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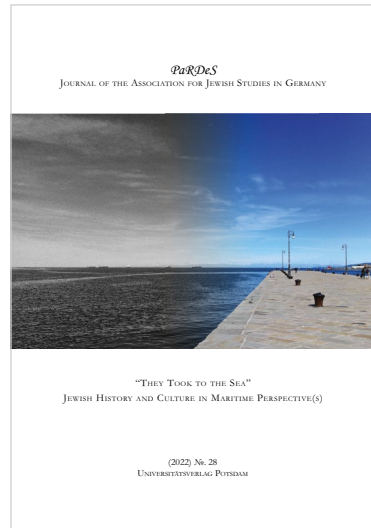
### **“They Took to the Sea”: Jewish History and Culture in Maritime Perspective(s)**

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The ship *Atid* of Atid Navigation Company Ltd., Haifa. Photo from the Borchard family album. © Digital collections of the Younes and Soraya Nazarian Library, University of Haifa. The year of the photograph and the photographer are unknown. Courtesy of Daniela Borchard.

# Pioneers of Independent Jewish Shipping: The Emergence of Private Jewish Shipping Companies in Palestine, 1934–1939

*by Kobi Cohen-Hattab*

## **Abstract**

The birth of the Yishuv's national shipping company, ZIM was preceded by private enterprise; the sea had not traditionally been a focus of the Zionist movement. In the 1930s, a five-year span of private commercial shipping saw three companies in the Jewish community in Palestine – Palestine Shipping Company, Palestine Maritime Lloyd, and Atid – before shipping was cut short by the outbreak of the Second World War. Despite their brief lifespans and their negligible contribution to general shipping, these companies constituted an important milestone. Their existence helped shift the Yishuv leadership's attitudes about shipping's importance for the community and the need for it to be supported by national institutions.

## **1 Introduction**

Historical processes contain no small number of changes that are initially led by private agents, without the involvement of institutional or national authorities. In many cases, institutional initiatives and bureaucratic labor frameworks are born only after private activity has broken ground and laid foundations for a changing reality. This was the case for the Jewish shipping industry in Palestine in the first half of the twentieth century.<sup>1</sup> Jewish shipping's most significant development took place in the five years preceding the Second World War (1934–1939), when an awakening occurred in Palestine's

<sup>1</sup> The territory under discussion was often referred to as "Palestine (Land of Israel)" during the British Mandate period; in this article, "Palestine" is used for the sake of brevity.

private shipping sector and several private, Jewish-owned shipping companies were founded.

The Second World War led to the paralysis of commercial shipping; with its conclusion, the Yishuv's central leadership established the first national shipping company, ZIM. It was then that the leadership recognized the great importance of an independent, national shipping company, one that would act out of Zionist considerations and advance the Yishuv's goals in the field of maritime transport.<sup>2</sup>

The current article examines these developments in three sections: the first provides background on the relationship of Palestine's Jews with the sea; the second outlines the reciprocal relationship between the early Zionist movement and maritime activity in the late nineteenth and early twentieth centuries; and the third discusses private entrepreneurship in shipping, which was born with the end of the First World War and continued throughout the 1920s, most prominently during the five years that preceded the outbreak of the Second World War.

## 2 Historical Background: Zionism and the Sea at the End of the Ottoman Period

The nineteenth century's Industrial Revolution, one element of which was the growing use of automation and steam power, led, inter alia, to the building of steamships and the resurrection of trade with lands across the seas.<sup>3</sup> The growing use of steam led to an increase in ships' capacity and speed; their safety also gradually improved. Commercial activities in the Mediterranean Sea – and on its eastern shores in particular – also expanded. Sea traffic and trade on the Mediterranean's eastern shores, including Palestine, developed further with the opening of the Suez Canal in 1869 and the growing European superpowers' interest in Palestine.<sup>4</sup> Technological changes in shipping and

<sup>2</sup> Kobi Cohen-Hattab, "The Test of Maritime Sovereignty: The Establishment of the ZIM National Shipping Company and the Purchase of the 'Kedmah,' 1945–1952," *Israel Studies* 20, no. 2 (2015): 110–134.

<sup>3</sup> Peter N. Stearns, *The Industrial Revolution in World History* (Boulder, CO: Westview Press, 2007); Gavin Weightman, *The Industrial Revolutionaries: The Making of the Modern World, 1776–1914* (New York, NY: Grove Press, 2007).

<sup>4</sup> Moshe Maoz, *Ottoman Reform in Syria and Palestine, 1840–1861* (Oxford: Clarendon Press, 1968); David Kushner, ed., *Palestine in the Late Ottoman Period: Political, Social and Economic Transformation* (Jerusalem: Yad Izhak Ben-Zvi, 1986); Alexander Schölch, *Palestine in Trans-*

ground transport during the nineteenth century had a pronounced effect on the development of Mideastern port cities.<sup>5</sup>

The late-nineteenth-century emergence of the Zionist movement in Europe took place, then, during a period when sea traffic was high; the development of ports was an important part of European life.<sup>6</sup> It can even be conjectured that Herzl's description in *Altneuland*, prophesying the central role of Haifa and its port, was influenced by ports and shipping at the time:

A magnificent city had been built beside the sapphire blue Mediterranean. The magnificent stone dams showed the harbor for what it was: the safest and most convenient port in the eastern Mediterranean. Craft of every shape and size, flying the flags of all the nations, lay sheltered there.<sup>7</sup>

But no plan was made for the Jewish nation to hold on to the sea. In Zionist ideology, which aspired to gather the scattered Jewish nation's exiles, the sea was a means of transit, a space to be traversed en route to the Promised Land – but it did not carry inherent significance. One reason for this, evidently, was that the sea generally, and shipping in particular, had held a peripheral role in Judaism and Jewish history for generations due to Jewish physical and mental disengagement from seafaring professions and lifestyles.<sup>8</sup>

*formation 1856–1882: Studies in Social, Economic and Political Development* (Washington, D.C.: Institute for Palestine Studies, 1993).

