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MONEY IN CRISIS

Eli Valley
Editor

Erica Coleman
Copy Editor

Janet Mann
Administration

Yakov Wisniewski
Design Director

THE STEINHARDT FOUNDATION FOR JEWISH LIFE

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Chairman

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President

Rabbi David Gedzelman
Executive Vice President

Rabbi Irving Greenberg
Founding President

Jonathan J. Greenberg z"l
Founding Director

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Phone: (212) 279-2288

Fax: (212) 279-1155

Email: info@steinhardtfoundation.org

Website: www.steinhardtfoundation.org

For media inquiries about The Steinhardt Foundation for Jewish Life, please contact Richard Dukas at richard@dukaspr.com.



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The Steinhardt Foundation for Jewish Life is dedicated to strengthening and transforming American Jewish Life to ensure a flourishing, sustainable community in a fully integrated free society. We seek to revitalize Jewish identity through educational and cultural initiatives that are designed to reach out to all Jews, with an emphasis on those who are on the margins of Jewish life, as well as to advocate for and support Hebrew and Jewish literacy among the general population.

MONEY IN CRISIS

In a recent piece for The Washington Post, Naomi Klein argued that an overlooked cause of the current economic crisis was “Brain Bubbles.” Running down a list of highly regarded presidential economic advisors in the current and former administrations whose theories and prognostications turned out to be decidedly wrong, Klein wrote that in a Brain Bubble, “the intelligence of an inarguably intelligent person is inflated and valued beyond all reason, creating a dangerous accumulation of unhedged risk.”

As the Jewish community and society as a whole pick up the pieces of a seemingly high-flying era, it might be worthwhile to examine what, if any, bubbles the Jewish philanthropic world helped to inflate. Did the idea of unending wealth have an effect on philanthropic decisions in the past ten years? Were there areas of investment or trends in thinking that reflected skewed perceptions and priorities? In what ways did we buy into a culture of luxury and risk, both in the things we valued as a community and in the ways we allocated philanthropic resources? Overall, what effect, if any, did Jewish communal participation in a presumed “Gilded Age” have on Jewish culture, thought, modes of self-perception and trends of affiliation?

These questions will take at least a generation to answer with any degree of depth or accuracy. In this issue of CONTACT, we hope to provide some initial observations on what brought us here, and where we might proceed. Contributions run the gamut from essays on ethics and morality to practical courses of action for Jewish organizations seeking the best methods of weathering the economic storms. Moving forward, now is a good time for individuals and organizations to reexamine some of our most strongly held assumptions and values as we consider new ways of strengthening and revitalizing the community for a new era of American Jewish life.

Eli Valley
Eli Valley



THE Landscape AHEAD

by MICHAEL H. STEINHARDT

Speculation about our economic future often leads to estimates as to when the decline in economic activity will end, how much further the stock market will fall, and how much further unemployment will grow. This is all well and good, but it may not get to the heart of the issue: the ways in which our society is being transformed. One could argue that money and material possessions have been a perennial, dominant force in American life, particularly in the last quarter century. Huge houses, private planes and art selling for heretofore unimaginable prices have become a norm. Wall Street has been by far the premier place for attracting so many of our best and brightest in the past 20 to 30 years, certainly among Jews. Will these things change and, if so, how and why? For me, it is much more worthy to ruminate about this than about which quarter the GDP will turn up.

So recently, “The End of History” was a catch phrase in the minds of many. Can we now be suggesting an end to Capitalism as we know it? It does seem extreme, but so does the revulsion for business leaders of recent vintage — and perhaps more important, the revulsion for their morality.

Are we seeing the beginning of a movement to the Left that reflects not only a sense of unhappiness with the growing inequalities of income in recent years, but also a different view as to what is fair and just in our society? The fact that many corporations and some of the wealthy pay such a small share of the tax burden, and that there is no longer a perceived relationship between wealth and virtue as perhaps there once was, are signs that we might be about to undergo major transformations. I think this applies globally as well, including in the Israeli business community. I have often asked, “Who are the role models in the business world today?” Other than perhaps a few technology geeks, there are very few.

So what could this new landscape be

like? Will it be like Mexico, or other parts of Latin America and Africa, where overwhelming poverty abounds, the rich need bodyguards and violence is a constant undercurrent? Will there be protectionism and the rise of a new nationalism, the hints of which we are beginning to see? It's hard to say, and one should not think only in extremis. But, for many of us, this is the greatest economic upheaval in our lifetime.

And what about the Jews? We certainly were prime beneficiaries of the prosperity of the last quarter century. In every area of American life, but especially in economic matters, we raised ourselves to unprecedented abundance. But where has this left us? As much as we've assimilated into America, it takes nothing more than a man like Bernard Madoff to reveal Jewish insecurity. “What will the Christians think?” is on the minds of many. The degree of Jewish introspection about potential anti-Semitism based on this and other events with notable Jewish “villains” has been vast. Is such insecurity justified? I think not, but time will tell. Perhaps more important, is there a Jewish message in our wealth, in our prominence in much of the ugliness of the moment? Again, I think not, but Jewish antennae remain sensitive, however much we are integrated. And I believe that we are, and perhaps should be, our own worst critics.

One thing that bears examining is the degree to which we Jews have partaken in society's excess. We have been in the front ranks in participating in every possible material glory. And we do it openly, lavishly, ostentatiously, playing the game of “mine is bigger than yours” perhaps better than anyone. Is it wrong? Is it wrong for Jews to dominate the real estate business in so many cities? What about Jewish sway in Hollywood? Is it wrong for some Jewish families to own some of the world's greatest art? When does nouveau riche become establishment riche? Have our ethics been compromised by immersion in material excess? Has the age-old Jewish focus on learning been replaced by the lust for mul-

tiples and yachts?

For American Jews, the prevailing ethos has often been about “making it.” Will the present circumstance temper our material desires? Is the bloom off the rose of Wall Street glamour? What will take its place? Are we on the verge of witnessing a new morality not only in America but in Jewish life? We have already seen a recent surge in interest in becoming teachers. In a similar vein, a surprisingly large number of Birthright Israel alumni have found their way back to Israel, many without clear long-term motivations. Is it possible that young people are reconsidering the values a previous generation considered paramount? Will this grow beyond the present period of job scarcity? Are we finally revisiting who we are?

In the spirit of the change we are undergoing, I believe that there could not be a better time to contemplate Jewish values. Why be Jewish? What makes us special? Why are we high achieving? What really are Jewish values? The answers to these questions may be difficult to come by, and will not necessarily come most insightfully from rabbis.

Finally, much has been said about the impact of the economic crisis on the Jewish community and on Jewish philanthropy. There is concern that both the community and its philanthropy will be weakened. I would argue that in the non-Orthodox world, we don't have much of a community nor a Jewish philanthropic structure that is both vibrant and cohesive. Thus, while I am concerned about the social-welfare aspects of our communal affairs, aside from these, I have long felt that we need a deep overhaul in our already deteriorating community. That can only happen from a new and more profound understanding of Jewish values and the spirituality that develops therefrom. My further hope is that the next generation of Jews, inspired by Birthright Israel, can begin to fulfill these visions. This is by no means a high probability bet, but we Jews are no strangers to long odds. ■

Michael H. Steinhardt is Chairman of The Steinhardt Foundation for Jewish Life.



