federation of Labor's Kupat Holim receives necessary medical service . . . The Israeli taxpayer wants the government to honor its responsibility to it and to many new immigrants in need of a doctor and a hospital.[87]

In the wake of the new Minister of Finance Levi Eshkol's statement, Soroka hoped that the federation lobby in the government, those who supported the continued existence of Kupat Holim as an independent entity, would press for and bring about a change in government policy, a change that would generate government financial assistance to the sick fund that would allow Kupat Holim to add and expand and improve its services.

Had times been normal, Kupat Holim might have had a chance, under the auspices of a new government, to change policies and general attitudes towards the sick fund. Changes in political realities, however, prevented a change in attitudes. In 1954 the Achdut Haavodah Movement withdrew from the Mapam Party, sending the political arena into a period of disequilibrium.

Table 5.4. Kupat Holim: Insured, institutions, personnel (1948–64)

	1948	1964
Insured Population	328,000	1,790,000
Hospitals (number of beds)	643	2,981
Of them: In General Hospitals	388	2,417
In Special Hospitals	255	564
Convalescent homes (no. of beds)	567	2,121
Clinics	373	996
Physiotherapical and rehabilitation institutes	25	48
X-Ray institutes	6	34
Laboratories	38	147
Pharmacies	30	210
Dental Clinics (no. of chairs)	18	72
Mother-and-child stations	43	180
Personnel	2,600	12,487
Of them: Doctors	550	2,529
Nurses	640	3,631

Source: Lavon Institute, Labor Archives, Kupat Holim files, IV-104–38

As a result, the power of the General Zionists rose and fell intermittently, impacting on the delicate balance of powers within the coalition government and the political sector as a whole. The Sharett government tottered from one political crisis to another, clouding the general atmosphere, and fueling a sustained period of uncertainty and unrest. A host of simmering rivalries rose to the surface both within the Federation of Labor and between the federation and the ruling Mapai Party, against the backdrop of the Lavon Affair and bitter disagreement as to how the scandal should be handled, while widespread economic distress and growing security problems occupied the national agenda.[88] The issue of the character of Israel's health system was pushed onto the sidelines, for calmer times (see table 5.4).

Nevertheless, the issue became a minor issue for a brief moment towards the close of the year when Kupat Holim proposed that it establish a central hospital in the Negev in place of the small hospital operated by Hadassah in Beer Sheva. The concept opened a new front in the complex Kupat

Holim—Federation of Labor—government power matrix. While the issue of a hospital was objectively a local Negev issue, like every other issue that was subject to controversy between Kupat Holim and the government, here as well the issue was over principles.

The struggle to establish a central hospital in the Negev under its auspices, occupied Kupat Holim for most of the latter half of 1950. Involvement in the issue was intense, equal in magnitude to the energies invested in medical work in the maabarot in the first half of the decade. To a large extent, the health issue continued to be a constant companion to Israeli politics. The question of Kupat Holim's role within the state occupied a key place within disagreements over the face of the country's future health system, but was also part of a larger picture, one where health was only one of the playing fields where various interest groups and ideologies sought to gain a favorable position in shaping the character of the country while amassing personal and group clout.

Chapter Six

The Political Struggle to Establish a Central Hospital for the Negev

Establishment of Hospitalization Services in Beer Sheva

In the last days of 1953, the mayor of Beer Sheva, David Tuviahu, appealed to Moshe Soroka requesting that Kupat Holim establish a general central hospital in the Negev. The rationale behind Tuviahu's request was that Hadassah asked to withdraw from operation of the town's small one hundred bed hospital due to its commitment to establish a medical center in Ein Karem in Jerusalem, after the loss of Hadassah's main Jerusalem facility on Mt. Scopus in the 1948 war. The Ministry of Health had told Tuviahu that it did not plan to build a hospital in Beer Sheva in the coming decade, thus the only option in Tuviahu's hands was to appeal to Kupat Holim.

Yet, Soroka and Kupat Holim feared that if they would become involved in the hospitalization domain in the Negev, it would rekindle tension between the sick fund and the Ministry of Health—particularly in light of the opposition of the presiding minister of health Yosef Serlin to any expansion of Kupat Holim's hospitalization network—a domain where the ministry itself aspired to be the dominant health agent. When Reuven Kleigler, the manager of Kupat Holim's Negev District, tried to convince Soroka to agree despite his apprehensions, Soroka claimed: "They'll kill me; they'll stone me, if I now enter into the building of a hospital in Beer Sheva."[1] According to historian Idit Zartal, Soroka's biographer, 'they' was a reference to Ben-Gurion, the Ministry of Health, the Federation of Labor, the doctors, and even the Kupat Holim directorate committee who were tired of struggles and merely wanted a bit of peace and quiet between Kupat Holim and the Ministry. Kupat Holim's position did not enable the sick fund to respond positively to Tuviahu's request. Beer Sheva's needs for a hospital remained an unresolved issue. Six months later, as a result of political changes in the Israeli government, Soroka and Kupat Holim reversed their position and responded favorably to Tuviahu's request. Establishment of a central hospital for the Negev became a core Kupat Holim goal—a central objective that captured the same place as medical care in the maabarot and immigrant camps occupied in the first years of the State.

Hadassah in the Negev

On October 21, 1948, in the last days of the 1948 war, Beer Sheva was taken by Israeli forces from the invading Egyptian army. A short time after the town was taken; a temporary military hospital was established in Beer Sheva, quartered in a building that had served Turkish authorities in World War I. The hospital was run by the IDF medical corps, providing medical care—hospitalization and first aid, to military personnel and the handful of citizens in the town.

News of the takeover of Beer Sheva and advances by IDF forces elsewhere in the Negev sparked immediate discussion at Hadassah's annual convention that took place between November 5–9, 1948 in Atlantic City, New Jersey. Hadassah members discussed the State of Israel's request that the Hadassah Medical Federation establish a hospital in the Negev and take responsibility for funding, administration and operation of the facility.[2] The exact location of the new facility was not cited, and Beer Sheva was not mentioned at all in this regard, despite events in the field, for the wording of the government's request spoke in general terms about the Negev without citing any specific location. On December 10, immediately after the close of the Hadassah Convention, the deputy director of Hadassah in Israel, Dr. Bezizinsky told Dr. Eli Davis, the new Hadassah director in Israel about the Convention's decision: "I am very happy to hear about the Convention's decision to establish a hospital in the Negev area."[3] In the parts of the letter that followed, Dr. Bezizinsky spoke of "developing the Negev" and the importance of this matter not only for the State of Israel, but also for strengthening Hadassah Medical Federation's operation in the country. It was decided that the hospital would be named after Dr. Chaim Yaski, who had been the medical director of Hadassah in Israel during the mandate period and had been one of seventy Jewish doctors and nurses massacred by Arabs on their way to the Hadassah Hospital on Mt. Scopus in mid-April 1948.

The prospect that the Hadassah Medical Federation would establish a regional hospital in the Negev immediately sparked opposition within Kupat Holim. Relations between Kupat Holim and the government of Israel were extremely tense ever since establishment of the Military Medical Service (MS) and the competition it generated between the military service and the sick fund. The government's request that Hadassah establish a hospital in the Negev further amplified existing tensions, and rekindled competition between Kupat Holim and Hadassah over hegemony in the hospitalization domain that began in the 1930s.[4]

On November 29, a short time after the decision fell that Hadassah would be the one to build the Negev hospital, Dr. Meir, who was still serving in the capacity of medical director of Kupat Holim, sent a letter to the president of Hadassah in the United States, Rose Halperin, describing the difficulties

that would arise should Hadassah establish a hospital in the Negev, an area where most of the population were members of Kupat Holim (primarily kibbutzim in the area).[5] According to Meir, establishment of the hospital by Hadassah was in conflict with Hadassah's own long-standing policy of focusing its operation on providing hospitals in densely-populated urban centers, and according to local need. Establishing a hospital in an area largely void of population such as the Negba area[6] in the northern Negev—a location that had been suggested as a suitable site for the hospital, and the use of the memory of Dr. Chaim Yaski were, in Meir's eyes, primarily designed for their publicity value, enhancing Hadassah's name and increasing donations among American Jewry. Moreover, Meir viewed the Negev as Kupat Holim territory, and therefore Hadassah should back off with its plans.[7]

The response of Rose Halperin was swift. She sharply criticized the aggressive tone and lack of manners in Dr. Meir's letter, challenging his accusation regarding "the desire for publicity" cited by Meir, and the "so-called" use of Dr. Chaim Yaski's name to advance a hospital in the Negev, and the accusation that this was the means to an end, designed to increase donations to Hadassah. In the closing, Halperin attacked Dr. Meir for Kupat Holim's unspoken designs to compete with the campaign that Hadassah was conducting in the United States, and argued that financial issues were behind Kupat Holim's opposition to establishing a Hadassah hospital in the Negev. Between the lines, the Hadassah president indicated that if Kupat Holim did not cease its opposition, Hadassah would take steps to cease the donation campaign on behalf of Kupat Holim in the United States.[8]

It was not unintentionally that Halperin mentioned the donation issue. At the time Kupat Holim was campaigning in order to mobilize 1.5 million dollars to establish a hospital for children with polio among the immigrant population. Hadassah, which at the same time was conducting a campaign to rebuild its operation in Jerusalem after the loss of the hospital complex on Mt. Scopus, feared the potential loss of donors to another health cause competing for the generosity of American Jews.[9] Already in a December 29, 1948, letter to Mrs. Rivka Shulman—Hadassah director in the United States, Rose Halperin openly asked if it was not time for Kupat Holim to cut back its activities in the United States in order to curb damage to Hadassah's own mobilization campaign.[10] It appears that the controversy between Hadassah and Kupat Holim over who should establish a hospital in the Negev had a serious but undeclared financial dimension.

Kupat Holim's desire to establish a hospital in the Negev was spurred by the rapid growth of the Tel Letvinsky Hospital. Tel Letvinsky had recently begun to operate at full capacity and attracted much public attention, prompting many doctors to leave Kupat Holim to work at the hospital. It was believed that establishment of a Kupat Holim hospital in the Negev would enable the sick fund to regain and bolster its stature in

the competition over hospitalization services in the State of Israel, serving as a counter-balance to Tel Letvinsky.

Kupat Holim's opposition to Hadassah establishing a hospital in the Negev immediately became an issue at governmental levels. On December 13, the Negev hospital question was discussed in a meeting of Minister of Health Shapira and Minister of Finance Kaplan—members of the Provisional government, and Hadassah's representative in Israel, Gershon Agronsky.[11] The two Ministers clarified to the Hadassah representative that there was no government commitment of any kind to Kupat Holim on this issue.[12] The following day, December 14, the issue was dealt with in a conversation between Minister of Health Shapira and Prime Minister Ben-Gurion. Ben-Gurion confirmed that there was no basis for Kupat Holim's objections, and stipulated that Hadassah would build the hospital in the Negev as planned.[13] Ben-Gurion's directive was understandable—reflecting his and the government's tense relations with the sick fund, and the prime minister's position that Kupat Holim should not be given a foothold in the Negev. Hadassah was a largely non-partisan organization that had no political aspirations within the Israeli political power matrix. Moreover, it possessed its own financial resources and the hospital would not further burden already pressed local reserves. Thus, Hadassah was far more suitable for the task on both counts from Ben-Gurion's perspective.

On December 17, 1948, Hadassah released a memorandum that emphasized Hadassah's decision to build a hospital in the Negev. It cited that attempts to discuss the matter with Kupat Holim, and particularly with Dr. Meir, were to no avail. According to the memo, Kupat Holim's opposition was aroused only when the possibility of establishing the hospital near Kibbutz Negba was raised. The memo stressed that since the future location of the hospital had yet to be settled, and the Negba option had been dropped in the meantime, as long as the exact site remained unsettled, Kupat Holim's objections were irrelevant to the issue. In addition, it was cited that Hadassah did not view itself bound to consult Kupat Holim on the issue; it conferred solely with the Jewish Agency and Settlement Institutions on the matter. [14,15] The memo did not respond to accusations from both sides that competition over financial issues was behind the controversy between Kupat Holim and Hadassah.

On December 20, in a meeting attended by Agronsky, Dr. Davis (Hadassah's director in Israel), Levi Eshkol (chairperson of the Jewish Agency), and Dr. Y. Weitz (chairperson of the United Jewish Appeal) it was decided that the Negev regional hospital would be established in Beer Sheva.[16] It was decided that as the first step, Hadassah would take over administration of the clinic and twenty-five-bed military hospital on the site of the former British Mandatory hospital in Beer Sheva (a building that had housed the Turkish administration during Word War I); in the second stage, Hadassah would build a new hospital that would serve the entire Negev region.[17]

Beer Sheva in the early 1950s— From Military government to Civil Rule

In October 1949, a year after the takeover of Beer Sheva, and following preparations and extensive deliberations between the IDF and Hadassah, Hadassah took over the military hospital in Beer Sheva, including its present buildings and inventory. The facility was named in memory of Dr. Chaim Yaski, as planned.[18] Kupat Holim also opened a sick fund clinic in Beer Sheva, headed by Dr. Shatal that operated under the administrative authority of the Judea District. The twenty-five-bed civilian hospital opened by Hadassah and the clinic opened by Kupat Holim, were the first steps towards termination of the military government that had administered the town until then, and marked the beginning of civilian governance and Beer Sheva's growth as a city.

The first residents of Beer Sheva following the IDF takeover of the city were demobilized soldiers. Responding to pressure from the demobilized soldiers, who demanded that the government take a clear and unequivocal stand on the future of the city and how it would be developed, on February 26, 1950, the government declared that Beer Sheva was a civilian authority, under the mayorship of David Tuviahu.[19] Granting Beer Sheva municipal status as a local council led to the settlement of thousands of new immigrants in the city, whether in homes abandoned in the old Turkish quarter in the course of the 1948 war, or whether in the maabara constructed on the outskirts of the city. At the same time, it was decided that the city would serve as the administrative, commercial and health service center for the entire Southern Region.

The first wave of new residents to arrive in the city was 6,500 Jewish immigrants from Iraq, Yemen and Romania, and Libya, and other North African countries.[20] Absorption woes and the special health needs of the immigrants immediately became a subject on the public agenda—including the performance of health services in the city, and particularly the ability of the Hadassah Hospital to meet fast growing needs for hospitalization facilities in the Negev, the largest geographic district in the entire state.

The sheer size of the Negev and the distribution of its population—scattered from Gedera to Eilat in small communities, in new agricultural moshav settlements and maabarot, kibbutzim and development towns; the makeup of the population. Most of the inhabitants were new settlers and new immigrants in the throes of absorption with meager resources—material and coping skills and there were serious shortages of transportation to Beer Sheva and to the center of the country limiting actual access to medical facilities. Moreover there was a shortage of medical personnel throughout the country, but particularly in the south and lack of a suitable building for a hospital—all of which made the entire issue of access to hospitalization in

the Negev far worse than in any other part of the country. While the Beer Sheva hospital doubled its bed-capacity within a short time, its operation, situated in the city's former Turkish governmental headquarters without even infrastructure for running water and electricity, raised serious doubts as to the future of the hospital. The mayor, David Tuviahu, noted: "Beer Sheva residents haven't complained. Most don't even know it is possible to complain. The new immigrants among them have not yet gotten over the anxiety of the passage to another country, to a new life. Most of them haven't even raised their heads above their daily troubles . . . But we the old-timers can not see the straits of hospitalization."[21]

At the end of 1952, as mass immigration came to a close, the population of Beer Sheva was 14,500 residents and the overall population of the Negev area—26,000 persons.[22] The hospital had grown to a fifty-bed facility, but this was insufficient to solve the shortage of hospitalization facilities in the Negev.

The Hospitalization Crisis in Beer Sheva at the Beginning of the 1950s

At the outset of 1953, the mayor of Beer Sheva David Tuviahu began to pressure the Hadassah Medical Federation to expand the existing hospital. Hadassah architect drew up preliminary plans to an additional storey and expansion of the facility to a two-hundred-bed hospital.[23] At the same time it was recommended to David Tuviahu that until construction was finished, prefabs be added to increase the bed capacity of the hospital. Tuviahu rejected this suggestion citing that they were unsuitable for the hot Negev climate. Therefore the only solution was conventional construction that would expand the existing hospital. The same year, Hadassah Medical Federation was in the midst of establishing a medical center in Ein Karem to replace their Mt. Scopus facility.

Construction at Ein Karem was scheduled to take a full decade. Hadassah was prepared to build the second storey for the Beer Sheva hospital, but told Tuviahu that they "would be involved for about ten years in this construction, and until it is finished, we will not be able to free ourselves to construct a new hospital in Beer Sheva."[24] There was clearly a need to find an alternative solution or to approach Kupat Holim.

Back in the closing days of 1953, David Tuviahu had already approached Moshe Soroka for the first time in an attempt to hammer out a solution to the severe shortage of hospital beds in Beer Sheva, with Kupat Holim's help. The concept was that Kupat Holim would build a central hospital for the Negev in Beer Sheva. It was clear to both Tuviahu and Soroka that the chief obstacles were Prime Minister David Ben-Gurion who viewed the Negev as territory whose development should be solely in the hands of state agencies;

Minister of Health Yosef Serlin who aspired to nationalize Kupat Holim's existing facilities in the Negev—for whom establishment of a Kupat Holim hospital in Beer Sheva would only complicate this vision; and the senior civil servants in the Ministry of Health who objected to any expansion of the sick fund's hospitalization facilities. Ironically, another member of this 'coalition' was the Federation of Labor—Kupat Holim's parent organization.

The Israeli Government's Position

In the mind of Ben-Gurion, the Negev was viewed as the hub of mamlachtiut, or statism. He held that "the government and not Kupat Holim . . . has the duty to build a hospital in Beer Sheva that will serve all Negev inhabitants."[25] On the contrary, he felt that Kupat Holim should not be allowed to build a hospital in the city. In Ben-Gurion's mind, Beer Sheva residents should wait patiently until the Ministry of Health could build a hospital in the city, although there was no date for such a move in the foreseeable future. Handing the Negev over to Kupat Holim was unthinkable, in Ben-Gurion's mind.

The resignation of Ben-Gurion as prime minister in January 1954, and the appointment of Moshe Sharett in his place, did not change the situation. While Sharett had no position on the issue, neither for nor against, it would seem that Sharett had enough on his hands without this, and would not have sought to cross Ben-Gurion on this issue, particularly since a month after his resignation, in February 1954 Ben-Gurion returned to the cabinet as Sharett's Minister of Defense.[26] Furthermore, coalition woes and a series of government crises that developed between Mapai and its coalition partners[27] under Sharett's leadership, left health matters onto the sidelines.

Between 1950–55 there were three election campaigns, and the government changed hands six times—Ben-Gurion resigning four times and Moshe Sharett—twice. Major coalition crises broke out in October 1950, February 1951, December 1952, December 1953, June 1955 and November 1955. In August 1954, the Mapam party split, creating Achdut Haavodah along side Mapam. Mapai's power witnessed ups and downs, and in the wake of July 1955 elections for the third Knesset, Mapai won only 40 of the parliament's 120 seats. Under such conditions of political turmoil and weak Coalition governments, there was absolutely no likelihood that the issue of a central hospital for the Negev built by Kupat Holim could be raised on the public agenda or would enjoy any serious discussion.

In addition, the position of the Minister of Health Yosef Serlin, a member of the General Zionist Party, was adamant. Serlin was completely opposed to Kupat Holim entering Beer Sheva. The thrust of Serlin's health policy was, from the start, to expand the Ministry of Health's control over the entire health system, curtail the domains where Kupat Holim operated, and work

towards nationalization and transfer of Kupat Holim's operation to the state. He even championed a bill in the Knesset and established a committee to prepare a compulsory health insurance bill under the auspices of national insurance to sever the fiscal link between Kupat Holim and the Federation of Labor—joint dues that made access to health care a mobilization tool for the federation, enabled the federation to control Kupat Holim's budget and agenda, and even channel the lion's share (60 percent) of the joint dues to non-health matters.[28] Senior officials in the Ministry of Health who viewed Serlin as a natural successor to Dr. Sheba, gave Serlin their complete backing.

While Dr. Sheba, the prime opponent of Kupat Holim, left the Ministry of Health in mid 1953 to assume the directorship of the hospital complex at Hashomer, the policy foundations he had formulated together with senior officials in the ministry prior to his resignation continued to serve as the guiding principles for the Ministry of Health vis-à-vis Kupat Holim's destiny and Beer Sheva's health needs. A Kupat Holim hospital in Beer Sheva had absolutely no chance of receiving governmental approval.

The Federation of Labor's Position

Opposition to Kupat Holim building a hospital in Beer Sheva was voiced even on the sick fund's home turf—within the Federation of Labor, Kupat Holim's parent organization. Even before the Beer Sheva hospital issue arose, the future of Kupat Holim was generating concern within the Federation of Labor.

In September 1954, after a meeting between Soroka and the federation's secretary, Mordechai Namir, regarding the relationship between Kupat Holim and the Federation of Labor, Soroka wrote a colleague:

> I found you shaken, and your confidence undermined after you heard the opinions coming from the Lord of the Manner.[29] For me this is nothing new and I've been immersed in this controversy for more than ten years, and in certain periods, even in a harsher manner. . . . In the not so distant past, they were fearful of the collapse of Kupat Holm that would bring calamity on the federation, while now they fear a too-strong Kupat Holim and because the member sees and knows the federation via Kupat Holim. . . . In my humble opinion, Kupat Holim doesn't have a lot of avenues or options. 'To be' means: the continued existence of Kupat Holim, its expansion and its development, 'to cease to be' means: transfer of its roles to the state (as was done to education), and then the problems are solved in a simplistic and run-of-the-mill manner, and is there someone who would dare to do this today?!"[30]

When Reuvein Kleigler, the director of the Negev region of Kupat Holim, tried to convince Soroka to respond positively to Tuviahu's request that Kupat

Holim build a hospital in Beer Sheva, Soroka spoke to him frankly about his apprehensions, that the Ministry of Health and the government would torpedo the plan in concert. To this Soroka said, one must add the federation and even Kupat Holim's own directorate who wanted to avoid any action that would increase tensions already existing between the Ministry of Health and Kupat Holim or that would lead to a clash between the Federation of Labor's leadership and the government. In Soroka's opinion, the sick fund's position did not enable it to respond positively to Tuviahu's request. Therefore the issue of a hospital for Beer Sheva remained unresolved.

In February 1955, Pinchas Lavon resigned as minister of defense and the government of Israel again faced one of its worst crises. In June of the same year, a new government was formed led by Moshe Sharett. Dov Yosef, a member of Mapai, was appointed for the short-term as minister of health. When the crisis worsened, Sharett resigned from the prime ministry, and a new government headed by Ben-Gurion was established in November of the same year. Israel Barzilai, a member of Mapam and a personal friend of Tuviahu, was appointed minister of health. The appointment was a labor-socialist victory that, unlike the previous appointments of ministers of health (from religious and non-socialist parties), carried the potential for a change of heart vis-à-vis Kupat Holim and the Beer Sheva hospital issue.

From the time of the establishment of the state, Mapam, unlike Mapai, had opposed the vision of state health insurance as envisioned by the government and the Federation of Labor under the Kanev Commission. Its opposition rested on Mapam's belief that it was essential and prudent to maintain the power of the Federation of Labor and its stature as the leading labor institution in the country—as a strategic power base should the labor socialist parties fall from power. The prospect of a Kupat Holim hospital in the Negev was in keeping with this strategy; logically, strengthening the sick fund would strengthen the Federation of Labor—Mapam's primary goal.