- <sup>5</sup> Yehuda Karmon, "The Mediterranean Ports of Israel Compared with the Type of the 'Mediterranean Port,'" *Studies in the Geography of Israel* 11 (1980): 133–151 (Hebrew); Ruth Kark, "The Rise and Decline of Coastal Towns in Palestine in the Nineteenth Century," in *Commerce in Palestine throughout the Ages*, eds. Benjamin Z. Kedar, Trude Dothan, and Shmuel Safrai (Jerusalem: Yad Izhak Ben-Zvi, 1990; Hebrew), 324–337; Ruth Kark, "Transportation in Nineteenth-century Palestine: Reintroduction of the Wheel," in *The Land that Became Israel: Studies in Historical Geography*, ed. Ruth Kark (New Haven, CT: Magnes Press, 1990; Hebrew), 57–76.
- <sup>6</sup> Richard Lawton and Robert Lee, eds., *Population and Society in Western European Port Cities, 1650–1939* (Liverpool: Liverpool University Press, 2002); David Cesarani and Gemma Romain, eds., *Jews and Port Cities, 1590–1990: Commerce, Community and Cosmopolitanism* (London: Vallentine Mitchell, 2006).
- <sup>7</sup> Theodor Herzl, *Altneuland: Old New Land: novel*, trans. Paula Arnold (Haifa: Haifa Pub. Co, 1960), 38.
- <sup>8</sup> A more central role was attributed to the few Jewish marine tradesmen, the growth of port cities, the development of marine cartography, and piracy; cf. Gilbert Herbert, "Jews and the Maritime Tradition," in *Jewish Topographies: Visions of Space, Traditions of Place*, eds. Julia Brauch, Anna Lipphardt, and Alexandra Nocke (Ashgate: Aldershot, 2008), 181–199; Haim Finkel, *Jewish Pirates* (Tel Aviv: Dvir, 1984; Hebrew); Ruth Gertwanger and Avshalom Zemer, eds., *Pirates: The Skull and Crossbones* (Haifa: National Maritime Museum, 2002; Hebrew). Relatively few studies have been conducted on the Jews' maritime history; cf. Raphael Patai, *Jew-*

The sea was not perceived as a component in nation-building. The “New Jew” and “Jewish work” as the foundational Zionist ethos directed Jews to work the land; the sea was a nonentity.<sup>9</sup> This is evident in the meager literature about the sea, in contrast with the abundance of works on conquering the land and making the desert bloom.<sup>10</sup>

Moreover, the sea and sailing were fraught with terror and turbulence. The encounter with a massive steel steamship and the infinite expanses of the sea left passengers greatly overwhelmed and fearful of the unknown.<sup>11</sup> Galician-born Jewish-Austrian journalist Joseph Roth supplied a psychological-religious explanation for Jewish immigrants’ reluctance to sail to the United States:

The Eastern Jew is afraid of ships [...]. For centuries he has been living in the interior. The steppes, the limitlessness of the flat land, these hold no terrors for him. What frightens him is disorientation. He is accustomed to turning three times a day towards *Mizrach*, the East. It is more than a religious imperative. It is the deeply felt need to know where he is. [...] At sea [...] he doesn’t know where God lives.<sup>12</sup>

*ish Seafaring in Ancient Times* (Jerusalem: Israel Exploration Society, 1938; Hebrew); Raphael Patai, *The Children of Noah: Jewish Seafaring in Ancient Times* (Princeton, NJ: Princeton University Press, 1998); Samuel Tolkowsky, *The Jews and the Sea* (Tel Aviv: Palestine Maritime League, 1936; Hebrew); Samuel Tolkowsky, *Back to the Sea* (Haifa[?]: Palestine Maritime League, 1939). See also the most prominent book on Jews and shipping over time: Nadav Kashtan, ed., *Seafaring and the Jews* (London: Frank Cass, 2001).

