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## Changing Strategy and Practices of Diaspora Philanthropies Towards Israel

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HANNA SHAUL BAR NISSIM, MAR 13 2016

For years, the North American Jewish community has maintained a philanthropic tradition towards Israel, that has been a major source of ideological and material support for nation building and the development of local society (Gal, 2010; Haski-Leventhal and Kabalo, 2009; Sheffer, 2010; Waxman, 2010). Jewish diaspora philanthropy retained its ties with the Israeli state and society through donations and other means of financial support, and often promoted new ideas and new modes of civic engagement and giving. Moreover, diaspora philanthropies strived to enhance their influence over social and economic public policy in Israel as well as advocating for its international political legitimacy.

In recent decades, the perception of the Israeli state and society by Jewish communities worldwide has shifted, leading to changes in their patterns of giving and altering their philanthropic goals and targets in Israel. Despite the importance of these changes, existing research on institutional Jewish philanthropy is scarce and does not explore the transformational process it is undergoing, particularly towards Israel. This paper provides insights as to the process in which organized Jewish philanthropy consolidated towards Israel in recent decades. It traces the process undertaken by diaspora philanthropies to enhance their influence on decision-making, public policy and promoting social change in Israel.

### The Roots of Diaspora Philanthropy Towards Israel

Most of the philanthropic activity of North American Jews had been conducted through umbrella organizations that were dominant until 1985. Funds were raised by the Jewish Federations and forwarded to such organizations as the United Jewish Appeal and United Israel Appeal who would allocate the funds towards local and national needs and so as to support the State of Israel (Kosmin, 1990). These organizations were unified in 1999 under the umbrella organization United Jewish Communities, which changed its name in 2009 to Jewish Federations of North America. Over the years, the Federations have increased their efforts to assist Jews outside of the US, to a point where about 60%-70% of funds raised were forwarded to international causes. Such giving was considered to be constitutive, particularly when contributions aided in the maintenance of a Jewish State that embodied the rehabilitation of Jewish national pride and forming a home for the Jewish Diaspora. The remaining funds were forwarded to local Jewish causes (Young, 2001; Elazar, 1995; Hyfler, 2000). Fruehauf (1991) listed goals and targets of giving that included establishing and strengthening the Jewish community, supporting welfare and social services, fighting anti-Semitism, supporting social justice, assisting and salvaging Jews around the world, and supporting the State of Israel. According to Waxman (2010), the funds forwarded to Israel were directed funneled into health, education, culture and assistance to immigrants. The findings of Tobin and Weinberg (2007) indicate that causes toward which funds were allocated in Israel were extended over time to include human and civil rights, democracy, coexistence, and providing services in Jewish settlements in Judea and Samaria.

The Federations established their local and international status after the Six-Day War in 1967, and according to Woocher (1986), became responsible for organizing and planning all organized Jewish activity in every aspect of community life. The Federations adopted many objectives, and most named the support of the State of Israel as their exclusive goal. In this context, it should be noted that after the war the Federations were highly involved in funding

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social services in Israel (Bayme, 2010).

## **Changes in the Federations' Philanthropic Activity Towards Israel**

Over the last decades, changes have taken place in the Federations' fundraising that affect their giving patterns and include arrested growth in the funds procured by them and a smaller amount of donors (Solomon & Rubinton, 2009; Tobin, 2000; Waxman, 2010). The literature points to some of the reasons for these changes: first, increased donations for non-Jewish and universal causes by Jewish contributors beginning as early as the 70's (Kosmin, 199. (1

Second, a major change affecting donations to the Federations is the reduced support of Israel by the North American Jewish community. Over the last several decades, the crisis mentality among North American Jews that had formerly affected the transfer of philanthropic funds to Israel, according to Kleinman (1996), has now been reduced.

Third, Sheffer (2012) and Cohen and Kelman (2007) claim that over the last few years the perception of Israel as the Jewish people's spiritual and cultural center has weakened. Today, the Jews' identification with the national-religious elements represented by Israel has changed, and is mainly reflected in individualistic identification that relies on personal attitudes and feelings.

Fourth, the Jewish community's support of Israel is linked to the community's relationship to Israeli society and the government (Bayme, 2010; Hausman, 1998). According to Sheffer (2012), the criticism of America's Jews towards Israel's governments has been increasing since 1973. The points of disagreement are presented by Bayme (2010): the future of the peace process, the nature of Israel's democracy, the increasing power held by the ultra-religious sector, and the issue of the settlements in Judea and Samaria. Further, according to Tobin (2000), America's Jews are aware of Israel's economic growth and the development of an elite class that can engage in philanthropic activities. Fifth, the growth of alternative support channels such as private foundations, "friends of" organizations and transition organizations for funds have attracted Jewish philanthropic capital. Fleisch and Sasson (2012) discovered that in the 90's the dominance of the Federations as a leading fundraising entity was reduced, as 774 organizations involved in raising and allocating funds for Israel were established over that period.

## **Changing Philanthropic Strategy and Practices**

Findings from an empirical study conduct by the Author suggests further changes and developments in the philanthropic practices of organized Jewish philanthropy towards Israel. These developments were motivated by the desire to influence decision-making processes, as well as social and educational policy in Israel. The development of philanthropic practices took place alongside cutbacks in funds allocated to Israel. The decreasing amount of funds was, in a sense, replaced by growing efforts in local activities, striving to maximize the use and impact of each donated dollar.

- Engagement in the political arena took place both through back channels and in the support of organizations actively advocating for separation of state and religion in Israel, gender equality, and an effective address of political corruption. Additional targets included the promotion of a pluralist society in Israel and a Jewish renaissance, mainly by increasing grants for the Reform and Conservative denominations and by encouraging the creation of educational programs regarding Liberal denominations within Judaism. Social services were now provided side-by-side with initiatives to sustain Jewish identity and promote pluralist approaches to religion, ethnicity, and gender.
- The relationship between diaspora philanthropies and local beneficiaries was reshaped based on a new perception of the needs of Israel. Changes within Israeli society, mainly the intense surge of the Israeli third sector during the 1990s, prompted the mainstreaming of this approach. This led the majority of diaspora philanthropies to expect the Israeli government and local philanthropy to take a leading role in social and welfare needs in Israel, freeing its capital for other goals and targets.

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- The various diaspora philanthropies have developed a rich and varied array of philanthropic channels, practices, guidelines, and oversight procedures with existing and new beneficiaries. Many of them created an Israel Office, staffed by permanent professionals who oversee local activity. Moreover, this philanthropic activity in Israel was new in multiple ways. The practices and methods of giving were new as well, based on research in the field, direct engagement with beneficiaries, and long-term involvement in programs and initiatives.

To conclude, recent decades have reshaped the strategies and practices of Jewish diaspora philanthropy towards Israel. This process was composed of several stages including identifying needs, deciding on allocations, and sustaining connections with beneficiaries. As this was not always carried out according to an established or agreed-upon plan, it has led to the perception that Israel has become the philanthropic playground of many diaspora philanthropies where trial-and-error philanthropy is taking place. Some further argue that these organizations have failed to develop an influential philanthropy in Israel that effects meaningful social impact. Nevertheless, Jewish diaspora philanthropy towards Israel in the 21<sup>st</sup> century is much more critical, engaged, professional and committed to the idea of supporting Israel for the purpose of multiple goals and targets.

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