In mid-1955, prior to Barzelai's appointment—at the height of the political crisis and in the midst of the interim period following the resignation of Serlin when Dov Yosef was holding the health portfolio on a temporary basis, Moshe Soroka approached Dov Bigon, the Federation of Labor's delegate in the United States and requested that Bigon try to locate a source of funding for building a hospital in the Negev.[31] Soroka surmised that the frequent political changes within the government were likely to change attitudes regarding a hospital in the Negev in Beer Sheva under the auspices of Kupat Holim, at least for a brief moment. If this one-time window of opportunity appeared it was important to prepare the fiscal infrastructure in advance so that Kupat Holim could step forward at the critical moment, fully prepared to immediately begin drawing up plans for the hospital.

On June 30 of the same year, in a letter to a colleague, Soroka mention his motivations in writing for the first time, and the steps that should be

taken to pave Kupat Holim's path to the Negev: "I can't pride myself that everything is now clear to me, and it's still hard to guess how things will fall, but my thoughts move ahead and I have set for myself a guideline for action towards the long-awaited goal in the hopes that there will be an award for our endeavors."[32]

Soroka also noted another failure in Kupat Holim's attempts to establish hospitalization facilities in the Negev, that is, a maternity hospital in Ashkelon. Soroka emphasized that the Ministry of Health had prodded the South African Zionist Federation, the Zionist entity spearheading settlement activity in Ashkelon, to oppose Kupat Holim's initiative, charging that it was out of the question that the hospital have a political orientation and demanding "that the hospital will belong to *klal Israel* (all people of Israel), not to Kupat Holim itself"—that is, it should be in the hands of the Ministry of Health. Soroka indicated that the new Ashkelon orientation was out of hope that it would serve as a "bridgehead to the Negev that would be expanded in the future to a regional hospital," while at the same time alleviating pressure on Kaplan Hospital in Rechovot that at the time was the closest facility to Negev residents. In the margin of his letter Soroka added in handwriting a note to Dr. Berman, a member of the medical management of Kupat Holim: "Read this letter for your personal information only, so you should know about the business, should fortune smile on us and should we succeed in this."[33] When the Ashkelon strategy failed, the only option remained Beer Sheva. In the summary of his letter to Dr. Berman, Soroka stressed that the Beer Sheva hospital would not only relieve pressure on Kaplan but also entrench Kupat Holim's position in combating Serlin's efforts towards nationalization.

Kupat Holim's efforts to find funding for its Beer Sheva hospital plans were redoubled in the wake of Hadassah's declaration in mid-1955 that it was withdrawing totally from Beer Sheva and Hadassah's rejection of a Kupat Holim proposal that the two organizations collaborate in building a new hospital in the city.[34]

In August 1955, Dov Bigon contacted David Dubinsky, president of the Ladies Garment Workers' Union and began to lobby for his support. Dubinsky and his union were willing to donate one million dollars for the establishment of a hospital in the Negev that would be named after their union and its president.[35] According to Bigon, the decisive argument that convinced Dubinsky was that the hospital would be "a cornerstone in the development program and security of the Negev." Bigon cited in his letter that convincing Dubinsky was not easy. The American labor leader had told the federation delegate that while most of the union's functionaries—90 percent in fact—were Jewish, most of the union's membership—80 percent—were not, making it hard to convince them that such a contribution was justified.

Other Federation of Labor entities that were also working to convince Dubinsky to contribute to their endeavors rather than to Kupat Holim,

undermined the sick fund's efforts to secure Dubinsky's support for the Negev hospital. Among the other lobbyists were Abba Chushi, the powerful labor mayor of Haifa, who was working to convince Dubinsky to back a sports stadium in Haifa, while Yitzhak Marom was lobbying to gain Dubinsky's support for equipping schools in the federation's occupational high school network, Amal. The was no intervention of federation leaders in the competition to re-channel the garment worker donation to other federation projects in the midst of negotiations between Dubinsky and Kupat Holim. Federation leaders preferred not to get involved and certainly did nothing to help the sick fund secure the funding, either assuming that if negotiations failed, no one could accuse them of being responsible, perhaps even hoping that the matter would be dropped, eliminating a confrontation over the Negev hospital controversy by default, so to speak.

The appeal to Dubinsky to donate to the building of a hospital in the Negev, without citing the exact location—Beer Sheva—was the upshot of the Federation of Labor's position. Every plan by Kupat Holim to mobilize funding in the United States hinged on federation approval in advance. Opposition within the Federation of Labor was liable to trip up such a plan. A year earlier, the federation and Mordechai Namir had vigorously opposed Kupat Holim building a hospital in Beer Sheva, and still oppose this in principle, but from another perspective: That is, they no longer opposed building a hospital in the Negev; they opposed building it in Beer Sheva. According to Namir, a hospital still had to be built south of Beer Sheva, closer to Dimona and Yerucham and even to Kibbutz Sde Boker, the residence of Ben-Gurion.[36] Despite Namir's pressure to change the location of the proposed hospital, Soroka continued to hold that the best location was Beer Sheva. To bring the federation around and skirt any further controversy, Soroka preferred to pretend that he was mobilizing funding for a hospital in the Negev without mentioning Beer Sheva. "Under prevailing circumstances our suggestion to Dubinsky must be general "to build a hospital in the Negev, without marking the exact spot," Yitzhak Chaskin, the federation's representative in the United States, wrote Soroka.[37] And, Soroka approved. Soroka planned that Dubinsky would bring his donation to the federation's convention that stood to take place in November of the same year. The federation and the government would not be in a position to turn down such a gift.

The federation's agreement in principle to mobilize funding for a hospital that would be established in the Negev did not come without strings attached. According to previous financial agreements between Kupat Holim and the Federation of Labor, 60 percent of all donations raised by Kupat Holim in the framework of the federation's campaign went to the federation.[38] Under the terms of such an arrangement, the 40 percent of the one million dollar donation that would be left in the hands of Kupat Holim would be insufficient to complete construction of the hospital. Therefore, at the

beginning of negotiations with Dubinsky, Kupat Holim sought to exchange the donation for a long-term loan. Since the agreement with the Federation of Labor spoke solely of donations, the entire contribution would remain in the hands of the sick fund if it was a loan, enabling Kupat Holim to build a large hospital in the Negev without any delays in construction. The federation, however, refused to go along with this tactic, and Kupat Holim was forced to give in, in order to receive the agreement in principle of the federation to the plan.

Based on the agreement between the administration of the federation's campaign in the United States and comrade Dubinsky for participation of one million dollars over four years in the establishment of a hospital in the Negev named for Dubinsky, it is agreed as follows:

1. In the sum of one million dollars that the federation campaign will receive from Dubinsky, Kupat Holim's part will be—400,000 (four hundred thousand) dollars.

2. Kupat Holim will receive its part from the campaign in practice [according to] every sum that Dubinsky puts into the campaign [SS actually deposits], in accordance with its relative potion.

3. From any supplement that the campaign will receive from Dubinsky for this purpose above the above-mentioned one million dollars, Kupat Holim will receive one-fifth of the above sum.[39]

Soroka had agreed to this 'internal arrangement' with much misgiving, and wrote the heads of the federation mobilization campaign in New York after signing the agreement voicing his worries, saying,

> It is unfortunate that this fact regarding the scope of the investment was not related to Dubinsky and his colleagues, who were unaware that his donation constitutes only a part of the investment, and the rest would be invested by the federation membership. The mistaken impression has been created among Dubinsky's people that they alone are establishing the hospital through this donation . . . Kupat Holim is consciously entering into this financial burden, with the hope and confidence that that all the federation and public forces will assist it in establishing this enterprise, which has a positive value for the development needs of the Negev. And we have entered into this matter upon which we have embarked, with this belief before our eyes.[40]

Thus, the federation's agreement that Kupat Holim establish a central hospital in the Negev was based on clear fiscal provisos. Moreover, although in December 1955 there was open talk that the hospital would be built in Beer Sheva, the federation took pains to continue to employ the general term 'hospital in the Negev' in all the agreements and letters dealing with the hospital. The wording

of the two agreements does not employ the words 'Beer Sheva' at all. One can attribute this to the clout of Mordechai Namir who opposed establishment of a hospital in the city, or other parties who hoped that the location of the hospital would be changed, if the location in the agreement was kept general. Another possible reason behind the vague wording was Ben-Gurion's known objection to building the hospital in Beer Sheva. Consequently, members of the federation's executive chose to use the general term 'Negev' in order not to further exacerbate relations between the federation and the government. In deliberations of the federation's executive and in Ben-Gurion's diary there is no mention of this issue, thus these assumptions have yet to be substantiated.

In October 1955, at the height of the government crisis, Soroka took two other steps to further the vision of a Beer Sheva hospital. First of all, he mobilized the support of Dr. Giora Yoseftal, chairperson of the Jewish Agency's Absorption Department. Secondly, he obtained the agreement of Pinchas Sapir, at the time, director-general of the Ministry of Finance. Yoseftal expressed his unreserved support for building a Kupat Holim hospital in Beer Sheva. He justified his support noting that,

> The Jewish Agency has nothing to do with the problems of Kupat Holim, but the immigrants are our problem. Out of every 12 inhabitants of the Negev, 11 are new immigrants. When the state was founded, there were only 6,500 Jews in the Negev, while now there are 75,000 there. By 1956 we will have 90,000, and the Jewish Agency can't place the entire problem in the hands of Kupat Holim without giving assistance.[41]

Yoseftal also expressed his disappointment that the Ministry of Health had not succeeded in solving the shortages of health services for new immigrants in the Negev, and the hopes that Kupat Holim's entrance into the Negev would solve the immigrants' distress. He cited that this was the sole consideration behind his support for Kupat Holim over the issue.

Soroka's appeal to Sapir was also crowned with success. Soroka asked Sapir to assist him in securing a loan through AMPAL (a subsidiary of Bank Hapoalim), guaranteed by the Jewish Agency, to cover the sums missing for completion of the hospital construction. Sapir approved the fiscal arrangement and even expressed his own support "for establishment of a hospital in the growing settlement area in the Negev."[42] Sapir's agreement and Yoseftal's support made it possible for Soroka to prepare a draft agreement between Kupat Holim and the Beer Sheva Municipality. In October 1956, Soroka sent a copy of the draft of the agreement to Tuviahu: "Dear comrade Tuviahu, Attached here I am transmitting to you for your perusal a draft of the agreement regarding establishment of a hospital in Beer Sheva. I have omitted several details that were discussed in person. Please peruse it before our meeting. With regards. M. Soroka."[43]

Upon completion of the first draft of the agreement, Soroka turned to architect Arieh Sharon to draw up preliminary plans for the hospital. Although he was sure that his efforts would bear fruit, Soroka was still apprehensive about committing himself to Sharon as to the *exact* location of the hospital, and therefore he requested a general plan and not one that was tailored to the physical layout of a particular building site. Sharon, who had worked with Soroka on previous projects, accepted the unconventional request and commenced work on the blueprints.[44] Thus, the elementary conditions for establishing a hospital in Beer Sheva were consummated, and the only barriers remaining were Ben-Gurion's and the Ministry of Health's opposition.

The establishment of a new government on November 3, 1955, and the appointment of a member of Mapam, Israel Barzelai, as Minister of Health provided the window of opportunity in the political constellation that Soroka had been waiting for.

The policy lines of the seventh government, under the leadership of David Ben-Gurion included a proposal for compulsory health insurance legislation under the auspices of National Insurance that would preserve the autonomy of Kupat Holim.[45] To a large extent this was a repeat of Kanev's proposal that had fallen two years prior; however, this time the initiator was Serlin, who hoped to bring about legislation of a national health insurance law that would null the independent existence of Kupat Holim and bring about its nationalization. While the Kanev plan's findings had been added to the guidelines of the new Coalition government which embraced renewal of a legislative initiative, the Coalition's guidelines did not call for nationalization of Kupat Holim as Serlin planned; rather, they stipulated that "the insurees' organization will be realized via their own organizations."[46] The new government's position was, therefore, more amenable to Kupat Holim, and the underlying 'threat' to nationalize Kupat Holim was sidelined again, as it has been in the past. Israel Barzelai was willing to negotiate with Kupat Holim over the hospital that the sick fund was prepared to establish in Beer Sheva. The only stumbling block was Ben-Gurion who opposed Kupat Holim gaining a foothold in hospitalization services in the Negev—opposition that did not lessen over the years.

At the end of January 1956, several months after the new government took office, Kupat Holim, appealed—the first time openly and officially, to Minister of Health Israel Barzelai, and other government agencies, in regard to the hospital in Beer Sheva. Kupat Holim surmised that Mapam's empathy towards Kupat Holim as a labor institution and Mapam's support for the independence of mutual assistance institutions by the labor classes, would make negotiations with Israel Barzelai smoother, and accelerate official approval from the Ministry of Health that was required if construction of the hospital was to go forward.[47]

In unofficial overtures towards Pinchas Dagan, a member of Mapam who was Barzelai's personal aide, and with the director-general of the Ministry of Health a short time after the government was sworn in, the sides came to understand that the Ministry of Health would respond positively to Kupat Holim's request to build a hospital in Beer Sheva, while the ministry would take upon itself to build a hospital in Ashkelon.[48] The minister of health's response was swift, within two days of the decision he wrote Soroka,

> I congratulate you on the initiative that you have taken to establish a hospital in Beer Sheva. It seems to me that establishment of this hospital, together with the hospital that will be established by us in Migdal-Ashkelon, will constitute an important contribution to solving hospitalization problems of key settlement development areas of our country. With all my salutations, Y. Barzelai, Minister of Health.[49]

Barzelai's letter, however, was almost clandestine, for there were no copies sent to other parties, as was customary (to the minister of finance, the prime minister, federation of labor institutions, the Jewish Agency or others). It appears that Barzelai chose to keep the decision under wraps in order to sidestep unnecessary political clashes that were liable to undermine plans, prior to presentation of the program to the government for final approval.

Parallel to the appeal to Barzelai, Kupat Holim also appealed to the IDF. Moshe Soroka wrote Chief-of-Staff Moshe Dayan:

> As it is known, Kupat Holim is preparing a program to establish a hospital for the Negev in Beer Sheva, with the assumption that work will begin in the month of May approximately. We have no doubt that a hospital in Beer Sheva must take into account various defense aspects, both in planning and construction. We would therefore appreciate if you refer us to the person who is authorized by the army with whom we can be in contact regarding all matters as to design of the building.[50]

Soroka's appeal to the army was not solely a tactical measure. From the beginning of his lobby to establish a Kupat Holim hospital in Beer Sheva, Soroka had argued that such a hospital was a security imperative—addressing the needs of the army in general, and for treatment of Israelis injured in attacks by Palestinian infiltrators and IDF personnel injured in the course of retaliatory raids against infiltrator bases in Gaza and the West Bank, in particular. The security dimension was also used by federation personnel in meetings with Dubinsky and the Ladies Garment Workers Union. Chaskin and Bigon held that the security issue was the decisive factor that convinced Dubinsky to honor his promises of support. Soroka did not, however, use the security issue solely due to its emotional leverage value; he sincerely felt that a hospital in Beer Sheva was important for the army's

needs. At the same time, Soroka most probably had a latent agenda that meshed well with the military's needs at the time—aspirations, in the back of his mind although not expressed openly, to reestablish sick fund services to military personnel that were taken from Kupat Holim in 1948 and transferred to the Military Medicine Service (MS) that later became the IDF's Medical Corps—a role that would both contribute to the sick fund's finances, and enhance Kupat Holim's image as a non-sectarian national institution providing services to all sectors of society—military and civilian. Providing services to the IDF in the Negev would also improve the sick fund's position as a hospitalization service-provider, breaking the monopoly that government facilities held on health care services for draftees and military career personnel. At the same time, Soroka undoubtedly hoped that the IDF's support for Kupat Holim's initiative would contribute to the processes of obtaining final approval of the government. Also, it is possible that he planned to use collaboration with the IDF to expand the original hospital plan, adding another storey, arguing that the additional infrastructure was designed to provide for the army's needs.[51] The IDF indeed responded positively to Soroka's offer and collaborated with Kupat Holim in the planning of the hospital's operation, so as to meet the army's own needs. Yet, the army did so only a year later, in May 1957—only after the government had approved establishment of the hospital, and only after Ben-Gurion—who again also held the defense portfolio in addition to the prime ministry—withdrew his opposition. Unfortunately, Ben-Gurion only changed his mind in the wake of the Sinai Campaign (October 1956) which proved Soroka's claims that location of a hospital in Beer Sheva was a security imperative.[52]

April-May 1956 were months of growing tension regarding security. April 1956 was marked by a rise in terrorist activity from the Gaza Strip. Most of the casualties were civilians in Jewish settlements in the northern and western Negev—kibbutz settlements, and moshav settlements of new immigrants. Israel responded with retaliatory actions. Security issues became the prime issues on the national agenda. In May 1956, Pinchas Lavon was elected secretary-general of the Federation of Labor. The political tension between the federation and the government increased due to the political impact of the Lavon Affair. Soroka, who had hoped to get approval of the Cabinet for the Beer Sheva hospital plan in order to begin construction, feared being overtaken by events. He sent an urgent letter and a series of telegrams to Beer Sheva mayor David Tuviahu urging the mayor to speed up procedures and finish all the official arrangements to hasten commencement of construction, saying, "There is reason to fear that changes of personalities in the country will take place and difficulties are liable to be created. . . . Please therefore avail yourself of all possible means to bring our matters to conclusion."[53]

On June 11, 1956, almost three years after the issue of a hospital was first raised, Kupat Holim appealed formally to Prime Minister David Ben-Gurion, directly:

> Colleagues have told us (and thus something was published in this matter in the newspaper 'LaMerchav') on your reservations concerning the establishment of a hospital by Kupat Holim in Beer Sheva, and we consider it right and proper to bring to your attention the following details: [that] the hospitalization situation in the Negev region is very severe and already borders on catastrophe that will worsen with the development of the Negev and increase in its population . . . [and that] Kupat Holim, which bears responsibility for hospitalizing its members in the Negev which constitute 98 percent of settlement there, cannot remain indifferent in the face of the severe situation . . . We know there are several misunderstandings regarding the work of Kupat Holim, and we are very saddened that the pioneering enterprises of Kupat Holim that behooves it [take] such great effort is regarded with misunderstanding already from the start. We hope that the details we have brought before you will clarify the matter and we would be happy to submit additional details to you should we be asked for such.[54]

The details that Soroka mentioned were statistics on the hospital bed ratio in the Negev—which was the lowest in the country, one bed per thousand inhabitants compared to five per thousand in Jerusalem, and 3.4 in Tel Aviv.[55] The document also cited the inability of the existing Hadassah hospital to fulfill hospitalization needs; the desire of Hadassah to be relieved of its responsibilities in Beer Sheva; and the donation promised by Dubinsky. Soroka also noted that the matter had been discussed at length between the Ministry of Health and Kupat Holim, and the sick fund was ready and prepared to begin construction. Ben-Gurion was in no hurry to reply. In his diary he made no notation of the issue. Soroka, who feared that Ben-Gurion would bring down the plan on the verge of realization, leaked the contents of his communiqué to Ben-Gurion to all supporters of the plan in Beer Sheva, hoping that the information would spark a wave of appeals to the prime minister to approve the program and lift his opposition.[56] Particularly interesting is the response of Minister of Health Israel Barzelai, who had given his agreement to Kupat Holim back in February 1956. Barzelai wrote:

> At other opportunities, and even before the prime minister I expressed my clear opinion, that I advanced your program with favor and good wishes, and that I am of the opinion that it is worthy from all standpoints of the finest assistance and support of the government. While we do not have at our disposal this year any development budget, yet we hope that the situation will be rectified, and then we will try to assist you to the best of our abilities. I would be happy to hear about headway of things towards beginning implementation.[57]

Yet, a copy was only sent to the director-general of the Ministry of Health. No copy was sent to the prime minister's office. In his letter to Soroka, Barzelai did not mention his green light to Kupat Holim in February of the same year, or the agreement to divide the Negev between Kupat Holim and government health services (putting Beer Sheva in the hands of the sick fund and Ashkelon in the hands of the government health agencies). The tone of the letter was lukewarm, measured, and to a large extent evasive. In the letter Barzelai underscored the government's budgetary problems as if Soroka's letter was a request for government financial backing, not a request for political backing. In fact, Kupat Holim had not requested and had no plans to request Ministry of Health financial assistance for construction of the hospital. Just the opposite: From the start, it was made clear to Barzelai that construction would be based solely on self-capitalization, without any government assistance. Kupat Holim's willingness to forego any government assistance was one of the strong points that Soroka often raised in discussion in his attempts to convince decision-makers to approve a Kupat Holim hospital in Beer Sheva. Idit Zartal, the historian who researched and wrote a biography of Soroka's life, notes that Barzelai carried out all his political moves concerning the Beer Sheva hospital in the shadows, almost in secret—whether due to Ben-Gurion's looming presence and opposition, or because this was his leadership style. Zartal notes that the first meetings between Barzelai and Soroka were conducted outside Barzelai's offices, whether in Tel Aviv cafes or during visits to Beilinson Hospital where Barzelai had been hospitalized after he fell ill.[58] In any case, Barzelai's treatment of the issue was restrained, even slow—designed to prevent unnecessary political clashes over the issue.

On July 10, a month after Soroka appealed to Ben-Gurion, Barzelai sent an explanatory letter to Ben-Gurion, in which he presented all the reasons behind the severe shortage of hospitalization facilities in the Negev and the inability of the ministry to solve the problems due to lack of development budgets. In the closing, Barzelai cited that "in this state of affairs I accepted with favor and good wishes Kupat Holim's program to establish a hospital in Beer Sheva and I believe that it is worthy of our full assistance and support."[59]

Ben-Gurion, however, was not convinced. On June 25, in a personal letter to Mordechai Namir, Soroka wrote:

> It had been clarified to me that Ben-Gurion did not suffice with my reply regarding establishment of a hospital in Beer Sheva, and he assigned Comrade Teddy Kollek to find out additional details, including the matter of Kupat Holim as a whole. . . . I believed it was proper and correct to let you know about this so that if God forbid, the program of establishment of a hospital in Beer Sheva will be impaired more than anyone else, the federation in the United States will suffer from this, that after its commitment to Dubinsky nothing will come of it. Just recall what publicity was made of the matter at the time and recall the great reverberation [it created] and to the best of my knowledge,

> Dubinsky convened this week the first part of the money in the conventional American ceremonials (a press conference and so forth) and it will be hard to explain this."[60]

Indeed, the Federation of Labor had a lot to lose, both prestige and its part of Dubinsky's donation.

There was a solid foundation to Soroka's fears that developments would lead to an open clash with Ben-Gurion. Ben-Gurion had to give in on his plans for institution of a state health system including a change in the status of Kupat Holim and its link with the Federation of Labor. In mid-1956 the chief state statistician, Dr. Beki, was requested to prepare a secret survey on the cost of Kupat Holim's health services.[61] The purpose of the survey, prepared with the assistance of Dr. Btesh, director-general of the Ministry of Health, was to examine the cost of Kupat Holim services compared to the cost of government services. Proof, in objective parameters, that Kupat Holim's services were more costly than government services could provide would supply justification for giving priority to government services and establish the groundwork—on professional rather than political grounds, for introducing statism into the health domain—that is, nationalization of Kupat Holim or separation of the sick fund from the Federation of Labor. Soroka who was concerned not only about the fate of the Beer Sheva plan, but rather the fate of Kupat Holim as a whole, sent a detailed memorandum to Ben-Gurion in which he presented the facts and figures of the sick fund's operation. In addition he asked Teddy Kollek to arrange a face-to-face meeting with Ben-Gurion to explain the figures and put Kupat Holim's case before the prime minister in the best light possible.