THE TIME FOR RENEWED TZEDAKAH IS NOW

by LYNN SCHUSTERMAN

When I was a child, one of the first lessons my father taught me was that charity is the rent we pay for our lives on this planet. My father lived by this philosophy. I remember accompanying him as he brought food and friendship to many of the homebound seniors who lived in our community. As a young adult, I vowed to follow in his footsteps and committed to always do my best to help those in need and those working to make our world a better place.

This responsibility to assist one another is a fundamental tenet of our Jewish tradition. The Hebrew word for giving, tzedakah, is rooted in the word for righteousness. When we give, we not only help someone else, we also bring a measure of justice and God's love into the world. Tzedakah is something we perform as well as give. In fact, it is something we must do to be good Jews and good human beings.

With the uncertain economic situation forcing all of us — regardless of income level — to rethink our financial commitments, it would be understandable if we tried to whittle down the “rent” we pay for our life's blessings. There are many who have lost their jobs or their wealth and who cannot afford to give at all. Foundations have seen their assets decline in value by an estimated 30 percent and are struggling to make their budgets while also meeting their obligations on previously announced gifts. As a result, many are cutting back gifts and turning down emergency grant applications.

But even now, especially now, we have to remember that tzedakah is not what we do only when we can; it is a commandment. We all feel the chill of the economy's downturn, but our hearts must not turn cold as well. We must respond.

When times are tough, courage, vision and strong leadership become even more important. Sometimes, one person's dream becomes a reality that affects the entire community. That is why our foundation is honored to support those who are doing the heavy lifting to make a

difference in these difficult times.

Jay Feinberg is one of those people. Through his Gift of Life Bone Marrow Foundation, Jay and his team have recruited tens of thousands to create a worldwide registry of potential donors, based on the knowledge that Jay understands that chances of successful matches require access to donors from the same ethnic background. Stung by financial losses suffered by several of his largest contributors, Jay quickly began finding ways to raise new revenue and cut costs so that his critically important work could continue. While not finished yet, Jay has managed to keep Gift of Life moving ahead.

I also find inspiration in David Cygielman, the founder of Moishe House. Moishe House has 23 houses in 7 countries that serve as hubs for Jewish young adults as they create their visions of an ideal Jewish communal space. When support from a long-time benefactor came to a close in 2008, David rolled up his sleeves and went to work. Recently named to a 2009 AVI CHAI Fellowship — an Investment in Individuals, and with continued support from the Jim Joseph Foundation, David is in the process of using those resources and securing additional funds to help Moishe House realize its full potential.

At Keshet, an organization dedicated to creating a welcoming and inclusive Jewish community for gay, lesbian, bisexual and transgender Jews, Idit Klein and her board took a careful look at programming and chose to limit their expansion into affiliate communities for 2009, thus avoiding the risk of diluting programming in existing communities.

In Israel, the inspiring young leaders of Ayalim are currently foregoing salaries in order to keep their organization afloat. The Ayalim Association was founded in September 2002 by a group of young army veterans who wanted to strengthen settlement in the Negev and the Galilee, while educating towards Zionist goals and fostering ties between the people of Israel and its land. Today, several hundred students participate in these programs, and hundreds more students and volunteers join in during summer break.

These inspiring individuals and organizations aren't throwing in the towel, nor are they compromising the important work of their organizations.

Another value that my father instilled in me is that being Jewish means caring for all of those around you, no matter their religion or background. This is why our family is also committed to supporting the community in which we have lived for four decades, our

hometown of Tulsa, Oklahoma.

At the end of 2008, we recognized the struggle of our city's vital social-service programs to meet the increased demands this economy was creating — just when significant portions of their funding were drying up. That's when we initiated our Lights On! program. Without advance notice to the organizations, our foundation awarded end-of-the-year grants to fifteen non-profit agencies that provide direct services to the most vulnerable in our community. We encouraged them to use this money to help pay their utility bills during 2009 and to spend the funds on other ongoing costs that many funders seldom support. This allowed them to remain focused on their missions to provide shelter and support to those who most need it.


Through a similar program, Curtains Up!, we're helping our local art museum, opera, ballet, orchestra and arts and humanities council meet their operational costs so that they can continue feeding the creative spirit of Tulsa residents. As arts and educational organizations experience draconian budget cuts, we decided to make a statement — that the arts are food for the soul and that the soul needs to be fed, even in tough times.

While many families are fortunate enough to make charitable contributions on such a scale, a donation does not have to be large or public to make a difference. In fact, the gifts that matter most in any community are those of small- and mid-sized contributions, often in checks of \$50 or \$100, from many individuals, families and businesses. Those gifts not only help keep vital services up and running, they also build morale. For a caregiver, teacher, social worker or administrator, those checks arriving regularly are votes of confidence. Each one says: “You matter. You make a difference. We need you. Thank you. Don't stop. Especially now.”

It is in the most difficult times that each of us is tested to do good, to go the extra mile and to lend a hand to those around us. One individual can make a difference, whether as a funder or a service provider. That's what keeps my family giving — the desire to make a difference — and we see evidence each day of the human spirit rising to the challenge, feeding our collective stomachs and souls, making this a better place for all.

For while the economic and investment worlds are unpredictable, our rent payments to the world still come due — and whatever our capacity, each of us needs to continue to pay on schedule. ■

Lynn Schusterman is Chair of the Charles and Lynn Schusterman Family Foundation.



THE American Jewish Community IN Crisis AND Transformation: THE Perspective OF History

by JONATHAN D. SARNA

As the Jewish community confronts an era of economic crisis and transformation, there is much that it can learn from previous economic downturns.

For instance, the Great Depression saw a widespread abandonment of Jewish education. The American Jewish community paid a big price for those declines. Those young Jews never made up what they lost. In addition, in the early years of the Great Depression, American Jewry turned inward and paid little heed to what was going on abroad, particularly in Germany. We were, as a result, less prepared as a community than we should have been for the terrible impact of world events. We need to be careful to avoid such mistakes this time.

On the positive side, Jews turned primarily to one another during the 1930s, relying on ties of faith and kinship to carry them through the hard times. Traditions of self-help and mutual aid overcame religious, ideological and generational differences within the American Jewish community. There is much that we can learn from this today. We have a huge

opportunity to remind Jews of the benefit of the idea that all Jews are family, that we help one another in need. We desperately need to relearn some of our traditional communitarian values, forgotten, in a few circles, during the years of plenty.

A second positive trend in the 1930s was the impact on Jews of New Deal programs and government centralization. More than anybody realized at the time, the Depression set the stage for the five-day work week and for growing government responsibility for social services. Together, these transformed postwar Jewish life in myriad ways. The New Deal also provided a model for growing centralization in Jewish life at the national and local levels.

