

## The Black and the Jew: A Falling Out of Allies

THE Jew and the Negro would seem to have a great deal in common—in some ways more than America's other minorities. They share a tragic past, part of which is a history of persecution at the hands of a white Christian majority. As the traditional outsider, the Jew can feel a special sympathy for other outsiders. His skin is white, and if he wishes he can become assimilated as no black man can. But the Jew, too, has at times known a sense of separateness and racial difference that could be as marked as a dark skin. Thus, theoretically, the black and the Jew are spiritual allies—or should be.

But while there is much that binds these two peoples, there is also much that keeps them apart. On the scale of achievement in the U.S., the Jews rank as the most successful minority, the blacks as the least. Increasingly aware of this disparity, the U.S. Negro has come to view it with envy and hostility. Tragically, the alliance of black and Jew is beginning to dissolve.

Many blacks think that they must now reject all of their white friends—the Jew among them—in order to discover themselves. As a result, an ominous current of anti-Semitism has appeared to widen the breach between them and the Jew. While this ancient virus infects only a small fraction of the country's 22 million Negroes, the Jew knows from bitter experience that it can spread with distressing rapidity. At the same time, some latent anti-black feelings have come to the fore

among Jews—symbolized by the half-casual, half-contemptuous Yiddish reference to the "schvartzes" (blacks).

New York City has become the center of black anti-Semitism, although it exists in almost every urban center where large communities of Negroes and Jews intermingle. New York has more Jews (1.8 million) and more blacks (1.5 million) than any other city in the world. The predominantly Negro areas of Harlem and Brooklyn's Ocean Hill-Brownsville were once solidly Jewish; now the Jewish presence is signified by absentee storekeepers and landlords who, fairly or not, are regarded by the Negro as colonial exploiters. More often than not, the black child is taught—in a crumbling, inadequate public school—by a Jewish teacher. More often than not, the hated neighborhood welfare center, to the black a symbol of indifferent, domineering white bureaucracy, is staffed by Jewish social workers. "If you happen to be an uneducated, poorly trained Negro living in the ghetto," says Bayard Rustin, executive director of the A. Philip Randolph Institute, "you see only four kinds of white people—the policeman, the businessman, the teacher and the welfare worker. In many cities, three of those four are Jewish."

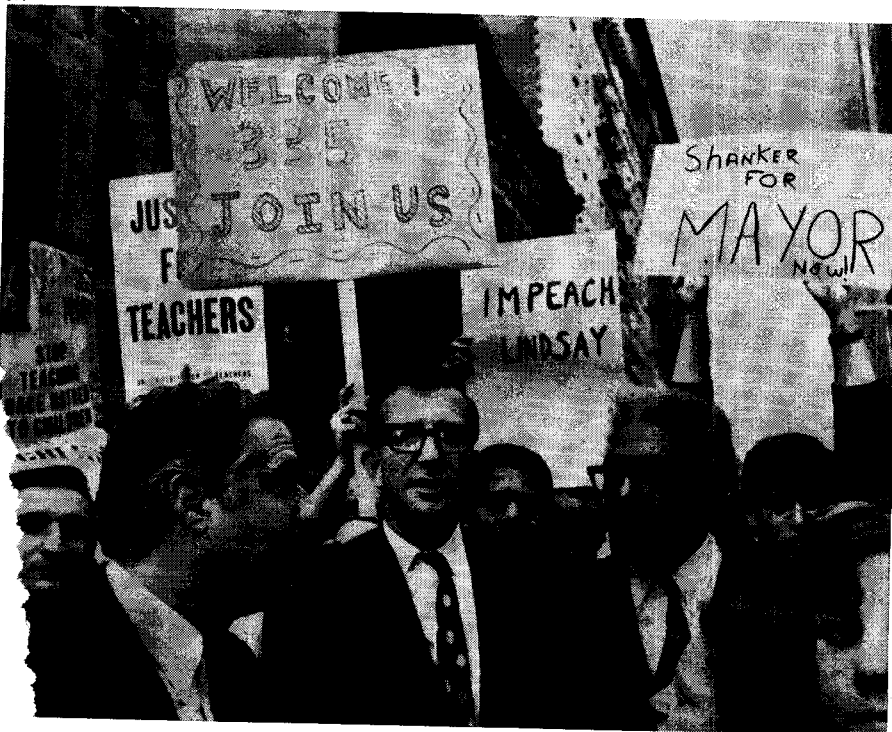
### Battle over Schools

Tensions between blacks and Jews have simmered under the surface for years, but they broke into the open with the recent battle over the decentralization project in the Ocean Hill-