> I want to request and beseech you, that before you finalize editing of the material in order to present it to the prime minister, you allow me a word to explain the figures and the data I have submitted, for as a person familiar with these matters, I know from my experience, that carrying out a survey of this kind, can create inaccuracies due to misunderstandings as a result of the survey being based solely on mute numbers.[62]

It was only in July 1956 that the survey work of Dr. Baki began in earnest, and what Soroka in fact wanted was to meet with Ben-Gurion in order to mitigate any criticism in advance. From the ongoing correspondence between Teddy Kollek, the director-general of the prime minister's office, and Soroka it seems that while Soroka was appealing to Ben-Gurion, Ben-Gurion was busy appealing to Hadassah to change its position regarding the building of a hospital in Beer Sheva in order to prevent Kupat Holim from building its hospital. According to Kollek, Hadassah Women clarified to Ben-Gurion that their work on the establishment of a medical center in Ein Karem prevented them from continuing to work in Beer Sheva, and Hadassah was

determined to close the hospital there.[63] Therefore the only player on the field, by default, was Kupat Holim.

In July 1956 preparations for the Sinai Campaign were at their height and demanded all of Ben-Gurion's attention and energies. In his typical manner, Ben-Gurion solved situations such as this in a simple and practical manner: defense matters took priority over everything else. The question of Kupat Holim was sidelined and the hospital became a marginal issue that there was no point in discussing for the time being. In light of circumstances, and with no other solutions on hand to deal with the hospitalization problem in Beer Sheva, Ben-Gurion went along with plans in the meantime. On July 15, Teddy Kollek told Moshe Soroka, in Ben-Gurion's name, that the prime minister accepted the Beer Sheva plan. Kollek was frank in explaining why the prime minister had agreed: Hadassah was unable to carry out the project. That is, he agreed for lack of an alternative:

> Therefore, the prime minister applauds Kupat Holim taking upon itself to build this hospital. The prime minister requests in regard to construction, that construction be carried out according to the austerity appropriate to our country, and for this purpose, I suggest that perhaps you should submit the building plans to another look to prepare them for modest construction.[64]

Ben-Gurion did not write a personal letter to Soroka or to Kupat Holim and made due with the message delivered by Teddy Kollek. Whether disregard was intentional—a deliberate slight of the sick fund, or whether his mind was too occupied with other more burning matters—is unknown, for there is no reference to the matter in his diaries. Ben-Gurion's intentions remain an enigma.

After Ben-Gurion's agreement for the Beer Sheva hospital plan was secured and the plans were completed, Kupat Holim broke ground on the project immediately, before there were any more delays. It did not submit the plans to the prime minister's office as Teddy Kollek had suggested. Soroka feared that such a step would lead to further delays, and might even put the entire project in jeopardy. On July 23, 1956, Soroka wrote directly to Teddy Kollek, without any referral to the prime minister himself: "I affirm with gratitude the prime minister's blessings for establishment of the hospital in Beer Sheva, and we will endeavor, giving appropriate attention to carry out the prime minister's wishes, that the hospital will be built in a modest manner suitable to conditions in our country."[65] The letter was clearly designed to delicately and diplomatically avoid any further attempts by the prime minister's office to intervene directly in the building program.

In September 1956, Dr. Beki's findings regarding the cost of health services under Kupat Holim was presented to the prime minister in memorandum form. The memorandum, as expected, proved that "State health will be cheaper than health via the Kupat Holim system. In practice, the public

and the state carry Kupat Holim on their back."[66] The question of the future of Kupat Holim was again on the public agenda. Soroka had been right in his decision to avoid submitting building plans to the prime minister's office—as requested and to begin construction forthwith to create facts on the ground that could not easily be reversed.

On July 23, 1956, on the same day that Soroka wrote Teddy Kollek his thank you letter, and two months before Beki published his findings, ground was broken and construction of the hospital commenced. Except for a short break during the Sinai Campaign, work advanced according to schedule. Three years later, in October 1959, the building was completed. The dedication ceremony took place in the presence of David Dubinsky, Pinchas Lavon, the heads of the Federation of Labor, Mapai's senior leadership and guests from abroad. The richness and grand scale of the event symbolized the victory of Kupat Holim and the Federation of Labor in overcoming all obstacles. David Ben-Gurion's absence was marked. He did not cite the reason for his absence at the ceremony, whether this was because he had not accepted the building of the hospital, or due to the prominent presence of Pinchas Lavon—his political rival. According to Idit Zartal, both reasons played a role in Ben-Gurion's boycott of the ceremony.[67] Soroka could not afford an alienated Ben-Gurion. Ben-Gurion and the Negev had become one-in-the-same, two symbiotic images, tied together by a Gordian knot. Operation of a central hospital in Beer Sheva could not function and flourish without the blessing of Ben-Gurion. In April 1960, six months after the opening of the hospital, and after a multitude of forays to win over Ben-Gurion, the prime minister agreed to make an official state visit to the new hospital. Through the good offices of his wife Paula, Ben-Gurion agreed that a bust with Ben-Gurion's likeness would be displayed in the entrance foyer to the hospital.[68] Soroka wrote Goldwasser, Kupat Holim's representative in the United States: "I don't believe I have to explain to you what it means that *HaZaken* agreed to erect his sculpture in a Kupat Holim hospital, and that Paula, his wife, was the initiator and doer of this thing. The impact of this fact on our endeavors is at this time priceless." [69, 70]

In February 1960 the terms of collaborative work with the IDF was finalized.[71] The Kupat Holim Central Hospital of the Negev had become a *fait accompli*.

Epilogue

The Central Hospital of the Negev established by Kupat Holim indeed reinforced the stature of Kupat Holim as a key player in the country's health service that had to be contended with. Kupat Holim's control of the Negev was total for a good number of years. Moreover, Soroka's appraisal—that

such a hospital would reinforce the sick fund's position as a whole, transforming it into an organization that would be too large and too weighty to be merely dictated to, proved to be a correct assessment. The struggle over the Negev hospital was the last time that voices were heard in government circles striving openly to curtail the sick fund's expansion efforts under the argument that it should diminish its operation and transfer its functions to state auspices.

If the establishment of a Kupat Holim hospital in the Negev was the tipping point that won the sick fund its rightful place in the health domain, this was not true from Ben-Gurion's perspective. Although Ben-Gurion settled in the heart of the Negev and lived in Kibbutz Sde Boker south of Beer Sheva for an extended period in his later years, when he fell ill, he refused to be hospitalized in the Beer Sheva hospital. He received all his medical needs from his friend Dr. Sheba at Tel Hashomer Hospital near Tel Aviv. Even after the death of Sheba, Ben-Gurion remained faithful to Tel Hashomer and refused to receive treatment at any Kupat Holim facility.[72] His wife Paula, on the other hand, maintained a lengthy relationship with the Beer Sheva medical center. She was hospitalized there from time to time, and even died there—a form of identification and vote of confidence that was recognized in the decision to name one of the hospital's out-patient clinics in her memory.

Conclusion

Kupat Holim and the Israeli health care system underwent a five-stage process that forged their character in the course of the first ten years of Jewish statehood, following the outbreak of the War of Independence in late November 1947 and establishment of the State of Israel in May 1948.

Stage One

The first stage was the initiative of the Beilinson Hospital doctors to break the institutional framework of working conditions and remuneration based solely on salaried physicians. The struggle led to the secession of the sick fund's most senior doctors and their absorption within a parallel system taking shape at the same time—the Military Medical Service. The proximity of these two events, the resignation of the doctors from Beilinson and the initiative to establish the Military Medical Service—shaped the first stage and made possible the second stage: establishment of a medical service parallel to and in competition with Kupat Holim.

Stage Two

In the second stage, the Military Medical Service (MS) was created primarily in order to meet the needs of the Yishuv in wartime, but it also was fueled by the vision of health services for the army and the State's citizenry at the end of the war. The establishment of the MS split the medical community into two rival camps—that of Dr. Chaim Sheba and the rebel Beilinson doctors who shaped the emerging MS, and Dr. Meir and Moshe Soroka, the heads of Kupat Holim who sought to preserve what the latter perceived as an enlightened and progressive medical system—the existing public institutional framework of medicine, and to maintain the power of the sick fund. Stage two was a clash on a host of levels: between doctors and administrators; between the new small and flexible military service—a new kid on the block, and Kupat Holim, a large, well-established institution—the establishment or powers-that-be; and between the Federation of Labor and the government, with the federation seeking to find its place

within an independent polity, and the government seeking to establish its authority over all the players in the health field, including major players that had been part of the pre-State state-building infrastructure built by the labor movement.

Stage Three

At the beginning, the clash between Kupat Holim and the MS was competition over power bases within the health system, but in the third stage it took a new direction: with the establishment of the Tel Letvinsky Hospital (Tel Hashomer, later renamed the Sheba Medical Center) the issue became an ideological clash over concepts of who should lead and control Israel's health system and what structure it should take: The clash focused on differences of opinion between champions of the large hospital model where the hospital is designed to serve as a service center and the backbone of health services verses champions of the community hospital model where the hospital serves as a backup to community based clinics which constitute the backbone of the system; between hospitalization services for army personnel and citizens together in keeping with the British model, or services to a membership within the framework of the Federation of Labor; between physicians working solely for wages as championed by Federation of Labor values, or freedom of occupation for the doctor community as championed by the Israel Medical Federation.

The doctors who had resigned from Beilinson, led by Dr. Sheba, who were the first to join the Military Medical Service and afterwards were the leading physicians at Tel Letvinsky Hospital viewed the future of the health system from the perspective of medical professionals and sought to introduce the model of the large hospital as the core of the medical system. By contrast, the large institutions—that is, Kupat Holim and the Federation of Labor leadership, viewed the future of the health system through a sociological-ideological prism—mutual assistance, member-based group insurance, equality access to comprehensive health services based on socialist values such as separation of doctor-patient relationships from economic forces. Moreover, Kupat Holim and federation leaders viewed the health system as part of a larger endeavor to shape the norms and values of a new Jewish society; at the same time, the institutions wanted to survive radical change brought on by statehood.

Both Kupat Holim and the doctors in the MS shared similar goals—that is, both sought to serve the best interests of the country and its citizens, however differences in interpretation of the public good and the road to achieving this led to clashes between the sides. Other factors were clashes among the key personalities such as Dr. Chaim Sheba and Dr. Meir and Moshe

Soroka who occupied important roles in the shaping of the health system—personal rivalries and personality clashes that exacerbated the struggle, where each of the protagonists felt that the very fate of the health system and the face of society as a whole hung in the balance and that he alone knew what was the best path.

Stage Four

The ideological clash that began in 1948 between Kupat Holim and the MS and the Tel Letvinsky Hospital immediately spread to the national political system with the establishment of the State, leading to the fourth stage: struggle over the question what form the health system in the State of Israel would take and how it would be organized. As in the previous stages, the proximity of events—the establishment of the Ministry of Health; the establishment of the provisional government; the appointment of a minister of health from the religious bloc—Chaim Shapira; the establishment of a Federation of Labor lobby in the Knesset; the positions of key personalities in the national leadership such as Ben-Gurion and Pinchas Lavon, and the positions of the parties such as Mapai and Mapam on health issues; and the intensive work of Yitzhak Kanev all impacted on this stage and the core issues around which the struggle centered: whether to legislate national compulsory health insurance legislation and establish a state health system, and whether to nationalize all the public health organizations and transfer Kupat Holim from the Federation of Labor into the hands of the state, or leave things as they were. These issues which surfaced in the midst of the 1948 war were part of the political jostling for power and influence beyond the health system that accompanied the advent of statehood where the real issue was not health of the citizenry, but rather a struggle for political power bases. New institutions such as the Ministry of Health sought to inherit the power of old institutions such as Kupat Holim and Hadassah, while the government of Israel sought to wrestle hegemony from the hands of the Federation of Labor by diminishing the federation's clout. Ben-Gurion publicly declared his support for state education and a state health system. Thus, the struggle over the shaping of the health system was primarily a political struggle in which health issues themselves were sidelined.

The failure to establish a state health system led to several crises within the health system—for instance, the resignation, one after the other, of Dr. Meir and Dr. Sheba from the position of director-general of the Ministry of Health and generated instability, tensions and competition within the system. Instability continued for years to come and impacted on the ability of the ministry to function.

Stage Five

The fifth stage of development that the health care system underwent, alongside the conflicts described above, dealt with organization of health services for immigrants during the period of mass immigration that came in the wake of independence. On the surface this should have been a social-medical question: What were the immigrants needs? What were the medical priorities? What could be provided and how swiftly could urgent needs be met? In practice, under the impact of constant conflicts and instability that characterized the health system of the State of Israel in its first years, health services for immigrants became primarily a political issue that led to political struggles and crises between the various health agencies—the Ministry of Health, the Military Medical Service, the government of Israel, Kupat Holim, and the Federation of Labor, at the expense of the immigrants. The same entities and personalities that were involved in previous stages were also involved in stage five, which ultimately led to the reorganization of all the players in the health care system—veterans and newcomers. This progress of readjustment of the health constellation followed to a large extent Kupat Holim's success—in effect, taking over almost complete control of medical service provision to immigrants in the camps and maabarot—and then development towns, immigrant moshav settlements and immigrant neighborhoods, thus doubling the sick funds membership rolls. In retrospect, this swift maneuver on the part of the sick fund would dictate the face of the Israeli health care system—where Kupat Holim provided primary and secondary health care services, while the Ministry of Health and the army controlled most of the hospitalization system.

Stage Six

In 1953, there remained only one area of the health system whose final character had yet to be hammered out—the hospitalization domain. This issue was the focus of the last and final step in crystallization of the face of the health system during the first decade after independence, and Kupat Holim's place within health care. In 1953 the IDF's military hospitals were transferred—including Tel Hashomer, to the Ministry of Health. As a result, overnight, the Ministry of Health became the main hospitalization entity in the country. While at the time, Kupat Holim insured more than two-thirds of the citizenry through the Federation of Labor, its hospitalization capabilities remained limited, because the sick fund had neither the resources nor the experience to rapidly increase its hospital bed reservoirs in the way Tel Hashomer had done; moreover, its core business had always been health care in community-based clinics, not hospitals. Since the model of the large hospital along the lines of

Tel Letvinsky—Tel Hashomer had become a fact of life, and was the model preferred by the country's doctor public, the sick fund quickly realized that it must strengthen its position in the hospitalization domain, as well, both to maintain its stature vis-à-vis the Ministry of Health and to provide hospitalization services as needed to the hundreds of thousands of immigrants who had joined the sick fund. Kupat Holim's victory in the fifth stage—that is, the sick fund taking upon itself to provide health services to immigrants and as a result, the rapid growth in the sick fund's membership, to a large extent led the sick fund into the last and final clash over the face of the health system during the first years of statehood—the controversy over establishment of Kupat Holim's Central Hospital for the Negev.

As in the previous five stages, the same personalities and entities were involved: the Ministry of Health was pitted against Kupat Holim, the Mapai party was pitted against Mapam and David Ben-Gurion—who had not given up his hopes to introduce a national health system along the lines of the state educational system was pitted against Kupat Holim and the Federation of Labor who sought to preserve their independence and clout. Here as well, circumstances dictated the outcome of the struggle. Here as well, Kupat Holim went to battle not only as a champion of the Negev and its inhabitants, but also to combat any loss of stature within the new state and to ensure its future and end once and for all, attempts to nationalize it.

Establishment of the hospital, indeed, fulfilled its expectations—serving as the final blow, so to speak, to attempts to nationalize the sick fund and nationalization became, for all intents and purposes, a mute issue.

In closing, it is important to keep in mind that Kupat Holim's victory in this last and final stage was the upshot of astute exploitation of circumstances and once-in-a-lifetime opportunities that came its way; they were not the product of Kupat Holim's inherent strengths or the fruit of a spirit of pure altruism. The opening of the Central Hospital for the Negev in 1960 marked the close of the period that crystallized the face of the State of Israel's health system and established, once and for all, the position of Kupat Holim as a key player in the country's health system.

On the country's tenth Independence Day, and as a result of the impact of political events during the first decade of statehood, a pluralistic health care system rather than a monolithic state health care system has emerged and became a salient feature of the Israeli health care scheme. Even passage of a compulsory health insurance law in the early 1990s did not change this fact. Not only has pluralism remained a core characteristic of the system to this day, but Kupat Holim has continued to preserve its position as the dominant health care service provider in the country, even after far-reaching reform.

Appendix

The Law of Return

1. *Right of aliyah:* Every Jew has the right to come to this country as an oleh.

2. *Oleh's visa*

   (a) Aliyah shall be by oleh's visa.

   (b) An oleh's visa shall be granted to every Jew who has expressed his desire to settle in Israel, unless the minister of immigration is satisfied that the applicant

      (1) is engaged in an activity directed against the Jewish people; or

      (2) is likely to endanger public health or the security of the State.

3. *Oleh's certificate*

   (a) A Jew who has come to Israel and subsequent to his arrival has expressed his desire to settle in Israel may, while still in Israel, receive an oleh's certificate.

   (b) The restrictions specified in section 2(b) shall apply also to the grant of an oleh's certificate, but a person shall not be regarded as endangering public health on account of an illness contracted after his arrival in Israel.

4. *Residents and persons born in this country:* Every Jew who has immigrated into this country before the coming into force of this Law, and every Jew who was born in this country, whether before or after the coming into force of this Law, shall be deemed to be a person who has come to this country as an oleh under this Law.

5. *Implementation and regulations:* The Minister of Immigration is charged with the implementation of this Law and may make regulations as to any matter relating to such implementation and also as to the grant of oleh's visas and oleh's certificates to minors up to the age of 18 years.

DAVID BEN-GURION
Prime Minister
MOSHE SHAPIRA
Minister of Immigration
YOSEF SPRINZAK
Acting President of the State
Chairman of the Knesset

Passed by the Knesset on the 20th Tammuz, 5710 (July 5, 1950) and published in Sefer HaChukkim No. 51 of the 21st Tammuz, 5710 (July 5, 1950), p. 159; the Bill and an Explanatory Note were published in Hatza'ot Chok No. 48 of the 12th Tammuz, 5710 (June 27, 1950), p. 189.*

Law of Return (Amendment 5714–1954)†

Amendment of section 2(b)
Amendment of sections 2 and 5

1. In section 2(b) of the Law of Return, 5710–1950,

(1) the full stop at the end of paragraph (2) shall be replaced by a semicolon, and the word "or" shall be inserted thereafter;

(2) the following paragraph shall be inserted after paragraph (2):

"(3)is a person with a criminal past, likely to endanger public welfare."

In sections 2 and 5 of the Law, the words "the Minister of Immigration" shall be replaced by the words "the Minister of the Interior."

MOSHE SHARETT
Prime Minister
YOSEF SERLIN
Minister of Health
Acting Minister of the Interior
YITZCHAK BENZVI
President of the State

* Passed by the Knesset on the 24th Av, 5714 (23rd August, 1954) and published in Sefer HaChukkim No. 163 of the 3rd Elul, 5714 (1st September, 1954) p. 174; the Bill and an Explanatory Note were published in Hatza'ot Chok No. 192 of 5714, p. 88. The Jewish Virtual Library, http://www.jewishvirtuallibrary.org.

† Sefer HaChukkim No. 51 of 5710, p. 159, LSI vol. IV, 114. The Jewish Virtual Library, http://www.jewishvirtuallibrary.org.

Notes

Preface

1. Chaim Shlomo Halevi, "The Pluralistic Organization of Israel's Health Care System," *Bitachon Sociali* [Social Security], 17(1979) 7–20.

2. The Jewish community in Israel during the Ottoman and the British periods had been called by members of the Jewish community "the Yishuv," which in Hebrew means a place or a settlement. This term is used throughout the book as a synonym for the Jewish community in Eretz Israel as a whole.

3. The geographical region of the present State of Israel has been called in the past one hundred years by several names: the Jerusalem Region, during the Ottoman period until 1918; Palestine, during the British mandate years 1918–48; and Eretz-Israel (the biblical name of the Holy Land, the "Land of Israel") by the Jewish communities in Israel and abroad. For simplicity, the common name Eretz Israel is used throughout the book, both for the Ottoman and for the British periods.

4. *Maabarot,* or transit camps, were communities housing thousands of newcomers—both displaced persons from Europe who had survived the Holocaust, and Jewish refugees from Arab countries who were hastily housed in tents and in cloth and tin shanties as a temporary measure, and later wooden shacks until low-cost mass housing projects—*shikunim* or housing blocks—replaced them. Dismantling of the last *maabarot* was only concluded in the late 1950s and early 1960s.

Introduction

1. Haridi ("God-fearing") refers to ultra-Orthodox sects, who are not only pious to an extreme, but who, until recently, lived in insular communities, and are non- to anti-Zionists.

2. Other forms of assistance to the sick served specific ethnic sectors of the community on the basis of country or region of origin, religious association, or loyalty to a particular rabbinical sub-group within the community.

3. *YIKA* in Hebrew, or the JCA, philanthropic association to assist needy Jews, or in countries of persecution to help them emigrate and settle elsewhere into productive employment, founded by Baron Maurice de Hirsh 1891.

4. Tension has both an instrumental-structural dimension—different entitlements between members and non-members and different status between workers and their employers—and an ideological dimension. Members of the First Aliyah were Zionists but not socialists. Members of the Second Aliyah were Labor Zionists, who viewed themselves as a vanguard building a "new Jewish socialist society" in Eretz Israel.

5. Part of the Second Aliyah's vision was the "conquest of labor" (*kibosh haavodah*). This aspiration included forging a productive Jewish working class by their own labors that would work the land and do other manual labor as the foundations for a healthy Jewish society in Eretz Israel and eliminating the unfair competition of Arab peasants employed by Jewish farmers in the moshavot for low wages, which undermined establishment of a Jewish working class in Eretz Israel.

6. The Young Worker and Workers of Zion, respectively.

7. Regulation of Kupat Holim, Lavon Institute, Labor Archives, Tel Aviv, file IV-243, Shvarts S., "Who Will Take Care of the Workers? The Establishment of the Workers' Sick Fund in Israel 1911–1921," *The Journal of the History of Medicine and Allied Sciences,* 4(50), 1995, 537.

8. Until Kupat Holim was separated from the Federation of Labor in 1994.

9. In August 1929, Muslim opposition to Zionist aspirations was marked by violent attacks on the Yishuv that caused property damage and loss of life, spurring the establishment of a British investigatory commission into its causes. Subsequent British attempts to appease the Arabs by curtailing Jewish development, threatened the Zionist endeavor as a whole.

10. In contrast with the kibbutz where all aspects of life and production were collective, the moshav was a cooperative framework of identical individual family farms with common purchasing and marketing machinery and other forms of cooperation. The first moshav, Nahalal, was founded in the Jezreel Valley in 1921.

11. Followed by hospitalization services—the third tier.

12. Approximately twenty thousand left due to economic hardship. (Numbers from the Second and Third Aliyah who had returned to Europe were much much higher)

13. At the height of its power, a full third of the Israeli economy was comprised of Federation of Labor enterprises—the meshek haovdim (Workers' Economy) that ranged from marketing organizations to huge construction companies, heavy and light manufacturing, a bank and other financial institutions.

14. Israel Labor Party, Zionist-socialist party founded 1930, becoming the strongest party in the Jewish community and labor movement under leadership of David Ben-Gurion, and was the dominant force in all Israeli cabinets.

15. The objection to Arab labor stemmed from Labor Zionism's ideology of the Conquest of Labor (kibosh haavodah)—that is, the objective of building a Jewish working class ("a new Jew") as a key element in creating a new, healthier Jewish society in Eretz Israel that would not be top-heavy with merchants and professionals as in the diaspora, without an industrial or agricultural "proletarian base." In this battle, cheap Arab labor was viewed as an impediment.