Ronald Reagan, of course, reversed course at the national level when he became president in 1981. Under him, we began a project of decentralization: cutting taxes and shifting power away from Washington. The American Jewish community, as if in step, likewise shifted course away from central control by the United Jewish Appeal and the Large City Budgeting Council (which were also deemed inefficient, slow and unable to innovate), and it moved toward more local control. The community also moved toward its own version of privatization, which resulted in the growth

Jonathan D. Sarna, Ph.D., is the Joseph H. & Belle R. Braun Professor of American Jewish History at Brandeis University and Director of its Hornstein Jewish Professional Leadership Program.

of private Jewish foundations.

The Jewish community grew wealthy, along with the nation as a whole, in the post-Reagan era. Arguably, more Jewish wealth was created in those good years than in all of American Jewish history put together. And since much of that wealth was created by investors and venture capitalists, it is no surprise that they brought a venture-capital mindset into the

been disproportionately involved in banking and the stock market, and they were also disproportionately hurt by Madoff (\$2 billion, by one account, was lost by members of a single Orthodox synagogue). They also are heavy users of our most expensive Jewish institutions: synagogues and schools. Orthodox, as a result, may well suffer disproportionately in this downturn, with long-term

WE CAME TO BELIEVE that smart Jews could make money whatever the markets did — up or down. Most of us could not understand how they made money, but thank God, if we were lucky, they would let us — for a price — share in the wealth.

American Jewish non-profit sector, promoting innovation and experimentation.

We also now know that the burgeoning number of Jews in hedge funds created a dangerous sense of overconfidence. We came to believe that smart Jews could make money whatever the markets did — up or down. Most of us could not understand how they made money, but thank God, if we were lucky, they would let us — for a price — share in the wealth. We could expect 10 percent returns almost guaranteed. That, in the end, paved the way not only for the great market crash, but also for Bernie Madoff.

At the moment, following billions of dollars in losses to Jewish endowments and a significant decline in annual gift giving, every sector of the American Jewish community argues that its services have to be preserved at all costs. More or less every program is too good to give up. The problem is that, aside from killing off CAJE, nobody has put forth serious ideas about how to cut the Jewish communal budget by one-third. That, however, might well be what we need to do. Foundations, even not taking into account the Madoff losses, are about one-third poorer than they were this time last year. If the downturn stretches into 2010, annual campaigns may be down by one-third as well.

Inevitably in downturns, the weak organizations are the first to fall. As Warren Buffett observed in his usual, colorful way, “you don’t know who is swimming naked until the tide goes out.” It is possible that, at the very least, some of the Hebrew colleges, many of the bureaus of Jewish education, several of the Jewish museums and other, shakier Jewish organizations will not survive this downturn.

Orthodox Jewish organizations are apparently in the worst shape. Orthodox Jews have

consequences for its future growth.

In addition, here are seven trends to watch:

1. Mergers with non-Jewish institutions.

We have seen several Jewish organizations that have either merged with, or contemplated merger with, non-Jewish organizations, including a JCC that merged with a YMCA in Toledo. Some Jewish day schools have discussed sharing secular classes and facilities with non-Jewish private or parochial schools. None of this could have happened in the 1930s, when anti-Semitism was so rampant. But today we are confident — maybe too confident — that we can make deals with non-Jewish organizations without losing an essential part of ourselves.

2. Effort to re-engage small donors. Until WWI, American Jewish philanthropy was in the hands of a small number of wealthy, elite Jews. With the catastrophe of war, the great desire of immigrants to aid relatives left behind led to mass philanthropy. For the next 60 years or so, philanthropy was not only a way to raise money, but also a form of Jewish identification. More recently, business-minded consultants persuaded federation heads to focus on big givers, for the sake of efficiency. The cost per dollar raised was much less with wealthy donors, they observed, and with only so much time to educate donors, they thought it was a better investment in time and resources to educate wealthy donors. As a result, over the past twenty years, the donor base, according to UJC, dropped from 900,000 to under 500,000. Fortunately, as was seen in the Obama campaign, new web technology has made it much easier to engage small donors cheaply and efficiently. The loss of some of our wealthier older donors makes the effort to re-engage small donors more urgent than ever.

3. Calls for higher standards of ethics and for greater transparency. Madoff losses and nationwide dissatisfaction with executive salaries and perks are bound to have an effect on the non-profit world. Donors will demand more openness, less reliance on “the wisdom of the rich,” and a higher general commitment to ethical principles and to transparent investments and spending. I suspect that salaries at the top will fall at foundations, federations, day schools, etc. In the short run, this will have no effect; people will be glad just to be employed. In the long run, it may deprive us of quality individuals who will prefer to work in the private sector.

4. A power flow back to the center. The Jewish community tends to follow national trends. Now that we again have a president who believes that government is a force for good and a force for change, I expect more efforts to promote greater communal cooperation and centralized planning.

5. New focus on sweat equity. In the absence of lots of startup money, young, creative, technologically savvy Jews will give time to causes that inspire them. We already see this in the minyan world. I expect we will see it elsewhere as well. As unemployment rises, the challenge will be to try to harness the available time of the unemployed for the benefit of the Jewish community.

6. A communal turn inward. Already, engagement with Israel is down, especially among the non-Orthodox. Notice how few of the recent Jewish startups are Israel related. Even the war in Gaza did not lead to mass fundraising for Israel — a historical first. As Birthright Israel takes fewer young people to Israel, we may find ourselves back in the old days of the Intifada when so many young Jews learned about Israel primarily from watching CNN.

7. A simultaneous surge in aliyah. Downturns in the United States generally promote aliyah. I expect an uptick in aliyah especially among the Orthodox and those who have already spent time in Israel, but did not think they could take the risk of moving there.

It behooves us to be humble as we try to imagine the future. Nobody in the wake of the great 1929 crash ever imagined that just twenty years later 6 million Jews would lie dead in the Shoah; the State of Israel would come into existence; American Jewry would move from the cities to the suburbs; anti-Semitism would drastically decline; and Jewish education would become a growing communal priority. I do not have high confidence that we can predict the future today any more clearly.

But this much I am prepared to predict: the economic downturn will come to an end, and the work of renewing and revitalizing Jewish communal life will resume. Let us hope this happens soon! ■

What to learn from **BERNIE**

by J.J. GOLDBERG



In the months since Bernard Madoff's December 2008 arrest, American Jews have tried in countless public forums and private conversations to understand what the affair might mean to the Jewish community. He has been denounced and renounced; pronounced a sociopath and a monster and a traitor to the community. We've been told repeatedly that his misdeeds have nothing to teach the Jewish community. Yet we keep on searching. We're sure there's an answer in there somewhere, if we can just figure out the questions. Or, perhaps, we sense the questions, but we're afraid to speak them aloud.

It's time, I think, to step back and reframe the issue. To understand the Madoff problem — Bernie: myth and reality — we must first understand the Yom Kippur problem.

Yom Kippur, the holy day of atonement, is the time Jews come together to confess our sins and atone. We are not content, we often remind ourselves, simply to confess our own personal misdeeds. It is the community's sins that we stand and recite in unison in our congregations: We have done wrong. We have betrayed. We have stolen. We have spoken falsely. We have been, as the Torah calls our people, stiff-necked.

Unlike so many other faith communities,

J.J. Goldberg is the Editorial Director of the Forward and author of Jewish Power: Inside the American Jewish Establishment (Perseus Books, 1996).



