Israeli NGOs and American Jewish Donors: The Structures and Dynamics of Power Sharing in a New Philanthropic Era
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Eric J. Fleisch

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The signed version of this form is on file in the Graduate School of Arts and Sciences.

This dissertation, directed and approved by Eric J. Fleisch’s Committee, has been accepted and approved by the Faculty of Brandeis University in partial fulfillment of the requirements for the degree of:

DOCTOR OF PHILOSOPHY

Malcolm Watson, Dean
Graduate School of Arts and Sciences

Dissertation Committee:

S. Ilan Troen, Department of Near Eastern and Judaic Studies
Jonathan D. Sarna, Department of Near Eastern and Judaic Studies
Theodore Sasson, Department of International Studies, Middlebury College
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For decades, the philanthropic relationship between American Jews and Israelis remained fairly consistent. Most donated funds flowed from one centralized American organization (United Jewish Appeal) to one centralized Israeli organization (Jewish Agency). The American partners were comfortable deferring to Israelis on how to use the funds they contributed. But starting in the mid-1980s, this relationship began to change dramatically. Hundreds of new American organizations began raising money to support thousands of new Israeli NGOs. In addition, American Jews became less likely to give to centralized bodies, and many Americans began demanding a greater say in the use of their donations. From 1975 to 2007, the portion of American Jewish donations that went to the core Jewish Agency budget dropped from 80% to somewhere between 4-7%.

Understanding the American Jewish-Israeli philanthropic relationship is important because it explains a lot about both the American Jewish and Israeli communities, as well as how the two communities relate. Yet there has been no study of the developments in the relationship. This study addresses some of the key questions surrounding the changes. First, how, why, and into what did the classic patterns of philanthropic partnership change? Second, how do American Jews and Israelis share power in the contemporary philanthropic setting? Since there
are so many involved organizations, this study approaches this question by examining the relationship in the context of one sample of 16 Israeli NGOs that all work on the same issue—Jewish settlement in the West Bank and traditionally Arab neighborhoods of East Jerusalem. Eight of the NGOs support settlement in some way, and eight oppose it. Through analysis of interviews with key figures affiliated with each of the NGOs, it explores questions of trust, attitudes towards one another, and willingness to accept changes in traditional relationship patterns.

It concludes by offering some hypotheses on the development of the Israeli third sector, based on observations from the NGOs in the study. It then places findings on philanthropic relationships in a broader historical context, and speculates on how some of the newest developments in the field stand to affect the diaspora philanthropic relationship in the future.
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Chapter 1: Introduction

The philanthropic relationship between American Jews and Israelis has long been used as a tool to better understand the state of the Israel-Diaspora relationship, as well as aspects of the two communities, themselves. Whether during the drama of the 1948 war, the euphoria following the 1967 war, or many other high and low points of Israel’s history, for the majority of American Jews who were not making *aliya*, donating money was long considered the best way for American Jews to support Israel. Likewise, for many Israelis not concerned with what was happening in Jewish communities outside of Israel, receiving financial support from Jews abroad, was their most active form of contact with the diaspora.

Those interested in the subject of American Jewish philanthropy to Israel will discover that there has been a solid literature from the early days of the Yishuv, through the establishment of statehood, and well into the late 20\textsuperscript{th} century. Yet curiously, at some time around the mid-1980s, the literature just stops. Key works by Marc Lee Raphael, Charles Hoffman, Daniel Elazar, Eliezer Jaffe, and others all end their analysis. And with only a few exceptions, no one has ventured to study this subject beyond then. So for someone searching for a scholarly portrait of what American Jewish philanthropy to Israel has looked like in the most recent decades, there is really no good source. Why is that?

The main reason seems to be that as much as there were a small number of institutional structures that could predictably quantify and explain the philanthropic relationship through the 1980s, starting at that time, things began to change dramatically. Up until then, the United Jewish Appeal (UJA) was the chief conduit through which American Jews gave
philanthropically to Israel, consistently receiving 80% or more of American Jewish donations to Israel. Likewise, the Jewish Agency in Israel, was the body that allocated nearly all of the American Jewish philanthropic funds coming in from the UJA. To understand American Jewish giving patterns, transnational collaboration, and use of funds in Israel, therefore, scholars could and did focus on the UJA and Jewish Agency.

But starting in these years, many new organizations came onto the scene in both communities. The American field, dominated by the UJA for four decades, suddenly saw the emergence of hundreds of new organizations presenting new opportunities for American Jews to give to Israel. In Israel, thousands of new, independent non-governmental organizations (NGOs) were established in the 1980s, 1990s, and 2000s that began to raise money from American Jews. By 2007, roughly 90% of American Jewish donations for Israel went to other organizations besides the UJA’s successor organization, the JFNA. And the Jewish Agency only received somewhere between 4-6% of total American Jewish donations for to use at its discretion. These were dramatic deviations from the way things had always been.¹

This dissertation’s purpose is to pick up where the literature stopped, and offer a contemporary look at the development of American Jewish philanthropy to Israel. To do so, it has two central interests. The first is to look at the era starting in the 1980s, in which the ‘old system’ of the American Jewish-Israeli philanthropic partnership defined by the dominance of the UJA and Jewish Agency, began to collapse. It will explore how, why, and into what the ‘old system’ changed. The second purpose is to offer insight into new relationship patterns. As there is a new structural frame for philanthropic interaction, it cannot be assumed that classic conceptions of partnership dynamics still hold. As we will see, the new system of philanthropic partnership theoretically vests donors with more power in determining funding priorities than

¹ These figures will be properly cited and discussed in greater detail in chapter three.
had ever been the case in the ‘old system’. Nearly $2 billion in philanthropy is given by American Jews to Israeli organizations. Collectively, these funds have the ability to empower all kinds of causes and agendas in Israel. Without a central Israeli body like the Jewish Agency to mediate the use of funds, what roles are individual Israeli NGOs playing in determining the use of funds as opposed to the American donors, who often indicate that they want a say in how their money is being spent? This raises a number of important, related questions, including whether Americans want this power, whether Israelis are ready for them to have it, and how Americans and Israelis negotiate any conflicting interests in this regard.

***

It addition to these two main goals, this dissertation has one additional purpose. The Israeli third sector has increasingly become a significant factor in the social-political fabric of Israel. There have been some excellent macro studies on the sector’s development and impact, but there has been little that has looked at the sector from the perspective of individual organizations, investigating: how they operate, what their goals are, and to what extent they are regarded as being impactful bodies. In examining the philanthropic relationship, this dissertation will already be looking closely at a cohort of contemporary Israeli NGOs. Therefore, I decided that an additional—albeit more minor—purpose of the dissertation will be to use the NGOs already under study in order to make some observations and suggest some hypotheses on the development of the Israeli third sector.
Research Questions and Methodology

The two central research questions of this dissertation necessitated two different methodological approaches. I will discuss each separately.

Research Question 1: ‘How, Why and Into What Did the ‘Old System’ Change?’

The first step in addressing this question was to more clearly define what the ‘old system’ was. There are a number of excellent works that address different parts of the ‘old system’s’ formation and characteristics, but there is nothing comprehensive. As such, I drew from many works that together provide good insight into the histories and inner working of each of the organizational cogs in the system. The most important work on the federation system is Lurie’s *A Heritage Affirmed: The Jewish Federation Movement in America*.\(^2\) Ernest Stock’s masterpiece, *Partners and Pursestrings: A History of the United Israel Appeal*, on the history of the United Israel Appeal (UIA) was essential\(^3\)—no one has combed the archives on these issues like Stock. Stock’s two follow-up volumes are also chocked full of information not found elsewhere.\(^4\) Raphael’s study on the UJA is a bit dry, but gives a good scholarly portrait of the organization.\(^5\)

On the Israeli side, Elazar and Dortort’s edited volume is a good study on how the Jewish Agency functioned.\(^6\) The best works for understanding the role of state and party in dominating

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civic life for Israel’s first three-plus decades include Horowitz and Lissak, Medding’s case study on Mapai, and Doron and Kramer’s look at the Israeli welfare state. Hermann’s essay and the first part of Lehman-Wilzig’s work explain the very limited place for extra-parliamentary/extra-party protest in the early Israeli state.

It was a challenge to find comprehensive historical fundraising and allocations figures that are so crucial to shaping out the narrative arc of the UJA-Jewish Agency’s philanthropic relationship. Different works contained some figures, but all had gaps and none covered the full era of the ‘old system’. However, I was able to pull from a number of the sources listed above, as well as others in the bibliography to reconstruct many of the figures. I then hunted through Jewish Telegraphic Agency online archives to fill in the remaining numbers that are used throughout chapter two. The numbers that I was able to compile represent the most comprehensive set of numbers on the history of philanthropic funds raised and remitted that I have seen.

When I began my research, the one part of the ‘old system’ that remained a bit of a mystery to me was how the UJA and Jewish Agency were able to dominate their respective fields in the philanthropic relationship for as long as they did. I found a few references to a joint committee they established in order to keep competition from arising, called the Committee on Control and Authorization of Campaigns (CCA), but there was nothing available on the CCA beyond rudimentary descriptions. Fortunately, I was able to locate a trove of documents in the

Central Zionist Archives in Jerusalem on the CCA, from which I could reconstruct the history of the CCA that I present near the end of chapter two.

As noted at the beginning of this chapter, scholarly literature on the philanthropic relationship between American Jews and Israelis just about stops in the mid-1980s. It was a challenge, therefore to find much secondary literature of value in my attempts to identify how, why, and into what the ‘old system’ changed.

The one area of the relationship that has some scholarly sources is the development of the Israeli third sector. Though not plentiful, there are some works that masterfully outline the historical development of the Israeli third sector, notably Gidron, Bar, and Katz and Silber and Rosenhek.11

Regarding changes on the American side, I did benefit from some early criticisms of the Federation-UJA-UIA-Jewish Agency nexus that were visionary in diagnosing problems in the system that would ultimately lead to its decline.12 A few additional studies identified some aspects of the ‘old system’s’ demise, but as these authors, themselves, would admit, they provided more questions than answers.13

In the course of my research on this question, I discovered that there were simultaneous tracks of development in the philanthropic relationship—those trying to change the system from

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within and those venturing outside of the traditional organizations to establish new vehicles for collecting and distributing funds. I decided it would be a helpful component of my narrative to identify one case study which illustrated when, why, and how a sub-set of former loyal supporters of the ‘old system’ became disenchanted and branched out into new Israel giving ventures. I selected the case of the UIA’s policy barring giving over the Green Line. To date, it had been an untold story, shrouded in misinformation and confusion. My research on the topic drew on interviews with a number of experts, including several of the protagonists involved in the historical standoff over this issue. In addition to offering a variety of perspectives and narratives on the issue, they also provided me with a number of documents from their personal files that proved invaluable in separating myths from facts, as I reconstructed the history of this case.

My study of changes within the federation system in the 1980s and 1990s were also heavily based on interviews, as well as documents interviewees made available to me. Rosen’s book and Hessel’s article provided crucial background, as well.14

Regarding the changes that developed outside of the traditional system, I was able to trace growth trends through looking at changing federation receipts and allocations percentages over time, as well as the growth in a number of new organizations established. Information was available through public ‘990 documents’ submitted to the IRS and available online at guidestar.org. I began this work for a presentation I delivered in 2012, and subsequently expanded the database used to help trace giving trends, while working on a monograph with

Theodore Sasson, that we co-published in 2012.\textsuperscript{15} My understanding of changes in the field were augmented by Dale’s and Crimm’s tax law studies on international philanthropy.\textsuperscript{16} Through these various means, I developed a typology of organizational vehicles, as well as a list of over 750 organizations used in American Jewish philanthropy to Israel in the contemporary era.

Research Question 2: What Do Relationship Structures and Power Dynamics Between American Jews and Israeli Institutional Actors Look Like in the Contemporary Philanthropic Environment?

Since the new field of American Jewish philanthropy for Israel now involves hundreds of American organizations and thousands of Israeli organizations, it would be nearly impossible (and certainly impossible for a dissertation) to study the whole field. I determined that the best approach for shedding light on the structures and dynamics of the relationships in the contemporary era would be through examining relationships in a subset of organizations. I decided to pick a group of organizations all working on similar issues, reasoning that they would be much easier to compare than organizations doing very different work from one another. The issue area would have to be one that elicited significant philanthropic support from American Jews and ideally would include organizations representing a broad spectrum of strategic approaches and ideological perspectives. From this, I determined the best case study would be a group of NGOs working on the issue of Jewish settlement in the West Bank and the traditionally majority Arab neighborhoods in East Jerusalem.


At first glance, it might appear that the highly charged nature of the settlement debate makes the issue a strange choice for a case study. In many ways, NGOs working on the settlement issue are not typical of the larger Israeli third sector. However, for several reasons, it is a very good choice for a case study. First, the organizations in the case are at the front lines of an issue regarded as deeply important to Israel’s future by both Israelis and Diaspora Jews. It is probably precisely because of the high stakes nature of the issue that these NGOs and their supporters demonstrate some of the most cutting-edge approaches for philanthropy and strategic collaboration.

In addition, the NGOs, themselves, represent the vanguard of creative, aggressive, solution-oriented work amongst the Israeli third sector. They use a variety of strategies and approaches to address a divisive issue. Collectively, they attempt to impact the issue of settlements at all levels of society. In addition to classic strategies used by advocacy organizations and pressure groups like lobbying and vying to win public opinion battles, these organizations work to change popular narrative through targeted public education campaigns—largely abroad—and in a traditionally Zionist manner, create actual facts on the ground. Taken together, this subset of NGOs illustrates the potential NGOs have in contemporary Israel for creating influence.

These reasons notwithstanding, as settlement is an atypical issue, a study of NGOs and philanthropy working on settlement is not necessarily representative of trends in the philanthropic relationship between American Jews and Israelis. It is unclear whether the trends developing in this sub-sector hint at developments in the greater sectors at large, or whether it is truly an outlier. Though there is evidence suggesting each, this dissertation will not weigh in on the question. However, a good point can be made that any sub-sector cannot be assumed to be
representative. In addition, as this is the first study of its kind, the conclusions from the case are important nonetheless. They either represent the basis for the development of theory on relationships between contemporary NGOs and overseas supporters, or they tell a discrete—but still very important—story of one of the more interesting corners within the Israeli third sector.

Selecting Organizations

I identified a list of 30 potential NGOs to include in the case study. I attempted to contact each to introduce my research and to arrange for a meeting. All but four were willing to speak with me. Of the 26 I met with, I identified the 16 that gave me the best sample of NGOs operating in this area. Using Maxwell’s method of ‘purposeful selection’ for qualitative research, I picked a good mix of organizations. Of the 16 organizations, eight work to support settlement in some way, and eight work to oppose it. The groups approach settlement from a variety of thematic interest (i.e. security, agriculture, legal issues, rights, etc.), as well as strategic approaches in their work. The NGOs are also a good mix of large- and small-budget, very established and relatively new, and influential players in the field and less-influential but innovative groups.

It should be noted that due to the goals of this project, my intent was not to pick a cohort of NGOs that purported to be representative of the broader population of Israeli NGOs, but rather a wide variety of NGOs working within this issue area that collectively demonstrated both typical organizations in the field and some of the most cutting-edge, for the purposes of demonstrating the heterogeneity in the population.

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To limit potential biases that may have been inherent in my selection of organizations, I made use of triangulation, drawing on other sources to help corroborate conclusions revealed by my data set. I did so, by conducting additional interviews with key figures associated with other NGOs working in the settlement realm, as well as Israeli and American experts and commentators on the Israeli third sector and American Jewish philanthropy for Israel.

Methodology for Studying the NGOs and their Relationships with American Jewish Supporters

For each NGO in the sample, I studied its history, activities, and strategies, as well as perceptions from without and within of the impact the organization has had. Additionally, I studied the degree of foreign support enlisted (or accepted) and the collaboration models used by the NGO and its overseas partners—both formal structural relationships and the dynamics of how the parties negotiated sharing power over allocations.