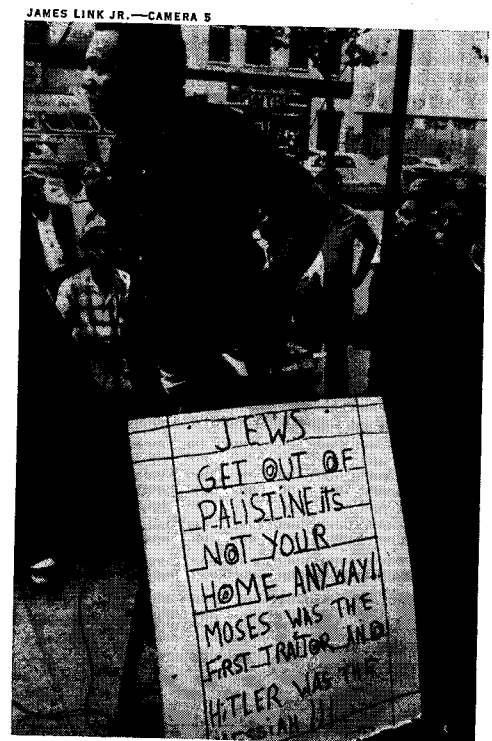
Brownsville school district. Financed in part by the Ford Foundation, the experiment gave a community-elected neighborhood board and its Negro administrator, Rhody McCoy, a measure of local control over policies in the area's eight schools. The project was opposed by the predominantly Jewish United Federation of Teachers, which feared that decentralization, if applied to the entire system, would destroy the union's bargaining power.

After the black local governing board ousted ten teachers accused of sabotaging the project, the U.F.T. stayed out of the schools for 36 days in three separate city-wide walkouts. What began as a contest for power ended in an exchange of racist epithets. Negro parents denounced the striking teachers as "Jew pigs." The teachers' union charged that Ocean Hill-Brownsville militants were "black Nazis"—and printed anti-Semitic materials that were supposedly being distributed in the area's schools.

Although the strike is over, tensions have not eased at all. Last week a special committee on racial and religious prejudice, appointed by Mayor John Lindsay and headed by former State Supreme Court Justice Bernard Botein, reported that "an appalling amount of racial prejudice—black and white—surfaced in and about the school controversy. The anti-white prejudice has a dangerous component of anti-Semitism." Similarly, the Anti-Defamation League of B'nai B'rith warned that "undisguised anti-Semitism is at a crisis



SHANKER & RUSTIN WITH U.F.T. TEACHERS



BLACK MILITANTS IN HARLEM

led out as a symbol of aggression because they are the most highly visible and most immediately available white persons.

level in New York City schools where, unchecked by public authority, it has been building for more than two years."

In an atmosphere of mutual antagonism, provocations have multiplied. Almost every week brings a new incident. Over radio station WBAI-FM, a Negro schoolteacher named Leslie Campbell recently read a poem dedicated to Albert Shanker, the Jewish president of the U.F.T. It began: "Hey, Jew boy, with that yarmulke on your head. / You pale-faced Jew boy—I wish you were dead." The teachers' union has filed a formal protest with the Federal Communications Commission.

More recently, civic tempers flared over the catalogue for the Metropolitan Museum of Art's new photographic exhibit called "Harlem on My Mind" (TIME, Jan. 24). The introduction, writ-

of blacks] the way Hitler made Germany *Judenrein*." One member of the school's board shouted that "we should go down there and throw the blacks out." Speaking for the American Jewish Committee, Rabbi Marc Tanenbaum has solemnly warned: "We put black racists on notice that we are determined to use every legal means to let no one get away with any efforts to inflict pain or suffering on any Jewish person." In the current issue of *Commentary*, Earl Raab, executive director of the Jewish Community Relations Council in San Francisco, argues that the black-white confrontation in America raises anew "the Jewish question"—the place of Jews in a secular democratic society. "The Jewish question is alive again because the American political structure and its traditional coalitions are in naked tran-

The black-Jewish confrontation may be only a subconflict in the larger hostilities between black and white. But the significance of the problem is profound. U.S. democracy is based in part on its willingness to accommodate a wide and sometimes mettlesome variety of religious and ethnic patterns. If these two minorities, black and Jew—each with its distinctive and essential contributions to American society—cannot get along, then the viability of the American experiment in pluralism is thrown into doubt. Thus, the conflict takes on symbolic values far more threatening than its actual substance.

### The Roots in Religion

Still, black leaders reluctantly concede that anti-Semitism does exist in the Negro community. More than that, historians and sociologists have ample evidence that it has existed—sometimes on the surface, more often beneath it—since Jews and Negroes first came in contact with each other in the cities of the North. This confrontation took place shortly after World War I, when Southern Negroes began to move out of the plantation fields and into urban life. More often than not, they settled in predominantly Jewish areas—partly because ghetto rents were cheap, partly because Jews were much less resistant to racial infiltration than other ethnic immigrant groups. In Chicago, for example, Negroes have all but taken over neighborhoods that were formerly Jewish—but have yet to make a dent in predominantly Czech, Polish and Ukrainian communities.