WE INSIST that our community could not be responsible for any misdeeds, because it is incapable of doing wrong. Anyone who says otherwise — who suggests that we Jews have done wrong — is a bigot.

we claim our community's deeds as our own, for better and worse. All Israel, tradition teaches, is responsible for one another.

So we like to tell ourselves. In reality, we take no such responsibility. Indeed, we reject the very idea of community responsibility. To the contrary, we insist that our community could not be responsible for any misdeeds, because it is incapable of doing wrong. Anyone who says otherwise — who suggests that we Jews have done wrong — is a bigot. And anyone who raises a hand against us must necessarily be acting not in anger but in madness or evil.

Oh yes, individual Jews are capable of doing wrong, but that can have nothing to do with us or with our shared heritage. They are strays, bad apples who somehow never spoil the bunch. Their deeds teach us nothing about the soil from which they sprang, about Judaism or the Jewish people. Curious: Our Nobel Prize winners reflect well on all of us, but our gangsters cast neither light nor shadow. They form no part of our self-image or self-understanding. We cast them out of our communities and out of our memories. We can name the Jews in Major League Baseball but not the Jews on death row.

But wait: Haven't we learned that it's wrong to tar groups with the negative characteristics of a few? Well, yes, but many of us do it anyway, and perhaps it can't be avoided. We can recite many flaws in Arab and Muslim culture that lead to stagnation, frustration and violent rage. We have plenty of choice things to say about the French. But of the Jews? That would be anti-Semitism. How, then, can we begin to ask what went wrong?

The Village Voice publishes an annual investigative feature listing New York's "Ten Worst Landlords." The author once told me that the liberal weekly went to great lengths every year to include at least a few gentiles on the list, so as to avoid the appearance of anti-Semitism.

No, Jewish landlords are not worse than other landlords. But Jews are a dominant pres-

ence in New York real estate, much as they are in Hollywood and toy manufacturing and designer jeans. Or, for that matter, as Koreans are in New York dry cleaning. That surely has an impact on how business is done. When people of similar background come together, whether for business or celebration, their behavior will inevitably reflect elements of their shared subculture — both good and bad.

But we Jews prefer not to examine these things. And we'd prefer that others not talk about it, either, which they mostly don't, at least not when we're around. When we examine Jewish behavior, we usually focus narrowly on how closely Jews adhere to the community's ideals. We survey Jewish ritual behavior, but not Jewish economic behavior. We're afraid that would lead to anti-Semitic stereotyping.

Accordingly, Jewish discussions of Madoff include endless talk about how Judaism expects Jews to behave, but we never get around to discussing why Bernie Madoff — or others who have acted egregiously — behaved differently. And so when an incident blows up, we are caught flat-footed, groping for a way to understand.

What do those "Worst Landlords" do that gets them on the list? Not much, really. They try to squeeze a few extra dollars out of buildings they own in neighborhoods most of us would never visit. They save a little on heating and maintenance. They pay bottom dollar to their janitors and repairmen. They look for a deal on elevator parts. It's their property, and they're entitled to make a living.

Besides, we remind ourselves each time a scandal erupts, all this has nothing to do with Judaism. Society may hound these individuals, but we sit next to them on Monday and Thursday mornings and we know their piety. We see the care with which they wrap their tefillin and observe the Sabbath. We know their concern for the community, their generosity in renovating the social hall, in funding day school scholarships, in supporting widows and orphans in Jerusalem. You keep down your elevator repair costs in the

Bronx, you can support a lot of widows and orphans in Jerusalem.

We know them as good and pious Jews. How they make their living is nobody's business. What does it have to do with Judaism?

The answer to that is embarrassingly obvious. The Torah spends much more time on economic justice and the rights of the poor — including various required transfers of wealth from the rich to the poor — than on kosher food.

Exploitative or fraudulent business practices should carry as much of a stigma in Jewish public life as any other moral failing. But who dares to point a finger at the offender? Those who should be the community's voices of moral conscience are on the payroll of the wealthy.

A voluntary community is utterly dependent on the generosity of its donors, and vulnerable to their whims. Jewish communal organizations, lacking any power of taxation, can operate only when donors choose to donate. In a way, the character of the donors becomes the character of the community.

During the course of the 20th Century, and especially in the sixty years since the birth of Israel, our community has faced and overcome monumental challenges. To do so, we have built vast networks of institutions requiring constant, massive infusions of donations. Accordingly, we carefully cultivate big donors, rewarding them, honoring them and flattering them. And the more they donate, the more the community's institutions grow, and the greater becomes the dependence. And so we flatter them some more. We put them onto our governing boards and we call them leaders. We should not be surprised when they expect to be followed. Wealth is too often confused with wisdom.

From these simple truths flow many ills. A charitable institution whose leadership is made up of wealthy donors may tend to overlook the rules of fiscal prudence and diligence that those leaders follow in their business lives. Accomplished in their various, unrelated fields, and flattered by their philanthropic advisors that they are the heirs to generations of Jewish wisdom, they settle into their leadership chairs and make amateurish decisions. And because they assume that Jewry can do no wrong, they often disregard the most basic safeguards, like diversifying investment portfolios, maintaining transparency in reporting or avoiding conflicts of interest. Besides, their charitable involvement is a voluntary, leisure-time activity, as much a social engagement as a sacred mission. They don't want it to be too unpleasant.

A genuine examination of the Madoff scandal could teach us a lot about ourselves, if we really wanted to look. It's a lot safer and easier, though, to call him a monster and leave it at that. Yom Kippur is hard enough to get through as it is. ■

Imagine for a second that there was a central hub for Jewish philanthropy.

Imagine that it was a clearinghouse to vet and fund bold, new, innovative ideas.

Imagine that this entity also effectively funded the basic Jewish infrastructure that keeps our community up and running — our nursing homes, our social-service outlets, our day schools and our synagogues.

Now imagine that this perfect thing could convene the mega-philanthropists of the world and give them a space to sit down and to talk together with knowledgeable professionals in order to identify the real needs of the Jewish community, and to figure out how to strategically harness enormous resources to start to cover those needs — without overlap and without ego.

Imagine if the professionals who kept this entity going could then go out and find the six-figure and five-figure gifts to help fill in the larger gaps that the mega-gifts couldn't cover. Because even though this system has seen its donor base drop from 900,000 to 540,000 in the last fifteen years, it has not seen its dollar intake drop because it cultivates five- and six-figure gifts better than any other fundraising entity out there.

But then what if we took the myth that this system also cultivated and valued the \$18 and \$100 gifts, and made that myth true?

One million \$100 gifts added together equals one \$100 million gift, and three million \$100 gifts is the same as a \$300 million gift. No living philanthropist has ever given \$300 million to the Jewish community.

But what if that was the collective gift the community made each year?

One \$100 gift that supports both the old and the needy and the future is still a gift that most of us can make, even during a recession. Even me, a writer, who has never been asked.

What if the mega-philanthropists of the world held that system's feet to the flame and made it find potential donors like me?

Imagine that the Jewish federation system could be transformed into a system that could pull our community through this recession — and that all such a transformation really required was a total buy-in from the mega-wealthy.