I conducted my research on this issue using a variety of methodological approaches, including analysis of interview data, field observation, and primary source document analysis. I interviewed key organizational members and supporters of each NGO, past and present, including leaders, visionaries, fundraisers, and when possible, donors from abroad. My intention had been to capture nearly as large a sample of American donors to the NGOs, as professionals and activists working for them. However, in the course of research, it became clear that this would be near impossible. Due to privacy issues, many NGOs who were otherwise forthcoming in sharing opinions and generally providing assistance to the study, were not willing to put me in touch with donors. I managed to locate and interview at least one donor for almost every NGO, nonetheless. However, as a result, the opinions in the sample are significantly tilted to the Israeli side. I have geared my analysis to account for this methodological roadblock.
In all cases where possible, I either joined NGO staff as an observer while they conducted their field work, or toured with them to see their activities and fieldwork firsthand, and explained from their perspective. Finally, I extensively studied their written material (publications, promotional pieces, documents the organizations made available to me, and their websites—many of which are filled with rich organizational archives), their publicly available legal and financial records (through Guidestar and Guidestar-Israel), and their coverage in a variety of media outlets, including *Arutz Sheva, Haaretz, The Jerusalem Post*, and *Ynet*.

There is little written that analyzes power dynamics between American Jews and Israelis. The only work to attempt to analyze power-sharing arrangements and possibilities in the Israel-Diaspora relationship during the era of the ‘old system’ was Liebman’s *Pressure Without Sanctions: The Influence of World Jewry on Israeli Policy*. Liebman’s analysis introduced several important framing questions that were helpful in this dissertation’s analysis of contemporary relationships between Israeli NGOs and American Jewish donors, in chapter five. Beyond Liebman, one is able to understand the process by which American Jews and Israelis have been developing in their self-understood roles in the diaspora relationship by drawing on general diaspora theory as well as some specific works on the case of Israel and American Jewry.

There is some general literature from the field of diaspora studies that offers perspectives of diasporic communities regarding the interrelation of their philanthropy and their agendas for their homelands. Though this is not the focus of most of these works, they do touch on the subject and offer some important ideas. In addition, in trying to understand how Israeli NGOs

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and overseas donors partner, it is helpful to borrow concepts from International Development Theory, a field closely related to Third Sector Studies. International Development Theory explores the dynamics surrounding the phenomenon of wealthier ‘developed’ states providing funding for activities in poorer ‘developing’ states. Israel is a very interesting case in that even though the size and direction of its economy put it squarely into the ‘developed’ class, the extent to which many of its NGOs receive funding from abroad makes it look more like a ‘developing’ state. Though some of the assumptions underlying this field’s theoretical foundations do not exactly apply to the case of Israel, its analysis of classification models and funding dynamics are useful in understanding this case.20

Collectively, I assembled a rich data set of opinions on collaboration and power sharing through interviews with 110 subjects—70 stakeholders in the organizations, and the remaining 40 industry experts, commentators, and retired professionals, all of whom are intimately involved with the themes under study. When possible, I recorded and transcribed all interviews and conversations from tours and field visits. Though I was able to do this for most of my data, due to the sensitive nature of this subject in the opinion of some of my interview subjects, at times I had to only take notes during conversations and interviews.

Once I collected my data, I coded the data and sorted them thematically for comparison and analysis. I then used qualitative sociological analysis to synthesize interview data. What I present, unless otherwise stated, were the most prevalent strains of thought that came from the interviews. From these, I propose a variety of theories, including ‘the new middleman’ and a typology for understanding relationships between Israeli NGOs and their American funders.

Dissertation Structure

The dissertation is divided into two main sections. Chapters two and three deal with the first research question. Chapters four and five deal with the second research question. This last section of the introduction will give a general description on the goals and structures of each of the forthcoming chapters.

Chapter Overviews

Chapter two’s purpose is to provide the historical background of the funding and relationship patterns in the ‘old system’ that dominated the philanthropic relationship between American Jews and the Yishuv/Israel for nearly all of the 20th century. It traces the historical development of the federation system and the UJA, the chief instruments for raising philanthropic funds for Israel from American Jews, and the Jewish Agency, the chief instrument in the Yishuv/Israel for receiving and allocating the funds. It then discusses how the UJA and Jewish Agency were able to dominate the relationship for as long as they did, both through the Committee for the Control and Authorization of Campaigns (CCA), their joint enforcement vehicle, and their leveraging of the three dominant ideas during this time—statism, federatedness, and institutional deference over use of funds.

Chapter three identifies how, why, and into what the ‘old system’ changed. It discusses how key developments within both Israeli society and the American Jewish community that materialized from the mid-1980s have led to a transformation of the Israel-diaspora philanthropic relationship that has largely eclipsed the ‘old system’. It offers an historical overview of the decline of statism in Israel and the emergence of a protest movement increasingly making use of
NGOs and seeking foreign philanthropy to achieve its goals. It then uses one specific case study (the conflict surrounding the UIA’s policy disallowing the use of American Jewish philanthropic funds in territories Israel captured during the 1967 war) in order to demonstrate why long-dominant concepts of federatedness and American institutional deference over the use of funds lost their resonance in this period to an American Jewish community increasingly interested in asserting its own agendas in Israel. It concludes with an overview of the various organizational structures that have largely replaced traditional vehicles in the philanthropic relationship.

Chapters four and five address the dissertation’s other central interest—a look into relationship structures and power dynamics between American Jews and Israeli institutional actors in the contemporary philanthropic environment. Chapter four introduces the case study used for this analysis: 16 Israeli NGOs all working on one specific issue—Jewish settlement in the West Bank and traditionally Arab neighborhoods of East Jerusalem. It presents portraits of a representative sample of NGOs in the case, highlighting their histories, philosophies, and strategies, as well as various perceptions of their impact. It will close with a discussion of what may be gleaned from the case study NGOs regarding the development of the Israeli third sector at large.

Chapter five looks at how these organizations work with American Jewish philanthropic partners to raise and allocate funds. It outlines a variety of structural relationships and identifies common trends used in publicizing organizations and building donors bases. Thereafter, the bulk of the chapter is devoted to opinions on what power sharing over allocations decisions should and does look like in a contemporary environment. It provides a synthesis of how Israeli stakeholders in these relationships evaluate Americans’ ability to be valuable contributors in allocations discussions. It compares perceived American Jewish motives in the relationships to
how literature in the field of philanthropy studies evaluates donor motives. It concludes with analyses of how power sharing is either negotiated or dominated in each of the two general modes of giving that appear in the case—direct giving and what I term ‘tailored federatedness.’

Chapter six returns to the dissertation’s central questions. It begins by reviewing the main findings on the project’s two central research questions: ‘how, why, and into what has the ‘old system’ changed?’ and ‘what are the structures and dynamics of partnership and power sharing between Israeli NGOs and their American Jewish supporters in a contemporary era?’. It will look at the extent to which the significant changes to the field demonstrated in the first five chapters represent the emergence a new paradigm of ‘partnership’ versus a perpetuation of old relationship patterns. Finally, it will look at two very contemporary developments to the diaspora philanthropic relationship, that although only somewhat significant to date, have the potential to revolutionize how American Jewish donors and Israeli NGOs relate in the future.
Chapter 2: Development of the Philanthropic Partnership Between American Jews and Israelis from 1900-1985

This chapter traces the development of the culture and structures that came to define the philanthropic relationship between American Jews and their partners in the Yishuv/Israel. The chapter is divided into five parts. The first part looks at the development of federated giving in the American Jewish community in the early 20th century. The next two sections explore the development of the philanthropic partnership between American Jews and Israelis, paying special attention to the two organizations that came to play the central roles in mediating the relationship: the United Jewish Appeal (UJA) in the U.S., which served as chief collector of American Jewish donations, and the Jewish Agency in Israel, which served as the chief disburser of these American funds to various services and development projects in Israel. They will explore how and why each organization rose to prominence, and what this says about the philanthropic relationship between American Jews and Israelis during this era. The fourth section looks at the Committee on Control and Authorization of Campaigns (CCA), an instrument jointly created by the Jewish Agency and the UJA that helped them to maintain their dominant roles in the relationship. The final section of the chapter discusses the three central ideas at the foundation of the philanthropic relationship between American Jews and Israelis—federatedness, statism, and institutional deference over the use of philanthropic fund—that helped to uphold the consistent partnership arrangement they enjoyed for decades.
Part 1 - The Emergence of Federated American Jewish Giving

Until the last decades of the 19th century, the relatively small number of Jews living in America did not necessitate complex communal structuring. The oft-referenced “guarantee” made to New Amsterdam mayor Peter Stuyvesant in 1654 that the newly arriving Jews from Recife would not be a burden to the community at large,\(^{21}\) serves as a helpful backdrop in understanding how American Jewish communities formed. For the first several centuries of Jewish life in North America, the idea of Jewish communal responsibility was a central creed. In communities big and small, Jews organized to ensure that they could meet their own needs, be it through Synagogues, hevre kadisha (burial societies), fraternal lodges, or mutual aid societies. But Jewish communal organizing was almost entirely local, as there was little need for anything else at the time.\(^{22}\)

This changed with the massive influx of Jews from Eastern Europe from 1880-1920. Within a generation, the number of Jews in America grew from 250,000 to 3.6 million.\(^{23}\) Most came poor and in need of all kinds of services—social, health, educational, and others. As a result, thousands of new organizations were established in Jewish communities throughout the U.S. to meet the needs of the new immigrants. By 1918, according to the Jewish Communal


\(^{22}\) The three biggest exceptions would seem to be B’nai Brith (founded in 1843) and the Board of Delegates of American Israelites (founded in 1859). While B’nai Brith was indeed the first large-scale national Jewish organization, it was more accurately a loose confederation of local fraternal lodges with local memberships and local agendas, than it was a nationally oriented organization. The Board of Delegates of American Israelites, on the other hand, did work on international issues that were of common concern to American Jews. However, it remained a relatively small organization, attracting the attention and support of only a small portion of American Jews. The one most relevant to the forthcoming discussion was the North American Relief Society, an organization that sent funds to Jews living in the Holy Land. However, most of its funds came from the interest of the original bequest left by Judah Touro. As Baron and Baron noted, “it was rare for anyone to send a contribution [to the Society] on his own initiative.” (Salo W. Baron and Jeannette M. Baron, “Palestinian Messengers in America, 1849-79: A Record of Four Journeys” (part 3) *Jewish Social Studies* 5:2 (July 1943), 225).

Register of New York City, 3,637 separate Jewish organizations had been established in New York alone to meet swelling community needs. Lurie characterized this organizational state of affairs as “chaotic”: “each separate agency operat[ed] in its own self-contained universe” with many “unaware of, or indifferent to, the existence or operation of parallel activities” by other organizations. The biggest issue was that “instruments for coordination [amongst organizations] were generally lacking.” As a result, organizations often wasted valuable resources duplicating the work of one another.

Against this backdrop of rampant disorganization, duplication, and inefficiency within an expansive network of charity organizations, the first National Conference of Jewish Charities was convened in 1900. There, Conference President Max Senior argued that in the current state of overwhelmingly large and growing populations of needy immigrants, something needed to be done. As he put it, “the loose, benevolent, but spasmodic organizations of the past” were simply “not equipped” to deal with the present state. It was in this environment that the idea of federated fundraising for charity organizations arose as a solution. In this arrangement, the charitable organizations within a community agree to suspend their individual fundraising efforts and instead fundraise collectively to maximize the dollars in their collective pot. Then, the organizations together decide how best to divide the money amongst themselves. The Jewish communities in Boston and Cincinnati (1895 and 1896, respectively) were the first to attempt community-wide federated fundraising. While each community was pleased with the results and

25 Ibid.
26 Ibid, 38.
27 This idea was simultaneously becoming apparent in wider non-Jewish circles in American cities. For a good description of the broader trend, see Robert H. Bremner, American Philanthropy (Chicago: University of Chicago Press, 1960), 124.
28 Eventually, federation's decisions were made by boards comprised of the community's residents. However, during this era, it was the organizations, themselves, that decided on allocations.
was confident that it raised more money as a federation than the individual constituent organizations would raise on their own, ‘federatedness’ as an idea only gradually gained steam in American Jewish communities; by the outbreak of World War I, only 14 other communities had launched joint communal appeals.\footnote{Lurie, 41.} Despite the success of early federated programs, many Jewish communities were still reluctant to move to a federated system, fearing that a unified campaigns would raise less than separate organizational appeals. However, during World War I, this concern was put to rest by the overwhelming success of joint charitable appeals—in both Jewish and general American communities—to benefit overseas relief agencies achieved. Both the American Jewish Joint Distribution Committee (JDC) and the American Red Cross raised huge sums of money—unprecedented up until that time. The preeminent scholar on the history of American philanthropy, Robert Bremner, explains that communities came to understand that federating charities “reduced competition and promoted rational distribution of charitable profits. It expanded the number of givers, increased the amount of money available for social work, and ultimately released social agencies from dependence upon a few well-to-do givers.”\footnote{Bremner, 140-141.} From there, the idea of a federation (or ‘community chest’ as it was called in the broader American community) quickly caught on and giving levels soared. As Bremner explains, the arrival of centralized federated charities in each community, “made giving less an act of personal charity than a form of community citizenship, almost as essential as the payment of taxes.”\footnote{Ibid.} And so, after the war, we see a rapid acceleration of Jewish communities federating their charity appeals.
From the 14 federations in 1914, 68 communities practiced federated fundraising by 1929, with this number ballooning to 260 cities by 1941.  

**Part 2 - The Developing Place of Israel in American Jewish Giving**

**American Jewish Overseas Giving in the Pre-Federation Era**

Federated fundraising of American Jewish charity to Jewish communities overseas developed in a similar manner. Until the first decades of the 20th century, collections and allocation of funds were handled in a disorganized fashion. The chief destinations for American Jewish overseas giving were to support needy Jews abroad, both in Europe and Palestine. Prior to World War I, American Jews supported their co-religionists in Europe primarily through landsmanschaften, fraternal lodges established by immigrants for social and mutual aid purposes, typically comprised of members from a specific town or region of origin. Many immigrants not surprisingly had an interest in supporting family or friends back in the old country, and as such, the various landsmanschaften raised funds for their specific hometowns.

Donations given to support Jews in Palestine fell into two main categories during this era—(1) traditional halukkah and (2) financial support for the new Zionist movement’s activities in Ottoman Palestine.

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32 Lurie, 115-121. In a similar timeframe, general, non-sectarian community chests were operating in 40 cities in 1919, and 350 a decade later. (Bremner, 140-141).
34 In today's philanthropic parlance, they would be known as HTOs (Home town organizations), and are a prevalent form of early diaspora philanthropy amongst immigrant communities worldwide. See Paula Doherty Johnson, *Diaspora Philanthropy: Influences, Initiatives, and Issues* (The Philanthropic Initiative (TPI) and The Global Equity Initiative of Harvard University: 2007).
Halukkah

*Halukkah* was the system by which diaspora Jews would collect charitable funds to support the small but impoverished Jewish community living in the Holy Land. Karp explains the place of the *halukkah* phenomenon in diaspora Jewish culture: “In the nineteenth century, Jewish homes throughout the world had a charity box for the Jews of the Holy Land, the *Meir Ba’al Ha Nes pushke*. Before lighting Sabbath or holiday candles, for thanksgiving or in celebration, a Jew would drop a copper in the box.”³⁵ Proceeds were periodically sent to Palestinian Jewish communities, that relied heavily on the *halukkah* for their sustenance. From time to time, Palestinian emissaries would come to diaspora Jewish communities to attempt to, as Baron put it, “counteract the inertia of communal leaders”³⁶ and raise greater sums for their constituencies.