Many of these Southern blacks had a fundamentalist Christian background. As songs like *Go Down, Moses* suggest, the Negro tended to identify with Judaism's struggle for freedom as portrayed in the Old Testament. Yet, like many conservative white Protestants, he was taught to scorn Jews as a people cursed by deicide. "All of us black people who lived in the neighborhood hated Jews," recalled the late Novelist Richard Wright, writing of his Southern boyhood in *Black Boy*, "not because they exploited us, but because we had been taught at home and in Sunday school that Jews were 'Christ killers.' We black children—seven, eight and nine years of age—used to run to the Jew's store and shout: 'Jew, Jew, Jew, what do you chew?'"

This heritage of religion-bred hatred was augmented by economic resentment. The Jews not only lived in the ghetto, but were its landlords and shopkeepers; whatever their background, landlords and shopkeepers will often be guilty of rent gouging, overpricing and selling shoddy merchandise. In his now-classic study of Chicago's Negro ghetto, *Black Metropolis*, Sociologist St. Clair Drake points out that as early as 1938 the area was seething with anti-Semitic resentment of Jewish merchants, who then owned three-fourths of the neighborhood stores. "As the most highly visible and most immediately available



JEWISH-OWNED STORE IN DETROIT GHETTO  
Different kind of ethos, different kind of hope.

ten by a 16-year-old Negro schoolgirl, reads in part: "Behind every hurdle that the Afro-American has yet to jump stands the Jew who has already cleared it. Jewish shopkeepers are the only remaining 'survivors' in the expanding black ghettos. The lack of competition allows the already exploited black to be further exploited by Jews." Mayor Lindsay quickly denounced the catalogue as another example of racism, and the embarrassed museum hastened to add an insert disclaiming bias.\*

In light of Judaism's centuries-long experience of persecution, it is not surprising that some of the reactions to anti-Jewish statements made by black leaders have verged on hysteria. When students—led, ironically, by a Black Jew who once attended Hebrew teacher's college—recently held a sit-in at Brandeis University in Waltham, Mass., a Jewish leader in the area suggested that "Brandeis should be made *Schwarzenrein* [free

sition," writes Raab. "The common democratic commitment trembles."

Political Scientist Leonard Fein of Boston's Joint Center for Urban Studies believes that some Jews have responded to anti-Semitism in a slightly paranoid manner—although, he adds, "we come by our paranoia honestly." By and large, Negro moderates argue that Jews have over-reacted. They contend that the Negroes' real quarrel is with the racism of white society as a whole. Thus in New York the Jew is singled out as a visible symbol of oppression; but in New Orleans, the black's natural "enemy" is the Italian bourgeoisie, which predominates among ghetto store owners, and in San Francisco it is frequently the Japanese-American community.

Martin Open of Boston's New Urban League argues that Jewish leaders have exaggerated anti-Semitism as a means of re-identifying Jewishness. "I charge that Jewish religious and lay leaders have in fact fanned the fires of dormant anti-Semitism in this country as a means of establishing a rebirth of Jewish awareness, identity and unity."

\* The exhibit was also picketed by Negroes who charged that it depicted only "the white man's distorted, irrelevant and insulting" view of Harlem.

white persons in the community," he wrote, "Jewish merchants tend to become the symbol of the Negroes' verbal attack on all white businessmen."

So strongly is the Jew identified with the merchant image that Negroes frequently use anti-Semitic epithets in referring to ghetto businessmen who are unmistakably not Jewish. A Negro will frequently refer to his "Jew landlord" even though the man's name may be O'Reilly, Karwolski or Santangelo. In black areas of Detroit, white storekeepers are often called "Goldberg," even though many shops are owned by Iraqis and Syrians. And a Cadillac, even if it is owned by a wealthy Negro, is still known as a "Jew canoe."

Another source of black anti-Semitism is the fact that the Jew is clearly different from other whites, with his proud heritage of a particular religion, culture and language. The Jew, moreover, had an entirely different kind of ethos—a powerful family bond, a tradition of faith in education—and a different kind of hope. He could aspire to follow in the footsteps of the Irish, the Italian and the German immigrant, who had preceded him out of the ghetto into middle-class success. Because of his color, the black man had no such expectation.

Black dislike of the Jew was intensified by a large measure of envy, complicated by admiration and even a bit of love. Negro Theologian C. Eric Lincoln points out that the Jew looms large in black "vocal folklore," not as a figure of hatred but as a kindly foil who is something of a buffer between white Christians and the Negro. He contends that there are countless Negro jokes in which "John Henry" and "Mr. Goldberg" conspire to outwit "Mr. Charley."