16. The non-socialist Revisionist Party and the militant Betar movement (the dominant element in today's Likud Party) were viewed as arch-enemies of Labor Zionists from the outset of Zionism. Rivalry in determining the direction the Yishuv's development should take continues today in competition between the Maarach (Labor) and the Likud Parties over the shape of Israeli society.

17. Rural settlement in the Yishuv was divided ideologically and structurally between the *moshava/moshavot* or agricultural villages and towns established by the First Aliyah, and cooperative settlements (*kibbutz/kibbutzim* and *moshav/moshavim*) established by the Second and Third Aliyah, founded on socialist principles of cooperative or collective management.

18. In 1982, an official Israeli investigative commission was appointed by the first Likud-led government to settle the issue of who killed Arlosseroff. While in its 1985 report the commission cleared the names of the Revisionist suspects, it also exonerated the labor movement of the charge of having launched a "blood libel" against the Revisionists without cause.

19. The 1936–39 Arab Revolt (one of a series of waves of Arab violence in 1921, 1929, 1936–39, 1948), fueled by opposition to British rule and Jewish immigration, settlement activity and political aspirations in Eretz Israel. It was marked by attacks by armed gangs of local Arabs and acts of murder, destruction of public infrastructures and Jewish property and attacks on isolated Jewish settlements.

20. The Fifth Aliyah, 1933–39, was comprised of a large number of Jewish immigrants from Germany who brought state-of-the-art technologies not only in medicine; they transformed the industrial base of the country, particularly in science-based enterprises, and a number of other domains.

21. It is important to put the state of the health system and the dominant role of functionaries and public officials rather than physicians within it in context: health care was not the only domain where this was the pattern. The same "benevolent dictatorship of functionaries" existed in the management of a host of other social frameworks established by Zionist settlers—for example, moshav settlements where a small army of well-paid local functionaries made decisions for the farmers. This phenomenon reflected the communist-Russian ideological roots and leadership styles of the laborite "movers and shakers" who ultimately shaped the development of the Yishuv as a whole.

22. In the first years after the rise of Hitler to power, Jews who willingly left Germany for Mandatory Palestine were allowed to take certain financial assets—private and public—with them. The exclusive (and highly-controversial) transfer agreement reached by the Jewish Agency with the Nazi government established a special apparatus for transfer of Jewish capital from the central bank of Germany to the Anglo-Palestine Bank.

23. It should be kept in mind that Kupat Holim's outreach was much broader than Hadassah's, thus the pressure to focus on providing health services to all—including the periphery was greater than Hadassah, whose operation was more focused—limited to major urban areas and in close proximity to a major university.

24. See footnote 14 for background information.

25. The fate of entire Middle Eastern theater (including Eretz Israel) and its strategic resources and British headquarters in Cairo, only 150 miles from El-Alamein, was permanently removed by Rommel's defeat in the second battle of El-Alamein in October 1942, a battle that turned the course of the war as a whole.

Chapter One

1. Lavon Institute Archives of the Labor Movement (ALM), Beilinson Hospital portfolio, IV-250–54–446–1944–1948.

2. Letter from Kupat Holim directorate to the Federation of Labor executive, July 5, 1924, ALM IV-243–2-A.

3. Dr. Yitzhak Max Rubinow, 1875–1936, born in Russia, was a physician and a socialist. He completed his medical studies in New York, served as secretary of Bnai Brith in the United States and as Hadassah's first administrator in Eretz Israel (1919–22). Rubinow was one of the first champions of social insurance and health insurance for employees in the United States, a cause he advanced even prior to going to Eretz Israel as the head of the Hadassah Medical Unit. Shifra Shvarts and Theodore Brown, "Kupat Holim, Dr. Isaac Max Rubinow and the American Zionist Medical Unit's Experiment to Establish Health Care Services in Palestine 1918–23," *Bulletin of the History of Medicine* 72, no. 1 (1998): 28–46.

4. *Hadassah Medical Organization, Third Report, September, 1920–December 1921* (Jerusalem: Hadassah, 1922), 40–41; 49–56, 70–73.

5. Ibid.

6. Yosef Meir, "Kupat Holim ve-Rofav" (Kupat Holim and Its Doctors), *Davar* February 24, 1926.

7. Letter from Kupat Holim directorate to Dr. Zaltzberger, 1936, ALM, IV-22–2–243-A.

8. "Shitat ha-Avodah be-Beit ha-Cholim ha-Ironi"Hadassah be-Tel Aviv" (The Work System at the Hadassah Municipal Hospital in Tel Aviv), *Haaretz,* December 13, 1934.

9. Letter from Dr. Yosef Meir to Dr. Yoachim Leider, petitioning for part-time work with permission for private practice in order to enable Dr. Leider to receive [a] permit from the British Mandate authorities to bring his family to Eretz Israel, ALM IV-22–2–243-A.

10. "Al ha-Rofeh ha-Atzmai–Likrat Ve'idat Kupat Holim" (On the Independent Physician—In Advance of the Kupat Holim Convention), *Davar,* March 10, 1929.

11. Eliezer Perlson, "Al Avodot Harofim ha-Mitnadvim" (On the Work of Volunteer Doctors), *Davar,* October 5, 1937.

12. Doron Neiderland, "Haspaat ha-Rofim ha-Olim me-Germania al Hitpatchut ha-Rufua ba-Aretz" (The Impact of Immigrant Doctors from Germany on the Development of Medicine in Eretz Israel), *Catedra,* 30 (Jerusalem: Ben-Zvi Institute, 1983); Yoav Gelber, *Moledet Chadasha* (New Homeland), (Jerusalem: Ben-Zvi Institute, 1990), 431–47.

13. Letter from Dr. Rabau and Dr Nathan to Dr. Meir and Kupat Holim directorate concerning senior doctors' salaries in Beilinson, October 6, 1943, ALM IV-208–4025-B.

14. Yael Yishai, *Kocha shel ha-Mumchiyut—Histadrut ha-Refuit be-Israel* (The Power of Expertise—The Israeli Medical Federation), (Jerusalem, 1990), 6; Yael Yishai, "Otzmat ha-Rofim be-Midinat ha-Revacha—Misgeret Nituchit ve-Cheker Mekreh Yisrareli" (The Power of Doctors in the Welfare State—An Analytical Framework and Investigation of an Israeli Case), *Bitachon Sotziali,* 41 (1994): 20–47.

15. Avraham Doron, "Bituach Rofim be-Emdot ha-Rofim: ha-Maavakim shel Shnot ha-50 ha-Rishonot" (Doctors' Insurance and the Position of the Doctors: The Struggles of the Early 1950s), *Iyunim,* 6 (1996): 251.

16. Doron Neiderland, "Haspaat ha-Rofim ha-Olim me-Germania al Hitpatchut ha-Rufua ba-Aretz" (The Impact of Immigrant Doctors from Germany on the Development of Medicine in Eretz Israel), *Catedra,* 30 (Jerusalem: Ben-Zvi Institute, 1983); Yoav Gelber, *Moledet Chadasha* (New Homeland), (Jerusalem: Ben-Zvi Institute, 1990), 431–47.

17. Memorandum from Beilinson Hospital Doctors, October 22, 1946, signed by Dr. Rabau, Dr. Renten, Dr. Heller, Dr. Peller, Dr. Shiber, Dr. Kasper, Dr. Rappaport, Dr. Spiro, Dr. Markovitz, Dr. Zellinger. ALM IV-208–1–4291-A.

18. Ibid.

19. Shifra Shvarts, "The Rise of the Salaried Physician Model in Israel," in *Governments and Health Care Systems Implications of Differing Involvements,* ed. D. Chinitz and Y. Cohen (Chichester, UK: John Wiley & Sons, Ltd, 1998).

20. Ibid., 5.

21. Ibid., 6.

22. Ibid., 8.

23. Letter from Moshe Soroka to Dr. Meir, October 1946, ALM IV-104–93–31, Moshe Soroka section.

24. Letter from Dr. Meir to Moshe Soroka, November 1946, ALM IV-104–81–17, Dr. Meir section.

25. Letter from Moshe Soroka to Dr. Meir, November 28, 1946, ALM IV-104–31-A, Moshe Soroka section.

26. Ibid.

27. Ibid.

28. Ibid.

29. Pinchas Bendori (Feibush Bendorsky), 1900–54, one of the leaders of the Kibbutz Hameuchad movement and Mapam Party was born in Russia and served as secretary of the Hechalutz Central Committee in Poland. Upon immigrating to Eretz Israel in 1926, he joined Kibbutz Givat Hashlosha. He was a key figure in the labor Zionist parties Achdut Haavodah and Mapai, and the first secretary of Mapam and a member of key bodies within the Federation of Labor, including the Central Committee.

30. "Din ve-Cheshbon min-ha-Beidah ha-11 shek Rofei Kupat Holim" (Account from the Eleventh Convention of Kupat Holim Doctors), November 8–9, 1946, Tel Aviv; *ha-Rofesh ba-Moshad* (The Doctor in the Institution), *Alon Irgun Rofei Kupat Holim* (Kupat Holim Doctors Organization Newsletter), 4 (December 1946): 16–17.

31. Ibid., 8.

32. *ha-Rofesh ba-Moshad* (The Doctor in the Institution), *Alon Irgun Rofei Kupat Holim* (Kupat Holim Doctors Organization Newsletter) (December 1946), 3–24.

33. Letter from Dr. Irvin Rabau to Dr. Shatkai, Kupat Holim directorate, November 13, 1946, ALM, IV-208–1–4291-A.

34. Letter from Dr. Rabau to Kupat Holim directorate, December 8, 1946, ALM, IV-208–4291-A.

35. Letter signed by ten department heads to Kupat Holim directorate, February 17, 1947, ALM 104–1–4291-IV-A.

36. Letter from Perlson to Dr. Rabau, February 21, 1947, ALM IV-208–1–4291-A.

37. In Hebrew, the rabbinical idiom, *tzelem behechal,* in the context of Kupat Holim, defiling Kupat Holim's holy principles

38. Idit Zartal, *Yamim oo-Maasim* (Times and Actions), (Tel Aviv, 1975): 89–91.

39. Letter from Dr. Rabau to Kupat Holim directorate, February 25, 1947, ALM IV-208–1–429-A.

40. Doch al Yishivat ha-Moetza ha-Irgunit she-Hitkiyem ba 22.2. 47 (Report on the meeting of the organizational council that took place on February 22, 1947), *ha-Rofe ba-Mosad* ("The Doctor in the Institution"), March-April 1947, pamphlet 607, 7.

41. Ibid.

42. Ibid.

43. In the interim period separating the Kupat Holim Doctors' Convention and the Organizational Council meeting, Dr. Lederer penned a personal memorandum that sharply criticized private practice of any kind within Kupat Holim's operation, sparking heated controversy among Kupat Holim medical staff as a whole. In response, Dr. Sheba wrote an angry letter to the Kupat Holim management for permitting the attack and failing to address its charges. See letter from Dr. Ledrer and response by Dr. Sheba, ALM (V-208–4534).

44. Among the participants in the decision to appoint the committee as a forum for settling the crisis were also Kanevsky-Kanev, Veshinsky, Shmoshkovitz, Goldenberg, Ben-Ephraim, Dr. Lederer, Dr. Omer, Dr. Sellerman, Dr. Bickeles and Dr. Zalkai. Source: *Hachlatot ha-Vaada ha-Merakezet shek HIstadrut* (Decisions of the coordinating committee of the Federation of Labor), March 16, 1947.

45. *Hachlatot ha-Vaad ha-Merakezet shel ha-Histadrut* (Decisions of the coordinating committee of the Federation), March 16, 1947.

46. Personal handwritten letter from Dr. Shiber (Sheba) to Namirovsky (Namir), April 28, 1947, and an attachment from the doctors' committee signed by Dr. Sheber to the member of the Federation of Labor executive committee member Ben-Dori, April 27, 1947. ALM, IV-208–4534.

47. Until February 1947, Dr. Rabau had served as the Beilinson doctors' representative and was the core leader in negotiations with Kupat Holim. From February henceforth, conduct of negotiations had been placed in the hands of Dr. Heller and Dr. Sheber, and from April, solely by Dr. Sheber.

48. *Sikumim be-Hachlatyot ha-Vaada ha-Miuchedet* (Summaries and decision of the special committee), June 8, 1947, ALM, IV-208–4530.

49. 30 Letter from Pinchas Ben-Dror to Kupat Holim directorate and to the Kupat Holim Doctors' Committee.

50. The Hebrew Medical Federation was founded in 1912 in Jaffa at the initiative of Zionist doctors who practiced medicine in the Tel Aviv and Jaffa vicinity and nearby Jewish agricultural settlements. Among the moving forces behind the organization were Dr. Sherman, Dr. Hillel Yafe, Dr. Stein, Dr. Hisin and two female doctors—Dr. Alexandra Belkind and Dr. Yunis Guttman. At the outset the medical foundation dealt primarily with medical-scientific questions and organized professional meetings and in-service training for doctors in Eretz Israel. From the 1920s the organization began to act as the voice of all the doctors in Eretz Israel, not only in purely medical matters but also in negotiations over working conditions for doctors in public institutions—independent of the Federation of Labor and its union section which represents all other organized salaried employees throughout the country.

51. *MIchtav le-Chaver,* March 2, 1947, pamphlet 157, 2393.

52. "Me-Veida le-Veida" (from convention to convention), "Doch ha-Histadrut ha-Refuit" (Medical Federation Report), *Michtav le-Chave* (Medical Federation Newsletter), August 1, 1947.

53. *Michtav le-Chaver,* August 1, 1947.

54. *Michtav le-Chaver,* September 14, 1947, pamphlet 170, 1516.

55. Letter from Ben-Dori to Dr. Meir, September 3, 1947, ALM, IV-208–4530-B.

56. Letter from Beilinson Hospital interns and doctors to the coordinating committee of the Federation, November 23, 1947, ALM, IV-208–1–4291-A.

57. Dr. Dan Michaeli, key figure in the health system, who knew Heller personally. Detailed in a personal letter to the author, February 15, 1994.

58. Furthermore, Ben-Gurion requested that Heller go abroad on behalf of the medical corps to mobilize doctors and the necessary equipment, and in his fury at Kupat Holim for its behavior—Ben-Gurion stipulated that Heller should receive a salary from the Ministry of Defense while working in this capacity that would be equal to that of the Chief Medical Officer of the IDF. When the military hospital at Tel Hashomer outside Tel Aviv became a civilian facility at the close of the War of Independence, Sheba was appointed chief administrator and Heller was appointed head doctor of the hospital. Relations between Sheba and Kupat Holim and heads of the Ministry of Health, and Tel Hashomer were strained from the outset, and Ben-Gurion continued to hold a grudge against Kupat Holim for its behavior at the time. See Dan Michaeli, personal letter to the author, February 15, 1994. See also Dr. Eliyahu Gilon, interview on relationship between Ben-Gurion and Sheba in the 1950s, October 11, 1994.

59. Interns' letter to the coordinating committee of the Kupat Holim directorate, November 23, 1947, ALM IV-208–1–4291-A. At the beginning of the letter appears a full list of the interns and the doctors who expressed their support of the department heads. Letter from Dr. Bikeles to Kupat Holim directorate regarding dismissal of doctors, February 8, 1948, ALM, IV-208–5076-A.

60. Letter from the Central Auditing Committee [*Vaadat ha-Bikoret ha-Merkazit*], February 11, 1948; Letter from Dr. Bikeles to the Central Auditing Committee, February 19, 1948, ALM IV-208–1–5076-A.

Chapter Two

1. Report of Activities of the Medical Corps February 1949 to September 1956, Section 2, IDF Archives (IDFA) 530/57/308; D. Nadav, "Beit Holim Mispar 5 (Tel Hashomer) be-Haavarato leyadei Misrad ha-Briut be-1953" (Hospital No. 5 [Tel Hashomer] and its transfer to the Ministry of Health in 1953), *Iyunim beTkufat Israel,* 7 (1997), henceforth: D. Nadav, "Hospital #5")

2. Baruch Padeh was born in Russia in 1908, studied medicine in Czechoslovakia and immigrated to Israel in the year 1934. He was Kupat Holim's district physician in the Negev, operations officer of the military medical conveys in the War of Independence, a department head at Hospital #5 (Tel Hashomer, Sheba Medical Center) from January 1950, and the IDF's chief medical officer from 1956.

3. The Haganah was the Yishuv's primary defense organization that operated on a semi-clandestine footing throughout most of the mandate period, except part of the war years in the Haganah worked openly and in close cooperation with the British. It constituted the nucleus of the IDF.

4. The Medical Committee for the Emergency was established in 1947 by the health department of the National Committee at the initiative of Ben-Gurion together with Golda Meir (Myerson) who headed the National Committee's

political department, in cooperation with Hadassah and Kupat Holim. Members of the Supreme Medical Committee were: committee chairperson Dr. Avraham Katznelson-Nissan, the medical director of Kupat Holim; Dr. Yosef Meir, the representative of Hadassah; Mr. Kropnik, the representative of the Red Magan David; Dr. Noach Peler, the director of the MS. Coordination of the committee's work was assigned to the representative of the MS.

5. The refusal of Kupat Holim to transfer personnel and equipment to the Supreme Medical Committee was primarily the result of the serious fiscal crisis that the sick fund faced at the beginning of 1947. The crisis led to the establishment of a Federation of Labor committee to examine the economic state of the sick fund and formulate recommendations for economizing measures and cutbacks that would extricate Kupat Holim from the crisis. Interview with Dr. Padeh, 1979, interview portfolio, Ruth Bondy Archives.

6. Interview with Dr. Padeh, 1979, Bondy Archives.

7. Testimony of Dr. Chaim Sheba, August 17, 1968–January 26, 1970, Haganah Archives.

8. The Palmach would bear most of the responsibility for checking the momentum of the invasion in the critical period after the final withdrawal of the British, until arms could be brought in from staging areas in Europe, and a regular fighting army capable of operating in large formations—the IDF, could be organized, trained and sent into battle.

9. The Jewish equivalent of the Red Cross.

10. Letter from Dr. Meir to David Ben-Gurion, October 26, 1947. Correspondence, Ben-Gurion Archive, Ben-Gurion Heritage Institute, Sedeh Boker (BG Archives).

11. Y. Gelber, *Gar'in le-Tzava Ivri Sadir* (The Nucleus of a Regular Hebrew Army) Jerusalem, 1986, 315.

12. *Rosh Hamate Haartzi,* National Headquarters Chief.

13. Ruth Bondy, *Sheba* (Every Man's Physician).

14. *Ben-Gurion's Diary,* January 4, 1948, BG Archives.

15. The style of Ben-Gurion's diaries was lean, often a shorthand salad of phrases and notations, divided by dashes and commas.

16. *Ben-Gurion's Diary,* January 8, 1948, BG Archives.

17. Interview with Israel Galili, June 1979, Bondy Archive.

18. *Ben-Gurion's Diary,* January 8, 1948, BG Archive.

19. *Matlit aduma,* in Hebrew, meaning "waving a red flag in front of a bull"—suggesting Kupat Holim would "see red" every time they had to deal with him.

20. Interview with Israel Galili, June 1979, Bondy Archive.

21. Professor Dan Michaeli, interview and letter on this issue to the author, February 15, 1994.

22. Letter from Dr. Sheba to Kupat Holim directorate, October 31, 1949, ALM, IV-104–81–17

23. Letter from Dr. Sheba to Dr. Albrecht, December 31, 1947, Bondy Archive.

24. Interview with Israel Galili, Tel Aviv, June 1979, Bondy Archive.

25. Ibid.

26. In Kupat Holim documents from the period there is no mention of opposition within the organization to the establishment of the MS.

27. Kupat Holim immediately stopped paying Dr. Sheba's salary and in March Sheba found himself without income as his job with the army had yet to be budgeted. Therefore, Sheba began to litigate with the sick fund for payment of vacation time he had coming to him in order to receive one more paycheck from Kupat Holim. Letter from Sheba to the Kupat Holim management, March 11, 1948, Bondy Archives.

28. "Tzav Giyus ha-Rofim" (Doctors' Draft Order), *Haaretz,* February 5, 1948, 4. In April 1948 the number of Kupat Holim doctors who were drafted was two hundred. In January 21, 1948, compulsory service for nurses was also announced. As in the case of the drafting of physicians, to a large extent the burden of providing nursing personnel fell on the shoulders of Kupat Holim. *Davar,* January 21, 1948, 2.

29. *Diyun be-Irur lLishkat ha-Mas ha-Merkazit al Shichrur ha-Rofim me-Tashlum Mas* (Discussion of the central dues bureau's appeal regarding release of doctors from payment of dues), Federation of Labor executive, secretariat, May 10, 1948, BG Archive. The executive moved to suspend discussion of the issue until the end of the war and in the meantime to leave the exemption from dues-paying in force. The issue was again raised for discussion in September 1948.

30. Letter from Dr. Bikeles, chairperson of the Kupat Holim Doctors' Organization to the Kupat Holim directorate, February 22, 1948; Reply from Moshe Soroka to the Kupat Holim Doctors' Organization, February 27, 1948, ALM, IV-243–499.

31. Kupat Holim be-Misparim (Kupat Holim in Numbers), Kupat Holim portfolio, ALM, IV-243–3–137

32. Min ha-Ne'eseh be-Kupat Holim" (From Doings in Kupat Holim), *Davar,* February 16, 1948. Kupat Holim's deficit in February 1948 stood at 100,000 Israeli Pounds (about 300,000 U.S. dollars). The Federation of Labor executive turned to the Jewish Agency demanding that the latter budget additional funds to Kupat Holim beyond the agency's payment for emergency services for immigrants and soldiers that the sick fund was providing. See "Inyanei Kupat Holim" (Kupat Holim Matters), Kupat Holim directorate, secretariat, protocol of February 4, 1948, meeting, BG Archives.

33. Interview with Dr. Baruch Padeh, 1979, Bondy Archive.

34. *Ben-Gurion's Diary,* January 8, 1948, BG Archives.

35. Ibid.

36. *Kupat Holim be-Mivchan* (Kupat Holim at the Test), Discussion in the meeting of regional managers and medical administrators of Kupat Holim, November 9, 1948, ALM, IV-104–7-*Gimil,* 2.

37. The exact date and logistics of the withdrawal was top secret up until the last moment, thus the date stated here was not know to the Jews in January 1948.

38. Dr. Avraham Katznelson's [Nissan] overview, December 3, 1947 "Sherut ha-Tzibur be-Tefukat ha-Maavar [Chinuch, Briut, Avodah Sotzialit] (Public Service in the Interim Period—Education, Health, Social Work), December 17, 1947, BG Archive, Portfolio "Vaadat ha-Matzav Pirut; Hitrachavut October-December 1947."

39. Telegram from David Ben-Gurion to Rose Halperin, December 22, 1947, Top Secret BG Archives (in English and Hebrew).

40. Letter from Ben-Gurion to Bertha Skolman, March 10, 1948. BG Archive, Sedeh Boker.

41. Footnote 33 in file: telegram from Hadassah [author's name not given] to David Ben-Gurion, January 6, 1948, CZA, 6673-S25.

42. *Kupat Holim be-Mivchan* (Kupat Holim under Test), discussion at the meeting of district directors and medical directors of Kupat Holim, November 9, 1948, ALM, IC 104-G-7, 2.

43. Yoav Gelber, *Palestine 1948,* Sussex Academic Press, Brighton, 2001, 148. In terms of scale, this is the equivalent per capita of the United States sustaining 700,000 casualties in the course of a month.