- <sup>9</sup> For more, cf. Oz Almog, *The Sabra: The Creation of the New Jew*, trans. Haim Watzman (Berkeley: University of California Press, 2000), 160–184.
- <sup>10</sup> Hannan Hever, *Toward the Longed-for Shore: The Sea in Hebrew Culture and Modern Hebrew Literature* (Bnei Brak: Hakibbutz Hameuchad, 2007; Hebrew), 13. Ze’ev Jabotinsky’s Revisionist movement viewed the sea as a path to forming an independent Zionist entity, see Yaacov Shavit, “Hebrews and Phoenicians: A Case of an Ancient Historical Image and Its Usage,” *Cathedra* 29 (1983): 173–191 (Hebrew); Amit Gish, “‘The Hebrew Conquest of the Sea’: The Etzel Museum as an Expression of the Perception of the Sea in the Revisionist Ethos,” *Theory and Criticism* 24 (2004): 113–131 (Hebrew); Zeev Jabotinsky, “Conquest of the Hebrew Sea,” in *The World of Jabotinsky: A Selection of His Works and the Essentials of His Teaching*, ed. Moshe Bella (Tel Aviv: Dfusim, 1972; Hebrew), 265.
- <sup>11</sup> Gur Alroey, *The Quiet Revolution: Jewish Emigration from the Russian Empire, 1875–1924* (Jerusalem: Zalman Shazar Center, 2008; Hebrew), 184. Jews’ relationship with the sea requires an examination that is out of the bounds of the current study. For more, see *Mediterranean Historical Review* 15, no. 1 (2000) (special issue titled *Seafaring and the Jews*, ed. Nadav Kashtan); Patai, *Children of Noah*; Joachim Schlör, “Towards Jewish Maritime Studies,” *Jewish Culture and History* 13, no. 1 (April 2012): 1–6.
- <sup>12</sup> Joseph Roth, *The Wandering Jews: The Classic Portrait of a Vanished People* (New York, NY: W.W. Norton, 2001), 98.

Up until the First World War, the Jewish Yishuv in Palestine and leading Zionist organizations had done nothing to develop the sea. It was only after the war had ended that the sea was recognized as essential to reinforcing settlement within the shaping of new Jewish nationalism in the land.

The change in the Yishuv and Zionist leadership's approach to the sea began in the mid-1930s and was evident in a number of prominent milestones: the 1935 decision of the nineteenth Zionist Congress to establish the Jewish Agency's Maritime and Fisheries Department;<sup>13</sup> the 1936 inauguration of the Tel Aviv port, the first and only Hebrew port, in response to the Arab boycott and the Jaffa port's closure to Jewish activity;<sup>14</sup> the establishment of fishing villages along the land's shores and the development of fishing ponds with the backing of the Jewish Agency; the establishment of the nautical school next to the Technion in Haifa in 1938; and the inauguration of ZIM, the national shipping company, at the end of the Second World War in 1945.

### 3 Early Attempts to Purchase Ships and Establish Jewish Shipping Companies

From the early Mandate period, private Jewish companies from Palestine made attempts to purchase ships and found shipping companies. In late 1919 the British government approved the establishment of the Pioneer Motor Boat Company.<sup>15</sup> Its ship, *Hehalutz* (the pioneer), was evidently the first Jewish shipping line to move passengers and cargo between the eastern Mediterranean's ports.<sup>16</sup> It began as a private initiative after the First World War when, as Baruch Katinka described it, the "roads were rocky, the railroad did

<sup>13</sup> The Zionist Executive, *Decisions of the Nineteenth Zionist Congress, Lucerne, June 20–September 6, 1935* (Jerusalem: Zionist Organization Executive, 1937; Hebrew), 529. Bar-Kokhba Meirovitz was elected the first director of the department and Dr. Naftali Wydra was director of the Haifa office. The two accompanied the development of Zionist sea culture throughout the British Mandate; Zvi Herman, *Conquering a Route at Sea: Chronicles of Hebrew Shipping* (Tel Aviv: Hakibbutz Hameuchad with ha-Hevel ha-Yami le-Yisrael, 1978; Hebrew), 55–56.

<sup>14</sup> Shimon Stern, "Tel-Aviv Port: An Episode in the History of Eretz-Israel," *Cathedra* 25 (1982): 113–134 (Hebrew); Björn Siegel, "Open the Gate: German Jews, the Foundation of Tel Aviv Port, and the Imagined Power of the Sea in 1936," *Leo Baeck Institute Year Book* 66 (October 2021): 6–24.

<sup>15</sup> M. Gurvitz to M. Ussishkin, Jerusalem, November 24, 1919 (Hebrew), Central Zionist Archives Jerusalem (hereafter CZA), L3/65-1.

<sup>16</sup> M. Gurvitz to the Zionist Organization's Trade and Industry Department, London, November 14, 1919 (Hebrew), CZA, S8/1156; Shai Kauly, "The 'Halutz' on the Sea," *Etmol* 195 (2008): 3–5 (Hebrew).

not run, and the conveyance of merchandise and agricultural products from Jaffa to Haifa came at great expense.”<sup>17</sup> Three Jewish partners from Tel Aviv – Avraham Lifshitz, Moshe Ben-Zion Sapir, and Levi Borstein – purchased an Arab sailing ship, transformed it into a thirty-horsepower motor vessel, and installed two passenger cabins on board.<sup>18</sup> Under the headline “Private Jewish Ship,” *Haaretz* newspaper described the “small, one-hundred-ton ship of Mr. Lifshitz and Co.”<sup>19</sup>

The investors’ plan was to operate the ship as a commercial vessel. The *Hehalutz* conducted a number of trips between the land’s shores and those of Syria, Lebanon, Egypt, and Cyprus. It took cargo and passengers but also performed some acts that were decidedly national in nature. The ship’s crew, apparently, helped immigrants come to the land’s shores at times.<sup>20</sup> When docked in Cyprus, the ship’s crew represented the Yishuv on a visit to a PICA (Palestine Jewish Colonization Association) colony, reinforcing the bond between the communities. It also participated in the rescue of Christian refugees from the Muslim pogrom in Tyre and Sidon, transferring dozens of Christian families from Lebanon to safe shores.<sup>21</sup>