*Halukkah* was not an especially orderly process. Baron’s chronicle of the visits of three emissaries to America in the 19th century reveals that though there was interest amongst some community leaders in arranging a more regular and orderly system of *halukkah* collection, by and large, giving was done in a haphazard fashion. The periodic attempts at creating a more orderly system for fundraising that were initiated during the visits of emissaries lasted for a few years at most. Because of this, there are few exact records of amounts given to *halukkah*. Still, it is clear that the total sum of *halukkah* money sent to Palestine was not very high. For example, Baron’s study of the 1861-1862 visit of Abraham Nissan to most major U.S. Jewish communities resulted in roughly $1,400 being forwarded to the Holy Land.³⁷ Even by 1862 standards, that was not very much money (it was roughly equivalent to $29,000 in 2007 terms). Though this was

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³⁶ Salo W. Baron and Jeannette M. Baron, “Palestinian Messengers in America, 1849-79: A Record of Four Journeys” (part 1) *Jewish Social Studies* 5:2 (April 1943), 115.
³⁷ Ibid, 142-162.
probably a function of a number of factors (it pre-dated American Jewry achieving the great wealth it would within a generation,\(^{38}\) as well as the appearance of two significant changes that would in short time change how Americans gave charitably—the Carnegian notion of contemporary philanthropy\(^{39}\) and the U.S. government’s implementation of tax incentives to encourage giving\(^{40}\)—at least a portion of this poor showing can be attributed to the disorganized nature of *halukkah* giving and collection in the American Jewish community.

**Early Giving to the Zionist Movement**

The second way American Jews donated money to Palestine pre-World War I was through supporting the development of new Zionist colonies in Palestine. The most prominent avenue for this type of giving was the *Keren Kayemet L’Yisrael*, or Jewish National Fund (JNF), which was established in 1901 as the financial arm of the central body of the Zionist movement, the World Zionist Organization (WZO). The JNF’s principal activity was the purchase and

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38 The vast majority of Jews in America in 1880 had arrived in the immigrations of the 1840s and 1850s (mainly from Central Europe). In a few short decades following their arrival, many in this population moved from poor or working class to wealthy. (Hasia Diner, *A Time for Gathering: The Second Migration, 1820-1880* (Baltimore: Johns Hopkins University Press, 1992).

39 The so-called ‘Carnegian’ notion of philanthropy, based on the ideas of Andrew Carnegie, came to play an important role in American giving in the 20th century. Carnegie’s views were in contrast to the more traditional notion of giving as ‘charity’, as represented by Carnegie’s contemporary, John D. Rockefeller. According to Bremner, “Rockefeller adhered to the old-fashioned religious doctrine of stewardship rather than to the new gospel of wealth…[Rockefeller] thought that the good Lord had given him the money for a purpose and expected him to handle it with care.” Carnegie, on the other hand, believed that “the millionaire [was] a product of natural selection,” and as such, should be, “an agent of the public, of the forces of civilization, rather than a servant of God.” Trusteeship over donated money therefore “devolved on the man of wealth because he was the fittest to exercise it.” This perspective, that became known as ‘The Gospel of Wealth’, further proclaimed: “Let the laws of accumulation and distribution be left free; let the able and energetic dispose of their surplus as they saw fit.” With this new outlook came the increased use of social scientific research to determine how best to use philanthropic funds to help ‘cure the ills of society’ (scientific philanthropy), as well as the establishment of large charitable grant making trusts that would be able to make such grants in perpetuity. Bremner explains that for the new class of philanthropists, “relieving the needy was not their objective. They would attack misery at its source through the weapon of research. With the advent of this new outlook, the rise in aggregate giving rose dramatically. (Bremner, *American Philanthropy*, 110-117).

40 See chapter 3 for a discussion of the impact tax deductions have come to have over American’s charitable giving since the establishment of tax deductions in World War I.
rehabilitation of land for the establishment of Zionist settlements in the Yishuv. More than in other diaspora Jewish communities, the JNF was central in how American Jews supported Zionist efforts, as American Jewry had a far less developed Zionist movement than did the Jewish communities in Europe and Russia. This notwithstanding, the total proceeds in the first 20 years of the JNF were very small, even by the standards of the day. Until World War I, American Jews who supported the Zionist pioneering effort only donated about $10,000-$12,000 per year.41 Urofsky illustrates the tenuous financial situation of this enterprise:

The organization never had enough money. Dues and the shekel tax were always in arrears, and much of the secretarial work consisted of sending out dunning letters to the [local Zionist] societies begging for back payments. In its best years, the annual budget rarely exceeded twelve thousand dollars...42

The JNF’s poor performance can be explained by a few factors. For one, the Zionist movement was a minority position at the time. Shpiro notes that only 12,000 of America’s three million Jews in 1914 were members of the Zionist umbrella organization, the Federation of American Zionists (FAZ).43 Of these, many were working class immigrants who lacked the means for significant charitable giving. Furthermore, as the FAZ was less a centralized body and more a loose network of independent Zionist organizations, local Zionist groups set their own agendas,44 with many of them focusing more on promoting cultural and educational activities than they were on remitting money overseas.45

42 Ibid.
44 Urofsky notes the weaknesses of the FAZ. “[The FAZ had] dependent relations with affiliated societies. Individual Zionists belonged to different lodges, benevolent associations, and clubs rather than to the FAZ. Moreover, since the… [FAZ] had no real coercive power over the societies, it could only act through moral suasion.” (Urofsky, American Zionism From Herzl to the Holocaust, 147).
45 This was appropriate for the times, as most Zionist settlement in the Yishuv then did not rely on grassroots diaspora support, but rather the backing of big European Jewish financiers, such as Rothschild and Hirsch.
The Development of Federated Overseas Giving

Until World War I, the concept of federated giving, which had begun to take hold in Jewish communal domestic giving, had yet to take hold for overseas giving. But with the crisis of World War I and the resulting unprecedented needs of Europe’s Jews, American Jews were compelled to become better organized, so as to maximize their fundraising results. At the onset of the War, three large groups were created to supplant the previous piecemeal efforts of landsmanschaften in supporting Jewish communities in Europe: The AJC-led ‘Relief Committee’, the Orthodox movement’s ‘Central Committee on Relief of Jews Suffering Through the War’, and the socialist labor groups’ ‘People’s Relief Committee’. Within a year, an effort was undertaken to merge these organizations into one federated organization effort for overseas giving, the American Jewish Joint Distribution Committee (JDC). American Jews who were interested in supporting imperiled Jewish communities in Europe now had a central address that they could trust would run well-coordinated fundraising and allocations processes.

The JDC’s efforts resulted in overwhelming success, raising $63 million between 1914-1921, an enormous number for the time. In doing so, as Rosen explains, the JDC permeated the American Jewish culture of giving, effectively introducing the idea of mass philanthropy to American Jews. The result was a standardizing of communal charity, so that “almost every Jew gave something.”

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The Development of Federated Giving to Support the Upbuilding of the Yishuv

The fortunes of the FAZ’s fundraising also improved during World War I, spurred on both by reports of the vulnerable state of Palestine’s Jews, and by the ascendency of the eminent and previously non-Zionist Louis Brandeis into the leadership of the FAZ in 1914. Due to Brandeis’s popularity and skilled leadership, the organization’s membership rolls swelled from 12,000 in 1914 to 176,000 in 1919. The growth in support of the FAZ can also be attributed to how Brandeis’s articulation of American Zionism resonated with American Jews. To Brandeis, American Jews could be both proud Americans and proud Zionists, positions that most American Jews had previously perceived as contradictory. Brandeis argued that supporting the idea of a Jewish homeland did not contradict core American values, but instead epitomized them. As Urofsky explains, Brandeis made the point that “multiple loyalties are objectionable only if they are inconsistent...To be good Americans, we must be better Jews, and to be better Jews, we must become Zionists.”

However, despite the organization’s membership success, its fundraising, though improved, still brought in only $5.74 million for relief and development in Palestine over the seven-year period from 1914 to 1921. This is a tiny figure when compared to the JDC’s fundraising totals during the same period in which it raised over $50 million. And, once the war ended, American funds raised to support Zionist efforts in Palestine grew smaller. A new campaign launched by the WZO in 1918 called the Keren Hakhana (Preparation Fund) raised only $260,000 from American Jews. Another new campaign was launched in 1919, known as the

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47 By 1919, the FAZ had been reorganized into the Zionist Organization of America (ZOA). (Urofsky, American Zionism From Herzl to the Holocaust, 134).
48 Urofsky, American Zionism From Herzl to the Holocaust, 120.
49 Ibid, 142.
50 JDC figures tabulated based on annual JDC report (“Joint Distribution Committee Statement Showing Funds Appropriated for the Relief of Jewish War Sufferers”) printed in the American Jewish Year Book volumes 23-26 (1921-1925). (American Jewish Year Book Vol. 23, 269; American Jewish Year Book Vol. 24, 289; American Jewish Year Book Vol. 25, 315; American Jewish Year Book Vol. 26, 549).
Keren Geulah (Restoration Fund), but it too produced disappointing results, raising only $1.9 million from American Jews over roughly two years.\textsuperscript{51} American Jewish financial support for Zionism continued to languish.

Following World War I, the League of Nations established a Mandate over Palestine, and called for the establishment of a ‘Jewish Agency’ to administer the upbuilding of a Jewish national home in Palestine. As the details of the Agency’s governance structure were being negotiated during the 1920s, the executive branch of the WZO assumed the interim role of acting-Jewish Agency’, and its president, Chaim Weizmann, the role of acting-Agency president. One of the Jewish Agency’s first actions was to take steps to increase the funds diaspora Jews—especially American Jews—contributed to support Zionist activity. Seeking to emulate the JDC’s recent success, the Jewish Agency launched a reinvigorated Zionist fundraising campaign called the Keren Hayesod (Foundation Fund), and set the unrealistically ambitious campaign goal of $105 million in 1921. Soon realizing how unrealistic this was, it dropped the figure to $105 million over five years (or $21 million per year). However, even this modified goal was 10 times more than what it was actually able to bring in.\textsuperscript{52} In its first three and a half years, Keren Hayesod raised $4.4 million from American donors.\textsuperscript{53} While an improvement over previous years, this was still an underwhelming amount.\textsuperscript{54}

\textsuperscript{52} Ibid, 20-21.
\textsuperscript{54} Over the same time period, the JDC allocated $28 million to its overseas projects. (Due to organizational overhead, the amount it raised was probably considerably more than that.) (JDC figures tabulated based on annual JDC report (“Joint Distribution Committee Statement Showing Funds Appropriated for the Relief of Jewish War Sufferers”) printed in the American Jewish Year Book volumes 23-26 (1921-1925). (American Jewish Year Book Vol. 23, 269; American Jewish Year Book Vol. 24, 289; American Jewish Year Book Vol. 25, 315; American Jewish Year Book Vol. 26, 549).
Weizmann and the leadership of the Jewish Agency began to address what it identified as the factors limiting the campaign’s success. First, although Keren Hayesod had been intended to be something like a federated campaign for the Zionist movement at large, a number of independent campaigns supporting particularistic philosophies and agendas existed alongside it. These included the campaign for Mizrahi (religious Zionist party), Labor Zionism’s gewerkshaften campaign, Hadassah (a women’s Zionist movement aligned with, but still independent from the Zionist Organization of America (ZOA)), and the non-Zionist ultra-Orthodox Agudat Yisrael’s campaign to support Yeshivot in the Yishuv, as well as two separate funds administered by the WZO outside of Keren Hayesod: the still existing JNF and a separate fund created to support the establishment of Hebrew University.

Since the actual work in Palestine was much more distant and difficult to understand than domestic charity work, the Jewish Agency reasoned that American Jewish donors would find a unified campaign easier to understand and deal with than the current hodgepodge of Zionist-oriented charities. The Jewish Agency thus spearheaded the federating of the various Zionist campaigns into a new umbrella body known as the United Palestine Appeal (UPA). Launched in 1925, the UPA incorporated Keren Hayesod, the JNF, the Hebrew University fund, and the Hadassah and Mizrahi campaigns under a common umbrella fund. (The Labor Zionists and

56 From its inception, Keren Hayesod immediately reached out to Hadassah. Hadassah’s successful independent campaigns (it had been raising between $150,000 and $250,000/year for its work in the Yishuv) made it an attractive organization to bring into a federated fund. Hadassah resisted, however. Due to its unique character as an organization that both raised fund in the U.S., and also provided on-the-ground services in the Yishuv, it did not want to give up any autonomy, for fear that the extent or quality of its much needed services in the Yishuv would be compromised. On the other hand, it understood and supported the need for a federated campaign. After much wrangling, Hadassah agreed to become at least nominally a part of the new United Palestine Appeal (UPA). As Erica Simmons explains, “the compromise worked out [between Keren Hayesod and Hadassah]…allowed Hadassah to raise funds solely for its own projects and to control the use of these funds. In return, Hadassah agreed that monies so raised would be recorded as part of Keren Hayesod’s budget.” (Erica Simmons, *Hadassah and the Zionist Project* (Lanham, MD: Rowman & Littlefield Publishers, 2006), 27-29. Statistics obtained from: A. Ulitzur, *Report on Jewish National Capital Investment in Palestine from 1918-1936*. Keren Hayesod. (27 October, 1936). Available in Goldfarb Library, Brandeis University.
Agudat Yisrael campaigns chose to remain outside of the UPA). The result of the joint campaign was better, but not by much. In the first two years of its existence, the UPA brought in $5.2 million.

The UPA’s Ascendance

By the late 1920s, the development of American Jewish philanthropic support for the Yishuv could, at best, be described as plodding. However, the system was about to undergo a series of significant organizational advances over the next 25 years that would propel it from a meager source of support into an enterprise that would dominate American Jewish philanthropy, raise unprecedented sums, play an indispensable role in bankrolling a young Israeli State, and shape American Jewry’s relationship with Israel for decades and decades to come.

The heights that the UPA would eventually reach have to be understood, on the one hand, in the context of contemporary Jewish history in which Zionism moved from a fringe movement to a national epic of millennial proportions. However, on the other hand, much of the organization’s success is a result of the way in which it maneuvered within the American Jewish philanthropic system, growing from a small player to effectively taking control of the reigns of the national system. This ascendancy of the Zionist UPA in taking control of American Jewish overseas funding occurred in three phases. In the next section, we will explore each.