44. Ben-Gurion correspondence with Galili, February 24, 1948, BG Archives.

45. Ibid.

46. Protocol of a telephone conversation between Heller and Zeslani and Galili; letter from Galili to Ben-Gurion following the conversation, correspondence, April 22, 1948, BG Archives.

47. Ruth Bondy, *Sheba: Rofe le-Kol Adam* (Sheba a Doctor for Everyman), Tel Aviv, 1981, 98. In the Soroka portfolio at the Labor Archives and later documentation of Soroka that relates to Ben-Gurion's offer to head the MS, Soroka does not mention at all Sheba's above-mentioned offer to Soroka, an offer that according to Bondy, preceded Ben-Gurion's offer.

48. Interview with Dr. Daniel Brachot, 1979, Bondy Archive.

49. Ibid.

50. Ibid.

51. Letter from Dr. Meir to the management of the Jewish Agency in Jerusalem, the National Committee, Hadassah, the Tel Aviv Municipality and the MS, February 22, 1948, BG Archives.

52. Letter from Sheba to Dr. Yaski, director of Hadassah, March 28, 1948, Sheba Archives—Tel Hashomer; Dr. Sheba's testimony, August 17, 1948, Haganah Archives.

53. Memorandum from Dr. Katznelson April 6, 1948, following his letter of March 19, 1948, to Dr. Lester, director of the [Mandatory] Government Health Department, Central Zionist Archives (CZA), section S25, portfolio 406.

54. Nadav, "Hospital #5."

55. For more on the history of the Tel-Hashomer—Tel Letvinsky Hospital, see Nadav, "Hospital #5," 439–462.

56. Shahaf noted in an interview that Sheba took him from his job for a few hours to visit and evaluate conditions at the Tel Letvinsky came at the close of the tour, Sheba concluded with Shahaf that the latter would be mobilized straight away and take responsibility for renovating the camp as a convalescence center. Shahaf did not succeed in returning to his office that day or the next in order to notify Kupat Holim about his mobilization into the MS, and the fund only learned about the reason for his disappearance several days later.

57. Zvi Shahaf, personal interview, August 8, 1997.

58. Interview with Zvi Shahaf, the first administrative director of Tel Letvinsky 1948–1949, August 8, 1997, The Archive of the Institute for Judaism and Medicine Heritage, Sheba Medical Center, Tel Hashomer.

59. If should be kept in mind that the vision of a military with a strong civic dimension was not merely Sheba's. This idea of a dual-role military that views its legitimate mission as both a fighting force and an institution fulfilling certain core social functions is an integral part of the IDF's 'DNA': it was part of the IDF's missions in the early years of the state (in immigrant absorption, for example, discussed

briefly in chapter 5) and structured into its operation to this day in IDF remedial education and social rehabilitation (mainstreaming) programs for special populations, although Sheba's vision of a military-civilian hospital under the aegis of the military was short-lived. See, for instance, D. Ashkenazy "Mainstreaming Margin Populations Through Military Service," in *Military in the Service of Society and Democracy: The Challenge of the Dual-Role Military,* ed., D. Ashkenazy (Westport, CT: Greenwood, 1994) 157–72.

60. Slip of paper quoting Yosef Avidar and Moshe Lerer, 1948, Bondy Archive.

61. Official IDF figures, see http://www1.idf.il/DOVER/site/mainpage

62. Moshe Chaim Shapira (1902–70) was born in Russia. Between the years 1924–25 he was a student at a rabbinical yeshiva in Berlin, and was a representative of the Hapoel Hamizrachi party at the fourteenth Zionist Congress 1925. In 1926 he immigrated to Mandate Palestine and in 1928 was elected chairperson of the Hapoel Hamizrachi movement in Eretz Israel. In 1935 Shapira was elected as a member of the Zionist Executive and appointed to the key post of director of the immigration department of the Jewish Agency. With the establishment of Israel's provisional government in May 1948, Shapira was appointed minister of interior, immigration and health, and later minister of welfare and religion. He was one of the founders of the National Religious Party in 1956 (resulting from the merger of the socialist Hapoel Hamizrachi party and the non-socialist Mizrachi party) and was one of the founders of Bar-Ilan University.

63. R. Bondy, *Sheba,* 108; A Haber and Z. Shiff, *Leksikon le-Bitachon Israel* (Israel Defense Lexicon), Tel Aviv 1976, 513.

64. Idit Zartal, *Yamim oo-Maasim* (Times and Actions), Tel Aviv 1975, 104.

65. *Mamlachtiut,* in Hebrew—a concept most scholars translated as "stateism" for lack of an equivalent. Mamlachtiut was a concept coined and championed by Ben-Gurion that demands one put the needs of the country as an emerging polity and society above narrow political or personal aspirations to create a viable and enlightened Jewish state. Closer to statesmanship, which does not have the fascist connotation "stateism" carries in English.

66. Apparently a reference to the firing of Dr. Meir as general-director of the Ministry of Health in 1950, following a revolt among the ministry's clerks against him.

67. I. Zartal, *Times,* 104.

68. Ibid., 103.

69. The vision of *mamlachtiut* or stateism must be viewed in context with the times, where the Yishuv tripled its size with the influx of diverse immigrant populations during the first decade of statehood. Stateism was a desperate attempt to broaden the common denominator to prevent a society in-the-process of becoming being torn apart by conflicting cultures and interests, particularly among Jews who for two thousand years had no experience in statecraft and had been unaccustomed to functioning as a body beyond family and community (now 'as a policy'). The view of *mamlachtiut* as the order of the day should be viewed against the backdrop of tremendous challenges to the sustainability of the newly-created Jewish state (socio-economic tensions, scarcity of resources and serious external threats to its security)—not only ideological rivalries and the aspiration to dominate the political sphere. The drive for *mamlachtiyut* was even more marked in Ben-Gurion's actions that created

1. one armed force—the IDF, by dismantling both the Palmach and armed dissident political rivals; 2. forged a unified public school system with a strong national ethic.

70. There were two ceasefires during the War of Independence. The first was June 11 through July 9, 1948, and the second began on July 18, 1948 and was marked by intermittent battles and ultimately culminating in armistice agreements in 1949.

71. In written material of the period Sela-Steinfeld—the operations officer for the Palmach's Harel Brigade—appears under the code-name "Raanana."

72. Interview with Zvi Shahaf, August 8, 1997; description of harsh conditions in Jerusalem and mobilization of assistance to treat the wounded, drafted personnel and the disabled, submitted on behalf of Kupat Holim at the meeting of the Federation of Labor executive, secretariat, June 23, 1948; also noted Dr. Sheba's and Dr. Meir's special trip to Jerusalem to evaluate the situation there first hand, BG Archives.

73. While battles were waged throughout the country against five invading forces, some of the most intense fighting of the war was against the well-trained and well-entrenched Arab Legion (Tran Jordan's army) in the center of the country, first and foremost in Jerusalem.

74. Letter from Soroka to the minister of defense, minister of finance and minister of health, September 19, 1948, ALM, Soroka portfolios, IV-104–93.

75. Meeting of the provisional government, 23, October 14, 1948. Discussion of the budget, decisions [of the cabinet], statement by the minister MH Shapira, BG Archives.

76. Shapira's support of Kupat Holim reflects the longstanding strategic alliance between the Federation of Labor and Kupat Holim, and the Hapoel Hamizrachi: from 1926, members of Hapoel Hamizrachi received medical care from the sick fund at a greatly reduced premium in exchange for political support. Thus assistance to Kupat Holim was viewed as assistance to his own constituency. See Shifra Shvarts, *The Workers' Health Fund in Eretz Israel-Kupat Holim* (Rochester, NY: University of Rochester Press, 2002), 256–58

77. Meeting of the provisional government, 22, October 7, 1948. Discussion of the budget, statement by Berl Rafter, BG Archives.

78. Letter from Sheba to Albrecht, December 31, 1947, Bondy Archives.

79. Interview with Dr. Padeh, 1979, Bondy Archives.

80. Memorandum, July 27, 1948, between the IMS and the MS,, under the aegis of the Jewish Agency and the Hadassah Medical Federation, ALM, 406–25-S.

81. Interview with Dr. Daniel Brachot, 1979, Bondy Archive.

82. In fact, the TB patients were hospitalized in separate wards due to the infectious nature of their condition. In December 1948, a separate TB hospital was opened within the Tel Letvinsky compound, administered by the War on TB League, headed by Dr. Weizer.

83. David Ben-Gurion, *Chazon ve-Derech* (Vision and Means), 1962, vol. 2, 63–64. Nadav 446, fn 28.

84. The accounting was done on the basis of the average medical profile of the mobilized personnel (a solider and his parents, but without wives and children). *Kupat Holim be-Reishit 1949, Misparim ve-Uvdot* (Kupat Holim at the Outset of 1949, Data and Facts), ALM, IV-243–3–63.

85. Ibid.

86. *Michtav Lechaver,* April 1, 1948, 1643.

87. Editorial, *Michtav Lechaver,* July 1, 1948.

88. Letter from Pinchas Ben-Dori to Kupat Holim directorate, the Coordinating Committee of the Federation and the Kupat Holim Doctors' Organization, July 12, 1948 ALM, IV-208–5076.

89. Ibid.

90. Letter from Yitzhak Kanevsky-Kanev, Kupat Holim directorate to David Ben-Gurion, July 18, 1948, BG Archives.

91. Letter from Sheba to Ben-Gurion, July 10, 1948, BG Archives.

92. Letter from Soroka to Shmuel Reznik from Kupat Holim's Haifa District, September 7, 1948, MS portfolio, IDF Archives.

93. Letter from Soroka to Dr. Meir, October 17, 1948, Soroka portfolio, ALM, IV 104–93. In January 1949 medical services to drafted personnel was renewed for four months. In April 1949, the IDF announced to personnel that henceforth they should to go only to military clinics, but their families should continue to receive services from Kupat Holim in accordance with a new agreement between the Ministry of Defense and Kupat Holim.

94. D. Nadav, "Hospital #5," 442; R. Bondy, *Sheba,* 119; Zartal, *Times,* 106.

95. Letter from Dr. Sheba to Dr. Gzebin, acting director-general of the Ministry of Health, June 29, 1954, concerning Dr. Posner and his joint relationship with Kupat Holim-Tel Hashomer. Tel Hashomer portfolio, Ministry of Health portfolio, Israel State Archives (ISA), 5144.

96. I. Zartal, *Times,* 108.

97. The Mt. Scopus hospital complex was under siege and inaccessible.

98. Letter from Soroka to Dr. Meir, October 17, 1948, Soroka portfolio, LA, IV-104–81–17. This document appears in this context in I. Zartal, Ibid., 105–8, and in the same context but in abridged form in R. Bondy, *Sheba,* p 119–21.

99. Meeting of the provisional government, 21, September 30, 1948. Discussion of the government budget, statement by Eliezer Kaplan, minister of finance, BG Archives; letter from the Ministry to Kupat Holim directorate, November 17, 1948, LA, IV-243–3–137.

100. *Kupat Holim be-Mivchan* (Kupat Holim under Test). Statement by Soroka at the meeting of district directors and medical directors of Kupat Holim, November 9, 1948, ALM, IC 104-G-7.

101. Ibid.

102. *Ha-Bniyah be-Kupat Holim be-Shnat 1949–50* (Construction in Kupat Holim for the Year 1949–50), sent to Dr. Meir on August 26, 1949, ALM, IV-243–3–137.

103. I. Zartal, *Times,* 109.

104. Letter from Sheba to Prime Minister and Minister of Defense David Ben-Gurion, December, 1948, ALM, IV-104–81–17, also addressed to Kupat Holim directorate, to Yosef Avidor, chief of quartermaster branch, treasurer's office of the Ministry of Defense, Ministry of Finance, Ministry of Health, 4251G. The letter is also cited by D. D. Nadav, "Hospital #5," 443–44.

105. "Ha-avodah ha-Refuit ba-Tzava" (Medical Work in the Army), *Haboker,* January 13, 1949.

106. *Carta's Atlas of Israel—The First Years 1948–1961,* Carta, Jerusalem 1978, 73.

107. Avraham Atzmon (Blumovitz) was born in Polany in 1909, studied medicine in Vilna and served as a doctor with the Polish military and afterwards in the

Slonim ghetto, fled to the forests and fought with the partisans and the Soviet army. He immigrated to Israel in June 1948 and served as a doctor on the northern front.

108. Meeting of the Knesset on May 18 and 23, 1949, *Divrei Haknesset* (Knesset Chronicles), 1, 1949.

109. Deliberations on the future of the military hospitals and the status of the Medical Corps within the IDF began prior to general discussion of the economics, format and organization of the army in peacetime. The general concept was a small, strong and effective force with a reserve component and the ability to address ongoing security needs, including surprise attack. This concept was in keeping with Atzmon's own view of the desirable structure of the IDF's medical Corps: small, compact and efficient. For additional information, see: D. Nadav, "Hospital #5,"445–50.

110. A. Sternberg, *Be-Hekalet Am* (With the Absorbing of a People), Tel Aviv, 1972–3, 13.

111. Danny Nadav also had this impression in his work on the development of Tel Hashomer Hospital, "Hospital #5," 449.

112. King Solomon, sitting in judgment, as a ploy suggested the child be cut in two to determine who was the real mother, subsequently awarding the child to the genuine mother who naturally preferred to give her child to a stranger to raise in order to save its life.

113. *Ben-Gurion's Diary,* August 28, 1949, BG Archive; D. Nadav, 450.

114. *Mishkistim,* in the Hebrew from the word *meshek* (economy)—a label with negative connotation for soulless individuals in economic posts who had no room for ideological concerns and who focused solely on crunching numbers and results.

115. Letter from Sheba to Dr. Albrecht, July 13, 1949, Bondy Archive.

116. This arrangement preserved Heller's rights in Kupat Holim as a person recruited in wartime.

117. D. Nadav, "Hospital #5," 145.

118. Letter from Dr. Sheba to Kupat Holim directorate, October 31, 1949, ALM, IV-104–81–17.

119. Letter from Ben-Gurion to Kupat Holim directorate, May 24, 1949, BG Archives.

Chapter Three

1. Shifra Shvarts, *The Workers' Health Fund in Eretz Israel—Kupat Holim, 1911–1937* (Rochester, NY: University of Rochester Press), 2002.

2. Shryock R. H., *The Development of Modern Medicine,* The University of Wisconsoin Press, 1979.

3. D. Light and A. Schuller, *Political Values and Health Care: The German Experience* (Boston: MIT Press, 1986); H. R. Shryock, *The Development of Modern Medicine,* 1979.

4. Ch. Harpaz, "Bituach Briut me-Bchina Historit Calcalit" (Health Insurance from an Historic and Fiscal Standpoint), *Dapim Refuiim,* 1959, 247.

5. "Bamachaneh ha-Sotzialim" (In the Socialist Camp), *Heachdut,* 12, 16.

6. S. Sufian, "Healing the Land and the Nation" Public Health and the Zionist Project in Mandatory Palestine," PhD dissertation, New York University, New York, 1999.

7. [Minutes of the] Secretariat of the Executive Committee of the General Federation [of Labor], November 29, 1922, BG Archives; also *Davar* (newspaper), April 4, 1961, 4.

8. *Chekrei Avodah* (Labor Research), 1–2 (January 1947), 79.

9. *Keren Hoser ha-Avodah,* literally, "the fund for lack of work."

10. Ibid.

11. Letter to V. Eiltan, November 29, 1946, CZA S25/6673.

12. *Chekrei Avodah* (Labor Research), 1–2 (January 1947), 79

13. The following persons were members of the Kanev Planning Committee: Y. Bar-Shira, Dr. Y. Gelpat, Y. Levental, Sh. Freidhman, H. Rubin, and Y. Kanevsky-Kanev; Zvi Berenzon was the committee's coordinator, responsible for preparing discussion proposals for the committee. On the composition of the committee, see Chekrei Avodah, 1–2 (June 1948), 145. For details on the membership, see also A. Doron, *Ha-maavak al ha-Bituach ha-Leumi be-Israel* (The Struggle for Social Insurance in Israel), 1948–53, School of Social Work, Hebrew University Jerusalem, 1985.

14. *Haaretz,* July 10, 1947, 2.

15. The first stage of the War of Independence, November 30, 1947, to May 14, 1948, was marked by attacks by local Palestinian Arabs on Jewish settlements and Jewish traffic on the roads, while the British still controlled the country. There were 2,000 casualties among all three sides—Jews (895), Arabs (991) and British (123) and others and unidentified persons (38), and 4,275 persons injured during this five-and-a-half-month period. See Yoav Gelber, *Palestine: 1948—War, Escape and the Emergence of the Palestinian Refugee Problem,* Sussex, Brighton, 85. In the first six weeks period following the May 15 invasion by five Arab armies, Jewish casualties rose to 1,500 fatalities.

16. *Vaadat Hamatzav* (Current Situation Committee, Subcommittee 3, December 22, 1947 Meeting, Ch. Even-Tov, BG Archives.

17. This was in sharp contrast with the Arab sector, which was both far more dependent on the British public infrastructure. Local Palestinian Arabs had refused British encouragement throughout the three-decade Mandate period that they establish their own political, social and economic institutions that would parallel to the ones the Jews were developing. Instead, they poured their energies into opposing Zionism. Thus already in the early stages of the War of Independence as the British began their withdrawal, the Arab social structure collapsed into disarray under the pressure of wartime conditions of their own making, including medical services. According to Haifa University historian Yoav Gelber, "Thousands of Palestinian government employees—doctors, nurses, civil servants, lawyers, clerks, etc.—became redundant and departed [for neighboring countries] as the mandatory administration disintegrated," along with other members of the Arab elites, setting an example for the masses. See Yoav Gelber, "Why Did the Palestinians Run Away in 1948?" *History News Network,* at http://hnn.us/articles/782.html. In late April in Jaffa, for instance, Gelber reported, "Many [residents] ran away to nearby Lydda or further—to Amman. Doctors and nurses joined them, leaving behind hospitals full of injured persons." Yoav Gelber, *Palestine: 1948—War, Escape and the Emergence of the Palestinian Refugee Problem,* Sussex, Brighton, 2001, 111. See also pp. 95, 113.

18. The parallel tax, beginning in 1936, was a joint payment: each union member paid for the double membership in Kupat Holim (for health insurance) and in the Federation of Labor.

19. *Chekrei Avodah* (Labor Research), 1–2, B (June 1948) 7.
20. *Chekrei Avodah* (Labor Research), 1–2, A (June 1948) 6–7.
21. *Chekrei Avodah* (Labor Research), 1–2, B (June 1948) 19.
22. Ibid., 21.
23. Ibid., 22.
24. An institution established in 1916 by Jewish agricultural workers in the Galilee that became a federation enterprise supplying foodstuffs, agricultural inputs and other goods to he entire working public at reasonable prices.
25. *Chekrei Avodah* (Labor Research), 1–2, B (June 1948) 141.
26. Ibid., 145.
27. *Haaretz,* January 21, 1948, 2.
28. See "Galei ha-Aliyah oo-Motzam" (Immigration Waves and Their Origins) in Col. Jehuda Wallach, ed., *Atlas Carta le-Toldont Midinat Yisrael—Shanim Rishonot 1948–1961* (Carata's Atlas of Israel—The First Years 1948–1961) (Ministry of Defense Publishers, 1978), 144.
29. The Federation of Labor's construction and infrastructure building company. Is it still one of the biggest in Israel.
30. P. Medding, "Mapai—ha-Hanhaga ha-Leumit beha-Manganon ha-Miflagti" (Mapai—The National Leadership and the Political Machinery), in Lissak and Guttman, eds., Maarechet ha-Politit ha-Israelit (The Israeli Political System), (Tel Aviv: Am Oved, 1977), 285–288; A. Milstein, "Mashber ha-Histadrut ba-Midinat Israel" (The Federation Crisis in Israel), *Haoomah,* 9 (34) TASHLAB, 430–431.
31. D. Ben-Gurion, "Ha-Histadrut ba-Midinah, Dvarim ba-Vaadah ha-Shminit shel ha-Histadrut" (The Federation in the State speech at the eight convention of the federation), *Hapoel ha-Irviri ba-Histadruth* (The Hebrew Laborer in the Federation), March 18, 1956, 522.
32. Mapam's political and social culture was radical and anti-pluralistic—dogma extending solidarity even within the ranks to 'collective thinking' that left no room for autonomous thought or beliefs.
33. Y. Zalmanovich, *Kupat Holim ha-Histadrut, Memshala: Gishot Chalifin Heskemi (Concentzuali) ve-Sichsuchei (Conflictuali) ke-Hesber Politi. Nituch Talalich Macro-Chevrati Kalckali be-Politi shel Chalifin* (Kupat Holim, the federation, and Government: Approaches to Exchange Consensual and Conflictual Agreement as a Political Explanation. An Analysis of Macro-Social, Economic and Political Process of Exchange), an MA thesis, Haifa University, Haifa, 1981, 60.
34. An event that only happened three decades later, in 1977 when the opposition Likud party ascended to power for the first time.
35. D. Horowitz and M. Lissak, *Mishuv le-Midinah* (Settlement for the state), Tel Aviv, 1977, 283–284.
36. Maskanot ha-Vaadah be-Inyan ha-Mas ha-Achid (Conclusions of the Committee Regarding the Joint Dues Matter) Federation of Labor Executive meeting—the Secretariat, March 24, 1948, BG Archives.
37. Ibid.
38. Federation of Labor Executive—the Secretariat, May 10, 1948, BG Archives.
39. *Ishur Maskanot ha-Vaada ha-Elyonah le-Kabalat Ovdim ba-Mosdot ha-Histadrut* (Approval of the Conclusions of the Superior Committee for Acceptance of Employees in Federation Institutions), Federation Executive—the Secretariat, May 10, 1948, BG Archives.

40. Namir (Nemirovsky), Lavon (Lubianiker), Sprinzak. Rephtor, Yavnieli, Yaari, Hazan, Edelson (Bar-Yehuda), Adam and Govrin (Gluberman), as well as Shazar (Rubashov), Tabenkin, Ben-Aharon, Bendori, Naftali, Fishman, Bader and Benkover.

41. *Ha-Histadrut ba-Midinah* (The Federation in the state) discussion in the federation executive.

42. The intention is Eliezer Kaplan, Minister of Finance; David Remez, Minister of Transportation; Aharon Zellinger, Minister of Agriculture, and Mordechai Ben-Tov, Minister of Labor.

43. Ibid, 5

44. Ibid, 8–10.

45. Y. Zalmanovich, *Kupat Holim ha-Histadrut, Memshala: Gishot Chalifin Heskemi (Concentzuali) ve-Sichsuchei (Conflictuali) ke-Hesber Politi. Nituch Talalich Macro-Chevrati Kalckali be-Politi shel Chalifin* (Kupat Holim, the Federation, and Government: Approaches to Exchange Consensual and Conflictual Agreement as a Political Explanation. An Analysis of Macro-Social, Economic and Political Process of Exchange), an MA thesis, Haifa University, Haifa, 1981.

46. Ibid., 12.

47. The Altelena was an arms ship organized by the Laborists' primary rival—the Revisionists that arrived off Tel Aviv in the midst of the first cease-fire. Ben-Gurion refused to accept demands that a portion of the weapons be earmarked for members of the Revisionists' armed wing—the EZEL who were defending Jerusalem, considering the Revisionist ultimatum a challenge to the authority of the provisional government. On June 22, 1948, in the course of forcing the ship to surrender, 18 persons on board were killed and the arms lost when the ship caught fire and sank. The incident almost caused a civil war and was only averted thanks to the leader of the EZEL, Menachem Begin, who ordered his followers not to take up arms against fellow Jews.