Frequently the Jew has been held up by the Negro as a model of hard work and group solidarity. Says Rustin: "Many a black mother will say to her son, 'Look at that Jew. Why don't you study the way he does and get ahead instead of dropping out of school?'" A 1964 study of Negro attitudes by the University of California Survey Research Center indicated that blacks in general were more favorably disposed to Jews than were white gentiles, and more inclined to reject stereotypes of the Jew as "clannish" or "conspiratorial." Sociologist Drake notes this feeling of ambivalence: "You hear comments that among Jews you find your best friends and your best enemies."

#### When Love Turns to Rage

Unquestionably, the anti-Semitic remarks now being spewed out by Negroes are different in mood and intent from the casual insults of the past. One reason for the changing quality of black bigotry is the changed relationship of the Negro to the ghetto. Another is the shift that has taken place within the civil rights movement, which now excludes the Jews who helped create it.

Until a decade ago, the Negro could still regard the Jew as a fellow victim

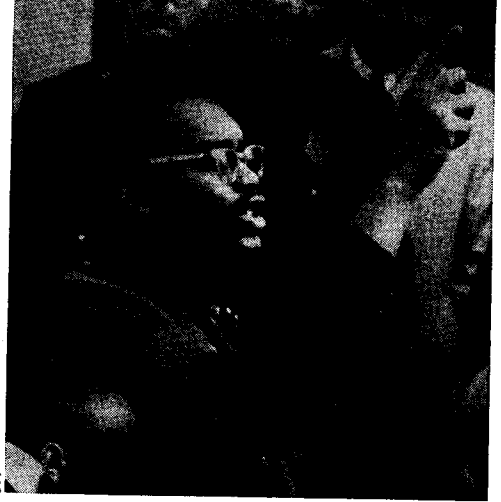
of white society. Now there is a widespread feeling that the oppressed has become the oppressor, and that the Jew has become part of the white Establishment. "The mood of the black ghetto is that the dominant WASP gave the Negro franchise to the Jewish community," says Daniel Watts, editor of the radical monthly *Liberator*. In light of their past brotherhood, the Negro is all the more outraged by what he feels is the betrayal by the Jew. "We expect more of him, and when it's not forthcoming that love turns to rage," says Watts. "The Jew has been a hypocrite. The liberal Jew has been in the forefront telling the South to integrate, while he lived in lily-white communities in the North. That hurts more than a Wallace, who is at least honest."

#### Filling a Psychic Need

At the same time, the black understands all too well that the Jew has not yet been totally accepted by white Christian society—which makes him a convenient scapegoat. After all, it is a role that he has played throughout history. "He is still insecure about his place in American society," suggests Psychiatrist Jack Morganstern of U.C.L.A. "You hit him and he's going to hesitate about hitting you back." Historian Joseph Boskin of the University of Southern California points out that the Jewish sense of liberalism and fair play sometimes borders on masochism. "If you have a fair-housing march through a white neighborhood," he says, "the Negroes will have their heads torn off. If they go through a Jewish neighborhood, half the population will be joining in, and the other half will be falling on the ground flagellating themselves." Selecting the Jew as a scapegoat fills an important psychic need for the black. To bait the Jew is to claim superiority to the Jew—and to identify with a white community that still contains elements of anti-Semitism.

The Jew, argues Bayard Rustin, is the victim of the Negro's love-hate syndrome; the black man tends to vent his anger and frustration on those who have helped him most. The Jew has contributed far more to the cause of civil rights than the gentile. Partly, Jewish liberalism toward the Negro was a product of self-interest: if the Negro could be repressed, then so could Jews. But the Jewish willingness to help others also stems from the abiding generosity of the Hebrew religious tradition—though less well-off Jews sometimes feel far too threatened to share such altruistic sentiments. Jewish philanthropists were among the whites who helped Negro leaders establish the N.A.A.C.P. and the Urban League. The honor roll of CORE and S.N.C.C. martyrs includes the names of Michael Schwerner and Andrew Goodman, two Northern Jews who were assassinated by whites in Mississippi on June 21, 1964.