But a trip aboard the *Hehalutz*, with its shoddy construction, was dangerous and, in a perilous storm in 1921, the ship was separated from its anchor and shattered on the rocks at Jaffa. All of the crew members survived, but it was the end of the first Jewish ship and the efforts to establish the first Jewish shipping company.<sup>22</sup>

Other attempts to establish shipping companies later in the 1920s never reached profitable economic activity. One initiative came from a group of wealthy American Jews, who bought the *President Arthur*, a large dual-engine steamship with a capacity of fifteen thousand tons, in 1925. In order to purchase it, the American Palestine Line was founded, and the company’s

<sup>17</sup> Baruch Katinka, *Then and Now* (Jerusalem: Kiryat Sefer, 1961; Hebrew), 247. The story of *Hehalutz* appears in some memoirs from the time. See, for example, Isaac Rokach, *Tales of the Jaffa Orange Groves* (Ramat Gan: Masadah, 1970; Hebrew), 156–159.

<sup>18</sup> Kauly, “*Hehalutz*,” 4.

<sup>19</sup> “Private Jewish Ship,” *Haaretz*, December 17, 1919, 3 (Hebrew).

<sup>20</sup> Eyewitness report from Sara Kauly, daughter of Levi Borstein; Kauly, “*Hehalutz*,” 5.

<sup>21</sup> Jeremiah Helpert, *The Revival of Jewish Seafaring* (Tel Aviv: Hadar, 1961; Hebrew), 334.

<sup>22</sup> Helpert, *Revival*, 42–45, 332–334. For other versions of the conditions surrounding the *Hehalutz*’s demise, see Zeev Hayam, *Ships’ Tales* (Tel Aviv: Ahiasaf, 1968; Hebrew), 44–45; Herman, *Conquering a Route*, 49–50.



flag was raised on the ship's mast before its maiden voyage under new ownership. It was, most probably, the first transatlantic cargo or passenger ship to fly a Jewish flag. On March 12, 1925 the ship departed from New York for Haifa. On its deck were 216 Jewish passengers, voyaging to Palestine for the inaugural ceremony of the Hebrew University in Jerusalem. But the firm's end was quick and bitter: the ship took one voyage to Haifa and Europe before the company was dismantled due to a lack of working capital and insufficient professional knowledge.<sup>23</sup>

The motorized vessel *Gozal*, which arrived in Haifa's port in 1927, constituted another attempt to purchase a ship and establish a private shipping company. The boat belonged to the Neshet cement factory, founded by Michael Pollack, who understood the importance of maritime transport as an inexpensive and convenient means of transferring goods and purchased a ship to move cement to the Mediterranean's eastern ports. After extensive searches, an appropriate ship – shallow and small, previously used to transfer bricks – was found. The deck could take two hundred tons, it had a crew of six people, it flew the British flag, and it was registered at the Port of London. The *Gozal* sailed from Haifa to Cyprus, Alexandria, Tripoli, Tartus, Latakia, Beirut, Port Said, and the Suez Canal. In 1929, with the mounting rioting in Palestine, Neshet's sales to neighboring Arab countries came to a near complete standstill, and two years later the company's management opted to sell the *Gozal*. It was transferred to Italian ownership and sailed for a few more years; during the Second World War, it sank on Italy's shores.<sup>24</sup>

Other shipping companies founded by the early 1930s also lasted no longer than two years; their failure stemmed primarily from a lack of experience – both in terms of management and financials and in terms of seafaring. The shortage of starting capital and working capital was noticeable, and competition with foreign shipping, with its vast experience, was also a significant factor.<sup>25</sup>

<sup>23</sup> Hayam, *Ships' Tales*, 55; Zeev Hayam, *Sea Routes: Chronicles of Israeli Shipping* (Tel Aviv: Otpaz in cooperation with ha-Hevel ha-Yami le-Yisrael, 1972; Hebrew), 13; Helpert, *Revival*, 334–335.

<sup>24</sup> Hayam, *Ships' Tales*, 62–66; Herman, *Conquering a Route*, 50.

<sup>25</sup> On additional failed attempts to found Jewish shipping companies between 1919 and 1933, cf. Hayam, *Ships' Tales*, 55–69, 88–89, 93–94.

#### 4 The Emergence of Private Jewish Shipping Companies in Palestine in the 1930s

From the second third of the 1930s, a shift occurred in the field of Jewish shipping. With economic growth in the land, immigration increased, and mounting activity was recorded at Haifa's port, whose construction had been completed in late 1933. Changes in Europe also led to efforts to establish Jewish shipping – most notably the rise of the Nazis to power in early 1933. A transfer agreement (the “Ha'avara” Agreement) was signed; Germany's Jews were permitted to take possessions and goods to Palestine. The agreement led, among other things, to an awakening in Palestine's Jewish shipping sector.<sup>26</sup> Most of the interest came from German Jewish seamen, though some was from Romanian Jewish seamen and maritime tradesmen. Between 1934 and 1937 nine private, Jewish-owned shipping companies were founded in Haifa. These companies operated eight ships and 136 boats,<sup>27</sup> employed more than two hundred sailors and seamen, and sailed between Palestine and European shores as well as to the Syrian and Egyptian coasts.<sup>28</sup>

##### *Palestine Shipping Co. Ltd.*

Palestine Shipping Co. Ltd. owned the *Tel Aviv*, a mixed passenger-cargo ship that operated in Palestine from 1935 to 1936, considered the first passenger ship to belong to Palestine's Jews. The company was founded by Jewish shipping tycoon Arnold Bernstein from Hamburg, Germany, who had begun to show an interest in commercial ties between Palestine and Hamburg in the late 1920s. Hitler's rise to power had hastened a number of the country's wealthier Jews to emigrate to Palestine, taking their money with them. One of them was Bernstein, who founded Palestine Shipping Company in late 1933

<sup>26</sup> Yoav Gelber, *New Homeland: Immigration and Absorption of Central European Jews, 1933–1948* (Jerusalem: Yad Izhak Ben-Zvi, 1990; Hebrew), 23–39, 78–92, 427–428. On the transfer agreement, see Avraham Barkai, “German Interests in the Haavara-Transfer Agreement 1933–1939,” *Leo Baeck Institute Year Book* 35, no. 1 (1990): 245–265.