48. The "Ten Day Campaign"—July 9–18, which followed the 28-day cease-fire, marked the turning of the tide in the war, with the hastily-organized and newly-equipped IDF taking the offensive in relatively large formations to push back invading Arab armies in the Galilee and the Northern Negev and to break the Tran Jordanian Arab Legion's hold on Lode and Ramleh, only a few kilometers from the outskirts of Tel Aviv.

49. *Davar,* June 29, 1948, 2.

50. Z. Shapira, "Ha-Histadruth be-Moshdot ha-Midinah (The Federation and the state's Institutions," *Al Hamishmar,* July 1, 1948.

51. G. Benari, "Bal Nifarek et ha-Histadrut" (Let's Not Dismantle the federation), *Al Hamishmar,* July 21, 1948;

52. Y. Helbrecht, "Le-Atida shel Kupat Holim ba-Midinah" (As to the Future of Kupat Holim in the state), *Al Hamishmar,* August 5, 1948.

53. Doron, *Bituach Leumi* (National Insurance), 14.

54. "Chelka shel Kupat Holim ba-Maaracha ve-Tvioteiha minha-Memshala" (The Role of Kupat Holim in the Battle and Its Demands from the Government), *Davar,* July 5, 1948, 2. On the financial situation of Kupat Holim and the drop in payment of joint dues, see also: "Inyanei Misim" (In the Matter of Dues), Protocol of the federation executive—the Secretariat, July 14, 1948, BG Archive.

55. Doron, *Bituach Leumi* (National Insurance), 14

56. "Bituach Machala ba-Midinateinu—Kitzad?" (Sickness Insurance in our Country—How?), *Michtav Lechaver,* July 1, 1948, 1679–1680.

57. Ibid., 1680.

58. Ch. Sh. Halevi "Hairgun ha-Fluralisti shel Maarechet ha-Briut be-Israel" (Pluralistic Organization of the Health System in Israel), *Bitachon Sotziali,* 17 (1979), 7–20.

59. Following establishment of the State of Israel, the name of the Hebrew Medical Federation (HMF) was changed to the Israeli Medical Association (IMA).

60. Ch. Sh. Halevi, "Milim Achadot al Halamat ha-Refua" (A Few Words on Nationalization of Medicine—the first part of his lecture on August 4, 1948), *Michtav Lechaver,* August 15, 1948, 1693–4.

61. M. Sherman, "Lifnei Ibud Tochniteinu le-Bituch Machalah ba-Midina" (Before Formulating a Program for Sickness Insurance in the state—a lecture delivered on August 4, 1948, and submitted to submitted [in writing] to the Ministry of Health by the Israel Medical Federation on August 5, in a meeting with the Minister of Health Shapira), *Michtav Lechaver,* September 15, 1948, 1703–4. For a detailed description of the Dutch system and the impact on health insurance on the physicians, see *Michtav Lechaver,* September 15, 1948, 1707.

62. M. Sherman, "Lifnei Ibud Tochniteinu le-Bituch Machalah ba-Midina" (Before Formulating a Program for Sickness Insurance in the state, Michtav Lechaver, September 15, 1948, 1704; V. Abeles, "Baad Bituch Chova Klalit" (In Favor of Compulsory General Insurance), *Michtav Lechaver,* October 15, 1948, 1720; Doron, *Bituach Briut* (Health Insurance), 254.

63. P. A., "Likrat Yishivat ha-Moeitza ha-Artzit" (Toward the Meeting of the National Council), *Michtav Lechaver,* September 15, 1948, 1705–6; "Haomnam Likrat Chorban Mamad ha-Rofim?" (Indeed, Toward Demise of the Physician's Stature?), *Michatav Lechaver,* October 1, 1948, 1725–6; Doron, Ibid.

64. Ch. Sh. Halevi, "Milim Achadot al Halamat ha-Refua" (A Few Words on Nationalization of Medicine), *Michatav Lechaver,* August 15, 1948, 1693–6.

65. Ibid.

66. *Diyun al Taktziv ha-Midina* (Discussion of the state budget, cabinet meeting number 23, October 14, 1948, BG Archives, 152–3

67. Mordechi Bentov was the editor of *Al Hamishmar* for many years, and it can be safely assumed that he was personally involved in the publication of the articles by Benari and Shapira on the dangers to the federation that the Kanev Plan presented, July–August, 1948.

68. G. Lotan, *Eser Shnot Bituach Leumi: Raayon ve-Hagshamato* (Ten Years of National Insurance: A Concept and Its Realization), The National Insurance Institute, Jerusalem, 1964, 5–6. Henceforth, Lotan, *Eser Shnot* (Ten Years).

69. The *Asefa Hamekonenet* in Hebrew—a founding convention that declared independence and served as an interim parliament until elections could be held and an elected parliament (the first Knesset) convened. Affairs of state were handled by a temporary Cabinet or interim government—*Hamemshalah Hazmanit* or the provisional government.

70. Lotan, *Eser Shnot,* 6.

71. Ha-Yishivah ha-Sneim-Asar (twelfth Knesset Plenum Session), March 10, 1949, *Divrei Haknesset,* 126.

72. D. Ben-Gurion, "Ha-Histadrut ba-Midinah, Dvarim ba-Vaadah ha-Shminit shel ha-Histadrut" (The Federation in the State speech at the eighth convention of the federation), *Hapoel ha-Irviri ba-Histadruth* (The Hebrew Laborer in the Federation), March 18, 1956, 524.

73. Ibid., 145.

74. Letter from Sherman to Kanev, July 8, 1949, cited in Doron, *Bituach Briut* (Health Insurance), 255.

75. Letter from Sherman to Ben-Gurion, July 8, 1949, cited in Doron, *Bituach Briut* (Health Insurance), 255.

76. Letter from Golda Meir to David Ben-Gurion, August 16, 1949 in Doron, 256.

77. Doron, *Bituach Leumi* (National Insurance), 19.

78. Doron, *Bituach Leumi* (National Insurance), 20; Chaim Shlomo Halevi, The Pluralistic Organization of Israel Health Care System, *Bitachon Sociali* [Social Security], 17(1979) 7–20.

79. Doron, *Bituach Briut* (Health Insurance), 257–8.

80. Doron, 259; Ch. Sh. Halevi (See fn. 42, above), 20.

81. "Ha-Vaadah le-Tichnun ha-Bituach ha-Sotziali Higisha Maskanoteiha le-Memshalah" The 'Commission for Planning Social Insurance' Presented Its Conclusions to the Government), *Haaretz,* May 20, 1949, 8; *Ezrah Refuit ve-Ishpuz le-Olim* (Medical Assistance and Hospitalization for Immigrants), Knesset Plenum Session 67, October 10, 1949, *Divrei Haknesset,* 1302. Discussion in the Knesset revealed that the primary burden for hospitalization was also placed on Kupat Holim which at the beginning of 1949 had absorbed more than 120,000 immigrants on its membership rolls.

82. E. Zartal, *Yamim Umaasim,* [Days and Deeds] Machbarot Lesifrut Press Tel Aviv 1975, 102–14.

83. See "Tochnit ha-Bituach ha-Sotziali Toogash od ha-Shavua le-Diyun ba-Memshala" (The Social Security Plan will be Presented as Early as This Week for Discussion in the Cabinet), *Haaretz,* January 30, 1950, 4.

84. Lotan, *Eser Shnot* Bituch Leumi, Hamosad Lebituach Leumi, Jerusalem 1964, 5–6 (Ten Years of Social Security in Israel); Doron, *Bituach Leumi* (National Insurance) 17.

85. Doron, 17.

86. "Likrat Bituch Sotziali Mekif" (Towards Comprehensive Social Insurance), *Haaretz,* March 23, 1949.

87. Lotan, *Eser Shnot* (Ten Years), 6–7.

88. "Tamtzit ha-Tochnit le-Bituach Sotziali be-Israel asher Hoogasha le-Memeshala gal-yadei ha-Vaadah ha-Benmisradit le-Tichnun ha-Bituach ha-Sotziali" (Synopsis of the Plan for Social Insurance in Israel that was Preset5nted to the Government by the Interministerial Commission for Planning Social Insurance), *Chekrei Avodah,* 4 (1950), 104–109.

89. Ibid.

90. Ibid.

91. Ibid.

92. Ibid., 106–107.

93. Ibid., 109.

94. Lotan, *Eser Shnot* (Ten Years), 7; Doron, *Bituach Leumi* (National Insurance), 23.

95. Doron, Ibid, 26. Within the Ministry of Health, Zvi Shachaf was appointed to organize the admissions setup of public hospitals. Shachaf had previously served as the administrative director of the Tel Hashomer Hospital. Author's interview with Zvi Shachaf, August 1997.

96. Doron, 26.

97. "Likrat ha-Veidah ha-Chamishit shel Kupat Holim" (Towards the fifth conventions of Kupat Holim), *Davar,* Special Supplement, July 5–8, 1950, 3

98. Ibid.

99. Ibid.

100. "Likrat ha-Veidah ha-Chamishit shel Kupat Holim" (Towards the fifth convention of Kupat Holim), *Davar,* June 1, 1950, 3

101. "Lifnei Nishul Alfei Rofim ve-Meot Rokchim" (Before Ousting Thousands of Doctors and Hundreds of Pharmacists), *Yidiot Achronot,* February 12, 1950; "Chok ha-Bituach ha-Refui Tzaad Rishon leHalamat ha-Refua" (The Medical Insurance Law—The First Step Towards Nationalization of Medicine), *Haboker,* March 7, 1949; Doron, *Bituach Briut* (Health Insurance), 260–261.

102. "Midinat Israel Likrat Mishtar shel Bitchon Sotziali" (The State of Israel—Towards a Regime of Social Security), *Davar,* May 21, 1950, 2.

103. "Hitkansu ha-Rofim veha-Rokchim ha-Klaliim" (The Doctors and the General Pharmacists Have Convened) *Haaretz,* October 23, 1950, 3.

104. Knesset Plenum Session # 194, 1st Knesset November 22, 1950, *Divrei Haknesset,* 7, 309.

105. *Kupat Holim ba-Midina, Pirkei Din ve-Cheshbon le-Veeda ha-Shishit* (Kupat Holim in the state—Passages of Accounts Towards the Sixth Convention), Kupat Holim directorate, Tel Aviv, 1957, 20–37.

106. In October 1950, division heads in the Ministry of Health declared a 'revolt' against Dr. Meir, whom they accused of favoritism towards Kupat Holim, rather than serving the Ministry he headed—undermining the work of the Ministry. The criticism led to Dr. Meir resigning his post. Dr. Sheba too his place.

107. *Kupat Holim ba-Midina, Pirkei Din ve-Cheshbon le-Veeda ha-Shishit* (Kupat Holim in the state—Passages of Accounts Towards the Sixth Convention), Kupat Holim directorate, Tel Aviv, 1957, 20.

108. R. Bondy, *Sheba,* 145–6, Bondy Private Archives.

109. *Zerem Haovdim* (Workers' Stream) in Hebrew. During the Mandate period, all children (except a small number of ultra-Orthodox), attended one of three parallel and separate Jewish school systems (and adjunct youth movements), each stream affiliated with a political orientation: Over 50 percent attended the General Stream established by the centralist non-Socialist General Zionist; 25 percent attended the Mizrachi Stream established by the two pro-Zionist Mizrachi parties, with a religious orientation; and 25 percent attended Workers' Stream, with a secular 'progressive' curriculum, run by the federation of Labor. Establishment of religiously-oriented schools by the Workers' Stream which competed for enrollment of immigrant children from observant homes, undermined the strategic partnership between Mapai and its religious coalition partners from the Mizrachi.

110. For a brief discussion of streams, fragmentation and the findings of the Frumkin Commission of 1950, see Zvi Tzameret, *Fifty Years of Education in the State of Israel,* Ministry of Foreign Affairs, July 1998.

111. According to the Israeli system (based on the British model), once a government resigns and new elections are scheduled, the presiding government becomes a 'caretaker' government until a new government takes office after the elections and cannot be unseated by a vote of non-confidence. This not only creates a stable executive, but also frees the government of coalition pressures and commitments.

112. Baruch Linn (Linkovsky) 1898–1964 was one of the founders of the Kibbutz Haartzi movement and a leader of Mapam. He immigrated to Eretz Israel in 1919, was one of the founders of Kibbutz Mishmar Haemek, an activist in the Kibbutz Haartzi movement, a representative of Mapam's Hashomer Hatzair youth movement, and a member of the Central Committee of the movement and the secretariat of the federation of Labor's *Chevrat Haovdim (Workers' Society)*—the wing of the federation comprised of Federation-owned and operated industries that in their heyday (up until the 1970s check date) constituted a full third of the Israeli economy.

113. *Davar,* March 26, 1951, 4.

114. *Haaretz,* April 2, 1951.

115. Doron, *Bituach Leumi* (National Insurance), 41.

116. Doron, *Bituach Briut* (Health Insurance), 263.

117. Ibid.

118. Ibid.

119. Ibid., 264–265.

120. Ibid., 266–267.

121. Doron, *Bituch Leumi* (National Insurance), 43, fn 23. While Lotan does not cite this in his book dealing with the first decade of National Insurance, Lotan says that in his opinion the government of Israel brought up the social insurance issue in March 1951 for public discussion only, with no intention of bringing about its implementation.

122. Compulsory health insurance was only realized *forty years later,* in 1994–95 at the initiative of Chaim Ramon—a 'renegade' reformist from Mapai who was elected secretary-general of the Federation of Labor on a platform that promised separation of Kupat Holim from the federation. Elected by a landslide, Ramon broke the opposition to Compulsory Health Insurance Law within the halls of the Federation of Labor.

123. The decision to use the term maabara (singular) and maabarot (plural) in this book reflects the fact that the term in English—"transit camps" was rendered a misnomer by reality, as the housing became permanent. The term maabara became the Hebrew term for "slums"—similar in many respects to barrios, but built en mass in an organized manner at government initiative. The last maabarot communities were only dismantled in the 1960s, and isolated clusters or individual dwellings of 1950 vintage wooden shacks remained well into the 1970s.

Chapter Four

1. Moshe Sikron, "ha-Aliyah ha-Hamonit—Memadeiha, Meafyaneiha ve-Hashpaata" (Mass Immigration—Scope, Character and Impact), in Mordechi Naor, ed. *Olim oo-Maabarot 1948–1952* (Immigrants and Transit Camps 1948–1952), (Jerusalem: Yad Ben-Zvi Institute, 1987), 32–5.

2. The immigration of Jews to Eretz Israel has always come in waves—a combination of push and pull, but the great mass immigration was different in scope. Further, there was no natural selection of people of initiative and people with ideological drive, people of means, and so forth. A hundred thousand Jews in postwar DP camps and countless other Holocaust survivors who sought to reach Israel had to begin rebuilding their lives from scratch. Entire communities in the Middle East and North Africa were uprooted, fleeing to Israel after being stripped of their assets by hostile Arab governments. The great mass immigration included the weakest elements of the Jewish community—the elderly, the sick, the poorest, and the uneducated. Moreover, in some cases, such as Algeria, the strongest elements—community leaders, the well-educated and well-off families—chose to go elsewhere, creating a leadership crisis and amplifying absorption problems.

3. Ibid., 32–5.

4. Hostility towards Jewish citizens in Arab lands generated by the establishment of the State of Israel and the dislocation of many Palestinian Arabs, led to oppressive measures against local Jews who due to a combination of push and pull chose to flee to Israel. The decision to bring them in without delay reflected fears that Arab leaders would close the exit gates and keep disenfranchised Jews as hostages to pressure for the return of Arab refugees to Israel.

5. Ibid., 44.

6. Chim Shlomo Halevi, "Bituch Imahot be-Misgeret Briut ha-Tziburit" (Mothers' Insurance within the Framework of Public Health), *Bitachon Sotziali*, 20 1980, 134.

7. Din ve-Cheshbon Kaspi she Hanhalat ha-Sochnut ha-Yehudit le-Eretz Yisrael le-Sheshet ha-Chodashim ha-Rishonim shel Snat 1949 (A Fiscal Account of the Jewish Agency for Israel directorate for the First Six Months of 1949) (Oct 1948–March 1949) submitted to the Zionist Executive in Jerusalem, Iyar, May 1949, 5, David Ben-Gurion Archives Sde Boker (BG Archive).

8. "Tafkidah ha-Yishuvit shel Kupat Holim" (Kupat Holim's Settlement Role), lecture by Yitzhak Kanevsky at a November 13, 1946, press conference; letter from Yitzhak Kanevsky to Eliezer Kaplan, head of the Jewish Agency, November 24, 1946, LMA, IV-104–87–43.

9. Harry Vitalis Report, *Ha-Sherut ha-Refui le-Oleh veha-Hachanot be-|Shetach ha-Ishpuz lekrat ha-Aliyah ha-Mugberet (*Preparations in the Field for Hospitalization in Expectation of Increased Immigration), April 24, 1949, Boris Pliskin portfolio, medical director of Malben (agency of the JDC for care of aged, infirm, and handicapped immigrants, founded 1949), JOINT Archives, New York.

10. Ha-Minograph be-Peulato (The Minograph in Action), *Davar,* January 19, 1948, 2. The minograph was a medical device used to diagnose TB, via lung x-ray.

11. Hachlatot be-Yishivot Vaad ha-Aliyah (Decisions of the Meetings of the Aliyah Committee), February 10, 1946. Sikum Hatzaot le-Sidur ha-Ezrah ha-Refuit be-Batei ha-Olim oo-Machanot ha-Maavar (Summary of Suggestions for Medical Assistance in Immigrant Homes and Transit Camps), November 17, 1946, ALM IV-1–04–38; Merkaz Kupat Holim, Tviot Kupat Holim le-Hishtatfut be-Hotzaot le-Klitat ha-Aliyah be-Snat 1947 (Kupat Holim directorate, Kupat Holim Claims for Participation in Expenditures for Immigrant Absorption in the Year 1947), March 9, 1947, ALM IV 4530–208-A; Merkaz Kupat Holim, Sikum ha-Matzav be-Shetach Bidikot Olim be-Machanot ha-Olim (Kupat Holim directorate, Summary

of Conditions On-site Check-ups of Immigrants in Immigrant Camps), May 20, 1947, ALM, IV-104–38.

12. *Matzav ha-Ishpuz ba-Kafrisin, ha-Vaad ha-Aretz shel Irgun Rofei Kupat Holim* (Hospitalization Situation in Cyprus, the National Committee of the Kupat Holim Doctors' Organization), May 29, 1947, letter from Dr. Meir to the Doctors Committee regarding the situation in Cyprus, June 10, 1947, and letter from Dr. Tova Carmen to the Kupat Holim Doctors' Committee regarding medical assistance in Cyprus, July 1, 1947, ALM, IV-243–4–500; *Rishimat ha-Rofim veha-Rokchim me-Machnot ha-Choref ba-Kafrisin* (List of Doctors and Pharmacists in the Winter Camps in Cyprus) October 26, 1947, ALM, IV 23–82. *Din ve-Chesbon ha-Avodah ha-|Refuit ba-Machaneh* (Report of the Medical Work in the Camps), May 20, 1947, LMA, IC 104–38.

13. "Le-Bidikat ha-Olim ba-Kafrisin" (Regarding Examining Immigrants in Cyprus), *Davar,* February 23, 1948; "Ha-Mishlachat ha-Refuit shel Kupat Holim ba-Kafrisin" (The Kupat Holim Medical Mission in Cyprus), *Davar,* March 22, 1948; "Ha-Bidika ha-Refuit shel ha-Olim ba-Kafrisin" (The Medical Checkup of Immigrants in Cyprus), *Davar,* May 10, 1948; "20 Elef Olim Nivdaku ba-Kafrisin" (20 Thousand Immigrants Examined in Cyprus), *Davar,* July 7, 1948, 2; "Be-Kupat Holim" (In Kupat Holim), *Chekrei Avodah,* 1–2 (January, 1949), 267.

14. Letter from Sheba to Halbrecht, December 31, 1947, Bondy Archive.

15. Zikaron Dvarim bein ha-Sherut ha-Refui le-Oleh oobein ha-Sh"R, ba-Chasut ha-Sochnut ha-Yehudit beha-Histadrut ha-Meditzinit Hadassah (Memorandum between the Immigrant Medical Service and the MS, under the auspices of the Jewish Agency and Hadassah Medical Federation), July 27, 1948, CZA, S25/406.

16. Interview with Dr. Daniel Brachot, 1979, Bondy Archive.

17. In fact, the TB patients were hospitalized in separate wards due to the infectious nature of their condition. In December 1948, a separate TB hospital was opened within the Tel Letvinsky compound, administered by the War on TB League, headed by Dr. Weizer. Congratulatory letter from Dr. Ali Davis from Hadassah to Dr. Weizer on the opening of the League's TB hospital, December 30, 1948, Zionist Archives, 3612/201.

18. David Ben-Gurion, *Chazon ve-Derech* (Vision and Means), vol. 2, 1962, 63–4. Nadav 446, fn. 28.

19. Shlomi Reznik, "Tmurot be-Yachas Tnuat ha-Herut le-Klitat ha-Aliyah ha-Gdola" (Changes in the Attitude of the Herut Movement towards Absorption of Mass Immigration), in Dalia Ofer, ed. *Bein Olim le-Vatikim* (Between Immigrants and Oldtimers), (Jerusalem: Ben-Zvi Institute, 1996), 132–3.

20. "34,000 Olim Chadashim be-Kupat Holim" (34,000 New Immigrants in Kupat Holim), *Davar,* December 5, 1948, 2.

21. Letter from Soroka to Dr. Meir, October 17, 1948, Soroka portfolio, LMA IV 104–81–17.

22. Zartal, *Yamim* (*Times*) 110.

23. In 1948, one Israeli pound was valued three U.S. dollars. N. Gross, *Not by Spirit Alone* (Jerusalem: The Hebrew University Magnes Press, 1999), 335.

24. Harry Vitalis Report, *Ha-Sherut ha-Refui le-Oleh veha-Hachanot be-|Shetach ha-Ishpuz lekrat ha-Aliyah ha-Mugberet (*Preparations in the Field for Hospitalization in Expectation of Increased Immigration), April 24, 1949, Boris Pliskin portfolio, medical director of Malben, JOINT Archives, New York,

25. Din ve-Cheshbon Kaspi she Hanhalat ha-Sochnut ha-Yehudit le-Eretz Yisrael le-Sheshet ha-Chodashim ha-Rishonim shel Snat 1949 (A Fiscal Account of the Jewish Agency for Israel directorate for the First Six Months of 1949) (Oct 1948–March 1949) submitted to the Zionist Executive in Jerusalem, Iyar, May 1949, 4.

26. Examination of Kupat Holim records in the Lavon Institute from the period of the immigrant camps and maabarot revealed no letters rejecting immigrants who requested to join Kupat Holim and were rebuffed on medical grounds. Most of the immigrants who wanted to were able to joint the Federation of Labor, and through it, receive the services of Kupat Holim as part of their membership. It is possible that later certain medical limitations were put on service, but no documentation was found to this effect, and the charges voiced at the time, remain unsubstantiated to date.

27. Knesset Plenum Session 13, May 23, 1949, *Divrei Haknesset,* I, 552.

28. According to the Minister of Finance, Eliezer Kaplan in a meeting of the Federation of Labor executive, quoted at a meeting of the federation's coordinating committee. Kaplan argued that "During this period of his absence from the country, between elections to choose a permanent government, a great catastrophe has happened to labor movement and this [is] the composition of the Government." Federation of Labor Executive. *Protocols,* July 14, 1949, during discussion of the Cost-of-Living index, BG Archives, 19.