What if that buy-in could force the system to really look in the mirror?

And then what if the system was to realize that it is not the central address for Judaism and that it has no need to own or control anything? It would simply be a fund-raising organization and an infrastructure. Because it raises money, it would be the backbone of the Jewish

community — not the heart of the community. The heart, the flesh, the blood and the soul of the community would consist of the myriad institutions and startups and people it could potentially feed. The system's job would be purely their support and not their brain.

And imagine if you had an idea, a crazy idea, that you thought might help engage disenfranchised Jews. You could go to this entity and sit down with people who really know what they're talking about, who can evaluate your idea, help you develop it, give you space

Or better yet:

What if they calmly presented this system with the cold, hard fact that they, these new innovators, had access to and connections with Jews in their 20s and 30s, the folks their organizations reach — and the exact folks that this system has been unable to find and engage? And what if these small organizations sat down with the professionals and the lay leaders of this system and talked about how they, the young organizations, could share their wisdom on how to reach these young

Re-Imagining the Jewish Philanthropic Landscape

by JACOB BERKMAN

to work on it and expertise to refine that idea. What if it could help you bring your idea before potential funders? Because you went through the system, you would automatically have some credibility, and you would automatically have your foot in the funding door.

What if that foot in the door meant you wouldn't have to impress everyone all of the time?

What if that open door meant social entrepreneurs could go back to selling products and programs with proven results, instead of selling themselves?

Now, imagine that we don't have to create a new system from scratch, that it has been sitting there for a hundred years and that it already has buildings, outposts, infrastructure and professionals working in 157 Jewish communities, who have databases of potential donors and the actual manpower to become something better than they are right now.

Imagine if those who ran that system were open to the idea of change and that the lure of big donors, really big donors, could help them make bold decisions to let go of old allegiances that the politics of their system now forces them to keep.

And what if as these outposts went through layoffs, they weren't merely cutting jobs where they could, simply to make budget? Instead, they'd be looking at the talent standing in the unemployment line and hiring from that line talented marketers, money makers and fund raisers. Maybe a single talented person fired from a Goldman Sachs could more effectively do the job that two mediocre employees now occupy.

Imagine that those who ran small organizations could put aside their biases and feelings of alienation and even their anger at this system that has never really let them in — and could stand together at the doors of this system and demand to be let in.

people? What if this old system could incorporate these new programs into their old slate, and what if that could lead to more funding?

Because just like the mega-donor needs the little donor, the big old system needs the grassroots.

Imagine that this recession could force all of us to sit down together to figure out that we need each other to pull through — not necessarily because we want to, but because we absolutely have to, no matter much it hurts.

Maybe this imagining isn't so far off. Maybe people high up on the federation and the foundation side are already talking about working together.

What if the chairman of that system recently told me that the system needs to change and wants in its heart to change? Something along the lines of: "The private philanthropists have found they are very good at starting new projects, but have a hard time sustaining them. It takes a village to sustain them. And we are the village. ... What we have is 157 communities that can leverage their work. What they have is the early dollars and urge to innovate."

The CEO of the country's biggest Federation and the president of one of the Jewish community's most influential foundations recently sat down for a conversation with the Journal of Jewish Communal Service. Both talked about the desire to work better together. The Federation CEO said, "We both need to disarm." The foundation head said, "I agree that disarming is the first part of it. But we don't yet have the bridge builders who should be building the bridges."

Imagine that we took it upon ourselves to become the bridge builders, because we are all in this together, and if we don't build the bridges ourselves, we might all just fall into the river.

I can imagine. Right? ■

Jacob Berkman covers philanthropy for JTA and writes JTA's *Fundermentalists* blog at <http://blogs.jta.org/philanthropy/>.

SEEDING the ECOSYSTEM of the JEWISH FUTURE

by FELICIA HERMAN and SHAWN LANDRES

What do LexisNexis, FedEx, Microsoft, CNN and MTV Networks have in common? Not only have they fundamentally changed the way we think about information retrieval, shipping, technology, newsgathering and music, but each was founded during a recession. Instead of finding cheaper, familiar ways to solve old problems, each challenged the assumptions and conventions underlying its respective market, pioneered new ways of doing business, and succeeded in changing the face of American industry.

We believe that the current financial crisis confronts American Jewry with just such a choice. We can retrench around the familiar, retool existing programs and reduce wasteful spending around the edges. Or we can harness this painful moment of constriction to generate the social, economic and political will to build a new Jewish future; to use this profound moment of discontinuity to acknowledge our current organizational weaknesses; and to lay the groundwork for a Jewish communal infrastructure that will sustain the community for the coming decades.

The first step is to discard our vestigial allegiances to outmoded Jewish organizations and to missions that have already been accomplished. We cannot afford to sustain organizations that we have been hanging on to because of nostalgia, fears born of bygone eras of Jewish history or outmoded analyses of the challenges facing the Jewish people. The organized Jewish community of the 20th Century served the needs of a minority culture intent on proving itself to a majority that was at best indifferent and at worst hostile. The times and the culture called for large bureaucratic institutions to serve individuals en masse, and Jewish organizations emerged that fit the demands and frameworks of the time. This was a 20th Century infrastructure in both content and form — it was centralized, bureaucratic and hierarchical, and it addressed the specific challenges of the times through proprietary strate-

gies developed by professionals.

The content and form of Jewish life in the 21st Century are quite different, however, and Jewish leaders and funders can no longer fail to acknowledge or to understand this transformation.

Many people already understand the content part of this equation. “Renaissance and renewal” has replaced “rescue and relief” in the community’s lexicon. Rather than demonstrate that Jews are like everybody else, we need to demonstrate Judaism’s unique value in a voluntary society. We need organizations that reach contemporary individuals in meaningful, authentic ways and that can discover and populate new points of intersection between contemporary America and Jewish life.

But only a prescient few have understood the other side of this equation: that the form of Jewish organizational life will also be different in the 21st Century. The paradigm-shifting internet revolution has challenged every convention about how people communicate, organize and act as individuals and collectives. Simply put, thanks to the internet, everything is available and most of it is free. There are virtually no barriers to organizing groups around any interest, no matter how narrow, or across any demographic or geographic boundary. Anyone with an internet connection has full access to the information needed to become the producer, broker and consumer of his/her own Jewish life.

This shift profoundly affects the ways that individuals access and engage with Jewish life, and thus it bears profound implications for Jewish organizations and for the organizational infrastructure as a whole. The vertical institutions of the 20th Century, led by professional insiders, are giving way to new horizontal structures — distributed networks populated by multiple organizations that operate simultaneously and autonomously, and that communicate and share information with their audiences and between their organizations in ways previously unimaginable. These new groups do not seek exclusive allegiances with their participants; they understand that people today connect to Jewish life in multiple and episodic ways over the course of their lives (or their days). They also integrate an awareness of the abundance and radical connectivity offered by new technologies.