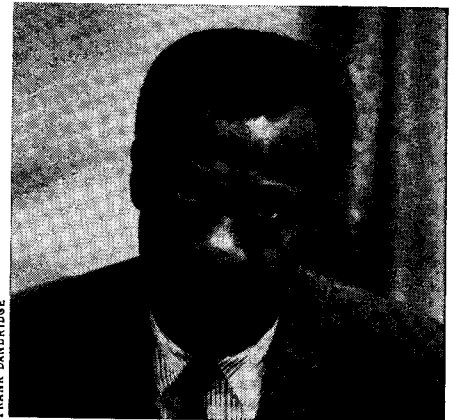
The civil rights movement welcomed white allies and could not have existed



CAMPBELL



RAAB



WATTS



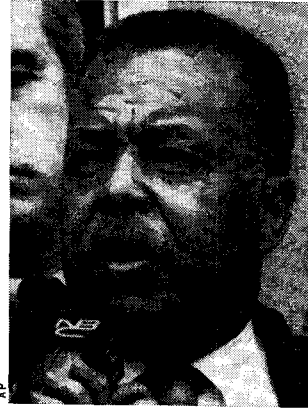
LELYVELD AFTER 1964 ATTACK  
Just beginning the course.

## Two Voices: A Dialogue on Dissension

Political Sociologist Leonard Fein, 34, is a Jewish intellectual who is associate director of the M.I.T.-Harvard Joint Center for Urban Studies. Black Educator Rhody McCoy, 46, is administrator of New York City's Ocean Hill-Brownsville experimental school district. Last week they met at the offices of *TIME* to discuss their concern about the deteriorating relationship between the ethnic communities to which they belong. Excerpts from their talk:



FEIN



McCoy

would tolerate it from any other source. If I were to tolerate it, it would be an insult to you because it would mean I don't hold you to a standard that I hold every other person to. Black anti-Semitism is fundamentally a cop-out—the same thing that people of all societies engage in when the going gets rough. When a problem becomes hard, it is very easy to point and accuse and say well it is racism or Jews or some other big word nobody defines very carefully or precisely.

Increasingly it seems to me

**Fein:** The peculiar tragedy is that the Jewish community has a history of many creative relationships with blacks. We have shared a great deal. While your grandfather was being whipped in Mississippi, my grandfather was being killed in a pogrom. I may be dead wrong on this, but I sense that blacks say to themselves: "Look, the Jews have gotten it in the neck, too; yet they've been extraordinarily successful in this country. How do I explain their success and black nonsuccess?" They're certainly not going to conclude that Jews are better than black people. But there is a convenient alternative explanation. Just assert that the Jews were successful only by cheating, and that the people they cheated were black. So in one fell swoop you explain both Jewish success and black nonsuccess. But there are a lot of Jews who are so obviously good guys that it's hard to say that they are gougers or cheaters or bigots. So what do you do? You call them hypocrites and you provoke them so fiercely that they, too, in the end turn against you. Then you can relax and say, "See, everybody's a racist."

**McCoy:** That's a pretty frightening concept, isn't it? But I'm not sure that's so prevalent. I would suggest that black people are still enslaved in one way or another, and I don't think they're really so ready to find scapegoats as to find reasons to blame it on the total American scene. It's an anti-white attitude period. To me, it eventually all goes back to economics. Jewish people say, "Well, I've been discriminated against, I was a second-class citizen and so I'm going to do something about it." But they still continue to practice the same discrimination. You can't even get a job as a dishwasher in certain areas they inhabit.

People who are oppressed want the oppressor off their backs. If he happens to be Italian, somebody's going to say you're anti-Italian. It's ridiculous. It only becomes a charge of anti-Semitism when some person needs a political platform. It's all part of a very definite effort on the part of some people who are trying to keep the black community isolated and fragmented.

Let me put it another way. Of course I think anti-Semitism is bad but I think we have more things to be concerned about than making anti-Semitism a priority. In Ocean Hill-Brownsville, people who basically were committed to educating children suddenly now are being charged with anti-Semitism. It takes things all out of context. I keep asking myself why it's so repugnant when it becomes black anti-Semitism. We know that other groups practice anti-Semitism much more subtly. If every black man in America were an anti-Semite, it would have no real impact on our society as it presently stands.

**Fein:** You can take that one step further. If every black man, woman and child were an anti-Semite, they would still number fewer than the total of white anti-Semites in America. But it would still be patronizing on my part to tolerate black anti-Semitism to any greater degree than I

that the black community has a choice. Is it going to be like many other ethnic communities—entirely introverted, hostile to other groups? Or is it going to be a community that is building for itself a capacity to relate to others creatively and productively? The organized Jewish community has a pretty good record of isolating and condemning its own bigots. But how can we make it possible to accept responsibility for the Jewish bigot who owns a building in the slum or who does not hire blacks, any more than any national black organization can be held responsible or accountable for every cheap hoodlum or foulmouth who happens to be black? I most certainly won't let such crude stereotyping go unchallenged when my people say it, and I don't expect you to let it go unchallenged when your people are the ones who say it.

