



## **Lessons of the Rich Scandal: A Call for Ethics**

**By Irwin Kula**

During the past several weeks, cries of outrage have resounded across the American political spectrum over the pardons granted by former President Clinton to fugitive financier Marc Rich and some 200 other felons.

There has also been considerable hand-wringing and not a little finger-pointing in the Jewish community over the Rich pardon; a not surprising development given that a list of those who advocated for the pardon reads like a "Who's Who" of American Jewish and Israeli leadership. Yet some of the denunciations by prominent Jews of their fellow Jewish leaders who wrote to Clinton requesting clemency for Mr. Rich have evinced an unattractive tone of self-righteousness. After all, how many of those doing the denouncing never have compromised their own ideals, admittedly in less dramatic fashion, and succumbed to the kinds of pressures of this situation. Do not those who have issued statements condemning Mr. Clinton for "scapegoating the Jews" grasp that what they are really doing is blaming the former president for not having had the good sense to reject the appeals on behalf of Mr. Rich he received from so many prominent Israelis and American Jews? In fact, those taking Mr. Clinton to task are shamelessly exploiting easily evoked feelings of Jewish vulnerability as a way of deflecting our community from honestly reflecting on the propriety of how we exercise Jewish power and affluence.

Mr. Clinton aside, those waxing indignant that Jewish leaders such as Abraham Foxman, national director of the Anti-Defamation League, Rabbi Irving Greenberg, chairman of the U.S. Holocaust Memorial Council and Marlene Post, former president of Hadassah, wrote letters to Mr. Clinton on behalf of Mr. Rich are missing a larger truth: that we as a community are face to face with a systemic problem that transcends the above-named leaders. With hope, the Rich affair will compel us to do a cheshbon hanefesh (soul searching) both as Americans and as Jews about the role money has come to play in our civic and communal life.

To be sure, only the above-mentioned letter writers and Israeli leaders such as former Prime Minister Ehud Barak know what motivated them to put their credibility -- and by extension the credibility of the Jewish people - on the line in order to press Mr. Clinton to give a pardon to a fugitive indicted on 51 counts of tax evasion, racketeering and violating trade sanctions with countries dedicated to the destruction of Israel. Although we wish that the participants in this affair would explain themselves more fully, they should be judged according to Jewish

ethical wisdom "on the side of merit" giving them the benefit of the doubt. After all, Messrs. Barak, Foxman and Greenberg and Ms. Post are all people of integrity who have selflessly devoted their lives to serving the Jewish people. More importantly, we need to be aware that the focus on individuals obfuscates the underlying problem that we as a community, both American and Jewish, have become enmeshed in a system in which exaggerated obeisance is paid to people of wealth.

It is true that wealth has always had the inside track in American politics and Jewish communal life. Yet, there is a growing sense in American life that the increase in the number of individuals with unprecedented wealth and the emergence of a climate in which the affluent are accorded celebrity status has created a situation in which the wealthiest have achieved a cultural and political influence that undermines the democratic principles of our civic and communal life. Not surprisingly, more and more Americans feel that money is distorting the democratic process.

In the Jewish community, a similar dynamic has arisen. Increasingly fierce competition among not-for-profit organizations for philanthropic dollars and for the attention of the philanthropic elite has created a toxic mix of resentment, envy, humiliation and mistrust among major philanthropists, communal professionals, small contributors and the Jewish masses. Recently some major philanthropists have decided to go it alone and circumvent communal bodies in deciding where to allocate their funds. This is a reflection of American individualism and the understandable impatience these philanthropists have with the often-tedious processes of communal building and decision making. All this leads to a situation in which communal processes are becoming distorted and more Jews are feeling that their voices do not matter.

To deal with this unprecedented wealth and the consequent distortion of communal processes requires that we develop new thinking and behaviors.

Encouraging signs abound that such an effort is taking place in American politics. The wave of interest and idealism generated last spring by Senator John McCain's presidential campaign and his signature issue of campaign finance reform makes clear that a growing number of Americans realize that our democratic system is being eroded by the power of money. In his ongoing efforts with Senator Russell Feingold to pass a bipartisan campaign finance bill, Mr. McCain to his credit, has gained political traction by passing up the easy opportunity to scapegoat wealthy political donors and instead correctly arguing that the problem is systemic.

As noted above, while there is a similar sense in the Jewish community that communal priorities are being shaped to an increasing degree by fewer and fewer people, the equivalent of campaign finance reform has not yet emerged. Instead, as in the American political system, we are finding that an increasing

percentage of Jews are opting out of the organized Jewish community or cutting back on their contributions and in their commitment.

To point this out is in no way to impugn the motives of the philanthropists who are setting communal priorities and funding programs that they passionately believe will help build a more vibrant Jewish community. These philanthropists are themselves often treated respectfully only because of their wealth or mistrusted only because of it, and often do not feel the satisfaction that ought to come with giving tzedakah. Yet, to the extent that these philanthropists are perceived to be indifferent to community institutions and processes through which average Jews make their voices heard, they are undercutting the worthy programs that they believe are part of the answer.

So what can be done to create a movement in the Jewish community that addresses the appearance and/or reality that the Jewish community is governed by fewer and fewer people? What we should do is to seize the moment to commence building a healthier and more engaged Jewish polity.

Philanthropists, communal professionals, political scientists, ethicists and concerned Jews of all classes and status need to come together to hold conversations aiming at developing new structures of communal governance that do not simply reflect the inequities of wealth and power in our community. These conversations and the recommendations that emerge should respect the wisdom and magnitude of the contribution of major philanthropists without whom the quality of Jewish life would be diminished. Yet, any adequate solutions must substantively address the need for increased democratization in Jewish life.

At the same time, our flagship Jewish organizations need to ask themselves some difficult ethical questions: How much of a determining factor should wealth be as to whether our organization honors someone? What are the legitimate quid pro quos between donors and organizations and their leadership receiving their largesse? What processes should organizations develop to decide the difficult questions of what constitutes tainted money, processes that both enable organizations to carry out their missions with integrity and protect philanthropists from libelous accusations?

Growing public awareness of the manner in which money is distorting the political system and Jewish communal scene can spur a movement toward reforms. Thanks to the media firestorm surrounding Mr. Rich and other blatant abuses involving money and power in the Clinton pardon fiasco, we may finally be prepared for an honest discussion of the effect of wealth and class on the American and Jewish body politics. It will not be easy to overcome inertia and inevitable resistance to change. But if we manage to persist in these efforts, the potential payoff is enormous. Imagine how wonderful it would be if we were able to create a Jewish community in which Jews of all social and economic strata felt inspired to involve themselves in communal efforts to strengthen Jewish identity

and contribute to creating a more just and equal society. If the embarrassment of the Rich affair contributes to our moving in that direction, we may one day look back on this moment as a turning point in building a more democratic and responsive nation.