We see the contours of the Jewish future emerging in the host of Jewish organizations that have been created in the past decade. Inspired by the entrepreneurship economy of the late 20th and early 21st Centuries, enabled by tectonic shifts in technology, and supported by a range of venture philanthropists who operate outside of traditional Jewish giving structures, American Jews — especially young Jews — are building and inhabiting a new Jewish ecosystem that resonates with their value systems and worldviews. In most cases, this system organically incorporates an understanding of the new organizational modes created by the internet. This new sector has steadily built momentum, demand and capacity over the past decade.

Our organizations, The Natan Fund and Jumpstart, recently partnered with The Samuel Bronfman Foundation to begin to analyze these organizations in the aggregate. The resulting report, *The Innovation Ecosystem: Emergence of a New Jewish Landscape*, makes clear that we no longer can afford to ignore or dismiss new Jewish organizations as ephemeral, marginal or as luxuries. These startups represent a \$100 million annual economy engaging over 400,000 people per year. Their audiences are diverse, reaching all ages and levels of Jewish involvement, including segments that traditional organizations have struggled to reach, such as people in their 20s and 30s. In 2008, this innovation ecosystem reached more than 100,000 people who had no other meaningful connection to the organized Jewish community. (The report, and the organizations invited to participate, can be found at jewishjumpstart.org.)

The report also demonstrates that new organizations are at great risk in this crisis. Without financial safety nets or reliable sources of income (few of the newer organizations have cash reserves, endowments, national brand names or diverse bases of long-time supporters) and without organizational fat that can be trimmed in lean years, these organizations must respond to a serious financial crisis by cutting off their limbs. Such amputations cripple both the individual organizations and the Jewish community as a whole. Retrenching in this sector can mean decimation, and the Jewish community cannot afford such a deep loss.

Our hope, our plea, is that the Jewish community realizes that these organizations are a bellwether of the Jewish future, presaging both the content and form that will define 21st Century Jewry. Funders, communal leaders and existing organizations must take a clearheaded look at the current organizational landscape and invest strategically in the Jewish future. Thoughtful, creative, courageous leaders must use this crisis as an opportunity to help the Jewish community get out in front of, or at least keep pace with, the cultural transformations that will radically reshape Jewish life in the years to come. ■

Felicia Herman, Ph.D., is Executive Director of The Natan Fund, a grantmaking foundation supported by young philanthropists that funds innovative Jewish and Israeli nonprofits. Shawn Landres is co-founder and CEO of Jumpstart, a Los Angeles-based incubator, catalyst and think tank for sustainable Jewish innovation.



START-UPS and INNOVATORS: Surviving the DOWN Economy

by ALIZA MAZOR

Under the best of circumstances, innovative non-profits struggle to achieve sustainability. As the “new kids on the block,” start-ups lack the track record, scale of operations and visibility to secure substantial, long-term funding. Innovators are in the business of embracing issues, causes and approaches that are not yet obvious to others and, as a result, require active effort — sometimes years of effort — to secure a place on the Jewish communal agenda. Start-up budgets tend to be lean, with little fat to trim. Their operations depend on in-kind donations, sweat equity and the support of a handful of funders known for taking risks and supporting innovation. How then, given these realities, do start-ups and innovators continue to thrive — and even survive — in uncertain economic times?

The recommendations set forth in this article are meant to serve as a guide for innovators and start-ups. There are no magic bullets here, but there are steps that start-ups and innovators can take to ensure that good ideas will not be sacrificed in times of scarcity.

ACCURATELY ANTICIPATE CHANGES IN FUNDING

The past ten months have been an economic roller-coaster — so dizzying that everything seems up for grabs. Individual giving is down. Foundations have shut their doors. Others have announced significant cutbacks for the foreseeable future. Yet there are foundations that have declared that it is

Aliza Mazor is Program Director for Bikkurim: An Incubator for New Jewish Ideas, a project of United Jewish Communities: Jewish Federations of North America and the Kaminer Family. Bikkurim serves as home to nine innovative start-ups and proud midwife to six thriving alumni. Since 2000, Bikkurim has helped to launch more than 25 innovative Jewish start-ups.

“business as usual” or that they will step up to champion the innovations that they have already set in motion. Even in these toughest of times, we have seen startups receive first-time gifts and increased gifts. We have seen foundations open up new grant-making areas and new donors come to the table.

How do you know if the foundations with which you are in dialogue (or hope to be in dialogue) are stepping up or stepping back? How do you know when it is right to forge ahead in a funding relationship and when you need to give the donor or foundation more space?

Check in with funders and see if any aspects of their funding (priorities, timeline, available resources) have shifted. Know before you apply if anything has changed.

Do extra research so that you are very familiar with the foundation’s priorities and can make a strong case for funding. Be ready to articulate how your organization achieves high impact in a cost-effective manner.

Be sensitive to individual donors who may be under tremendous personal stress and feel embarrassment at not being able to follow through on commitments. Remember that the relationship is the priority — not the gift.

Ask your board members to pay their pledges early. When the board leads by example, it is easier to bring along other donors. A first-quarter solicitation that receives 100 percent participation by the board — despite the economic downturn — will be an inspiration to others.

Consider replacing gala and high-ticket events with grass-roots events that will mobilize others to raise funds on your behalf. While these events are very labor intensive, they tend to do well in slow economic times because they encourage broad participation.

RETHINK STRATEGIES

Although it may seem counterintuitive, this is the ideal time to engage in a serious strategic analysis of your organization's program and priorities.

Core to Mission — Review your current array of programs and activities. What is really core to your mission? Is there anything on which you are spending time and money that

does not really advance your mission? Is there any area of business you could exit because the market doesn't really need it anymore or because someone else does it better?

Business Model — This is also a good time to re-examine your business model. Is it efficient? Does it make good use of all available resources? Is there a faster, less resource-intensive way to reach the same outcomes?

Collaboration/Partnerships — Are there collaborations or strategic partnerships that could be used to reduce costs or improve the business model? For example, could you team up with another organization for joint alumni programs?

Fee for Service — Revisit your fee for service model. Are your prices competitive in a changing marketplace? Are there valuable new services or areas of expertise that could be offered to the marketplace? Are there any functions that you could provide for other non-profits or funders?

Merger/Acquisition — This is also a good time to take a hard look at your organization's *raison d'être*. Do you need to exist as a stand-alone enterprise? Could you join forces with another organization and become more attractive to funders? Are there any failing organizations that could be acquired in order to strengthen your business model?

Shut Down/Hibernation — If your analysis reveals that there may not be enough resources to fund your immediate future, you may want to think about going into hibernation or shutting down the organization until the economic climate is riper.

RESPONDING TO CRISIS: Early Indicators from the Jewish Foundation World

by STEFANIE RHODES

Our economy is in a state of crisis, and those of us involved in philanthropy are witnessing its effects from a unique vantage point. Funders are acutely aware of reduced assets and, in some cases, a compromised ability to meet commitments. They are also acutely aware of their grantees' increased needs. The tension between ever-scarcer resources and ever-increasing demands is a key influence on the funding community.