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58 This was likely because the ideological agendas of each differed dramatically from that of the UPA. The non-Zionist Aguda party was interested in supporting its network of religious institutions in the Yishuv, not laying the groundwork for an independent Jewish state. The Labor Zionist campaign was initiated in 1921 to help develop a socialist economy in the Yishuv. Its so-called gewerkshafte campaign, that would eventually become the U.S. fundraising instrument for the Histadrut, began by raising money for agricultural tools and equipment. Between 1926 and 1930, the gewerkshafte campaign raised between $100,000-$200,000 each year. (See Mark A. Raider, *The Emergence of American Zionism* (New York: New York University Press, 1998)). Ultimately the campaign would grow to raise as much as $5 million a year to support the institutions of the Histadrut. (Stock, *Partners and Pursestrings*, 40).
Phase 1: The UPA Begins to Attract Non-Zionist Support

In evaluating the Zionist enterprise’s limited fundraising success within the community, Weizmann and the leaders of the Jewish Agency had come to see was that in order to raise the sums of money needed to support Zionist work in Palestine, they would need to tap into the much larger population of American Jews who were non-Zionists, among whom were some of the wealthiest and most influential American Jews. At the same time, they were coming to understand just how unreachable this moneyed class of American Jewry was to a Zionist organization. As Urofsky explains, this group that he terms the “German American aristocracy” feared a Jewish state might raise the question of dual loyalty to a foreign entity and that, to this group which “placed a high value upon assimilation into the gentile society (while nominally remaining Jews), Jewish nationalism remained a frightening specter.” Despite this, Weizmann knew that for the most part, non-Zionists actually did support the upbuilding of the growing Jewish communities in Palestine, in the same way that they might support Jews in poor or struggling communities anywhere else in the world—this all the more so when the United

59 ‘Non-Zionist’ was the term used to describe those Jews who opposed the creation of an independent Jewish state. Non-Zionists considered themselves fully Americans and had no interest in engendering any suspicion of split loyalties that support for a Jewish national project might create. Still, many non-Zionists supported the Balfour Declaration, and viewed Palestine as a legitimate refuge for Jews, but they saw it as only one of many.
60 Urofsky, American Zionism From Herzl to the Holocaust, 89.
61 Ibid.
62 Through the JDC, non-Zionists did support Palestinian Jewry. From 1918-1924, for example, the JDC allocated $6.34 million to projects in Palestine. Most of this money was supplied by non-Zionists. (Sums tabulated based on figures from Samuel Halperin, “Ideology or Philanthropy? The Politics of Zionist Fund-Raising” The Western Political Quarterly 13:4 (December 1960), 970, and from the JDC’s annual statement (“Joint Distribution Committee Statement Showing Funds Appropriated for the Relief of Jewish War Sufferers”) printed in the American Jewish Year Book volumes 22-27 (1920-1926). (American Jewish Year Book Vol. 22, 343; American Jewish Year Book Vol. 23, 269; American Jewish Year Book Vol. 24, 289; American Jewish Year Book Vol. 25, 315; American Jewish Year Book Vol. 26, 549; American Jewish Year Book Vol. 27, 353).
63 Kellner argues that the origins of non-Zionist American Jews comfortably supporting the development of Jewish communities in Palestine can be explained by how the concept of *halukkah* developed amongst American Jewry in the 19th century. Whereas at one time, supporting the scholars and pious remnants in the holy land was a religious injunction, during the 19th century, the idea transformed to a more ethnically-based concept where alms should be given to needy Jews irrespective of whether they were in Palestine, Europe, or anywhere else. (Jacob Kellner,
States largely shut its gates to immigrants in 1924 and Palestine became an appealing refuge for imperiled Jews.

With all this in mind, Weizmann reached out to prominent American Jewish leader and non-Zionist Louis Marshall, to try to create a collective mechanism that could bring non-Zionists and Zionists together for the purposes of more effectively raising funds to support Jews in the Yishuv. Weizmann knew that as long as a Zionist body was in control of allocating the money raised in the U.S. to projects in Palestine (as the UPA was), non-Zionists would not contribute. He reasoned that the establishment of an organization jointly governed by Zionists and non-Zionists might be sufficiently satisfactory to draw donations from both Zionists and the community of moneyed non-Zionist American Jews.

Marshall agreed with the premise, but it took six years of discussions to finally reach an agreement. In 1929, the two sides formally agreed to the so-termed ‘Pact of Glory’, which called for a reconstituted Jewish Agency with full parity in governance between Zionists and non-Zionists in all matters, including the fundraising and allocations decisions of its financial arm, the UPA. In this arrangement, the WZO would retain half of the seats in each of the Jewish Agency’s governing bodies, and non-Zionists would assume the other half of the seats. Non-Zionists acquiesced to this agreement because they felt that federated fundraising was in Palestinian Jewry’s interest, and at the same time they could still feel comfortable that they were supporting the social and humanitarian projects of the UPA in Palestine, and not the creation of a Jewish state. Weizmann had to lobby strongly within the WZO to gain acceptance of this new power structure. While granting equal power to non-Zionists philosophically went against

everything that the Zionist movement stood for,\textsuperscript{64} Weizmann successfully argued that without such a provision, the Zionist movement would not be able to raise the amount of funds necessary for the development of the Yishuv.

As it turned out, this ‘new’ Jewish Agency envisioned in the Pact of Glory never actually got off the ground. Marshall, the driving personality representing the non-Zionist camp died shortly after the agreement, and no leader of equal stature stepped into the breach. With neither the strong leadership of a figure like Marshall, nor an organizational infrastructure to match that of the WZO, the non-Zionist camp was never amply organized to compete with the Zionist camp over ideologically contentious issues coming before the Jewish Agency. As Stock explains, the Marshall-Weizmann parity principle therefore “proved unrealistic” for non-Zionists in the diaspora, who lacked sufficient “organizational backing.” In key votes, the Zionist delegates—though representing the full spectrum of Zionist ideologies and parties—were instructed to vote en bloc, and thus always earned a majority over their non-Zionist counterparts, who even “had difficulty in recruiting their quota for council meetings.”\textsuperscript{65} As a result, the Jewish Agency and the UPA, though not titulary Zionist bodies, remained fully in the hands of the WZO in all important matters.

In sum, the enlarged Jewish Agency did not result in the jump in fundraising as Weizmann had hoped. Yet, the new structure at least gave UPA fundraisers an audience with and support from some non-Zionists, including those who were given seats in the expanded Jewish

\textsuperscript{64} Zionism believed in the establishment of a Jewish homeland in Palestine that would control its own destiny. Strains within Zionism differed on the future of the diaspora, but none believed in a scenario in which a future Jewish State would vest any governance responsibilities with diaspora Jews.

Agency Board of Governors. It also paved the way, as we shall see, for significant collaborations that Zionists and non-Zionists would enter into over the next decade.\textsuperscript{66}

\textbf{Phase 2: Zionists Become the Dominant Voice in Defining American Jewry’s Vision for Overseas Jewry}

\textit{The United Jewish Appeal, the Biltmore Program, and the American Jewish Conference}

In the midst of the worldwide Great Depression that began in 1929-1930, the supply of American Jewish charitable funds for overseas causes shrunk considerably just as the needs of overseas Jewish communities became greater.\textsuperscript{67} In this environment, the need for efficiency in fundraising was greater than ever. The leadership of the domestically-oriented federation movement, which as we saw firmly believed in the merits of consolidated campaigns by this point, continually urged the leaders of the UPA and JDC to federate their campaigns into a joint overseas fundraising appeal. Some federations were successful in making this point, as ad hoc joint UPA-JDC campaigns appeared in roughly a fifth of American Jewish communities by 1928.\textsuperscript{68} The national organizations, however, still opposed joint campaigns. But by 1930, the UPA and JDC agreed to launch a joint effort: the so-called ‘Allied Jewish Campaign’. However, the arrangement between the two organizations was rocky, and after only one year, the Allied

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\textsuperscript{66} It should be remembered how low support for the Yishuv was in the collective American Jewish philanthropic portfolio of the day. Of the estimated $38 million given by American Jews to Jewish causes from September 1930 – September 1931, only 2.8% ($1.08 million) went to support the development of the Yishuv. “American Jews Gave over 56 Million Dollars to Jewish and General Philanthropies During Past Year,” Jewish Telegraphic Agency, 9 September, 1931.

\textsuperscript{67} For example, the UPA’s proceeds plummeted from $2.2 million in the 1928 campaign to less than $600,000 in the 1929 campaign. (Stock, \textit{Partners and Pursesstrings}, 53, 88). The JDC experienced a similar cascade.

\textsuperscript{68} Stock, \textit{Partners and Pursesstrings}, 83.
Campaign collapsed, and the organizations once again conducted separate campaigns. This process began what would be an on-again/ off-again collaboration between the UPA and JDC throughout the 1930s. Tensions mostly centered around the percentage of allocations each organization would receive. Zionism was still a minority position amongst American Jews—especially amongst the wealthy. And, Americans were much more concerned with addressing the plight of European Jews by supporting them there, rather than by encouraging emigration to Palestine. The UPA, therefore, was still the junior partner in any collaboration with the JDC. And though it accepted this reality, the degree to which it was junior would remain a source of conflict between the two organizations during the 1930s.  

It was not until the shock of Kristallnacht in 1938 that the two organizations finally recognized the gravity of the imminent crisis facing world Jewry to a great enough degree that they would no longer allow their differences to stand in the way of maximizing collective campaign revenue. And so, in what was the third incarnation of a joint effort in nine years, the United Jewish Appeal (UJA) was established in 1939. From then on, the two groups were committed to a joint campaign, resolving to jockey for maximum allocations under a UJA umbrella, rather than walking away from the partnership.

From the outbreak of World War II until the establishment of the state of Israel, the JDC and UPA negotiated annually how allocations would be divided between the two groups, based on what they perceived as the most pressing needs of the day. In this arrangement, the JDC

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70 One additional organization, known as the National Refugee Service (NRS), was also a partner in the agreement. The NRS helped settle German Jewish refugees in the U.S. Though it received a relatively small portion of the UJA budget (usually between $1 and $3 million per year), its draw on the scarce UJA resources intensified the already strained allocations conversations held between the JDC and UPA.
received 65.4% and the UPS 34.6% of the roughly $40 million shared between the two organizations over the first four years of the UJA, from 1938 to 1941.\footnote{Data for these figures gathered from various sources: Raphael, 7-10.; Stock, \textit{Partners and Pursesstrings}, 100-109.; Halperin, 962.; “Committee Distributes $2,800,000 Among JDC, UPA and NRS,” \textit{Jewish Telegraphic Agency}, 26 October, 1941.; “United Jewish Appeal Renewed for 1942 by JDC, UPA and NRS to Meet Wartime Needs,” \textit{Jewish Telegraphic Agency}, 11 January, 1942.; “J.D.C. Annual Report Published; Shows $7,257,000 Spent in 1942,” \textit{Jewish Telegraphic Agency}, February 23, 1943.}

\textbf{The Biltmore Program and the American Jewish Conference}

From the time that the Balfour Declaration (1917) promised a national home for Jews in Palestine, various Zionist factions worked to actualize their visions for what that should mean—be it an eventual Jewish state, a British protectorate, or a binational state. Though they did collaborate to some degree, each simultaneously pursued its own program of development; however this all changed after the British issued a White Paper in 1939 which disallowed further immigration of Jews to Palestine at a time when it was most necessary. As a result, the various Zionist movements in America (including the ZOA, Hadassah, Labor Zionists, and Mizrahi) convened in May 1942 at the Biltmore Hotel in New York City to forge a common platform on what the ultimate aim of the Zionist movement should be. Following the meeting, the various factions issued a new collective declaration that the movement’s united goal henceforth would be nothing less than the establishment of a Jewish state in Palestine. This declaration became known as the Biltmore Program. Though establishing a united Zionist aim was a big accomplishment, it should be remembered that Zionists were still a fringe portion of American Jews, with most American Jews still identifying as non-Zionist.

By 1943, against the backdrop of World War II and the growing awareness of the horrific fate of Europe’s Jews, the broader American Jewish organizational community decided that it needed to follow the Zionist lead at Biltmore by putting ideological differences aside to forge a
representatives of 64 Jewish organizations came together for this purpose at what was called the ‘American Jewish Conference’.

Non-Zionists, led by the American Jewish Committee (AJC), argued in the name of Jewish unity that it was necessary to find a platform that all could agree upon, and therefore, the contentious Biltmore Program should not even be raised in the Conference’s discussion. And indeed, as Urofsky explains, the Conference nearly concluded without having to take a stand one way or the other on the issue of a future Jewish state. Zionist leadership was not given an opportunity to address the Conference. But at the last moment, through a complicated procedural maneuver, the American Jewish Congress yielded its floor time to Abba Hillel Silver, arguably American Zionism’s most persuasive advocate. Silver used the mantle to deliver an impassioned address calling for the Conference’s adoption of the Biltmore Program as a centerpiece of its own platform. And indeed, he was effective. As Penkower notes, Silver’s message “swept the large hall ‘like a hurricane,’ … igniting[ing] the pent up emotions of the audience, which responded with repeated, stormy applause” and spontaneous choruses of the Zionist anthem Hatikvah. The AJC leadership tried to issue a last minute alternate vision, urging unanimity, but it was to no avail. The power of Silver’s speech resulted in a landslide approval of the Biltmore Program. In effect, this was the first time that American Jewry spoke with one voice declaring that the centerpiece of its collective overseas agenda was now the establishment of a Jewish state in Palestine. Zionism had finally emerged from the fringes to become the position of mainstream American Jewry.

73 Penkower, 105. Also see Melvin I. Urofsky, We Are One!: American Jewry and Israel (Garden City, NY: Anchor Press, 1978).
For fundraising purposes, the UJA, previously silent on the issue, would henceforth espouse a Zionist platform, symbolically elevating the UPA from its junior role to that of an equal partner with the JDC. And within a few years, it would be an equal partner in the division of UJA proceeds, as well.\textsuperscript{74}

Phase 3: The UPA Revolutionizes American Jewish Philanthropy and Becomes the Dominant Body in the UJA

In 1942, the UPA remitted $4.3 million to the Jewish Agency.\textsuperscript{75} By 1948, this number had jumped to $85 million.\textsuperscript{76} Even taking inflation into account, that represents an astonishing 1,240\% increase in funding remitted in only six years. Naturally, several factors contributed to this jump, including the new realities brought on by the Holocaust, World War II, the establishment of the State of Israel, and a rise in American Jewish prosperity, not to mention the move towards more mainstream status the Zionist movement had come to enjoy in the American Jewish communal agenda. But there were also three key institutional factors that allowed the UPA to make this quantum leap in fundraising: (1) a change in the UPA’s relationship with the JDC, (2) a change in the percentage of its funds the federation system dedicated to overseas (as opposed to domestic) allocations, and (3) a series of innovations in funding practice introduced by Henry Montor, the Director of UJA. This section will examine each of these changes.

\textsuperscript{74} Whereas JDC allocations roughly doubled UPA allocations in 1940 ($6.9 million to $3.5 million), by 1944, the UPA received only slightly less ($13.5 million to the JDC’s $17.5 million), and by 1948, the UPA had overtaken the JDC in allocations ($85.3 million to $68.4 million). As we will see, this was to change even more dramatically in the years after.

\textsuperscript{75} Figure calculated based on data from three articles from the \textit{Jewish Telegraphic Agency}. ("Committee Distributes $2,800,000 Among JDC, UPA and NRS," \textit{Jewish Telegraphic Agency}, 26 October, 1941.; "United Jewish Appeal Renewed for 1942 by JDC, UPA and NRS to Meet Wartime Needs," \textit{Jewish Telegraphic Agency}, 11 January, 1942.; "J.D.C. Annual Report Published; Shows $7,257,000 Spent in 1942," \textit{Jewish Telegraphic Agency}, February 23, 1943).

\textsuperscript{76} Raphael, 136.
For its first several years, the UJA was more focused on supporting and rescuing Jews in Europe than it was on supporting the Zionist project. But by 1947 that changed dramatically. Against the backdrop of the tragedy of the Holocaust, the UN partition vote, and the looming Israeli War of Independence, the UJA began shifting the locus of its activity to supporting the nascent state. In 1948, for the first time, the UPA commanded a majority of UJA allocations (55.5%). By the early 1950s—when it had then, for obvious reasons, changed its name from the United Palestine Appeal to the United Israel Appeal (UIA)—the UIA was regarded as the far more important destination of American Jewish philanthropy. From then on, it received roughly 70-75% of annual UJA allocations to the JDC’s 25-30%. The JDC would retain its full autonomy and status as a highly respected partner, but the leadership of the UIA came henceforth to be the dominant voice setting policy within the UJA. The UJA, the federated fund of overseas American Jewish philanthropy, was now in the hands of the Zionists—a feat truly unfathomable, even a few years earlier.