29. Letter from Dr. Meir to Minister of Health and Immigration 28.4.49, LMA, 243–3–137-IV (LLA).

30. The Society for the Protection of the Health of the Jews, a Jewish HMO established in 1912.

31. *Risimat ha-Choim ha-Chroniim sheba-Shnat TARATZ Hochzaru, ba-Emtzaut ha-Sochnut ha-Yehudit, me-Eretz-Israel le-chutz le-Aretz (lephi Seder Alef-Beit* (List of Chronically Ill in the Year 1930 returned, through the Jewish Agency, from Eretz Israel to Abroad—in Alphabetical Order) CZA, S21/230, B, 2.

32. Called 'B' Aliyah (Immigration) to differentiate it from the first avenue for immigration, with valid entrance documents.

33. Yishivat ha-Mosad le-Teum (Meeting of the Coordination Institute), November 1, 1948, 57 BG Archives, CZA S100/502 7.

34. Yishivat ha-Mosad le-Teum (Meeting of the Coordination Institute), November 1, 1948, 62 BG Archive; CZA S100/502, 12.

35. A. Kaplan, Yishuva achar Zohorim shel ha-Moshad le-Tium (Afternoon Meeting of the Coordination Institute) December 21, 1948, BG Archive, 7.

36. Y. Greenbaum, Yishvat Ha-Mosad le-Teum (Meeting of the Coordination Institute) December 21, 1948, BG Archive, 2.

37. B. Sh. Shitrit, Yisivat ha-Mosad le-Tium (Meeting of the Coordination Institute), March 31, 1949, BG Archives, 43.

38. Ben-Gurion, David, 25.1.50, ha-Mosad le-Teum, joint meeting of the Jewish Agency with the government, 29, BG Archive; CZA S100/.528

39. Ben-Gurion, *Yoman* (Diary), April 24, 1949, BG Archives.

40. Zvi Zameret, *Across A Narrow Bridge: Shaping the Education System During the Great Aliya* (Jerusalem: Ben Gurion Research Center, Ben Gurion University Press, 1997), 73. See also announcement by the prime minister in the Knesset, April 26, 1949, in *Mivchar Teudot* (Selected Documents), Israel State Archives Jerusalem 1996, 158–61.

41. Ibid., 77.

42. Ben-Gurion *Yoman* (Diary), March 4, 1951, BG Archive.

43. Ben-Gurion *Yoman* (Diary), November 4, 1951, BG Archive.

44. An acrostic for *Gdudei Noar* or Youth Brigades, a para-military framework for high school age youth.

45. Letter from Giora Yoseftal to David Ben-Gurion, February 1, 1951 BG Archives.

46. Zameret, *Across a Narrow Bridge,* 45, 78.

47. The term *Edot Hamizrach* or Mizrachi Jews (Eastern communities or Eastern Jews) here refers to the current term that has replaced the once-used classification Oriental Jews. It should not be confused with members of the Mizrachi religious parties. It refers primarily to Jews of North Africa and the Middle East, and is different from the division of Jews into Ashkenazi and Sfardi Jews—the latter being Jews with common roots and rituals of Spanish origin, who include established Jewish communities in Europe—primarily the Low Countries and Balkans, as well as the Middle East.

48. Harry Vitalis, *Hachanot be-|Shetach ha-Ishpuz lekrat ha-Aliyah ha-Mugberet* (Preparations in the Field for Hospitalization in Expectation of Increased Immigration) April 24, 1949, *Boris Pliskin* portfolio, JOINT Archives, New York; Health Card No. 1850 of Chana Yashinska, a new immigrant from Poland who came to Israel in the year 1950. The card was issued by the Ministry of Immigration in the name of the State of Israel, and was written in Polish and Hebrew. The early checkup conducted in Warsaw—apparently by the JOINT included a physical examination, blood work, examination of the holder's lungs (chest x-ray), hearing and vision, syphilis test and a record of vaccinations received prior to immigrating. The document was submitted to the author by Mrs. Maya Finger.

49. Ibid., 1–5.

50. *Omdan ha-Hotzaot shel Vitalis* (Vitalis' Estimate of Expenses), Ibid., 4; *Tazkir Dr. Grushka* (Memorandum by Dr. Grushka) attached to *Memorandum* by Harry Vitlis, 4

51. Ibid., 4.

52. *Ha-Sochnut ha-Yehudit le-Eretz-Israel, Machleket ha-Aliyah, Shnat Aliyah, Skirah al Peilut ha-Machleka* (Jewish Agency for Israel, Immigration Department, Review of the Annual Activity of the Department from the month of Elul 1948 to Nissan 1949), submitted to the session of the Zionist Executive in Jerusalem, Iyar, 1949.

53. Mosad leTeum (Coordination Institute), December 29, 1948, 9–10; Coordination Institute March 31, 1949, 47–65; BG Archives.

54. *Sidrei Aliyah* (Immigration Arrangements), Clause 8, at Cabinet meetings 12/309, 7263/1(3); MEETING 12/409, May 21, 1949, Copy in BG Archives.

55. Letter from Dr. Chertok to the Minister of Health, May 16, 1949, ALA, IV-243–3–61. The letter was set with a copy to the Kupat Holim directorate.

56. Ben-Gurion, *Diary,* April 24, 1949, BG Archive.

57. Yishuva 33 (Plenum Session 33), May 23, 1949, *Rishumot ha-Knesset* (Knesset Official Gazette), 1, 552.

58. Ibid.

59. Ibid.

60. Yishuva 33 (Plenum Session 33), May 23, 1949, *Rishumot ha-Knesset* (Knesset Official Gazette), 1, 562–4.

61. Ibid., 565.

62. "Doctor Meir Meshiv le-David Zakai" (Dr. Meir Answers David Zakai), *Davar,* May 24, 1949, 2.

63. Yitzhak Rafael, "ha-Maavak al ha-Aliyah ha-Hamonit" (The Struggle over Mass Immigration) in Mordechai Naor, ed., *Olim oo-Maabarot* (Immigrants and Transit Camps), Yad Ben-Zvi Institute, 1986, 19–30.

64. Ibid., 28.

65. Ben-Gurion, *Diary,* May 14, 1950, BG Archives.

66. D. Shachar, *Mishtar oo-Midinat Yisrael* (Regime and the State of Israel), Tel Aviv 1993, 126.

67. Interview with Dr. Yitzhak Rafael, 1979, 2, Bondy Archive.

68. Ben-Gurion, *Diary,* June 2, 1952, BG Archives.

69. Rafael (See Footnote 63, above), 30.

70. A program where minors immigrated to Israel without their parents, living in special youth villages where they were absorbed and went to school.

71. Ha-Moshad le-Teum (Coordination Institute) meeting chaired by David Ben-Gurion, March 15, 1953.

72. Ben-Gurion, *Diary,* September 8, 1954, BG Archives; Yishiva SHIN-GIMMEL (SHIN-GIMMEL Plenum Session of the Knesset), August 26, 1953, *Divrei ha-Knesset.* See also poem by Nathan Alterman—"Ritzato shel ha Oleh Danino" (Oleh Danino's Race) published in Alterman's weekly column in the newspaper *Davar* 195; N. Alterman *Hagigat Kyhits* (Summer Festival), *Machbarot le-Sifrut* (Literature Notebooks), 1965, 57.

73. Protocol Yeshiva ha-Mosad le-Tium (Protocol meeting of the Coordination Institute), Jerusalem, March 15, 1953, BG Archives, 25.

74. Yeshivat Ha-Mosad le-Teum (Meeting of the Coordination Institute), June 14, 1953, BG Archives, 2.

75. Sikumei ha-Mosad le-Tium (Summaries of the Coordination Institute, at the office of the prime minister in Jerusalem, February 18, 1954, Prime Ministers portfolio, GM/5388/10, 102, copy in BG Archives.

Chapter Five

1. "Min ha-Naaseh be-Kupat Holim" (On Goings-on in Kupat Holim), *Al HaMishmar,* June 22, 1949, 2.

2. Zichronot Doctor Meintzer ve-Sipura shel Dina Veinberger (Sipura shel Achot) (Memoirs of Dr. Meintzer and the Story of Dina Weinberger [Story of a Nurse]) in Shalom Segel (compiler and editor), *Kerem Maharal,* 1949–1979, Jaffa, 1980, 79–84.

3. Bituach Olim" (Insurance of Immigrants), *Al HaMishmar,* April 4, 1949, 2

4. "Milchama le-Meniat Sakanat Magayfot" (War to Prevent the Danger of Epidemics), Haaretz, February 6, 1949, 4; "Sidurim le-Bidikat Elef Olim ba-Yom" (Arrangements for Examining a

5. housand Immigrants a Day." *Doch mePeilut ha-Machleka le-Oleh, Merkaz Kupat Holim* (Report on the activity of the Immigrant Department, Kupat Holim directorate), LMA, IV 243–3–63, portfolio 24/1, 2–3.

6. A. Sternberg, *be-Hekalet Am* (Absorbing a People), (Tel Aviv: Hakibbutz Hameuchad, 1972), 34–5.

7. Zartal, *Yamim oo-Maasim* (Days and Deeds), 110.

8. A. Sternberg, *be-Hekalet Am* (Absorbing a People), (Tel Aviv: Hakibbutz Hameuchad, 1972), 125.

9. Meeting 33, May 23, 1949, *Divrei Ha-Knesset* (Knesset Chronicles), I, 554.

10. *Hachlatot ha-Moetza ha-Meditzinit shel Kupat Holim* (Decisions of the Medical Council of Kupat Holim) LMA, IV 243–3–137.

11. Yosef Meir, *15 Chodshei Sherut be-Mishrad ha-Briut Juni 1949—September 1950* (15 Months Service in the Ministry of Health, June 1949–September 1950), LMA, IV 104–81–17, 1–33.

12. "Min ha-Naaseh be-Kupat Holim," (On Goings-on in Kupat Holim) *Al HaMishmar,* June 22, 1949, 2.

13. Referring to abandoned Arab villages whose inhabitants fled or were driven out in the course of the 1948 war, and whose dwellings became the homes of the first waves of Holocaust survivors from Europe, and Jewish refugees from Arab countries driven out by their governments after the establishment of the State of Israel.

14. Meeting 307, August 10, 1949, *Divrei ha-Knesset,* [Knesset protocols], 1302.

15. Shinuim ba-Mas ha-Achid (Amendments to Joint Tax), Clause 3, Hachlatot ha-Vaad ha-Poel (Decisions of the [Federation of Labor] Executive) August 11, 1949, 34, BG Archives.

16. Ibid., 2.

17. Ibid., 27–8.

18. Ibid., 42.

19. The northern sector of the Sharon region—south of Haifa.

20. Letter from Dr. Jenny Taustein, Social Medicine Wing, Ministry of Health, to Kupat Holim directorate, July 20, 1950, and August 16, 1950, LMA, IV 243–3–138.

21. The Institute for Social and Economic Research of the Federation of Labor, *ha-Histadrut me-Yom Kom ha-Mindinah—Nitunim ve-Ovdot* (1969) (The Federation Since the Establishment of the State—Data and Facts [1969]), Tel Aviv 1969, 220, Table H-1.

22. The name of a special airlift that brought some 50,000 Yemenite Jews to the country via neighboring British-controlled Aden.

23. Protocol of the meeting of the supervisory committee from November 1, 1949 1–8, LMA, I (V-104–38).

24. Ibid., 4.

25. *Shinuim ba-Mas ha-Achid* (Changes in the Joint Tax), 2.

26. Ibid.

27. *Yoman Ben-Gurion* (*Ben-Gurion's Diary*), October 2, 1949 entry, 53, BG Archives.

28. Kupat Holim, January–December 1949, *Doch Peilut Shotefet* (Report of Ongoing Work), LMA, IV 243–3–138.

29. *Mifkad ha-Rofim* (Doctors' Census), April 11, 1950, LMA, IV 104–81–17.

30. Letter from Dr. Steinberg to Dr. Tova Yeshurun Berman, March 16, 1950, LMA, IV 243–3–138.

31. Letter from Dr. Steinberg to the Kupat Holim directorate, October 1, 1950, LMA, IV 243–3–138.

32. Letter with unclear signature from the Kupat Holim Doctors' representative (apparently Dr. Borstein) to the Union Section of the Federation of Labor Executive, regarding shorting of the workday, March 28, 1949, LMA, I V 243–4–502.

33. Decisions of the [Governing] Council of Kupat Holim Doctors' Organization, June 10, 1949 and August 25, 1949, Passages 4 and 5, LMA, IV 243–4–502.

34. Protocol of the meeting of the Supervisory Committee, November 1, 1949, 3–7, LMA, IV 104.

35. In reprisal for the establishment of the State of Israel and the Arab refugee problem resulting from the war, many Arab regimes stripped Jewish citizens of their rights and pressured them to leave.

36. From the Hebrew root (mem-ayin-beit) of *maavar.*

37. In some cases they stopped giving food tickets to "refusers." In other cases people who refused to get off trucks were dumped, literally, at their new places of residence.

38. *Yoman Ben-Gurion (Ben Gurion Diary),* March 27, 1950, meeting of the Jewish Agency, 51, BG Archives; Y. Wallach, M. Lissak and A. Nur (eds.), *Atlas Carta le-Toldot Midinat Yisrael* (Carta's Atlas of the History of the State of Israel): First Years, Jerusalem 1978, 77.

39. Letter from Dr. Chaim Sheba to David Melmadovich, with a copy to Dr. Sternberg, January 14, 1951, LMA, IV 243–3–140.

40. Shlomi Reznik, "Tmurot be-Yachas Tnuat ha-Cherut le-Klitat ha-Aliyah ha-Gdolah," in *Bein-Olim le-Vatikim: Yisrael be-Aliyah ha-Gdolah, 1948–1953* (Between Immigrants and Old-timers: Israel during Mass Immigration 1948–1953), 132–3.

41. *Haavarat Machaneh Yisrael ve-Natanya le-Machanot Maavar* (Transfer of "Camp Israel" and "Natanya" to Transit Camps), summary of provisos between the Immigrant Health Service and Kupat Holim, LMA, IV 243–3–138. The letter was signed by Dr. Sternberg, but included in its title the name of Dr. Meir, general-manager of the Minister of Health, as well; *Ishpuz Holim me-*Maabarot *be-Rosh ha-Ayin* (Hospitalization of sick people from the Rosh HaAyin Maabarot), letter from Dr. Steinberg to the Kupat Holim directorate, October 15, 1950, LMA, IV 243–3–138; *Haavarat Mirpaat Beit Lead* (Transfer of the Beit Lead Clinic), letter from Dr. Sternberg to the Kupat Holim directorate, November 5, 1950, LMA, IV 243–3–138; *Tziud ve-Rehitim shel Mirpaot be-Machanot Olim* (Equipment and furniture of clinics in immigrant camps). Letter from Dr. Steinberg to the Kupat Holim directorate, November 15, 1950, IV 243–3–138.

42. Kupat Holim Finance Department, *Zechuot Olim Hadashim* (New Immigrants' Rights), January 28, 1950 Appendix 2, LMA, IV 104–669–17.

43. Kupat Holim Zkuka le-Rofim ve-Klei Rechev (Kupat Holim needs doctors and vehicles), *Davar,* October 19, 1954.

44. Dr. Ch. Valgrin, *Rishimot Martzeh Noded* (Notations of a traveling lecturer), LMA, IV 243–3–139, 1–2.

45. The Israeli term *hasbara* (from the word meaning "to explain") is difficult to translate into English; roughly translated it means "propagandizing," but without the negative connotation. Its meanings range from widespread dissemination of information to advocacy in presenting a particular position as best as possible. Here the term is used to mean "Information Dissemination Department." 46. "Shidurei le-Olei Teaman" (Broadcasts for Yemenite immigrants), *Davar,* June 5, 1950, 2

47. The Social Medicine Wing, Ministry of Health, *Pitichat Tachanot le-Tipul be-Em ooba-Yeled be-Shikunei Olim Chadashim* (Opening Stations to Care for Mother and the Child Stations in New Immigrant Blocs), January 30, 1951, LMA, IV 243–3–140; *Rishimaat ha-*Maabarot *bahen Hifeela Kupat Holim Sherutei Tipat Chalav* (List of maabarot where Kupat Holim operated Tipat Chalav services), LMA, IV 243–3–138; Tipul ba-Em ooba-Yeled ba-Maabarot (Care for mother and the child in the maabarot), Ministry of Health—Social Medicine Wing, December 11, 1950, LMA, IV 243–3–138.

48. Letter from Dr. Sh. Ziman manager of the Social Medicine Wing of the Ministry of Health to Dr. Tova Yishurun Berman, medical manager of Kupat Holim, February 23, 1'951, LMA, IV 243–3–140.

49. Letter to Dr. Sherman, principle of the elementary school in the Rechovot maabara to Dr. Jenny Taustein, Ministry of Health, August 22, 1951, LMA, IV 243–3–140.

50. Interior—the seat of power controlling personal status issues and budgets for local governments—including allocation of funding for religious functions and functionaries was and remains to this day the most important ministry in the eyes of religious parties.

51. Letter from A. Hechster to the secretary of the government, classified "for internal consumption and secret," June 12, 1950, *be-Noseh Taanot Minahalei ha-Agapim be-Misrad ha-Briut k-neged Dr. Meir* (Regarding the complaints of wing managers in the Ministry of Health against Dr. Meir), LMA, IV104–81–17.

52. *Yoman Ben-Gurion,* May 18, 1950, May 19, 1950, BG Archives; *Tshuva al Taanot Minahalei Betei ha-Holim ha-Mmshalti'im* (Reply to the complaints of the government hospital administrators). Letter from Dr. Meir to the Minister of Health, June 1949–September 1950, LMA, IV 104–81–17; Bondy, *Sheba,* 141–2; Zartal, *Yamim oo-Maasim,* 110–2.

53. Bondy, *Sheba,* 142.

54. Dr. Yosef Meir, 15 *Chodshei Sherut be-Misrad ha-Briut Juni 1949—September 1950,* 30, LMA, IV 104–81–17.

55. Bondy, *Sheba,* 142.

56. Bondy, *Sheba,* 145.

57. "Kupat Holim Achra'it le-Marbit ha-Tipul ba-Maabarot" (Kupat Holim is responsible for most of the care in the maabarot), *Davar,* November 26, 1950, 1.

58. *Pekudat Mivtza* 'Maabarot' (Order for Operation 'Maabarot'), Operations, IDF, 4123, November 17, 1950, 1, Portfolio Maabarot, BG Archives.

59. In fact, the air and sea branches response was in character reflecting the IDF's structure and identity as a dual-role military where non-military functions were, and are to this day perceived as a legitimate and ongoing mission of the military, not something reserved for extraordinary emergency circumstances. For more on the phenomena, see Daniella Ashkenazy, ed., *The Military in the Service of Society and Democracy—The Challenge of the Dual-Role Military* (Westport, CT: Greenwood Press, 1994).

60. *Taktziv Mivtza* Maabarot (Budget for Operation Maabarot), the financial advisor, Chief of Staff, December 28, 1950, BG Archives.

61. *Zikaron Dvarim be-Davar Giyus ha-Rofim le-*Maabarot (Memorandum reading mobilization of doctors for the maabarot), copy sent to the prime ministers office, December 24, 1950, BG Archives.

62. Ha-Rofim Hichrizu gal Nechonutam le-hitgiyes le-Sherut be-Maabarot (The doctors declared their willingness to mobilize for service in the maabarot), *Haaretz,* December 18, 1950, 4; "Giyus Rofim le-Maabarot" (Mobilization of doctors for the maabarot), Haaretz, December 29, 1950, 8.

63. *Yoman Ben-Gurion(Ben Gurion's diary),* July 3, 1951, 56, BG Archives.

64. Operations Wing, June 24, 1951 *Siyum Mivtza* Maabarot—*Kupat Holim* (Sum-up of Operation Maabarot—Kupat Holim), correspondence, BG Archives.

65. Letter from Dr. Berman to Kupat Holim directorate and the Ministries of Labor, Health, the Jewish Agency and the Ministry of Defense, July 1, 1951, correspondence, BG Archives.

66. Tipul ba-Maabarot Klita (Treatment of absorption maabarot), Operations Wing (*Agam*), July 25, 1951, correspondence, BG Archives.

67. Letter from Dr. Sheba to the secretary of the Federation of Labor Executive, November 26, 1951, LMA, IV 208–669–1.

68. Letter from Kupat Holim directorate to the Jewish Agency, November 27, 1953, A IV 208–1–73.

69. Mrs. Maya Finger, Private Archives.

70. Decisions of the Supervisory Committee of the National Fund of Kupat Holim following Kupat Holim's discussion and coordination of public medicine in the State, November 22, 1951, LMA (V 10–4–669–17, 1–2; "Veidat Rofei Kupat Holim" (Kupat Holim Doctors' Convention), *Haaretz,* January 18, 1952, 2; Dr. Chaim Sheba, "Tshubot al She'alot" (Answers to questions), *Davar,* August 28, 1952, 2; "ha-Tiput ba-Yeladim Holim—Kitzad le-hasdirao" (Care of sick children—how to arrange it), *Davar,* September 14, 1952, 2.

71. Letter from Dr. Taustein to Dr. Berman and the Kupat Holim directorate, December 31, 1951, LMA, IV 243–140.

72. Bondy, *Sheba,* 157.

73. *Yoman Ben-Gurion,* November 13, 1951, 34, BG Archives.

74. *Yoman Ben-Gurion,* November 13, 1951, 34, and August 17, 1952, 2. BG Archives.

75. Decisions of the National Supervisory Council of Kupat Holim, November 22, 1951, LMA, IV 104–669–17, 2.

76. *Yoman Ben-Gurion,* November 13, 1951, BG Archives.

77. Doch peilut be-Hekef Pe'ilut shel Kupat Holim ha-Klalit k-Maabarot beve-Yishubei olim le-Shnat 1952–1953 (Activities report and scope of activities of Kupat Holim in the Maabarot and immigrant camps in the years 1952–19563LMA, IV 201–1–19–206, 21–38.

78. Arbaim Shana le-Bituach Briut (Forty Years of Health Insurance), Chekrei Avodah, 1 (23) (1953), 66–7.

79. *Yoman Ben-Gurion,* February 18, 1952, BG Archives.

80. Malben was an agency of the American JDC, founded 1949 to care for aged, infirm, and handicapped immigrants in Israel.

81. *Yesh le-hachshir ha-levavot,* in Hebrew; translates roughly as "prepare the ground."

82. *Yoman Ben-Gurion*, December 27, 1952, BG Archives.

83. "Chalukat Hachnasoty Kupat Holim be-Achozen lepri Miroroteihen" (Distribution of Kupat Holim income in percentages according to source), *Chekrei Avodah,* 1 9230 (1953), 67.

84. Yitzhak Kanev, "le-Vikuach al Baayot ha-Britut ba-Knesset" (On the debate of health problems in the Knesset), *Davar*, May 24, 1953.

85. "Kupat Holim in the Absorbsion of Immigrants" *Davar*, April 11, 1953, 6.

86. Ben-Gurion had amassed unprecedented power as the charismatic and dominant leader, first as a key figure in the Federation of Labor, then as the unchallenged head of the Yishuv as a whole in its formative years and struggle for independence, then as prime minister and minister of defense in the first crucial years of statehood. His authority was almost dictatorial in scope and few dared to oppose his will, whatever the issue. Thus, had Ben-Gurion considered it crucial to nationalize Kupat Holim—either to weaken the Federation of Labor as a rival of state hegemony or to prevent the politicization of health care—just as he dared to dismantle the Palmach (the Haganah's elite fighting units, both to weaken his political opponents in Mapam and to prevent politicization of the IDF), undoubtedly Ben-Gurion would have gotten his way. No one was more aware of this fact of life than Kupat Holim's leaders. Ultimately Ben-Gurion returned to the prime ministry, but in terms of priorities, he apparently considered the health issue less burning than other challenges that demanded his attention and power projection as a leadership, clout that in any case diminished as the state matured.