<sup>27</sup> David Gurevich, *Manufacture, Transportation, and Commerce: Report and General Abstracts of the Census taken in 1937* (N.p.: Department of Trade and Industry, Jewish Agency for Palestine, 1939; Hebrew), 61.

<sup>28</sup> B.-K. Meirovitz to E. Kaplan, Tel Aviv, January 13, 1937, CZA, S11/44; Meirovitz, *To the Sea*, 6–7.

with other German immigrants.<sup>29</sup> The company's manager and agent in Palestine was Bernard Herskovitz, a man with extensive shipping experience who was well-known in the country's shipping circles. In 1934, with the transfer agreement, the company bought an old ship from the Bernstein Shipping Company. This was also consistent with German interests, as the work done on the ship provided employment for shipyard workers.<sup>30</sup>

The *Tel Aviv* was a ten-thousand-ton cargo ship that was repaired by the new owners and repurposed as a passenger ship. It held cargo and four hundred passengers; its speed was thirteen to fourteen knots, above average for its day. On May 17, 1935, the ship was registered at the Haifa port as SS 1, and, ten days later, it set sail for Trieste. Its regular line was Haifa–Trieste–Haifa, a route that took roughly two weeks.<sup>31</sup>

The ship was known to be superbly organized and clean, ensuring a high caliber in the passenger cabins; all cabins were ventilated, in contrast with other ships in the eastern Mediterranean. The ship sailed its route for two and a half years. It had a special kitchen and dining room installed for those who ate only kosher food; it even had a synagogue. The ship owners chose to have only one passenger class, of a uniform level, and thus the ship pioneered tourist class in the Middle East. The crew wore uniforms, the officers with an extra Star of David on the stripes on their sleeves or epaulets, and the sailors with a cap with a ribbon that said *Tel Aviv Ship*. When the ship reached the port of Haifa or left it, the Land of Israel maritime ensign flag was raised and Hatikva (the Jewish national anthem) played on the deck. This drew resentment on the part of the Arabs, who ruled Haifa's port at the time. The port's manager, Mr. Rogers, demanded that the flag not be raised on the ship's foremast, but rather the official Palestine flag; Herskovitz refused.<sup>32</sup>

<sup>29</sup> For more on Arnold Bernstein, cf. Björn Siegel, "Envisioning Jewish Maritime Space: Arnold Bernstein and the Emergence of a Jewish Shipping Industry in the Interwar Years," *Studies in Contemporary Jewry* 30 (2018): 178–189; Björn Siegel, "Arnold Bernstein," *Immigrant Entrepreneurship: German-American Business Biographies (1720 to the Present)*, accessed April 4, 2022, <https://www.immigrantentrepreneurship.org/entries/arnold-bernstein/>.

<sup>30</sup> Herman, *Conquering a Route*, 62–64; Hayam, *Ships' Tales*, 117–120; Yoav Gelber, "The Zionist Policy and the Transfer Agreement, 1933–1935," *Yalkut Moreshet* 17 (1974): 97–152 (Hebrew).

<sup>31</sup> Hayam, *Sea Routes*, 21; Herman, *Conquering a Route*, 62–64; Hillel Yarkoni, *The Sea, the Ship, and the Jewish People* (Haifa: Pardes, 2009; Hebrew), 211.

<sup>32</sup> Hayam, *Ships' Tales*, 117–120.

The ship was considered groundbreaking in terms of its Jewish seamen as well. The owners constantly toiled to increase the number of Jews working on board: when the ship first arrived at the Haifa port, it had a crew of 142, only two of whom were Jews; on its first voyage it had eleven Jewish crew members, and two years later, it had 132.<sup>33</sup> The appearance of the large white steamship on the shores of Palestine, with the words “Tel Aviv” adorning its bow in Hebrew lettering, left an immense impression on the Yishuv and its leadership and was perceived as the realization of the Zionist dream of maritime sovereignty.<sup>34</sup>

However, the *Tel Aviv*'s presence in the Mediterranean also did not escape the competing companies; in its early days it encountered problems stemming primarily from competition with the Italian national shipping company, Lloyd Triestino, which was backed by the Italian government and very influential in the field of shipping at the time. Before the *Tel Aviv*, the Haifa–Trieste line had been the Italian company's traditional route, and thus it did everything in its power to create obstacles for the ship. Delays in the supply of water and food at the ports, a publicity campaign against the ship in the Italian press, and most notably the drastic lowering of fares were all acts that the *Tel Aviv* had difficulty combating.<sup>35</sup>

Moreover, a disagreement broke out within the Yishuv leadership regarding whether the central institutions should use Yishuv funds to support private enterprise. The private companies complained that the leadership did nothing to encourage shipping pioneers. Despite being based in private capital, they claimed, their contribution to the Jewish economy and society in Palestine was an important one; the Jewish Agency, as a significant customer of the foreign companies, should pressure Lloyd Triestino to cease its

<sup>33</sup> Protocol of Zionist Executive meeting, May 19, 1935, 1 (Hebrew), The Central Zionist Archives – (hereafter: CZA); Hayam, *Sea Routes*, 13; Daniella Ran, “The Contribution and Influence of the German Immigration to the Development of Shipping in Palestine” (MA thesis, University of Haifa, 1993), 59–63.