**McCoy:** Maybe there are too few of us. The devastating part is that we don't have the resources to combat it. In the school strike, our governing board went on record as being opposed to anti-Semitism. We issued a document relative to the meaning of Rosh Hashanah, and now people are asking us to issue still another statement. How far do we go?

**Fein:** For both of us, the issue has been exaggerated. Why? Well, Jews and blacks are both more sensitive than people with less harrowing memories, so when Jews hear anti-Semitic statements being whispered, they are deafening. Beyond that, there is a backlash in the Jewish community, an unmasking of latent bigotry. Also, Jews in a perverse kind of way need anti-Semites. Jews in this country are in fairly serious trouble spiritually and ideologically, and it is very comforting to come once again to an old and familiar problem. By confronting others, you can avoid the much more challenging confrontation with yourself.

**McCoy:** In a very sophisticated way, I can say there is some education that has got to be done. When I look at it realistically, I am not so sure. I think we can sit around a table and iron out all the differences, but when you go to put that into practice nothing ever comes out of it in terms of moving to get people out of this kind of slavery. The other day I talked with a Jew who impressed upon me that he grew up on the Lower East Side. It was a ghetto when he went to school, but he got out of it. I said to him: "If it was a ghetto then and you left it and turned it over to me, what do you think happened to it? Do the blacks own the buildings now? No, they don't, and when they do and they overutilize them the Department of Buildings moves in and cuts their throat while the landlord next door is an absentee landlord and they can't find him and his building deteriorates." I said to him: "You've exploited, that's what you've done, you've exploited the people for a long time. Give them a chance to remodel and renovate. If you don't want to add to their identification of Jews as anti-black, then you have to do something about it. I don't think we need a process of education. We need a process of doing."

without them. What has now become the black revolution—separatist, militant and proud—has no use for the white man, especially the white man who is also a Jew. Belsen and Dachau are scars upon the Jewish memory; black nationalists deride them as evidence of Jewish submission. Says Psychologist Nathan Caplan of the University of Michigan: "The raw edge of the new anti-Semitism is not exploitation by Jewish merchants. Instead, it is almost an unwillingness to act pacifically like the Jews in Germany. Maybe they feel that the Jews set a bad example."

Another factor in the black extremists' anti-Semitism is their rather paradoxical support of the Arab nations in their struggle with Israel. Moslem traders were initially responsible for selling Africans into New World slavery but Arabs, though technically Caucasian, are often dark-skinned—therefore, soul brothers by adoption. Virtually every extremist leader has championed the Arab cause, even though Israel has contributed far more to the development of black Africa than all its Middle Eastern enemies put together. This paradox gains modest emphasis from the fact that a small minority of American Jews claim Ethiopian descent and that a much larger number of U.S. Negroes, perhaps as many as 350,000, claim and observe the Jewish faith.

Blacks criticize Israel in rhetorical terms that contain far more passion than logic. In *The Crisis of the Negro Intellectual*, for example, Negro Author Harold Cruse condemns Israel as part of a world conspiracy against the black. "The emergence of Israel as a world-power-in-minuscule meant that the Jewish question in America was no longer purely a domestic minority problem," he writes. "A great proportion of American Jews began to function as an organic part of a distant nation-state."

### A Boil on the Movement

How dangerous and long-lasting is black anti-Semitism likely to be? Jewish Novelist Gerald Green (*The Last Angry Man*), who grew up with blacks in Brooklyn, dismisses it as "a boil on the Negro movement" that will soon subside. In his view, anti-Semitism is a strategy that the black will come to recognize as of no political value. "I find it frightening," Green adds, "but I find it more pitiful than anything." On the other hand, CORE Director Roy Innis contends that "a black leader would be crazy to publicly repudiate anti-Semitism since his primary responsibility is to his people," and San Francisco's Earl Raab suggests that the black is not likely to abandon his bigotry as long as white Christians share his view. "It is not very likely," he says, "that one of the most stubborn cultural conventions of Western civilization will erode very quickly."

Whether or not anti-Semitism among blacks will disappear, its existence has Jews reason to rethink their relationship to the American Negro.

Rabbi Richard Rubenstein of Pittsburgh's Hillel Foundation suggests that the Jew should disengage himself from the Negro movement because his interests no longer coincide with those of the black. He argues that Jews traditionally approached the civil rights question as a moral issue. But to today's black leaders, the problem is primarily a political one that the black community must solve on its own terms, using its own strengths. "When the blacks say 'Get out of our way,' argues Rubenstein, "as bitter as that sounds, it's healthy."