The following are some early indicators of how funders I spoke to are responding (a more detailed collection of information is available in Steven M. Cohen and Dasee Berkowitz's study, *Patterns of Singularity*, that identifies some other trends):

1. Some funders are giving less. For them, a 30 percent decrease in a foundation's corpus (the monetary worth of a foundation) means that the 5 percent it must annually distribute by law will eventually decline accordingly.
2. Other funders are giving the same amount. They are maintaining funding at 5 percent of what their assets were when the 2009 budgets were created.
3. Funders are reevaluating what they fund. Many are directing new or increased funding into social services that address the needs of the hungry and/or homeless. In some cases this is at the expense of other areas which they don't perceive as critical in these times.
4. A few funders are halting new grantmaking until the economic picture becomes clearer.
5. Others are looking for ways, beyond dollars, to work with their grantees to help them through these tough times.
6. Few funders are increasing their giving beyond the legally required 5 percent. Though not a Jewish foundation, The Bill and Melinda Gates Foundation, which has increased its giving to 7 percent for 2009 as a direct response to the economic crisis, stands as a key example to the contrary. This decision to increase funding is an important conversation starter among funders about the feasibility and/or importance of increasing allocations as another, perhaps essential, way to respond to the economic crisis.

FURTHER OBSERVATIONS:

In cases where foundations have been forced to close because of the Madoff Ponzi scheme, there has been a sense of shared responsibility from the funding community at large. In fact, some funders have even assumed financial commitments on behalf of foundations that are no longer able to keep them. Others have offered human resources pro-bono as a means of offering other, non-financial support to grantee organizations — for example, through the Jewish Funders Network's Pro Bono Resource Bank. Since JFN launched the Pro Bono Resource Bank in January, twenty-six respondents have volunteered their legal, human resource, accounting and other skills to affected organizations.

Drawing on the power of synergies is another way that funders are responding. At the recent JFN Annual Conference in St. Petersburg, Florida, over 200 JFN members joined together to consider innovative approaches for leveraging scarce resources. Assuring Grantee Sustainability, Good Governance, New Media and Networking Solutions, and Public/Private partnerships were key topics of discussion. There was a clear consensus among participants that funders must partner with one another, use new and best practices for maximum effects in grantmaking, and insist on lean, innovative strategies from nonprofits to make their grants go further in order to last through the downturn.

There is one more trend that bears some attention: the will, integrity and true sense of community we are currently witnessing. This good will exists in the face of uncertainty, reduced budgets, grantees with increased needs and a general sense of scarcity. In fact, it stands as a clear response to the challenges. The show must go on, and the funding community is working to be thoughtful and purposeful as it shares in the responsibility to ensure that it does. ■

Stefanie Rhodes is the Director of Member Services and Foundation Professionals at The Jewish Funders Network (www.jfunders.org/).

REDUCE EXPENDITURES

It is very important to think about all possible avenues for cost containment and cost reduction before facing a budget deficit. The more forethought your organization is able to give to this, the less likely it will be to face a financial emergency that could be disruptive to the program and demoralizing to personnel.

NUMBERS TO KNOW

Burn Rate — How much do you spend each month on essentials such as personnel, facility, supplies, etc.?

Seasonal Costs — In which months do your expenditures peak due to program costs, tax payments or other costs?

Other Expenditures — Based on an analysis of your 2008 budget, does your organization tend to over- and under-spend, and why?

Cost Per Unit — How much does it cost you to deliver services per recipient? Is there any way this cost can be reduced?

Overhead — What percentage of your budget reflects direct program costs and what constitutes overhead? If your overhead is greater than 18 percent, what can be done to reduce it?

Think creatively about ways to reduce costs. Are there resources you can share with other organizations? Are there roles in which you can replace paid staff with volunteers (especially retirees who may have specific expertise)? Would the providers of any services be willing to cut a deal in order to secure your business? ■

WHAT DID WE DO WRONG?

by MIK MOORE

A few years ago, my great aunt called me in immense distress. Two days earlier, some workers had been in her apartment to fix a leak. After searching all morning, she realized that her jewelry box was missing. Stolen, she had concluded, by the workers. The next day, she called me again. The jewelry box hadn't been stolen after all; she had moved it many years earlier and had forgotten where she had put it.

In the years since this incident, my great aunt has given away many of her valuables — including much of her jewelry — to members of her family. She realized that she never used them and decided they would be better off with people who would.

For 24 hours, my great aunt believed that she had lost the jewelry she had intended to give away to future generations. From that day forward, it became clear to her that she had placed too great an emphasis on saving and too little on giving.

A few millennia earlier in a land far away, the Pharaoh of Egypt had a dream about seven lean cows eating seven fat cows without being sated. He called upon Joseph — at the time a prisoner in the dungeon (talk about wasted resources!) known for his ability to understand dreams — to offer his interpretation. Joseph said the lean cows represented seven years of hunger, the fat cows seven years of plenty. Only by saving enough during the fat years would Egypt survive the lean years. Joseph thus talked himself into a job. Under his care, Egypt saved enough food during the plentiful years to feed the nation during the lean years that followed.

The moral of each of these stories is clear. We save so that we have resources to use when they are most needed. We do not save to accumulate wealth for its own sake.

Judged by these markers, the American Jewish community has a mixed — and incomplete — record.

Mik Moore is the Chief Communications Officer at Jewish Funds for Justice, a national foundation based in New York. In 2008, the Forward named him to the "Forward 50," its annual list of influential American Jews. Ha'aretz recognized his work in its list of "36 Jews who have shaped the 2008 U.S. Election."

With its historic creation of wealth in the past several decades, the American Jewish community should be well positioned to handle the one-two punch of a recession and the grand larceny of Madoff. And yet there is widespread concern that we are at a moment of crisis comparable, as one Jewish philanthropist told me, to the years following the destruction of the Second Temple.

What did we do wrong? Assuming Jewish wealth creation remains relatively stagnant for a few years, did we save enough to get through these challenging times? If so, are we willing to spend some of our savings to respond to the heightened need?

The first question — Did we save enough? — is less simple than it seems. While some of the losses of communal and private wealth are due to losses in personal income, the vast majority of wealth elimination has been in investments.

We invest our savings when we want a higher rate of return. But if it is true that one should invest only what one can afford to lose, can our investments, particularly those with higher levels of risk, be considered appropriate savings for use during a downturn? Investments not only lose value periodically, they tend to lose value at the very moment when more resources are needed to weather lean years.

The solution to this problem is clear. Put less money in middle- and high-risk investments and more money in low-risk investments or non-investment savings vehicles. Organizations and philanthropists who took this route are in a better position today than those who did not.

I work at Jewish Funds for Justice, which is home to Tzedec, the only national Jewish program for community investing in low- and moderate-income neighborhoods. Our investors are usually looking for social returns by turning their capital into new homes, small businesses and community centers. This year, many of our investors have commented that the small financial return on their investments has been the only splash of black in their otherwise red personal ledgers.

After a period of reckless investing that should inspire great humility, we should seek

safe and socially-responsible investments that would help realign the Jewish community with its core values.

The second question — Are we willing to spend our savings? — is in some ways the more difficult of the two. Because despite the tremendous hit we have suffered, the Jewish community still has vast resources. The need for those resources — to sustain vital institutions, to address a vast array of human needs, to create lasting policy changes to renew our country — is acute.

Yet many of our philanthropic institutions are so shell-shocked, they are considering cutting their spending rather than increasing it. "We have lost so much of our savings!" they say. "We need to create more wealth; then we will spend more again."