<sup>34</sup> Herman, *Conquering a Route*, 63–64; David Remez, *To the Sea Spirit* (Tel Aviv: ha-Hevel ha-Yami le-Yisrael, 1952; Hebrew), 29–32.

<sup>35</sup> Abba Hushi, Haifa Workers' Council, Haifa, to Moshe Sharett, Jewish Agency Executive, Jerusalem, March 21, 1935, iv-208-1-788-b, Pinhas Lavon Institute for Labor Movement Research (hereafter LI), Tel Aviv (Hebrew); Protocol from a meeting of the delegation representing the Travel Agencies' Union in Tel Aviv with Hochedorf, director of Lloyd Triestino in Tel Aviv, June 16, 1936, CZA, S11/C19.

efforts against the Jewish companies.<sup>36</sup> The Jewish Agency and Yishuv leaders sailed consistently on Lloyd Triestino's ships, and the Jewish Agency's Aliyah Department was reputed to be the company's biggest client.<sup>37</sup> But the Yishuv leadership was in no hurry to jeopardize its ties with Lloyd Triestino, which brought the majority of the immigrants to the land; quite the opposite. Moshe Sharett, a leading Zionist, felt that the Yishuv could not afford to start a war when there was no possibility of organizing immigration to Palestine without Lloyd Triestino's ships.<sup>38</sup>

However, the rivalry with Lloyd Triestino was, it appears, not the only hurdle for the Palestine Shipping Company and the *Tel Aviv*. The ship was old, and often needed repairs and restoration; passenger traffic to and from Palestine slowed, in the years of rioting, as did immigration; administrative expenses were too high; the company displayed a lack of professionalism, poor management, and a deficiency of working capital and was devoid of public support – all leading to the company taking losses.<sup>39</sup>

Two years after its purchase, the company could no longer keep the *Tel Aviv*. The Yishuv leadership's policy of avoiding conflicts with national shipping lines and eschewing the support of private enterprises from Yishuv funds ultimately led to the dismantling of the Palestine Shipping Company. In September 1937 the *Tel Aviv* was removed from the list of Palestine's ships. Sold to a Japanese company, it sailed for the Far East and appears to have sunk in the Indian Sea in 1944.<sup>40</sup>

The national disappointment with the demise of the *Tel Aviv* mirrored the earlier national excitement and pride: the *Tel Aviv* was seen as a great missed opportunity, and the Yishuv leaders shouldered at least some of the responsibility; they had not given public support to the enterprise that they viewed as having great economic and national importance.<sup>41</sup> The sale of the

<sup>36</sup> B. Herskowitz and L. Berkovits, Jewish Shipping Association, Tel Aviv, to the Jewish Agency, Jerusalem, May 25, 1936, CZA, S11/C19.

<sup>37</sup> For more details, cf. Daniella Ran, *Between Ships and Wharf* (Haifa: Pardes, 2008; Hebrew), 32–33.

<sup>38</sup> Moshe Sharett to the Chamber of Commerce, Haifa, July 18, 1935, iv-250-27-5-100, LI, Tel Aviv (Hebrew); Moshe Sharett to the Executive Committee of the Histadrut, August 4, 1935, iv-250-27-5-100, LI, Tel Aviv (Hebrew).

<sup>39</sup> Herman, *Menahem Rivlin*, 63; Hayam, *Ships' Tales*, 119.

<sup>40</sup> Hayam, *Ships' Tales*, 120.

<sup>41</sup> Remez, *Sea Spirit*, 29–32.

*Tel Aviv* was a bitter pill, burned in the national consciousness, and appears to have provided the backdrop of later efforts to establish a national shipping company.<sup>42</sup>

### *Palestine Maritime Lloyd*

Palestine Maritime Lloyd's shareholders were Jewish seamen, including Eliezer (Leizer) Berkovitz, a businessman involved in shipping, who had moved to Palestine from Romania; engineer Emanuel Tuvim; and Ignazio Messina, a Jewish shipowner from Genoa, Italy.<sup>43</sup> The company purchased two mixed passenger-cargo steamships from the Italian partner, hoping to create a fixed shipping line between Haifa and Constanța on the Black Sea: the *Risveglio* was renamed *Har Zion*, and *Progresso* was renamed *Har Carmel*. These were strong, sturdy ships with a capacity of fifty-four thousand tons each, a speed of thirteen knots, and space for some four hundred tons of cargo apiece. Each of the ships, after being restored, was able to transport 110 passengers, 40 in first class and 70 in tourist class.<sup>44</sup>

The company established a number of principles meant to ground it within Jewish shipping: the company's management must be businesslike and professional; it must be integrated in the building of the land and serve its interests; its crucial capital must be Jewish (the company had to remain Jewish-owned); the ships' flags must be Jewish; the ships' crews must be Jewish; and Palestine's products must supply the ships.<sup>45</sup> At the end of 1937, it was reported that the company employed seventy Jews among its total of one hundred workers. It was also the first company to employ a group of stevedores from Salonica in unloading its ships, and the first Jewish company to hire

<sup>42</sup> Kobi Cohen-Hattab, *Zionism's Maritime Revolution: The Yishuv's Hold on the Land of Israel's Sea and Shores, 1917–1948* (Berlin: De Gruyter, 2019), 200–248.