While the UPA/UIA and JDC were busy competing for UJA allocations during the 1940s, the UJA was engaged in a similar battle with individual community federations to ensure that as high as possible a percentage of the funds they raised would be devoted to overseas causes rather than to local needs. Bernstein tells of a cadre of UJA leadership that travelled across the country during this time, waging a domineering community-by-community campaign to push individual federations to shift their allocations culture, so as to maximize percentages devoted to overseas causes. Bernstein recounts this group

forcing their way into resistant communities, tearing up pledge cards they thought were inadequate, locking doors to rooms so that no one could leave. They pounded on tables until they splintered, arguing and fighting

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77 This approximate division would remain for the next 50 years.
to make their fellow Jews realize that the fate of the new Jewish State and
the lives of its people were at stake.\footnote{Irving Bernstein, \textit{Living UJA History: Irving Bernstein: An Oral History Anthology} (Jerusalem: Avraham Harman Institute of Contemporary Jewry, Hebrew University of Jerusalem, 1994-1995), 5.}

The combination of aggressive tactics and impressive campaign results helped make the UJA a household name amongst American Jews. The branding stuck. Even after the most immediate crises passed, local federations continued to make the UJA their chief beneficiary, giving a national average of between 56-80\% of their budgets to the UJA each year from 1946-1959. After a brief decline in the 1960s during which UJA allocations hovered around 45\%, the UJA consistently received between 55-60\% of all federation expenditures from 1967 until the late 1980s.\footnote{Philip Bernstein, Philip, \textit{To Dwell in Unity: The Jewish Federation Movement in America, Since 1960} (Philadelphia: Jewish Publication Society of America, 1983), 338. “American Jewish Contributions to Israel,” (Jewish Virtual Library). Raphael, 136. Rosen, 120.}

But even more important than the UJA’s increased \textit{percentage} of the total federation pie was the work it did to grow the \textit{total size} of the pie. Longtime UJA Director Henry Montor is credited by many with having changed American Jewish fundraising forever. Noting that American Jews as a whole gave an average of only $39.4 million/year to the combined domestic/overseas federation/UJA campaign between 1941 and 1945, Montor recognized, as Stock put it, a “latent capacity for increased giving” amongst American Jews.\footnote{Stock, \textit{Partners and Pursestrings}, 123.} Montor subsequently introduced a series of revolutionary fundraising practices that would succeed in growing the national federation/UJA campaign to a previously unfathomable size. In 1946, campaign receipts soared to $131.7 million, up from $57.3 million in 1945 (which to that point had been an all-time high). In 1947, it jumped to $157.8 million, and in 1948, to $205 million.\footnote{Daniel J. Elazar, \textit{Community and Polity: The Organizational Dynamics of American Jewry} (Philadelphia: Jewish Publications Society of America, 1976), 297.}

The result for American Jewish giving to Israel was that by 1948, the UJA gave $85 million to
the Jewish Agency and JNF in Israel, more than 28 times as much as it gave only eight years earlier.

Montor realized that a campaign’s success was dependent on its wealthiest donors, and that the best way to increase giving amongst this population was to develop ways by which donors would be made publically accountable for their gifts. One way to do this was to arrange small ‘parlor meetings’ and rig their outcomes in advance. Stock gives an example of how such a meeting was executed:

A wealthy individual invites a dozen or more of his friends. Two or three among those attending are ‘pre-solicited’ by a UJA professional and then planted among the rest. After a talk by a prominent Israeli guest, the host throws out his challenge: ‘Most of you give $2,000 or $3,000. I would like to see one man get up and give $20,000 this year!’ As had been pre-arranged, one man does get up to announce a startling increase over his last gift last year. Others follow suit.

Larger meetings were also designed to leverage peer pressure into higher giving levels. In such meetings, all attendees had to publically declare their level of commitment to the common cause. Raphael explains this phenomenon.

Following a brief but inspirational speech by someone with the latest report from Europe or Palestine, the host called each man’s name, [announced how much he had given the previous year and then directed] …the man to ‘stand and publicly pledge’ before ‘friends and neighbors’ [how much he wanted to give].

This method, known as ‘card calling’, would become standard federation/UJA practice for years to come. By drawing on human emotions of peer pressure, shaming, and bravado, card calling caused people to make huge increases in their giving.

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82 He estimated that the wealthiest 20% gave 90% of the money (Stock, Partners and Pursestrings, 125).
83 Ibid, 125-126.
84 Raphael, 23.
As had Weizmann and many others before him, Montor knew that the UJA could only raise ‘big money’ if it penetrated the wealthiest non-Zionist circles. While the success of the American Jewish Conference and the gradually warming relations between the UPA and JDC, gave the UJA entrée to this group, what really allowed it to achieve the cachet it needed was its success in enlisting a handful of the most prominent American Jews (all previously non-Zionist) to be national UJA campaign chairs. These included former U.S. Secretary of the Treasury Henry Morgenthau, Jr., heir to the Sears Roebuck empire William Rosenwald, and scion of the famous Warburg banking family, Edward M.M. Warburg. If Morgenthau, Rosenwald, and Warburg endorsed the Zionist cause, it could no longer be regarded as a fringe position. Indeed their involvement gave rise to a new category of donors that Max Fisher would eventually term the ‘New Zionists’—i.e. people who, though not supporters of any specific ideological Zionist party, philosophy, or political program, were nonetheless wholeheartedly committed to supporting a flourishing Israeli state as the centerpiece of the American Jewish communal agenda. As this transformation occurred, Montor and Morgenthau executed what can best be understood as an organizational coup d’état in 1949, using a procedural stunt to strip the ideological Zionist leadership of the ZOA from its leadership in the UIA, and putting ‘new Zionists’ into leadership roles across the country. This episode will be re-visited in greater detail later in this chapter. From that point on, local federation leaders who had the best connections amongst the wealthiest and most generous American Jewish donors in each community, became the local spokespeople and fundraisers for the UJA.
Part 3 – How American Jewish Donations Were Used in the Development of the Yishuv and State

Now that we have traced the arc of American Jewish giving to Israel in the first half of the 20th century, this next section will explore the other side of the story—what the funds were actually supporting in the emerging state during the same time period. This section will first address the use of diaspora funds during the Yishuv era, and then do the same for the first several decades of the State era (1948-1985). For each, it will focus on three main questions: (1) What specifically was American Jewish philanthropy supporting in the developing Yishuv/state? (2) What bodies conducted the diaspora-funded development work? (3) What was the overall significance of American Jewish funding on the development of the Yishuv/state during this era.

Distribution of American Jewish Donations Prior to World War I

Prior to the Mandate, most of the little American Jewish money coming in to support Jews in Palestine continued to be from \textit{halukkah}.\footnote{As discussed earlier in the chapter, the JNF did raise some money from the American Jewish community, but proceeds were small. It was not until the activity of the JDC in war relief (1915-1920) and the establishment of Hadassah’s American Zionist Medical Unit (1918) and the WZO’s Keren Hayesod (1920) that American Jews gave beyond meager sums to support the Zionist communities in Palestine.} Gordon accounts for roughly $500,000 of annual \textit{halukkah} giving in the first two decades of the 20th century, estimating that roughly half was from American Jews. The funds were distributed to help ameliorate what Gordon described as “frightful poverty”\footnote{Benjamin Lee Gordon, \textit{New Judea: Jewish life in Modern Palestine and Egypt} (Philadelphia: J.H. Greenstone, 1919), 139-146.} amongst most of the Old Yishuv.\footnote{The ‘Old Yishuv’ was the Jewish community living in Palestine prior to Zionist immigration.} In 1910, for example, \textit{halukkah} was distributed to 40,000 of Jerusalem’s 44,000 Jews. Though it was inadequate to completely cover the needs of most, for many it was “their main source of income.”\footnote{Levi Soshuk and Azriel Louis Eisenberg, \textit{Momentous Century: Personal and Eyewitness Accounts of the Rise of the Jewish Homeland and State, 1875-1978} (New York: Herzl Press: Cornwall Books, 1984), 46.} Additionally, the system by
which *halukkah* was divided was deeply problematic. Of the already minor sums raised, portions were taken off the top to pay both the collectors and the parties who distributed the funds in Jerusalem. The remainder was then split amongst the 19 *kollelim*\(^89\) in Jerusalem. Within each *kollel*, more was taken off the top to support *kollel* leaders. The remainder was then divided amongst each *kollel’s* population. Gordon estimates that in the end, probably only 25% of *halukkah* reached the people for whom donors intended it. What did reach its populations fell well short of actual needs. For example, of the 27,000 Ashkenazi Jews receiving *halukkah*, only 10% received enough money to cover their basic needs. The remaining 90% received somewhere between 1/10 and 1/2 of the money they needed to live on. Overall, the system of *halukkah* during this period was fraught with corruption and inefficiency.\(^90\)

### Distribution of American Jewish Donations to the Yishuv Following World War I

The establishment of the British Mandate over Palestine brought a new system of governance to the Yishuv. While the Mandate was the legal body in charge, it invited the Zionists to establish their own structures of self-governance in many areas. These included a locally elected parliament to administer day-to-day Yishuv affairs (known as the Knesset Israel) and the Jewish Agency (with its financial arm, Keren Hayesod) to provide for the upbuilding of the Jewish homeland, as stipulated in the Balfour Declaration. This section will outline the domains of each of these bodies, paying specific attention to how American Jewish donations to

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\(^{89}\) Kollelim were the small community groups around which Jerusalem’s Jews were organized during this era.

\(^{90}\) An interesting anecdote which illustrates the politically-driven disproportionate allocations of halukkah is relayed by Sarna. (Jonathan D. Sarna, *When General Grant expelled the Jews* (New York: Nextbook: Schocken, 2012), page 9).
the Yishuv were used. Generally, funds from America supported three different areas of
development: social, economic, and national. Let us now explore each.

Social Development

Prior to the Mandate period, the range of available social services had been inadequate to
serve the needs of even the Yishuv’s small population. But as the Jewish population in the
Yishuv surged in the 1920s (more than tripling from 50,000 to 162,000), the shortcomings
were magnified. The growing population needed healthcare, education, transitional absorption
services for immigrants, child care (for workers), and old age services. There had been hopes that
the new Mandate government would assist in providing some of these services, but as Horowitz
and Lissak explain, the British, “showed little interest” in helping in this regard. The
responsibility for providing nearly all services would fall on the Jewish community itself.

The main governing body of the Yishuv which oversaw the domestic affairs of the
community was the elected Knesset Israel with its executive body, the Vaad Leumi (National
Council). The Vaad Leumi provided some financial aid and childcare services for residents of the
Yishuv, but its effectiveness was limited due to substantial budgetary constraints. The burden
of financing adequate social services therefore fell predominantly on diaspora Jewry. The JDC

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92 The only social legislation the Mandate government provided was limited worker’s compensation for those
suffering from certain types of industrial injuries. (Dan Horowitz and Moshe Lissak, *Origins of the Israeli Polity:
93 Avraham Doron and Ralph M. Kramer, *The Welfare State in Israel: The Evolution of Social Security Policy and
94 On the one hand, the Mandate government only provided the Vaad Leumi with only a tiny budget, but on the
other, it refused to allow it to levy the mandatory tax it had wanted to on the Jewish population in order to support
communal and service infrastructure. (Horowitz and Lissak, 42-44).
provided some direct services, as did Hadassah—who took the leading role in building medical services and child welfare programs and promoting public health awareness in the Yishuv, — but the majority of service provision fell under the aegis of the diaspora-funded Jewish Agency. During the Yishuv era, the Jewish Agency was almost wholly bankrolled by diaspora Jews. The Agency’s 1935 budget, for example, shows that 76% of its revenue came from Keren Hayesod, with most coming from American Jewry. Despite some very lean years during the Great Depression, American Jews provided roughly $100 million, or 70% of all diaspora philanthropy, remitted to the Jewish Agency from the time of its inception in 1920 until statehood was achieved in 1948.

**Services Administered by the Jewish Agency**

The Jewish Agency came to support a variety of services—some that it administered itself, and others that it bankrolled but outsourced to the *Vaad Leumi* or the various Zionist political parties. Because of the diaspora’s role in funding the Jewish Agency, each of these services can be understood as being mainly provided through the support of diaspora Jewry.

The Jewish Agency oversaw immigration to the Yishuv and the establishment of settlements within the Yishuv. In the State era, this portfolio would grow to involve considerable social services provision. But in the Yishuv era, settlement work was mostly geared towards

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95 The JDC’s principal social work in the Yishuv had been its hunger relief during World War I and orphan services in the war’s immediate aftermath. Together, its support for these programs totaled roughly $4.1 million, and much more in in-kind donations of food and supplies, given to Palestinian Jewry between 1914-1920. In the 1920s, the JDC continued to invest in work in Palestine, including some public health programs, but most of its work was instead dedicated to financing various economic development projects. (“Our Story”, [http://www.archives.jdc.org](http://www.archives.jdc.org)).
96 Simmons, 29-49.
97 Of the remaining 24%, most came from loans (19%), demonstrating further the degree to which the Jewish Agency’s only means for income generation for which it would not later be liable were the donations it received from diaspora Jews. (*Reports of the Executive of the Jewish Agency for Palestine*, No. 10 (10 March, 1935), 22. Available in Goldfarb Library, Brandeis University).
98 Berman, 111.
economic development, and involved relatively few absorption services to newcomers. Stock explains that extensive absorption services were unnecessary since many arrivals to the Yishuv were *halutzim* ready to work; the other new immigrants, who settled in cities, were expected to soon be able to support themselves—an expectation they fulfilled. The extent of Jewish Agency services for new immigrants was therefore limited to sponsorship a few transitional settlement houses for immigrants in the cities.\(^9\) In the 1920s, the Jewish Agency also oversaw education in the Yishuv as well as a small array of public health and other social service projects, but by the end of the decade, it transferred the action of administering these services to the *Vaad Leumi*.\(^{10}\)

**Services Outsourced by the Jewish Agency**

Most of the social services that the Jewish Agency funded were provided by political parties and their subsidiary organizations (such as the Histadrut, the Labor movement’s expansive trade union organization). Political parties offered a variety of services catering to the needs of their members, including health services, housing, mutual aid societies, old age societies, unemployment assistance, death benefit for widows and orphans, and cultural and recreational activities.\(^{10}\) Their goal, as Medding explains, was to “constantly…reinforce their [members’] party loyalty and stimulate them to be faithful followers…[by] surround[ing] and envelop[ing] their members in a net of party-directed and party-oriented relationships.”\(^{10}\) He

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\(^9\) Stock, *Chosen Instrument*, 75.

\(^{10}\) Ilana Silber and Zeev Rosenhek, *The Historical Development of the Israeli Third Sector* (Beer Sheva: Ben-Gurion University of the Negev Press, 1999), 12.

\(^{10}\) Silber and Rosenhek, 12. While Medding makes the point that the Labor movement (Mapai together with smaller Labor parties operating through the Histadrut) and the Revisionists offered the most extensive system of services to their members, many of the parties offered at least some of the services. (Peter Medding, *Mapai in Israel: Political Organization and Government in a New Society* (Cambridge: University Press, 1972), 224).

\(^{10}\) Medding, 225. Horowitz and Lissak provide an interesting example of Mizrahi (the religious Zionist movement) entering into certain service-provision arenas so its party adherents would not be drawn too deeply into the sphere
notes that the range of these services reached into far more areas of the lives of their members, than is usual for political parties. This phenomenon was pervasive in the Yishuv. Of the many social service organizations operating in the Yishuv (by one account, 445 separate organizations in 1933), most were operated by political parties. Since the parties received funding from the common Jewish Agency pot, they were willing to suspend their own previously independent fundraising campaigns in the diaspora, in the hope that consolidating efforts under the federated UPA campaign would ultimately increase the dollars coming from the American Jewish community to the Yishuv.