87. Moshe Soroka, Kupat Holim be-ha Medinah, lecture in a session of the Kupat Holim National Supervisory Committee, February 28, 1954, LMA, IV 104–93–4, 1–5.

88. Failure of Israeli intelligence operation in Egypt 1954 led to resignation of Pinchas Lavon, then minister of defense in February 1955.

Chapter Six

1. Recalled in an interview with Moshe Soroka, *Asor le-Beit ha-Holim ha-Merkazi la-Negev* (tenth anniversary of the establishment of the Central Hospital of the Negev), January 1970, 3; Zartal, *Yamim oo-Maasim,* 119.

2. HMO-Negev Hospital, Proceedings of the 34th Annual Hadassah, Nov 5–9, 1948, Convention Hall, Atlantic City, NJ, 209–10.

3. Letter from Dr. A. Bezezinsky to Dr. Ay. Davis, November 10, 1948, Hadassah Archive, 1.

4. Shifra Shvarts, "Kupat Holim Clalit—Hitpatchuta be-Ityzuva ke-Gorem ha-Merkazi be-Sherutei ha-Briut ba-Aretz," (The General Sick Fund—Its Development and Shaping as a Core Agent in Health Services in the Land of Israel) Doctoral thesis, Faculty of Health Sciences, Ben Gurion University, May 1993, part 7, 141–62.

5. Letter from Dr. Meir to Rose Halperin, November 29, 1948; letter from Dr. Meir to Rose Halperin, December 22, 1948, Hadassah Archive; Hadassah-Kupat Holim letters regarding a hospital in Beer Sheva recalled forgotten incidents and related to the old rivalry between Hadassah and Kupat Holim from as early as the 1920s. In the exchange of letters, the two sides exchanged accusations regarding wastage of money, flawed accounting, and more.

6. Referring to Kibbutz Negba in the northern Negev, about 50 kilometers *north* of Beer Sheva.

7. Ibid.

8. Letter from Rose Halperin to Dr. Meir, December 10, 1948; letter from Rose Halperin to Dr. Meir, December 17, 1948, Hadassah Archive.

9. Ibid.

10. Letter from Rose Halperin to Rivka Shulman, December 29, 1948, Hadassah Archive.

11. Only in March 1949 did the first elected Government take office.

12. Memo on the meeting between Hadassah representative Agronsky and the Ministers of Finance and Health, concerning the Beer Sheva hospital, December 17, 1948, Hadassah Archive.

13. Ibid.

14. *Hamosdot HaMiyashvim I* (literally, settling institutions), in Hebrew. Patterns of Zionist settlement were not partisan endeavors, where individual pioneering families set out to establish homesteads at their own initiative. Rather, all settlement activity at the time (and largely to this day, in fact) was organized around and governed by a network of overarching settlement institutions. Groups of families from specific settlement movements (the Moshav Movement, secular and religious kibbutz movements, Mizrachi religious-socialist settlers, Herut-Revisionists, and so forth) are authorized to establish communities on public land, leased to them for ninety-nine years. Both the settlement institutions and each of their respective communities have a strong political identity that reflected both in the village's organizing principles and social structure, and its demographic composition.

15. Ibid.

16. Letter from Dr. Ay. Davis, Hadassah director in Israel to Mrs. Rozenson, chairperson of Hadassah management in New York, January 14, 1949, January 21, 1949, January 24, 1949, Hadassah Archive.

17. Letter from Dr. Davis to Ms. Rozenson from January 1949; letter from Dr. Shiber (Sheba) to Dr. Davis, January 19, 1949; letter from Dr. Avraham Katznelson to Dr. Davis, January 14, 1949; protocol of a telephone conversation of Dr. Davis with Dr. G. Yoseftal, January 17, 1949, Hadassah Archive.

18. Letter from Dr. Davis to Mrs. Rozenson, October 7, 1949; announcement of Dr. Ch. Shin Halevi sent to Dr. Davis, November 5, 1949; Preliminary report of Hadassah on personnel in Beer Sheva and salary expenditures, October 1, 1949, Hadassah Archive.

19. In the midst of the 1948 war, Count Folke Bernadotte, a special UN envoy, had suggested the entire Negev be given to the Arabs as part of a peace plan. While the ceasefire with Egypt left the entire Negev in Israeli hands, in February 1950 Israel had yet to consolidate it control of the Negev and the new Negev residents sought reassurances that Beer Sheva would remain Israeli.

20. Ibid., 185.

21. Published interview with David Tuviahu, Asor le-Bet ha-Holim ha-Merkazi le-Negev (A Decade of the Central Hospital for the Negev), January 1970, 4.

22. Hila Tal, le-Toldot Sherutei ha-Refuah ba-Negev (As to the history of medical services in the Negev), Beer Sheva 1993, 43.

23. Ibid., 4

24. Ibid., 4.

25. Regarding Ben-Gurion's position concerning the building of a hospital in Beer Sheva, see Reuvein Kleigler, the first director of the Negev Region of Kupat Holim,

printed interview. August, 20, 1980, 3, Tuviahu Archive, BGU Archive; Zartal, Yamim oo-Maasim, 117. On Ben-Gurion's position regarding the Negev at this time, see extensive documentation in A. Talmi and M. Talmi, ed., Sefer ha-Negev (the Negev book), (Tel Aviv, 1958), 125–6; D. Ben-Gurion, Hazon ve-Derech (Tel Aviv, 1951), 6 9–13, 261–169, 270–273; "[ha-]Negev yehiyeh be-Tikufa ha-Krova Merkaz Poreiach le-Nityashbut hamonit," [The] Negev will be in the near future a blooming center of mass settlement), *Davar*, April 30, 1952, 1; "ha-Negev Metzapeh" (The Negev expects), *Ha-Hityashvut ha-Ezrachit* (Civilian Settlement), Mapai, Tel Aviv 1954, 3–7.

26. Ben-Gurion was a hard act to follow in any case, but Sharett's ability to genuinely lead the government was stymied by such a dominant, even domineering figure in his cabinet, or even watching from the sidelines, for even during his short retirements from active government service, Ben-Gurion basically continued to hold the real reins of power.

27. Wallach, Lissak and Gur, ed., *Atlas Carta—Shanim Rishonot* (Atlas Carta—First Years), 88–9.

28. *Davar*, March 31, 1955. The Knesset affirmed the first reading of the bill that was an original part of the foundations of the seventh coalition government on November 3, 1955. Israel Barzelai, and not Serlin, was the Minister of Health at the time. The bill never reached the stage of a second reading and was not passed. Tochnit le-Bituach Briut Clalit le-Israel (A Plan for General Health Insurance for Israel), State of Israel (Jerusalem: Committee for Planning of General Health Insurance, 1955), 3.

29. *Shalit*, in Hebrew.

30. Letter from Soroka to Dov Bigon, September 16, 1954, LMA, IV A-104–32.

31. Letter from Soroka to Dov Bigon, November 14, 1955, LMA, IV 104–17A-B.

32. Letter from Soroka to Kaufman, July 30, 1955, LMA, IV 104–17B.

33. Ibid.

34. Ibid. Soroka mentioned in his letter a Kupat Holim proposal to Hadassah in Beer Sheva to build the new hospital jointly. Kupat Holim even agreed that the hospital be named after the late Dr. Chaim Yaski (the head of Hadassah hospital on Mt. Scopus who had been murdered in the attack on a convoy of nurses and doctors during the 1948 war) and that the new hospital's operation be a direct continuation of the operation of the existing hospital. Hadassah's management turned down this offer, categorically rejecting any cooperative endeavor with Kupat Holim.

35. Letter of Dov Bigon to Soroka, October 28, 1955; Summary of a discussion between M. Bartal, Y. Chaskin and M. Soroka, August 28, 1955, LMA, IV-104–17B.

36. Letter from Y. Chaskin to Soroka, September 1, 1955, LMA, IV-1–4–17b.

37. Ibid.

38. Heskem bein ha-Vaad ha-Poel shel ha-Histadrut oobein Kupat Holim ha-Clalit (Agreement between the Federation [of Labor] Executive and the General Sick Fund), December 4, 1955, LMA, IV 104–17, 1–2. Kupat Holim's apprehensions regarding the federation's financial demands were not just concerning the Dubinsky donation. When Lady Davis of Canada expressed her desire to leave her estate to Kupat Holim and wrote a will to this effect, Soroka requested that Dov Bigon keep this matter confidential because "this matter is liable to complicate things between us and the donation campaign, that is—the Federation of Labor would consider this sum as compensation or in exchange for our ongoing distribution. My wishes are

therefore that the matter be clearly and patently ensured that this is a special contribution in the form of a last will and testament to Kupat Holim alone. I will hope things are this way." Letter from Soroka to Bigon concerning wording of the will on behalf of Kupat Holim, November 14, 1955; letter from Bigon to Soroka regarding the will of Lady Davis, October 27, 1955, LMA, IV 104–17–59a.

39. Heskem bein ha-Vaad ha-Poel shel ha-Histadrut oobein Merkaz Kupat Holim be-Davar Proyekt le-Binyan Beit-Holim ba-Negev al shem International be-Artzot ha-Brit (Agreement between the Federation Executive and the Kupat Holim directorate regarding the project to build a hospital in the Negev named for the International in the United States), December 4, 1955; Tosefet le-Heskemm bein ha-Vaad ha-Poel shel ha-Histadrut oobein Merkaz Kupat Holim be-Inyan Beit Holim ba-Negev) Appendix to the agreement between the Federation executive and the Kupat Holim directorate regarding the hospital in the Negev, December 12, 1955, LMA, IV 104–17a.

40. Letter from Soroka to Hamlin, Bigon and Stollerski in New York, January 15, 1, 1956 LMA, IV 104–17a.

41. Letter from Soroka to Yoseftal, November 6, 1955; letter from Yoseftal to Soroka, November 13, 19555; letter from Sapir to Soroka, November 16, 1955; telegram from Soroka to Sapir, November 20, 1955; telegram from Soroka to Yoseftal, November 20, 1955; letter from Yoseftal to Soroka November, 23, 1955; letter from Soroka to Yoseftal, November 30, 1955. The intensive and expansive correspondence was designed to coordinate agreement between Pinchas Sapir from the Ministry of Finance and Dr. Giora Yoseftal from the Jewish Agency management regarding participation in underwriting the building of a Kupat Holim hospital in Beer Sheva and arrangement for an Agency guarantee for the loan that Kupat Holim requested from AMPAL; Letter from Dr. G. Yoseftal to Avraham Dickenstein, director of AMPAL in New York, November 23, 1955, LMA, IV-104–17a; "Misrad ha-Briut Mazniach Tafkidav ve-Lochem be-Kupat Holim" (The Ministry of Health neglects its roles and battles Kupat Holim), *Davar*, March 31, 1955.

42. Letter from Soroka to Sapir, October 18, 1955 and November 10, 1955, LMA, IV 104–17a. A short time afterwards, in November 1955, Sapir was appointed minister of trade and industry in the Ben-Gurion government.

43. Letter from Soroka to Tuviahu urging Tuviahu to speed up completion of his part of the bargain, October 26, 1955, LMA, IV 104–17a.

44. Telegram from Soroka to Tuviahu, August 11, 1955, LMA, IV-104–17a. Only in December 1955, when the certainty that building of the hospital in Beer Sheva became more certain, did Sharon receive the topographical maps of the building site. Letter from Arieh Sharon to Tuviahu, December 25, 1955.

45. *Tochnit le-Bituach Britut Clalit le-Israel* (Program for General Health Insurance for Israel), Committee for Planning of General Health Insurance, Jerusalem, 1955, 3.

46. Ibid.

47. Z. Shapira, "ha-Histadrut be-Mosdot ha-Medina" (The Federation and State Institutions), Al Hamishmar, July 14, 1948; Y. Hazan, first Knesset, session 12, March 10, 1949, *Divrei HaKnesset*, vol. 6, 46.

48. Letter from Soroka to Barzelai, February 12, 1956, LMA, IV 104–17a.

49. Letter from Soroka to Barzelai, March 14, 1956.

50. Letter from Soroka to the [IDF] Chief-of-Staff Moshe Dayan, January 31, 1956.

51. Letter from Mordechai Baron, Aid-de-Camp of the Chief-of-Staff's Office, to Soroka, January 6, 1956.

52. Letter from Soroka to Major General Kashti, head of the Finance Wing of the Ministry of Defense, May 30, 1957; Letter from Soroka to Pinchas Sapir regarding the association created between Kupat Holim and the IDF, June 10, 1957.

53. Soroka's pressure on Tuviahu to speed up preparations was sparked by two factors: the first, rumors that a change in the senior management of the Mifal Hapayis—the national lottery, whose revenues were invested in financing public building projects (such as community centers), would take place, opening a window of opportunity to secure assistance from the Mifal Hapayis in financing construction of the hospital. The second, news reading financial difficulties and differences of opinion that had arisen between Dubinsky and the Federation of Labor's donor campaign staff in the United States. Letter from Soroka to Tuviahu, May 29, 1956; letter from Dov Bigon to Chaskin, June 13, 1956.

54. Letter from Soroka to Ben-Gurion, June 11, 1956, 1.

55. Ibid.

56. Letter from Soroka to Pinchas Sapir, June 18, 1956; letter from Sapir to Soroka, July 10, 1956; Letter from Sapir to Soroka, July 29, 1956; Letter from Barzelai to Soroka, July 10, 1956. In the Soroka portfolio in the Labor Archive was a stencil headed "To Whom It May Concern'" signed by Soroka, explaining Kupat Holim's position in contrast with Ben-Gurion's. The form letter is accompanied by a copy of Soroka's letter to Ben-Gurion from June 11, 1956, concerning Ben-Gurion's opposition to building the Kupat Holim hospital in Beer Sheva. Preparation of the stencil and its content are evidence of the broad dissemination that Soroka planned to inform movers and shakers of Ben-Gurion's role in obstructing the vision of a Negev hospital in the hopes of mobilizing pressure on Ben-Gurion and support for the project, LMA, IV 104–17a.

57. Letter from Barzelai to Kupat Holim directorate, July 10, 1956.

58. Zartal, *Yamim oo-Maasim*, 114.

59. Letter from Barzelai to Ben-Gurion, October 16, 1956 LMA, IV 104–17a.

60. Letter from Soroka to Namir, June 25, 1956.

61. Letter from Soroka to Teddy Kollek, June 25, 1956, June 27, 1956, September 25, 1956, and October 1, 1956.

62. Letter from Soroka to Teddy Kollek, June 25, 1956.

63. Letter from Teddy Kollek to Soroka, July 15, 1956.

64. Ibid.

65. Letter from Soroka to Teddy Kollek, July 23, 1956.

66. *Yoman Ben-Gurion* (Ben-Gurion's Diary), October 9, 1956, BG Archive, 143; Letter from Soroka to Kollek, September 25, 1956, October 1, 1956, LMA, IV 104–17a.

67. Zartal, *Yamim oo-Maasim*, 127.

68. *Davar*, April 7, 1960, 1.

69. *HaZaken*, Hebrew for "the Old Man," a nickname for Ben-Gurion used fondly by colleagues and the general public, as one would speak of an elder statesman.

70. Soroka to Goldwasser, April 1960, LMA, IV 104–17b; *Asor le-Beit Holim ha-Merkazi la-Negev* (A Decade to the Central Hospital for the Negev), printed interview with Moshe Soroka, Kupat Holim, January 1970, 3.

71. Letter from Soroka to Colonel Baruch Padeh, Chief Medical Officer, February 23, 1960, LA IV 104–17a; hospitalization arrangements for the IDF in the Central Hospital for the Negev were unique for their times, a precedent in the relationship of Kupat Holim and the IFG Medical Corps. For more on this, see Y. Leider, "Yachasei Ti'um bein Chyil-ha-Refua be-Beer-sheva levein Beit ha-Holim ha-Merkazi le-Negev" (Coordination relationships between the Medical Corps in Beer Sheva and the Central Hospital for the Negev). Seminar paper for master's degree, Department of Industrial & Management Engineering, Ben-Gurion University, 11–31; Chozeh bein Misrad ha-Bitachon oobein Kupat Holim ba-Noseh Ishpuz Chiyalim be-Beit ha-Holim ha-Merkazi loe-Negev (contract between the Ministry of Defense and Kupat Holim regarding hospitalization of soldiers in the Center Hospital for the Negev, appendix 4.

72. At the same time, Ben-Gurion may have been prompted by another facet of mamlachtiut—or stateism—unrelated to his attitudes towards Kupat Holim, following the American example, where past presidents of the United States are treated at Walter Reed Military Hospital in Washington, D.C.

Glossary

Names

David Ben-Gurion (1886–1973) Israel statesman; born in Plonsk (then Russian Poland), settled in Eretz Israel 1906. Exiled by Turks 1915; went to United States and was active in formation of Jewish battalion, returning to Eretz Israel 1918 as a soldier in Jewish Legion. Among founders of Achdut ha-Avoda party (1919), which merged with Hapoel ha-Tzair, 1930, into Mapai, which he headed. Secretary-general of Histadruth (1921–33), chairman of Jewish Agency executive (1935–48). Headed group that drew up Biltmore Program 1942. In April 1948 headed People's Council, which proclaimed the rebirth of the independent Jewish nation—largely on his initiative—on May 14, 1948. First prime minister and minister of defense until 1963.

Theodore Herzel (1860–1904), father of political Zionism, journalist, and founder of the World Zionist Organization, was born in Budapest and received a Juris Doctorate from Vienna in 1884. Spurred by the Dreyfus Case, he began Zionist activities in 1895. In 1896 he wrote the pamphlet "The Jewish State," explaining his Zionist program. He established the Jewish National Fund and Jewish Colonial Trust, and in 1902 published a utopian novel, *Altneuland* ("Old-New Land"), in which he described the building of a new Jewish state in Palestine. Herzel died while controversy over the Uganda Scheme (see below) still raged. Buried in Vienna, his body was reinterred on Mt. Herzel in Jerusalem, 1949.

Zeev Jabotinsky (1880–1940), Zionist leader, soldier, orator and writer, was born in Russia, studied law in Rome, and became correspondent of the Odessa newspaper under the penname Altalena. He organized the first self-defense league in Eretz Israel (during the riot of 1920), formed and headed World Zionist Revisionists in 1925, seceded from the Zionist movement (1935), and established a new Zionist organization. He was the ideological leader of the right-wing Revisionist movement (today the Likud party in Israel).

Yitzhak Kenivsky-Kanev (1896–1979), Zionist labor leader, born in Russia and settled in Eretz Israel in 1919. He was one of the founders of Hechalutz (Zionist-pioneer) movement, the founder of the Institute for Social Sciences Research of the Federation of Labor, instrumental in establishing Kupat

Holim and a member of its board of directors for many years. Kenivsky was a leading authority and activist in social security legislation in the pre-state period. He was the founder of the Israel National Security Institute and the power behind Israel Social Security Act (1954).

Golda Meirson-Meir (1898–1978), Israeli prime minister (1969–74), labor leader, born in Kiev, immigrated to the United States in 1906, and settled in Eretz Israel in 1921. She was secretary of the women workers' council, a member of the Federation of Labor executive committee, a member in the Israeli parliament (1949–74), minister of labor (1949–56), minister of foreign affairs (1956–65), and secretary general.

Yitzhak Max Rubinow (1875–1936), Russian-born economist, physician, and socialist, concluded his medical studies in New York. He was secretary of B'nai B'rith (1929–36), leader of the movement for employee rights and social and health insurance in the United States, and the first director of the Hadassah Medical Unit in Eretz Israel (1918–22).

Moshe Sharret-Shertok (1894–1965), Zionist leader, second prime minister of Israel, born in Ukraine and settled in Eretz Israel in 1906. Head of the Jewish Agency's political department (1933–48), he was also Israel's first foreign minister until 1956, and chairman of the executive of the Zionist Organization and the Jewish Agency, 1960–65.

Reuven Shenkar (1896–1965), Labor Federation and Hechalutz movement activist, born in Russia and settled in Eretz Israel in 1920. He was a member of the Kupat Holim central committee and the treasurer of the fund for many years.

Dr. Chaim Yaski (1896–1948), Ophthalmologist, medical administrator in Eretz Israel, was born in Kishinev and settled in Eretz Israel in 1919 as director of the Hadassah Medical Organization and Hadassah hospital (1931–48). He was killed by Arabs in the massacre of a Scopus convoy.

Agencies, Movements, and Organizations

Aliya (immigration): any of five waves of Jewish immigration to Palestine. First (1882–1903), Second (1903–14), Third (1919–23), Fourth (1924–28), Fifth (1933–39).

Ammamit Sick Fund: today the United Sick Fund (Meuchedet), the third biggest sick fund in Israel. It was established by the Hadassah Medical Organization in 1930 in order to provide medical aid to non-socialist sectors such as landowners and farmers.

Bank Hapoalim (the workers' bank): Israel's leading commercial bank, established 1923 by the Federation of Labor.

Eretz Israel: the geographical region of the present State of Israel which has been called in the past one hundred years by several names: the Jerusalem Region during the Ottoman period until 1918; Palestine during the British Mandate years 1918–48; and Eretz Israel (the biblical name of the Holy Land) by the Jewish communities in Israel and abroad. For simplicity, the common name Eretz Israel is used throughout the book, both for the Ottoman and for the British periods.

Histadruth (General federation of Jewish workers in Palestine): a labor organization founded in 1920 that came to embrace almost all Jewish workers in Palestine.

The Jewish Agency: the executive body and representative of World Zionist Organization. Its authority and functions were first to be recognized by the British Mandate over Palestine.

JOINT (JDC): the American Jewish Joint distribution committee, American Jewry's overseas relief and rehabilitation agency. Established in 1914, it carried out rescue and relief work during and after both world wars, especially for Jews in Eastern and Central Europe.

Knesset Israel: the Jewish community assembly during the British Mandate period.

Law of Return (*hōk ha-shvūt*) is Israeli legislation that allows Jews and those with Jewish parents or grandparents, and spouses of the aforementioned, to settle in Israel and gain citizenship. Passed by the Knesset on July, 5, 1950, the bill and an explanatory note were published June 27, 1950.

Ma'abara (Ma'abarot): Transit settlement or neighborhood for new immigrants to Israel, constructed because of lack of resources in the early days of the state. Ma'abarot were discontinued by 1958.

National Committee: the supreme institution of the organized Jewish community in Eretz Israel and the executive body of the elected assembly. The committee was founded in 1920. Its departments included health, education, welfare services, rabbinate, and political.

Oleh (Olim): a Jew immigrating to Israel.

Solel Boneh: a Histadruth concern for building, public works, and industry. It played large role in development of the State of Israel, and was also active in construction work in other countries.

World Zionist Organization (WZO): the worldwide official organization of Zionist movement founded on the initiative of Herzel in 1897.

Yishuv: the name given the Jewish community in Israel by its people during the Ottoman and the British periods. "Yishuv" means in Hebrew a place or a settlement. This term is used through out the book as equivalent to the term Jewish community.

Zionism: a movement founded in Europe in 1897, advocating the return of Jews to Zion (Israel), and to working the land as farmers and agricultural workers.

Zionist Congress: the supreme institution and legislature of the World Zionist Organization, which oversees the organization's institutions. It meets every four years to formulate policy and elect officials. It has approximately 600 delegates, 38 percent Israelis, 29 percent from the United States and 3 percent from the rest of the world.

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