<sup>43</sup> Hayam, *Ships' Tales*, 109–113.

<sup>44</sup> Herman, *Conquering a Route*, 59. For more on the rise in passenger and cargo transport, cf. B.-K. Meirovitz to E. Kaplan and Y. Gruenbaum, Tel Aviv, 30 December 1938, CZA, S11/22; undated report, likely written by Bar-Kochba Meirovitz, CZA, S11/22. On the *Har Zion* and *Har Carmel* in the marketing of Jewish shipping at the time of British rule, cf. Ayelet Kohn and Kobi Cohen-Hattab, "Tourism Posters in the Yishuv Era: Between Zionist Ideology and Commercial Language," *Journal of Israeli History* 34, no. 1 (2015), 69–91.

<sup>45</sup> Herman, *Conquering a Route*, 59–62; Hayam, *Ships' Tales*, 109–115; Helpert, *Revival*, 337–338; Mayer Gelbart, *Jews and Seafaring: A Historical Study* (Tel Aviv: Agudat Yorde Yam Zevulun, 1940; Hebrew), 78–80; Yarkoni, *The Sea*, 154–157.

Palestine Lighterage and Supply Ltd., which had been established at Haifa's port in 1934, for stevedoring.<sup>46</sup>

*Har Zion* and *Har Carmel's* service in Palestine was short-lived. In early 1938, when the *Har Carmel* was anchored at the fuel port in Constanța, a fire erupted and the ship went up in flames. With the outbreak of the Second World War, the *Har Zion* was appropriated by the British fleet. In late August 1940, on its way from Liverpool to the port in Savannah, Georgia, it was torpedoed by a German submarine and sank in the Atlantic with its thirty-six crew members. Only one survived. Among the fatalities were seventeen Jews.<sup>47</sup>

Palestine Maritime Lloyd encountered tough competition on the part of foreign companies, some of whom had governmental support. Its challenges were much like those of the Palestine Shipping Company, but Palestine Maritime Lloyd was able to remain active until its ships were seized by the British navy.<sup>48</sup> During its three and a half years, the company transferred 18,185 passengers, constituting 13.5 percent of passenger traffic per year, and took an average of 40 percent of the land's total cargo.<sup>49</sup>

### *Atid*

Atid Navigation Company Ltd. was the third Jewish shipping company in Palestine in the 1930s. Its founders were the Borchard family, Jews from Hamburg, who also owned the shipping company Fairplay. They had been active in shipping from the early twentieth century in Europe's North Sea and partly moved their company to Palestine when the Nazis rose to power. Atid was founded in Palestine in 1934 and run by Jens Borchard, a lawyer by profession, who had previously been the secretary and a director of the Orient Shipping Line.<sup>50</sup> Atid attempted to employ Jewish crews on its ships and took pains to

<sup>46</sup> Summary of 1937 in Hebrew shipping, CZA, S11/14/B.

<sup>47</sup> For more on Palestine Maritime Lloyd's other ships and the ultimate demise of the company, cf. Yarkoni, *The Sea*, 156–157.

<sup>48</sup> Hayam, *Sea Routes*, 14.

<sup>49</sup> In 1936, the Palestine Maritime Lloyd was responsible for almost 60 percent of overall cargo traffic. See Herman, *Conquering a Route*, 62.

<sup>50</sup> T. Ben-Nahum, "Hebrew Shore Shipping," *Yam* 6, 1938, 1 (Hebrew). For the Orient Shipping Ltd. (founded in Haifa in 1934), cf. Ran, "German Immigration," 54–55; Yarkoni, *The Sea*, 19–20, 48–49, 198. On Jens Borchard, see Ruth Berndt, ed., *Haifa's Notable Citizens: Biographies* (Haifa: Iriyat Haifa, 1984; Hebrew), 9–12.

train Jewish sailors.<sup>51</sup> With the founding of the Tel Aviv port, the company's ships became a major factor in the new port's solidification, and in its first days of unloading cargo on the shore, they were nearly the only ones who regularly visited the new anchorage.<sup>52</sup>

The company's first ship was the *Atid*, which was joined by two cargo ships – *Amal* and *Alisa* – in 1935. Its lines in the early years ran through the Danube lands to Budapest and even Vienna. The company added the *Richard Borchard*, meant for the lengthier European lines;<sup>53</sup> however, it soon became clear that these lines were not profitable, and the company chose ports in southern Romania as the route's final stops. Its primary activity was shore service in the eastern Mediterranean, and its ships regularly docked in Turkey, Lebanon, Egypt, and Cyprus.<sup>54</sup> In 1936, the company moved fifty thousand tons of merchandise and employed forty Jewish workers.<sup>55</sup> The company was registered in Palestine; it flew the Land of Israel's flag and claimed to be working to involve Jews on its ships and to trade in the land's produce when possible.<sup>56</sup> *Atid* was also competing with veteran foreign companies and Arab ships whose freight charges were lower. The company found itself in economic and administrative straits and was forced to retire the *Richard Borchard* and *Alisa* before the Second World War, continuing to operate only the *Atid* and *Amal*.<sup>57</sup>

*Atid*'s vessels were commandeered during the Second World War for Britain's Royal Navy, and transferred troops and supplies to the various battles. In appreciation, the navy allowed *Atid* to purchase a number of immigrant ships and boats that had been seized by the British for a relatively low price.<sup>58</sup> Not all of the company's ships survived the war, but its best ships were not sunk or damaged, and at the war's end the company's financial state remained good. It appears that the professionalism, the experience, and the

<sup>51</sup> Jens Borchard to the Jewish Agency, Haifa, February 24, 1936, CZA, S11/24.