**Economic Development**

Another focus of the Jewish Agency during this era was the economic development of the Yishuv. While much of the development of industry and infrastructure was fuelled by private investment, the Jewish Agency was essential in this process as well, allocating funds for the...
development of roads, utilities, and irrigation systems.\textsuperscript{107} It also invested heavily in developing individual settlements,\textsuperscript{108} helping local agricultural communities build infrastructure (i.e. coops, stables, barns, and warehouses) and secure necessary materials (i.e. machines, tools, and livestock) so that they could quickly become self-sufficient and profitable. In order to support the development of as many settlements as possible, the Jewish Agency typically stretched its budget by offering assistance to agricultural cooperatives in the form of small low-interest loans, rather than in grants.\textsuperscript{109}

Starting in the mid-1930s, the Jewish Agency came to play an even greater role in the economic development of the Yishuv. By the terms of the \textit{Ha’avarah} (assets transfer agreement) negotiated between the Yishuv and Nazi Germany, Jews emigrating from Germany were allowed to retain some of their assets via a temporary transfer through the Jewish Agency. In all, the \textit{Ha’avarah} put roughly $40 million of capital at the temporary disposal of the Jewish Agency during the 1930s.\textsuperscript{110} This gave the Jewish Agency an enhanced ability to invest in large-scale economic and industrial projects.

\textsuperscript{107} \textit{Keren Hayesod Report to the XV Zionist Congress at Basle} (Jerusalem, 1927). Available in Goldfarb Library, Brandeis University.

\textsuperscript{108} For example, the Jewish Agency’s settlement budget from 1934-1937 was the biggest area of its overall expenditures. \textit{(Financial Report of the Executive of the Jewish Agency for Palestine October 1934-March 1937 Submitted to the Xth Zionist Congress at Zurich} (Jerusalem: Executive of the Jewish Agency for Palestine, 1937)). Available in Goldfarb Library, Brandeis University.


\textsuperscript{110} Berman, 34-35.
The Histadrut, supported in part by Jewish Agency allocations as well as through the independent *gewerkshaften* fundraising campaign in the U.S., also became involved in the development of several central institutions indispensable to the economic development of the Yishuv.\(^{111}\) Though eventually, the Histadrut’s budget would come mostly from membership dues and investment profits, the support of diaspora Jews up front was crucial to the early development of the Histadrut.

One additional diaspora funding source for economic development of the Yishuv was the JNF. Though its acquisition and development of land were principally geared towards benefiting the larger state-building project, its work in irrigation, afforestation, and draining swamps made important contributions to the economic development of the Yishuv. From its inception in 1901 through 1934, the JNF raised 3.8 million Palestine Pounds (depending on the variant exchange rate, the sum was equivalent to approximately $14 million - $19 million), of which American Jews contributed about 25\%.\(^{112}\)

### National Development

The final area of diaspora-supported Jewish Agency activity during Yishuv era, was in ‘national development’. During these years, a portion of the Jewish Agency’s budget was devoted to maintaining two Jewish Agency offices, one in London\(^{113}\) and one in Jerusalem.\(^{114}\)

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\(^{111}\) Through its subsidiary holding company *Hevrat Ovdim*, the Histadrut developed or acquired stake in a several of the Yishuv’s most important central institutions. These included, the *Solel Boneh* (public works company), *Kupat Holim* (national health insurance), *Bank Ha-Poalim* (worker’s bank), and *Hamashbir* (large retail cooperative). (Zeev Sternhell and David Maisel, *The Founding Myths of Israel: Nationalism, Socialism, and the Making of the Jewish State* (Princeton, NJ: Princeton University Press, 1998)).

\(^{112}\) *Reports of the Executive of the Jewish Agency for Palestine*, No. 10 (10 March, 1935), 8. Available in Goldfarb Library, Brandeis University.

\(^{113}\) This office was re-located to New York following World War II.

\(^{114}\) These expenditures were a relatively small portion of the Jewish Agency budget. For example, in 1927, only 8% of the Agency’s budget was devoted to national institution building and administration.
Through the London office, the Agency conducted international diplomatic activity on behalf of the Yishuv, as well as relations with the British foreign office concerning Mandate policies. The Jerusalem office focused on coordination between the Agency and other power centers in the Yishuv (Histadrut, political parties, etc.). In this capacity, it crafted the institutional infrastructure that would be necessary for self-rule in an eventual Jewish state.

Then, in 1945, the Jewish Agency assumed the role of overseeing the Hagannah, the future Israel Defense Force.\(^{115}\) Though American tax-deductible donations are not legally allowed to be used to fund any armed group, the Jewish Agency’s Hagannah expenses were indeed covered by UJA remissions. At first, this was not considered controversial. The Jewish Agency explained that these expenditures—listed under the line item: ‘National Organizations and Security’—were for allowable activity, including funding “soldiers’ welfare, care of war invalids, contact with governmental bodies, Arab-Jewish relations and internal security.”\(^{116}\)

However, as the Hagannah’s expenses ballooned in the course of the War of Independence, the ‘National Organizations and Security’ budget line grew from less than $4 million in 1945-1946 to $28 million in 1948—$20 million of which came from diaspora Jewry. In early 1948, this was brought to the attention of the IRS, who upon investigation, deemed the UJA in violation of the U.S. tax code, and stripped its tax-exempt status. A panicked UJA leadership scrambled to have the decision reversed. First, it pressed Jewish Agency leadership on the nature of these ‘security’ expenditures. Agency leaders replied that no funds received from the UJA had been used for arms or ammunition,\(^{117}\) but rather only for auxiliary defense items,

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\(^{115}\) Prior to 1945, the Hagannah was under the supervision of the Histadrut.

\(^{116}\) It is also probable that this line item did not attract IRS scrutiny due to its relatively small size (less than $4 million in 1945-1946). (Stock, *Partners and Pursestrings*, 127.)

\(^{117}\) It should be noted that the purchase of arms for the Hagannah—both before and after this incident—was principally financed through other means, outside of the UJA-Jewish Agency nexus. Just as in the case of diaspora
such as “medical supplies; tents; trucks; erection of block houses and other defense structures in hundreds of agricultural settlements and… allowances for families.” With this information, the UJA petitioned the IRS for immediate re-instatement of its tax-exempt status. It argued that the expenditures under question were not at all inappropriate, and should instead be thought of as similar to “the hiring of security guards by a museum to protect its exhibits; the Agency was simply preparing itself to defend the settlements it had founded and nurtured.” The argument was accepted, and the UJA’s tax-exempt status was immediately re-instated, thereby averting any interruption in the flow of American Jewish philanthropic dollars to Israel.

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Distribution of American Jewish Donations to Israel During the State Era (1948-1985)

The Shifting Role of the Jewish Agency in the State Era

When the State of Israel was established on May 14th, 1948, its new government immediately assumed the governing and coordinating roles that the Jewish Agency had played during the Yishuv era. It would stand to reason that having lost its previous modus operandi, the Jewish Agency would have ceased to exist as an independent body. But this was not to be the case. The new State faced the dilemma of how it could continue to receive the critical financial support the Jewish Agency had been receiving from diaspora Jews. This was of paramount importance, as the State’s own financial position was precarious, amidst the multiple challenges it faced (fighting a war on multiple fronts and absorbing a huge influx of immigrants, while also

financing of illegal immigration to the Yishuv during the late 1940s, the illegal purchase of weapons had to be done outside of official channels. Little specific information exists on the financing of these clandestine diaspora support operations. One source commonly cited as providing a good explanation of these operations is The Pledge by Leonard Slater (New York: Simon and Schuster, 1970). Though the book is not a scholarly source, and reads more like a novel, it still provides a good rough sketch for how these processes were undertaken.

118 Stock, Partners and Pursestrings, 128-129.
119 Ibid.
working to establish necessary state infrastructure). Since by U.S. law, contributions to foreign governments are not considered charitable, and are therefore not tax deductible, the only way American Jews could support the new state through tax deductible donations was if the funds were instead passed along to a non-governmental organization (NGO). Since the Jewish Agency was considered an NGO by the U.S. Internal Revenue Service, the Israeli government understood that there was value in keeping it intact, so as to ensure that the large sums raised from American Jewry could continue to flow into Israel. However, by law, the Jewish Agency would have to remain a separate entity from the State with a separate portfolio of activities. From there, the Israeli government and the Jewish Agency’s new leadership¹²⁰ divided up responsibilities. A rivalry would eventually develop between the two bodies, but as Stock notes, at this stage the government and Jewish Agency were not “eager to take on maximum responsibility at the expense of the other. The contrary was the case: each was conscious of the paucity of means at its disposal and hoped the other would carry a larger share of the burden.”¹²¹ Though the division of responsibilities between the two were only officially codified in 1952 (in the World Zionist Organization – Jewish Agency Status Law), each side knew its role by late 1948. The Jewish Agency would continue to be responsible for the absorption of new immigrants and the development of settlements and agriculture,¹²² It was these tasks that the bulk of diaspora philanthropy coming into Israel supported. Though, as we will see later in the chapter, there were a handful of organizations outside of the UJA umbrella that raised funds for

¹²⁰ When the Jewish Agency’s top leadership from the Yishuv era (i.e. David Ben-Gurion, Eliezer Kaplan, Moshe Shertok) assumed corollary cabinet positions in the new State, they had to resign from their posts in the Jewish Agency.
¹²² Though there was close collaboration between the Jewish Agency and the government over these areas, they remained the domain of the Jewish Agency.
Israel from American Jews, between the UJA’s dominance in collections and its use of the Jewish Agency as its exclusive grantee organization in Israel, the Jewish Agency had a near-monopoly in determining the use of funds provided by American Jews during this era.

American Jewish Funding of Jewish Agency Tasks: Absorption, Settlement, and New Initiatives

The process of immigrant absorption was an enormous job. Between 1948 and 1951, 707,000 new immigrants arrived in Israel—more than doubling Israel’s population—and the Jewish Agency was tasked with overseeing the placement of new immigrants in housing. The first waves of immigrants were settled in homes vacated by their Arab residents during the Israeli War of Independence. But as these were quickly filled and new building construction was well outpaced by the volume of immigration, the Jewish Agency had to temporarily settle newcomers in tent cities and transit camps. As life in the temporary structures left much to be desired, the Agency faced the dual task of providing services and assistance to residents living there, while also ensuring that ample permanent housing became available as quickly as possible. This meant funding some of the construction itself, and simultaneously lobbying a cash-strapped government to increase its contributions to this endeavor.

After statehood, the Jewish Agency continued to play an important role in the development of agricultural settlements through overseeing the surveying and planning processes, training farmers, and providing loans and grants to communities for much needed

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123 The work of these groups will be discussed later in the chapter. They included: The Histadrut’s gewerkshaften campaign, four Women’s Zionist organizations (Hadassah, Poalei Women, Women’s League for Israel, and Mizrahi Women), three university fundraising campaigns (campaigns supporting Hebrew University, Technion, and Weizmann institute), the American Fund for Palestine Institutions (which supported cultural projects), and the Federated Council of Israel Institutions (which supported Orthodox yeshivot).
124 Stock, Chosen Instrument, 91.
125 The Jewish Agency provided some social services directly to new immigrant groups, but much more so directed them to available resources offered by different government and party-run bodies.
capital investments. By 1957, thanks in large measure to the Jewish Agency’s support, the Israeli agricultural sector had tripled its output from a decade earlier, with local production of food meeting 70% of the population’s consumption needs.\(^{126}\) By the 1960s, when the bulk of immigration and absorption had already taken place, roughly 60% of the Jewish Agency’s budget went towards funding these types of agricultural support programs.\(^{127}\)

In 1964, the Jewish Agency took on an additional role. Through a new project called the Israel Education Fund (IEF), it began supporting the construction of secondary school buildings in Israel. Over time this was expanded to include libraries, kindergartens, and community centers as well. By 1988, the IEF had been responsible for building 168 high schools, 575 kindergartens, and 175 community, youth, or sports facilities. American donors provided the funding for 74% of the IEF’s building projects.\(^{128}\)

In the wake of the 1967 and 1973 wars, the UJA emergency campaigns brought a huge increase in American Jewish funding. The Jewish Agency primarily used the funds to cover the part of its budget, which by that point was being funded by the Israeli government.\(^{129}\) This allowed the State to temporarily devote several hundred million dollars elsewhere in 1967-1968 and 1973-1974.\(^{130}\) Thus, though American Jewry did not directly shoulder the burden of the spike in defense costs, the cash infusion it provided enabled Israel to cover its war costs, while

\(^{126}\) Ibid, 246.

\(^{127}\) Ibid, 160-188.


\(^{129}\) By the 1950s, the State had come to supply roughly half of the Jewish Agency’s budget, due to a combination of its own improved economic position, and declining Jewish Agency receipts from the UJA. (Stock, *Chosen Instrument*, 175).

\(^{130}\) In June 1967, Israeli Finance Minister Pinchas Sapir notified the Jewish Agency of the government’s urgent need to divert resources away from expenditures intended for the Jewish Agency. He wrote: “As of July 1, 1967, the government will no longer have the means to participate in any form whatever in the programs of the Jewish Agency for immigrant absorption and rehabilitation…in education, health, culture and welfare, which it planned to support in the current year.” (Text of Sapir’s letter excerpted from Menahem Kaufman, “The Case of the United Jewish Appeal” in Allon Gal, ed., *Envisioning Israel: The Changing Ideals and Images of North American Jews* (Detroit: Wayne State University Press, 1996), 234.
still keeping the remainder of all government-backed services afloat, and not accumulating a large budget deficit in the process.

Diaspora support for much of the Jewish Agency’s activities—and in its first few years nearly all of its activities—enabled the State to develop in other key areas. In describing the impact of the diaspora’s funding of the Jewish Agency’s work, Stock argues that this financial support from the diaspora “constituted a kind of sheltering wall” that allowed the State to function in the early years. Without it, he continues, “It would have been impossible for Israel to function … and still accomplish, simultaneously, the four-fold task she had taken upon herself: to take in immigrants, expand economically, be on guard against her hostile neighbors, and build a new society out of the diverse elements that made up her population.”

American Jewish Funding of other Social Services……and Political Parties?

As we have discussed, the social and political organization of the Yishuv was dominated by party-affiliated centers that provided direct social and cultural services. After the establishment of the State, Prime Minister David Ben-Gurion prioritized integrating the disparate camps as quickly and as fully as possible. His organizing philosophy, known mamakhthiyut (roughly translated as statism), sought, as Don-Yehiya explains, to use a “totalistic and mobilizing system of values and symbols” in order to unite the various groups into “an integrated national-political community.” As part of this process, the state sought to minimize the number of non-state social service providers to the extent budgetary and other constraints then allowed it. In this vein, it was able to absorb the services provided by the Mandate government

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131 Stock, Chosen Instrument, 246.  
and the Vaad Leumi,\(^{133}\) as well as some of the Jewish Agency’s portfolios and the work of non-partisan organizations like Hadassah\(^{134}\) into the State system. It was also able to begin the process of divesting the political parties of the service provider roles they had played in the Yishuv era. However, in the State’s financially strapped condition, in which it struggled to fulfill its essential responsibilities in most other domains, it could only do so slowly. Thus, rather than constructing its own service infrastructure right away as it would have preferred, the State still had to rely in part on existing party-administered service systems.

As was true in the pre-state era, these party-run service networks continued to be funded by diaspora contributions. This was done in several ways. First, parties continued to receive direct allocations from the Jewish Agency. However, since U.S. tax law disallows tax-deductible donations to fund political entities, the Jewish Agency had to frame the funding of parties in an acceptable way to sufficiently placate federation and UJA leadership. The Jewish Agency’s solution was to create a budget line item termed ‘Constructive Enterprise Funds’,\(^{135}\) through which parties could receive funds that they were, theoretically, required to disperse through their social service networks. However, in practice, parties could do with the funds as they wished. This system brought in significant contributions. For example, in 1955, through Constructive Enterprise Funds, the Jewish Agency directly distributed $1.93 million ($15 million in 2007 terms) of UJA funds amongst five Israeli political parties.\(^{136}\) American Jewish leaders were uncomfortable with this model of minimally supervised allocations of American tax-deductible

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\(^{133}\) The few social welfare systems offered by the Mandate government and Vaad Leumi were incorporated into a new Ministry of Social Welfare. (Doron and Kramer, 16).