Others have suggested that Jews might remove one acerbating source of animosity by financially disengaging themselves from investments in the ghetto—

MAURY ENGLANDER—BETHEL



BLACK JEW AT WORSHIP  
But Moslems are the real soul brothers.

a trend that fear, riots and civil disorder have already initiated. Historian Joseph Boskin argues that Jewish capital must underwrite this last exodus by buying out Jewish ghetto merchants and reselling their property to resident blacks. In Boston, this is already being done by a recently organized Small Business Development Center; helped by a grant of \$196,000 from the Department of Commerce, the center has already arranged for the transfer of several dozen shops from Jewish to black ownership.

While this approach coincides with President Nixon's plans for "black capitalism," it is not the only solution. The Jew has ample resources within his religious tradition to eliminate inequities that cause interracial tension. Last year, for example, at the suggestion of some Boston Jews, a group of Negro tenebment dwellers presented their grievances against their Jewish landlord to a *beth din*, or religious court. "This was a bunch of very old guys who haven't read James Baldwin or Rap Brown,"

says Boston's Leonard Fein, "and they wouldn't know a social-action council if they fell over it. But they know the Talmud and the Bible." Using these texts, the judges improvised a solution that satisfied both sides. The landlord agreed to make overdue repairs, and his tenants promised to do their share in good housekeeping. So far the bargain has been kept.

### Tuition Paid by Tolerance

What this modest example suggests is that the American Jew is capable of responding creatively to the challenge presented by black anti-Semitism. "We Jews, of all peoples," says Rabbi Arthur J. Lelyveld of Cleveland's Fairmount Temple, "should be able to feel empathy with Negro frustration and anger. When we look deep into our Jewish conscience, we admit that it is right that the Negro should expect more of us." Lelyveld has given his share; as a civil rights worker in Hattiesburg, Miss., five years ago he was attacked and severely beaten by two white men. Says Charles E. Silberman, author of *Crisis in Black and White*: "Justice is an act, not a state of mind. Our obligation in no way hinges on the merits of the person or the people to whom justice is owed." To expect or solicit the love of the black, he says, is both pathological and pathetic.

However negative black anti-Semitism may be, it can have a positive aspect for both democracy and the Jew. If the U.S. is to be a genuinely pluralistic society, then its goal is not to assimilate minorities, but to let them—within reason—live together, each in its own way. The Jews have had practice in this. The black is just beginning the course, and it is unfortunate that part of the cost of his tuition must be paid by Jewish tolerance. But so long as U.S. society repudiates the anti-Semitic hostility of the black and prevents it from bursting into open, physical violence, the Jew is in no real danger.

Many Jewish religious leaders are worried about another danger—that the Jew may be losing his identity. Today's militant black asserts his identity, and this, they argue, is a message that the Jew should understand and apply to himself. If the blacks succeed, and if in the process the U.S. learns better to tolerate diversity, Jews will be among the gainers, because they will be that much freer to assert their own identity. That will be the moment, many Jewish leaders feel, when Jews will come back into the civil rights movement—out of self-interest, not out of charity.

In the meantime, even if their help is now repudiated, all white Americans, Jews included, must work toward a goal—the goal of raising the condition of the Negro in American society, thereby eliminating many, if not all, of the causes of black anti-Semitism. When that is achieved, the alliance of the two communities, now near the breaking point, should be stronger than ever.

## G.E.'S HEAVY ARMFUL

**A**N old axiom at General Electric Co. is that "no operation should be larger than a man can get his arms around." There are few armfuls quite so huge or potentially so bountiful as G.E.'s. Its 375,000 employees turn out some 3,000 product lines, including jet engines, nuclear power plants and electric toothbrushes. Now the company has designed an unusual management system to better take hold of some costly problems.

The new system does away with the post of president and divides responsibility largely among three vice chairmen, who report only to Chairman Fred J. Borch, the man who gave up the presidency but remains very much the chief executive. The group's main task is to squeeze more earnings out of G.E.'s steadily increasing sales. Last week in Manhattan, Borch publicly introduced his triumvirate—William Dennler, Jack S. Parker and Herman Weiss. He also reported that sales reached a record \$8.4 billion in 1968—double ten years ago—but profits did not keep pace. A preliminary estimate shows earnings are, as Borch put it, "no more than 2% below" 1967's record \$361 million.

**Entrance Costs.** Borch is openly dissatisfied. He says: "We have not been doing as well as we would like in increasing our earnings to match our recent sales growth." At G.E., the percentage of profits to sales ran 4.7% in 1966 and 1967, well down from 1959's recent record of 6.2%. Last year earnings would have been off even more except for a final-quarter spurt in overall

sales, including those of TV sets, appliances and other consumer products, which account for some 25% of G.E.'s business.