<sup>52</sup> IML center meeting, CZA, S11/19; Baruch Rosenberg, *The Rise of Jewish Shipping* (Tel Aviv: Dfus Hotza'at Eretz Yisrael, 1938; Hebrew); Siegel, "Open the Gate", 1–19.

<sup>53</sup> Rosenberg, *Jewish Shipping*; publicity pamphlet with *Atid*'s schedule of ships' journeys, Summer 1936, iv-250-27-2-246, LI, Tel Aviv (Hebrew).

<sup>54</sup> A. Ben-Yaakov, "On *Atid*," *Yam* 6, 1938, 1–2 (Hebrew).

<sup>55</sup> Bar-Kochba Meirovitz (most probably), September 1937, CZA, S11/14/B.

<sup>56</sup> Ben-Yaakov, "On *Atid*," 2.

<sup>57</sup> Yarkoni, *The Sea*, 198.

<sup>58</sup> Herman, *Conquering a Route*, 54–55; Hayam, *Sea Routes*, 59–61.



international ties the family had established running Fairplay made it possible for Atid to survive even under difficult conditions.<sup>59</sup>

## 5 Conclusion

The Yishuv's institutional foray into shipping was preceded by private enterprise. Palestine Shipping Company, Palestine Maritime Lloyd, and Atid all reflected an awakening in the field of shipping; their five years of private commercial shipping were cut short by the outbreak of the Second World War and the resultant incapacitation of commercial shipping.<sup>60</sup> Until the 1930s, dozens of Romanian, Italian, Polish, and French passenger ships – as well as ships from other countries – worked regularly in Palestine, the Black Sea, and southern Europe; only a few ships were privately owned by Jews.<sup>61</sup> Six of the 589 ships that arrived in Palestine in the five years prior to the war were Jewish Palestinian ones, bringing an approximate 4 percent of the cargo and 6 percent of the passengers that came by sea.<sup>62</sup> The Jewish companies competed with stronger and more experienced ones, some of which were state-owned or received significant government support. However, the Jewish Agency's priorities in distributing resources placed shipping low on the scale. Decision-makers at the time preferred agricultural settlement and transportation infrastructure for isolated settlements to the sea and shipping – which were not yet perceived by the institutions as important within the Zionist idea.<sup>63</sup>

Despite the fact that the private shipping companies' activity was short-lived and its relative proportion within general shipping to and from Palestine was small, it must be viewed as an important milestone: the companies provided income for no small number of Yishuv families as well as experience that served Yishuv members in the years that followed. The end of their activity right before the Second World War further highlights the dearth of ships for immigration and the dependence of Jewish shipping on foreign

<sup>59</sup> Missing author, "Atid at the End of the War," *Yam*, January 1946, 4–5 (Hebrew).

<sup>60</sup> Ran, "German Immigration," 69–71.

<sup>61</sup> Outline for discussion on proposed plan for arranging Jewish maritime transport, April 26, 1944, CZA, S74/160; F. O. Rogers, Port Manager, Memorandum on the present prospects for new steamship in Palestine, August 21, 1945, CZA, S74/56.

<sup>62</sup> N. Wydra, Palestine maritime transportation, September 24, 1946, CZA, S74/56.

<sup>63</sup> Dr. Wydra to E. Kaplan, July 16, 1937, CZA, S11/14/B; N. Wydra, Palestine maritime transportation, September 24, 1946, CZA, S74/56; Herman, *Conquering a Route*, 133.

shipping at the time. This gradually spurred the Yishuv leadership to action, especially during periods of crisis, and a change in approach to the national role of shipping began to take shape. The leadership slowly came to recognize that shipping must be supported by state funds, or – in the case of the Yishuv in Palestine – national institutions.<sup>64</sup>

The Jewish national fleet was one of the most noticeable signs of independence and statehood in the late British Mandate period on the road to new-found Israeli independence. ZIM's ships were considered a symbol, and those boarding the ships felt they were already stepping on the Land of Israel.<sup>65</sup> And while the Yishuv's national shipping company could only be born with the circumstances that were in place after the Second World War, it was the private shipping companies that paved the way, laying the foundations that first led many of the Yishuv's members to the idea of an independent Jewish shipping company.

<sup>64</sup> Missing author, Outline for discussion on proposed plan for arranging Jewish maritime transport, April 26, 1944, CZA, S74/160; Y. Zeva, "Establishing a Commercial National Fleet," *Mishmar*, April 7, 1947, 2 (Hebrew).

<sup>65</sup> Cf. Herbert Gilbert, *Symbols of a New Land: Architects and the Design of the Passenger Ships of ZIM* (Haifa: Architectural Heritage Research Centre, Technion-Israel Institute of Technology, 2006).