\(^{134}\) For example, in 1950, the government took over Hadassah’s playground program. Started in the 1920s, and emulating the Playground Association of America, the Hadassah program sought to provide “a safe, clean space for children to enjoy themselves.” By the time Hadassah relinquished the program to the Israeli government, it had built close to 50 playgrounds in Israel. (Simmons, 72-74).

\(^{135}\) Constructive Enterprise Funds were essentially a continuation of arrangements the UPA had concluded with the various parties starting in 1925 that were discussed earlier in the chapter, in which the parties abstained from fundraising for their own activities in the U.S. in exchange for receiving automatic Jewish Agency grants.

\(^{136}\) Stock, Partners and Pursestrings, 151.
funds to political entities, and as such, continually pushed for the abolition of the controversial funds (most notably in 1960\textsuperscript{137} and again in 1976\textsuperscript{138}), receiving repeated assurances that they were to be phased out. However, due to the influence parties maintained in the Israeli body politic, Constructive Enterprise Funds continued to exist into the early 1990s,\textsuperscript{139} despite pledges to the contrary.

Beyond direct allocations, political parties also benefited from diaspora funding in other ways. This was due to the rather confusing relationship between the Jewish Agency and the parties. This relationship warrants some clarification. Though, on the one hand, the Jewish Agency was a supra-partisan body pushing the common Zionist national agenda of establishing a Jewish State, it was at the same time a coalition of independent ideological Zionist parties.\textsuperscript{140} The result was that the Jewish Agency was heavily influenced, if not directly operated, by the leadership of Israeli political parties. However, unlike in the Knesset where the leading party builds a ruling coalition with other parties, but faces an opposition bloc from parties outside the coalition, the Jewish Agency executive was, according to Stock “a wall-to-wall coalition of all the Zionist parties, which meant that there was no opposition,” and that each party was given leadership over one or multiple departments in the Jewish Agency.\textsuperscript{141} These departments maintained considerable autonomy in their expenditure decisions. Longtime American Zionist leader Rose Halprin, who worked closely with the Jewish Agency for decades, regarded this

\begin{flushright}
\textsuperscript{137} Ibid.
\textsuperscript{139} Ibid.
\textsuperscript{140} Until 1971, the Jewish Agency and the WZO were one and the same. The Agency’s leadership was chosen in WZO elections. The candidates running in the elections were party functionaries put on the ballot by their parties. Though the parties running in WZO elections were not Israeli parties, per se (they were the world organizations that had originally been created to support ideological strains of Zionism), they all eventually became affiliated with specific Israeli political parties, and the Israeli leadership of each party became the leaders of the party’s world organizations. As such, the delegates in the WZO essentially took their lead from the party leadership in Israel.
\textsuperscript{141} Stock, Beyond Partnership, 57.
\end{flushright}
divvying of autonomous power centers within the Jewish Agency a repugnant arrangement. She declared, “[in the Jewish Agency] a department is almighty; a kingdom unto itself…. Everywhere [else] there is a center, and then departments. Here there are departments, and the center is under the table somewhere…. The only place in the world where this is the case is the Jewish Agency—nowhere else.”

As such, the process of the Jewish Agency outsourcing its budgetary functions to party-run service networks was essentially an agreement by the constituent parties to divide up resources to fund their own individual service networks. An example of how this manifested follows: In 1957, roughly 13,000 children participated in the Jewish Agency’s Youth Aliya program that supported the education and livelihood of children in agricultural settlements. Within the Youth Aliya program budget, the Jewish Agency provided 56% of the funding for Youth Aliya (with 40% of that, or 22% of the total, coming from the UIA), Hadassah covered 27% of costs, and the remaining 17% came from other sources. So between the UIA and Hadassah, American Jews provided 50% of the program’s $6.28 million budget, or $3.14 million. As for expenditures, 28% were for services directly run by the Jewish Agency, and the remaining 72% were outsourced to various party-run services. The expenditure decisions made by Jewish Agency departments should be therefore understood as, to at least some degree, taking party interests into account. Thus, in essence, despite the IRS’s acceptance of the Jewish Agency as an apolitical body, the Jewish Agency was itself the parties. In this case, a total of $2.26 million charitable dollars ($16.7 million in 2007 terms) from American Jews was put at the disposal of political parties. As these types of arrangements existed throughout the Jewish

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142 Ibid, 63.
143 Stock, Chosen Instrument, 161.
Agency, Israeli political parties ended up controlling the allocations of untold amounts of funds provided by American Jews.

Direct American Jewish Funding of the Israeli State?

As explained, U.S. tax law bars tax-deductible contributions from funding the activities of foreign governments. Yet there is nevertheless one notable, but rarely discussed, instance in which tens of millions of dollars of American Jewish tax-deductible donations actually came under the direct control of the Israeli state.\(^{144}\)

\(^{144}\) In the context of this discussion, it is also important to acknowledge the place of Israel Bonds.

Shortly after its creation, the Israeli State wanted a way it could directly raise money from diaspora Jews that would be at its own disposal (rather than at the disposal of the Jewish Agency). Since it could not receive tax-deductible donations, it could either try to raise non-tax-deductible donations (which it expected would be minimal, due to the importance donors placed on tax deductions) or it could attract loans from private citizens in the form of State-issued bonds. It opted for the latter, and began issuing State of Israel Bonds in 1951.

From their inception and throughout their history, Israel Bonds have been extremely successful, putting a total of $24 billion of capital into the control of the Israeli government from 1951-2003.

Yet, while Israel Bonds are clearly a very important part of the story of the development of the State—especially during the early years—and the rocky relationship Bonds had with the UJA in their first years is as well, Bonds do not belong in our discussion, because the purchase of Israel Bonds is not philanthropy. Bonds may not be the most lucrative investment (many who have bought them have probably been operating from the dual motive of wanting to earn a profit and also assist in Israel’s development), but they are still an investment. Some have argued that since many bond purchasers never redeem the bonds, they must be content with the State simply keeping their money, and as such, in some respects, Bonds can be thought of as a form of charity. However it is apparent when looking at historical redemption rates of the Bond enterprise, that its financial benefit to the State, though large, is very different from that of philanthropy.

An examination of Israel Bond redemption rates (available in the Bank of Israel’s 2004 retrospective report) reveals the following: Redemption rates are well higher than popularly thought—especially when taking the two short periods of arguably greatest perception of existential crisis out of the totals, 1951-1957 (the challenges immediately following statehood, massive immigration, and the Sinai-Suez campaign) and 1967-1973 (the 6-Day War, the War of Attrition, and the Yom Kippur War). In these two periods, redemption rates were 21% and 29% respectively. But in the other years for which the report lists data (1958-1966 and 1974-2003), the total redemption rate is 64%.

While that is a high figure, one can, at the same time, argue that 36% of the bonds were not redeemed, and that amounts to individuals essentially giving $7 billion to the Israeli government (roughly $200 million for each of the 36 years). But with these figures, it must be considered that during the same 36 years, of the 64% of redeemed bonds, the Israeli government re-paid the principal and an additional $12 billion in interest. That amounts to a net loss of $5 billion for the Israeli government on total Israel Bonds transactions during those years. While the net loss may indeed have been worth it for the government to incur in exchange for the high amounts of capital that Israel Bonds put at its disposal upfront, it is compelling enough evidence that Israel Bonds are not philanthropy—especially when compared to the over $8 billion in cash remitted by the United Israel Appeal to the Jewish Agency during the same period. They may be the most charitably flavored form of investment, but they belong in a discussion about investments in the State, rather than in a discussion about philanthropy. (Data obtained from:
Prior to 1936, about 75-80% of the UPA’s allocations had gone to the Jewish Agency, with the remainder going to the JNF for its work in purchasing and rehabilitating land. But starting in 1936 and continuing into the 1940s, in order to accommodate the then-urgent Zionist national priority of purchasing as much land as possible as quickly as possible, the UPA adjusted its allocations to a roughly 50-50 split between the Jewish Agency and the JNF.\textsuperscript{145}

After the State was established and its borders legally defined, the JNF no longer needed to continue its land purchasing activities. However, the UPA/UIA inexplicably continued to divide up its allocations evenly between the two agencies. This was especially strange in light of the Jewish Agency’s enormous budgetary needs at the time. So why then, did the JNF, with its responsibilities limited to only land development, need such an enormous budget? This question was eventually addressed by the Jewish Agency and UIA in 1951—resulting in the JNF’s allocation being slashed from 50\% of the UIA’s annual remissions (totaling $33.7 million for the JNF in 1949 and $31.1 million in 1950)\textsuperscript{146} to a mere $3 million per year thereafter. But by then, the JNF had already accumulated massive amounts of capital coming from American Jewish tax-deductible donations.

It decided to use the excess capital to conclude two large-scale land purchases with the Israeli government (January 1949 and October 1950).\textsuperscript{147} In the first purchase, it paid the government 18.25 million Israeli pounds\textsuperscript{148} (equivalent to roughly $54 million\textsuperscript{149}) to acquire approximately one million dunams of land that the Israeli government had classified as

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\textsuperscript{145} Yehiel Rehavi and Asher Weingarten, “Fifty Years of External Finance via State of Israel Non-Negotiable Bonds,” Bank of Israel: 2004.)

\textsuperscript{146} Figures tabulated from data available in Raphael (136) and Elazar (297).

\textsuperscript{147} For a full discussion of this process, see Arnon Golan, “The Transfer to Jewish Control of Abandoned Arab Lands” in S. Ilan Troen and Noah Lucas, ed., \textit{Israel: The First Decade of Independence} (Albany: State University Press of New York, 1995).

\textsuperscript{148} Golan, 430.

‘abandoned Arab property’. It concluded a second purchase of another million dunams of ‘abandoned Arab property’ in 1950 for an unpublished sum. Though there were political motives underlying the deal, the difference between the status of the land being defined as JNF land or Israeli state land was of little practical difference.\textsuperscript{150} While it has been rarely discussed in these terms, I contend that it is fair to view the transaction between the JNF and State as tantamount to an elaborate money laundering transaction in which philanthropic funds—otherwise mandated to be under the control of an NGO—ended up transferred into the Israeli government’s budget.

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So far this chapter has discussed the development of American Jewish philanthropy for Israel, and looked at how American funds were used by Israelis. The last two sections will look closely at the structural and philosophical underpinnings that explain why the UJA and Jewish Agency were able to maintain their dominance over the philanthropic relationship for decades.

\addcontentsline{toc}{part}{Part 4 – How the UJA and the Jewish Agency Partnered to Maintain Their Dominant Roles as Mediators of Diaspora Philanthropy for Israel}

\textbf{Part 4 – How the UJA and the Jewish Agency Partnered to Maintain Their Dominant Roles as Mediators of Diaspora Philanthropy for Israel}

\textit{The Era of the Committee on Control and Authorization of Campaigns (1949-1985)}

\textsuperscript{150} There was some thought that if the status of the land was privately owned Jewish land (as opposed to State land), it would make it more difficult for Arab refugees to return after the war ended. However, were there to have been any agreements or initiatives allowing for the return of refugees, the status of the land as JNF-owned likely would have been an easily overcomeable obstacle.
As we have seen, the political culture of Israelis and American Jews valued central institutions as recipients and mediators of diaspora philanthropy. In addition, the powers that be within both communities valued having a dependable division of responsibilities, in which, for the most part, the UJA raised the money and the Jewish Agency spent it. To help solidify this arrangement, the UJA and Jewish Agency established the Committee on Control and Authorization of Campaigns (CCA) in 1949. This section will trace the history of the CCA, explaining how it successfully perpetuated and enhanced the primacy of the two organizations and the relationship between them.

The Creation of the CCA

Following the establishment of the state, a variety of funding appeals popped up in the U.S. to raise money—or, in some cases, only claiming to raise money—for Israel. This was greatly concerning to the leadership in both communities, who believed that in such a critical time, it was vital for Israel’s survival that as much money as possible be sent to Israel, and that these funds be spent on the young state’s most pressing needs.

To address this concern, the Jewish Agency and the UJA jointly convened a conference in Tel Aviv in July 1949 entitled the ‘Conference on Multiple Campaigns’. In attendance were the top figures in leading American Jewish fundraising organizations (UJA, CJF, JDC, JNF, Hadassah), as well as the Israeli government and the Jewish Agency. The Jewish Agency’s and UJA’s chief collective agenda at the conference was to advocate for the merits of having the UJA be the single federated fundraising body for Israel operating in the U.S., so as to maximize and best utilize American Jewish donations.
UJA Director Henry Montor presented their case in light of the increasingly populous and complicated field of new Israel-oriented fundraising appeals in the U.S.

There cannot be on the American scene some sixty organizations from Israel…appealing to the American Jewish community without having the basic causes, and these causes are represented in and through the Agency suffer very seriously…The fact that each agency which comes to America says, and…I am not being facetious—each is responsible for the upkeep of the army, the establishment of the State, for immigration, every worthy institution in the land, there is no difference between the United Jewish Appeal and any other appeal in America.\textsuperscript{151}

Montor argued that a “rigid unbending attitude be adopted towards institutions in Israel which are now going or planning to go to America, but which, because they are second or third in priority, merely draw upon the funds which the major institutions must have.”\textsuperscript{152} Israel Goldstein of the Jewish Agency raised the question of whether it would be better to draw the independent campaigns into the federated fundraising and distribution mechanisms of the UJA or whether they should instead simply be banned. Montor responded that a very limited number of existing independent campaigns be federated into the UJA, but unequivocally called for the banning of all other independent campaigns, claiming that, “They have no right to come to America to confuse the giving public or divert from the basic institutions with which we are concerned,” because, “they duplicate existing activities [or]…they do not represent the legitimate needs [of Israel].”\textsuperscript{153}

Most present agreed with both Montor’s general point and his preference for of a solitary campaign. The holdouts were the representatives from the two largest campaigns aside from the UJA—Hadassah and the Histadrut’s gewerkshafien campaigns. These organizations saw mostly

\textsuperscript{152} Ibid.
\textsuperscript{153} Ibid, 10.
downsides from being engulfed into a federated entity. Each was committed to its specific ideological platform and ideas of how funds should be distributed in Israel, and were loath to give these up. At the same time, each was likewise confident that it would continue to thrive from the support it received from its loyal base of grassroots supporters in the U.S.

Despite their protestations, Montor nevertheless pushed for their inclusion in the UJA. However, a majority of conference attendees expressed concern that attempting to impose forced federation on organizations like Hadassah and Histadrut might hurt overall fundraising for Israel. The supporters that each group had in the U.S., they argued, might be far less enthusiastic in their giving if it went into a common pot, as opposed to directly support the work of Hadassah and the Histadrut, respectively. In the end, this position prevailed, and the two campaigns remained independent.¹⁵⁴

The conference concluded with the establishment of the Committee on Control and Authorization of Campaigns (CCA), the body which would oversee the field of organizations fundraising for Israel. Officially operating under the aegis of the Jewish Agency (but in reality closely coordinated by both the Agency and the UJA), it would be responsible for deciding the legitimacy of campaigns—‘licensing’ a limited number to remain independent (Hadassah, Histadrut, and a handful of others) and taking the necessary steps to eliminate all others. The CCA’s legitimacy to both speak with an authoritative voice on what was in the best interest of Israel and to impose judgments on that basis was derived from the collective organizational backing it received from the most reputable bodies in the community (UJA, CJF, JDC, Jewish

¹⁵⁴ A resigned Montor later wrote: “It was recognized by all that no compulsion could be exercised on either Hadassah or Gewerkschaften…I do know that Ben Gurion himself, Kaplan, Golda Myerson and Locker fought hard to have the Gewerkshaften give up its 1950 campaign and come into the UJA. They failed.” (Henry Montor, “Untitled letter to Dr. Nachum Goldman briefing him on results of the Conference on Multiple Campaigns held July 1949 in Tel Aviv, Israel,” 16 August, 1949, Isadore Hamlin Files, File: Z6-180, Document number: 43, Central Zionist Archives, Jerusalem, Israel.)
Agency), as well as endorsement it received from the government of Israel; and its decisions would be enforced by Jewish communal pressure. From this point, the CCA would come to be the single most important force in maintaining the structure of the philanthropic relationship between American Jews and Israelis for the next three-and-a-half decades.