The troubles lie mainly in G.E.'s newer technological fields. The firm had to pay high entrance costs to break into those areas, and profits are farther into the future than managers had expected. The difficulties focus on three areas:

► **COMPUTERS.** The company entered the computer field in the mid-1950s and so far has spent hundreds of millions to develop a full family of machines. Partly because of the competition from IBM (see page 63), it is unlikely to turn a profit before 1970 at the earliest. Another costly venture was G.E.'s purchase in 1964 of Machines Bull, a French computer manufacturer. G.E. has pumped well over \$100 million into the company, most of whose major computer lines had to be scrapped; Bull has yet to earn a profit for G.E. Some management critics believe that G.E. would have done better if it had set up its own European computer subsidiary instead of buying the ailing Bull.

► **NUCLEAR POWER PLANTS.** The company unwisely signed some "turnkey" contracts to supply complete plants at a fixed fee. Managers underestimated the devastating effects of inflation. They reckoned that construction costs would rise only 3% or 4% a year, but they have actually gone up about 12%. Result: losses on those jobs amounted to many millions of dollars last year. G.E. has a big backlog of \$2 billion in orders for nuclear plants, but probably

will not realize a profit on them for several years.

► **JET ENGINES.** Though G.E. introduced jet engines in the U.S. 27 years ago, it has lately encountered some turbulence in this well-known field. Most of its engines go to the military but its profit margins are a slim 2.7% on some major Pentagon contracts. Borch figures that when the Viet Nam war ends, G.E.'s more than \$1.5 billion sales of aerospace and defense hardware will drop about 10%. Partly to compensate for that, the company will try to push deeper into the more profitable commercial jet market. The payoff will not come immediately. G.E. is building engines for 110 McDonnell Douglas DC-10 air buses. In addition, the company's contract to power the Boeing supersonic transport should eventually be worth \$5 billion or more in sales, but executives do not expect to reach the break-even point before 1980.

**Rare Collection.** Borch figures that the decade of the 1960s has been unusually demanding—yet highly promising—for the company that was founded 77 years ago by Thomas Edison and some others. "Rarely will two things with such exponential leverage for the future as nuclear power and the new generation of jets fall together in a single decade," Borch points out. "These are challenges that, with our resources and technologies, we simply could not walk away from."

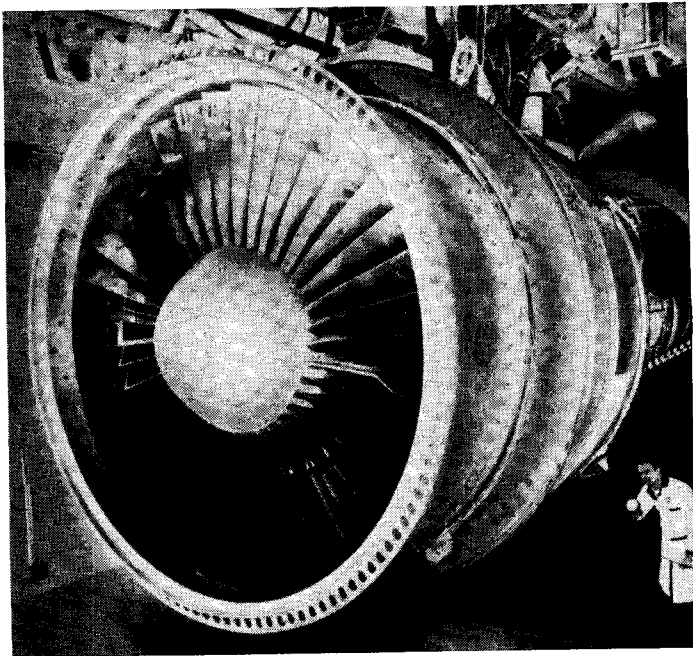
To handle those problems and opportunities, Borch and his three vice chairmen will exercise tight control over an operation that has lately been split into ten groups and 48 divisions—up from five groups and 29 often overlapping divisions. That change recently won a compliment of sorts from rival Westinghouse (estimated 1968 sales: \$3.3 billion). Three weeks ago, Westinghouse Chairman Donald C. Burnam named three vice chairmen, and picked four presidents to take charge of what Westinghouse calls four "company-like" units. By subdividing to achieve smallness, the giants of electricity hope to get their arms around the nettlesome new technologies.

## ENTREPRENEURS

### The Designing Man

Pierre Cardin is the Parisian fashion designer who first put models in crash helmets, matched short skirts with colored stockings and more recently dressed men and women in futuristic space suits. Fashion experts rank him among the top five trend-setting designers, along with Yves St. Laurent, Courrèges, Ungaro and the House of Dior. As haute couture's top entrepreneur, however, Cardin has no equal.

Cardin shocked the French fashion world when, in 1962, he began



TURBOFAN ENGINE FOR DC-10

*An unusually demanding, but highly promising decade.*



FRED BORCH

DAVID GAHR