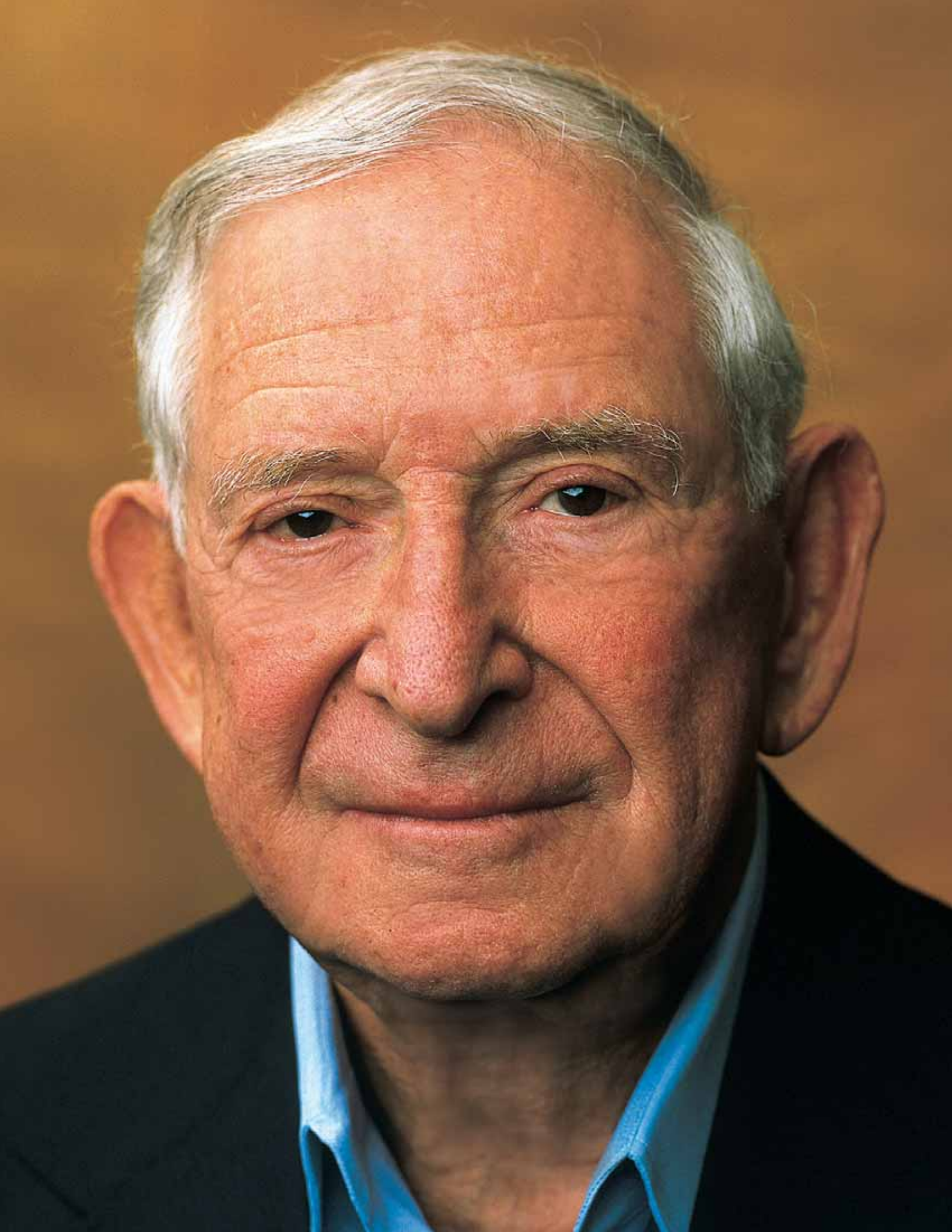
If this attitude dominates our communal thinking, we will have failed to learn from Joseph and the millennia of Jewish wisdom that followed his wise actions.

Our federal government, recognizing the scope of the crisis, is spending despite its enormous debt. It is doing so because it recognizes that the need is too great to ignore with pleas of poverty. We can spend much more than we currently do without approaching debt. So how can we fail to be bold?

This past March, the Jim Joseph Foundation (no relation to the original Joseph, as far as I know) responded to the crisis with an \$11 million gift to provide need-based scholarships and subsidies for children who will be attending Jewish day schools and summer camps during the next two years. While different institutional and individual givers will have different priorities, the willingness to spend more to help those most at risk should be a common thread.

My aunt, who learned about saving during the Great Depression, has accumulated many beautiful things during her life. If we are worried about an unstable future, it can be hard to ever spend — or give away — our valued assets. Yet if we sit on our great wealth now, saving it for another time, we will surely look back on these years with deep regret that we did not do more to help when we had much to give. ■





LEARNING FROM THE MASTER

PHILANTHROPIST WILLIAM DAVIDSON PASSED AWAY ON MARCH 13, 2009.
FOLLOWING ARE REMARKS BY ROBERT ARONSON DURING SHIVAH SERVICES ON
MARCH 19, 2009, AT CONGREGATION SHAAREY ZEDEK OF OAKLAND COUNTY, MICHIGAN.

It was my great privilege to work for Bill Davidson on his Jewish philanthropy. Well, the truth is, I didn't so much work for him as learn from him.

Bill had a unique and visionary approach to his philanthropy. He did not wait in his office for people to come and ask him for money; in fact, he was not interested in this approach to giving, although he always took the time to speak with visiting university presidents and other high officials from around the world.

You see, Bill developed his own philanthropic projects. He had an idea and then he would approach the people he trusted to make it happen. His ideas were about people, not buildings. Bill believed strongly in investing in the next generation — be it in training Jewish educators and other professionals, or Israeli children in the sciences, or business managers worldwide.

Imagine how surprised these people were when Bill would call and say, "I have an idea." And these ideas were always bigger than the institution had even imagined.

Many donors wait to be stroked and recognized. Bill hated that. He wanted to accomplish things on a scale previously unheard of.

Jon Aaron referred in his eulogy to the fact that Bill's meetings were short. This was not because he had nothing to say. It was because he only said something once and expected you to understand. Believe me, we listened carefully.

He entrusted these big ideas to a small circle of people. If you were honest and spoke the truth, even if there were problems, he would understand. If you were evasive and withheld information, the project was over — and so was his trust.

Bill loved Jewish life and the State of Israel, where he was both a charitable and business investor. He invested most of all in our young people because he appreciated more than most that we must train the best educators and the best professional leaders for the future. His efforts have already created a new movement of inspired Jewish leadership throughout our country and the world.

There are people who see only what they want. There are people who dimly see a horizon and try to walk toward it. And then there are those very few who see beyond the horizon and know where they are going even if others cannot understand it.

Bill Davidson was that special man. It was the greatest honor in my life to be able to learn from him. ■

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For American Jews,
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about "making it."
Will the present
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our material
desires? Is the
bloom off the rose
of Wall Street
glamour? What will
take its place? Are
we on the verge of
witnessing a new
morality not only
in America but in
Jewish life?

— MICHAEL H. STEINHARDT