How the CCA Controlled Fundraising

Following its establishment, the CCA notified all current and would-be charitable solicitors that its mandate would be to “scrutinize all proposed campaigns in behalf of Israel with a view to establishing the validity of their claims and their general usefulness.” The CCA presented itself in many ways as a voluntary instrument acting in everyone’s best interest, noting in its own information bulletins that “the Committee is armed not with police power in a free society, but only the power of persuasion based on the prestige of its member organizations [UJA, CJF, JDC, JA, etc.],” and that its success depended on organizations operating under the Jewish communal virtue of self-discipline in the interest of the broader Jewish community.

What transpired, however, was not always a collaborative system of communal self-regulation and, at times, did entail heavy-handed policing in cases in which the CCA did not achieve full compliance with its ‘recommendations’. How the CCA came to control the field of Jewish philanthropy to Israel can be understood along a continuum of stop/co-opt/coordinate. Stop ‘unauthorized campaigns’, by any means necessary; if unsuccessful, absorb or buy out potential rival campaigns; if that did not work (or was deemed unwise by the UJA) at the very least coordinate the terms of how organizations would conduct their fundraising based on the UJA’s own fundraising needs and timetables.

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Stopping Campaigns

When the CCA became aware of an ‘unauthorized’ campaign, its first response was to cordially request the operation to cease its fundraising activities.⁹⁷ Then, if that did not produce the desired result, the CCA would invoke whatever policing power it had at its disposal. The archives abound with examples of the CCA using tactics like calling on Israeli authorities to not issue passports to shlichim from small charities set to travel to the U.S. to fundraise or in some instances requesting that the Israeli government formally recall its citizens who were considered in violation of CCA decisions.⁹⁸ To smaller operations not beholden to official Israeli bodies, the CCA responded just as strongly. For example, when a small organization called Achdut Israel was soliciting funds in June 1949 in support of health services for wounded Hagannah veterans, the CCA issued a shaming letter to the organization accusing that it “cheapened the name of Israel” by resorting to what it regarded as the undignified fundraising tactics like engaging in street collections.⁹⁹ It additionally contacted the Brooklyn Jewish community council, asking it to crack down on groups like Achdut Israel, claiming their work was

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⁹⁷ Such cordial persuasion appears in the communiqués from the CCA upon learning of ‘unauthorized’ funding activities. For example, a letter sent by Nahum Goldman to Agudat Israel regarding a subsidiary social welfare organization that it had established: “Mr. Hamlin has called my attention to your letter of February 24, 1950, regarding your organization ‘Homes for Children in Israel.’ We appreciate your concern and sincerity for the problem of the housing of religious children in Israel…[But] in order to avoid any difficulties…we would urge you to inform us immediately that all of your fundraising activities have been cancelled for the duration of the agreement. (Dr. Nachum Goldman, “Letter to Rabbi Herbert S. Goldstein,” 15 March, 1950, Isadore Hamlin Files, File: Z6-413, Document number: 37, Central Zionist Archives, Jerusalem, Israel.)

⁹⁸ More broadly, there are examples of the CCA coordinating with the Israeli government and the Jewish Agency to actually have the Israeli bodies reduce their own allocations to organizations engaged in any ‘unauthorized’ fundraising. In one instance, such a “corrective action” was taken when the American Friends of Hebrew University—an authorized campaign—overstepped the parameters of its CCA-permitted fundraising activities in the U.S., and the Israeli Finance Ministry actually withheld funds allocated in its budget to Hebrew University. (Herman L. Sainer, “Memo to Members of the National Committee on Control,” 24 August, 1977 (Isadore Hamlin Files, File: Z6-241, Document number: 11, Central Zionist Archives, Jerusalem, Israel).

‘undignified’, and saying that such “deplorable” fundraising results in “none of the monies so collected…arriv[ing] in Israel.”¹⁶₀

The CCA did not stop at using ‘in-house’ methods for policing ‘unauthorized’ fundraising for Israel. On numerous occasions, when ‘unauthorized’ fundraising bodies did not follow CCA notifications to cease and desist from their activities, the CCA reached outside of the Jewish community, notifying local police departments and welfare agencies of any legal infractions the small organizations may have committed.¹⁶¹ It felt the work it was doing was important enough to justify deviating from the long-celebrated Jewish credo of keeping communal problems in-house, rather than airing dirty laundry in a broader non-Jewish society.

Co-opting Campaigns

The resistance demonstrated by Hadassah and the Histadrut to a single fundraising campaign prepared the CCA for how to handle the integration of other large, established campaigns. Berl Locker of the Jewish Agency noted at the time, that though the CCA may be able to control smaller independent fundraising campaigns, it would not be able to do the same with the larger organizations and their well-established base of supporters. To deal with these situations, he proposed that, in certain cases, it would be in the CCA’s interest to “buy them off


¹⁶¹ One example has the CCA notifying the New York City police department that the sound truck solicitations of some organizations may have been violating local sound ordinances, and the police department subsequently shutting the groups down. (Isadore Hamlin, “Memorandum – Some Developments on Multiple Campaign Matters,” 1 July, 1949, sent to D. Nahum Goldman, Isadore Hamlin Files, File: Z6-158, Document number: 14, Central Zionist Archives, Jerusalem, Israel). Another example concerns individual yeshivot raising money in New York City. A confidential CCA memo refers to “several of the offices of…. [yeshivot having been] closed by the actions of the Committee in conjunction with the Welfare Department of the City of New York.” (“Summary of Meeting – Committee on Control and Authorization of Campaigns,” 7 November, 1951, (Isadore Hamlin Files, File: Z6-159, Document number: 33, Central Zionist Archives, Jerusalem, Israel).
so that there may be no competition”\textsuperscript{162} for the UJA. This is essentially how the CCA proceeded regarding the various funding organizations in the U.S. affiliated with specific Israeli political parties. A planning memo from 1950 explained that the CCA considered Zionist parties’ fundraising campaigns to be an unwanted competitive challenge.\textsuperscript{163} However, any attempts to shut those groups down certainly would have alienated party supporters, among whom numbered some of the most enthusiastic American Jewish supporters of Israel. It was this thinking that in part led to the establishment of the Constructive Enterprise Funds.\textsuperscript{164} By the early 1950s, ‘buy-out’ agreements were concluded with six political parties (Mizrahi, HaPoel HaMizrahi, The Revisionists, the General Zionists, Agudat Yisrael, and Poalei Agudat Yisrael), in which the individual parties agreed to refrain from fundraising in the U.S. in exchange for receiving grants from the Jewish Agency.

From the perspective of the various recipient groups, giving up fundraising efforts and instead receiving guaranteed funding allocations for their activities in Israel was a worthwhile compromise. And from the CCA’s perspective, the agreements eliminated what could have been formidable competition for the UJA. But even more, they helped the UJA bring ideological outliers into the fold, compelling the party leaders to direct their membership to support the UJA.\textsuperscript{165}

\textsuperscript{162} Full transcript of proceedings for second and final day of ‘Session on Multiple Campaign Problems’ in Tel Aviv Israel,” 28 July, 1949, Isadore Hamlin Files, File: Z6-159, Document number: 93, page number: 1, Central Zionist Archives, Jerusalem, Israel.

\textsuperscript{163} Untitled and undated internal document, reviewing the work of the Committee on Control and Authorization of Campaigns, likely produced in late 1949, Isadore Hamlin Files, File: Z6-159, Document number: 16, page number: 4-5, Central Zionist Archives, Jerusalem, Israel.

\textsuperscript{164} See Page 40.

\textsuperscript{165} The various rationales are well illustrated in the summary notes of a meeting between the UJA and Agudat Yisrael in late 1949. In lobbying for a UJA allocation for the non-Zionist, ultra-Orthodox Agudath Israel, Rabbi Goldstein argued that such an agreement would be mutually beneficial. “The forces of Agudath Israel, properly harnessed, could do much for the United Jewish Appeal and perhaps bring to UJA more funds than Agudath Israel received.” The UJA concurred that it “had been concerned about the failure of the United Jewish Appeal to find a way obtain the full cooperation of the orthodox groups and that… [it] would welcome the help offered by Rabbi Goldstein.” (United Jewish Appeal, “Minutes of Meeting with Representatives of Agudath Israel and Members of
Coordinating Campaigns

Where the CCA could neither force out nor buy out non-UJA campaigns, it sought, at least, to coordinate with them as much as possible, so as to minimize the detrimental competitive effects their efforts would have on the UJA campaign. Following the CCA’s conflict with Hadassah and the Histadrut, the idea of the licensing process emerged. This was an acknowledgment, that since some other campaigns were strong enough to stand on their own and not bow to CCA pressure, it would be in the UJA’s interest to coordinate with them on some issues like timing of campaigns, messaging, target audience, and solicitation methods.

However, even in cases in which non-UJA campaigns were licensed, there were usually a series of conditions. The CCA maintained a high prerogative to scrutinize and evaluate the internal working of the organizations, demanding, among other things, audited income and expenditure statements from the previous years and proposed budgets. The annual authorization renewal agreements mandated that organizations had to submit quarterly income and expense statements. For some organizations from which it anticipated little resistance, the CCA even went so far as to impose line-item edits into allocations budgets.166

Aside from Hadassah and the Histadrut, the CCA authorized nine other independent organizations to fundraise in the U.S.: Three other Women’s Zionist organizations (Poalei Women, Women’s League for Israel, and Mizrahi Women), who were authorized only to

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166 An example of how this manifested with the one of the CCA’s licensed organizations, the AFII, follows in a passage excerpted from CCA meeting minutes: “The Committee decided to grant authorization to the AFII if the mental health program is withdrawn from their budget. As for the letter received from Mr. Norman regarding an expanded sports program, it was the decision of the Committee not to specifically authorize the inclusion of such an expanded program within the AFII, as they have an item for sports development in Israel.” (Committee on Control and Authorization of Campaigns, “Minutes of Meeting The Committee on Control and Authorization of Campaigns,” 16 December, 1949, Isadore Hamlin Files, File: Z6-159, Document number: 6, Central Zionist Archives, Jerusalem, Israel.)
continue their limited membership campaigns and activities; The JNF, which was allowed to keep the proceeds from its traditional blue box campaigns but could engage in no other fundraising; and independent drives supporting the three large Israeli universities—Weizmann, Technion, and Hebrew University—(probably to encourage large capital gifts).\textsuperscript{167} Lastly, two smaller federated campaigns were allowed to continue, albeit with close coordination with and monitoring by the CCA: the Federated Council of Israel Institutions (FCII), which allocated funds to independent Yeshivot, and The American Fund for Palestine Institutions (AFPI), also known as the Norman Fund, which distributed donations to various small cultural institutions in Israel. The thought was that these two bodies could best coordinate the collection and allocations of funds by donors interested in supporting traditional Jewish learning and cultural projects, and best minimize the appearance of independent fundraising in America by such organizations.\textsuperscript{168}

The Extent of the CCA’s Grip

In this manner, the CCA maintained its control over American Jewish fundraising for Israel well into the 1980s. It continued to make use of its self-appointed platform to be \textit{the} arbiter of what was worthwhile to support in Israel. Few organizations challenged its mandate. Well-

\textsuperscript{167} Though it does not appear in the records per se, it is likely that the CCA recognized that with the UJA not allowing earmarking or donor-directed giving at the time, the university campaigns alone could provide opportunities for big givers who wanted to dedicate large capital projects in their names. In later years, the UJA would institute ‘second line campaigns’, which were essentially new ways to generate increased revenue by exciting the donor base with new opportunities for making an impact in Israel.

\textsuperscript{168} The alternative solutions to this arrangement were deemed not as good. Confining the various beneficiary agencies of the FCII and the AFPI into the Jewish Agency grantee structure was not feasible, as the Jewish Agency had neither the ability nor the desire to bring religious and cultural programs under its umbrella. Eliminating these types of beneficiaries as giving options would have alienated subsets of American Jews who were interested in supporting these types of institutions. There needed to be some structure for allowing it, and the CCA reasoned that the FCII and the AFPI were the best solution.
intentioned American Jews continued to support the UJA in their Israel giving in overwhelming proportions.

The final section of this chapter will look at some of the most important ideas underlying the philanthropic culture during these years. Collectively, they help explain why an instrument like the CCA worked as effectively as it did.

Part 5 – The Ideas Underlying the Dominance of the UJA-Jewish Agency Partnership

There were three core ideas at the root of the philanthropic relationship’s success. This section will look at each one.

Idea #1: Federatedness

As we have seen, over the 20th century, federatedness became an increasingly central component governing how American Jews gave to Jewish causes, and to Israel specifically. The prevailing idea was that federating allowed for greater efficiency, planning, and collaboration—all of which would best benefit a Jewish community with many needs and limited resources. Once this ideal caught on, it essentially went unchallenged. But aside from the general inclination to federate, it is important to understand what it means that the UJA, specifically, became the trusted instrument for federated Israel giving.

With local federation programs, donors could evaluate whether they thought the federation was doing a good job in assessing the most important needs and allocating funds in the best way. In a sense, federations’ domestic work would always be under some degree of
scrutiny from their donors. On the other hand, donors had to trust that the money they were sending overseas was achieving maximum impact. In an era of limited travel and few information sources, there was a considerable amount of trust that federations and their donors placed in the UJA. People trusted that the UJA would be their best medium for learning about needs in Israel and evaluating whether American Jewish funds were going to the right place. In addition, as the point of contact with the Jewish Agency, the UJA was the body that could vouch for the way American Jewish donations were being used. When one looks closely at the loyalty the American Jewish community had towards the UJA for decades, a few assumptions they held become clear. By trusting the UJA to hold the uncontested roles of information dispensers, allocators, and evaluators, the Jewish community believed three things. First, they believed that the UJA had access to and could provide its donors with the best source of information they could get concerning on-the-ground realities in Israel. Second, they believed the UJA would determine how to allocate their funds to address the most important causes. And third, they believed that the UJA would be an organization that would be responsive to the opinions of its donor base. As long as nothing arose to undermine these beliefs, American Jewish donors were comfortable having their Israel-oriented philanthropy go to the UJA.

Idea #2: Statism

As referenced in the previous section, Ben-Gurion’s organizational philosophy for the new Israeli state was what he termed, *mamlakhtiyut* (translated as ‘statism’)—an idea that promoted the centrality of the state in civic life and culture. For the purpose of this discussion, statism, in both concept and practice, kept the number of potential institutional partners for diaspora philanthropists limited. The party-based service networks so important in the pre-state
era were gradually absorbed into government, as the new state developed its own service infrastructure. As the decades passed, industrialization and modernization brought on economic growth and improved living conditions in Israel, and with them came a stronger, more capable centralized government that increasingly instituted its own social services programs. Doron and Kramer explain that as the State recognized, “broader areas of social needs… as proper fields of government intervention, …new social programs were established to deal with them.”169 The government began to provide better pensions, insurance, and children’s allowances, and in later years, greater offerings of children’s services, increased unemployment and disability protection, and improved education, housing, and health programs. By 1977, Israel had developed a system of comprehensive state-financed service provision to such an extent that, according to Doron and Kramer’s assessment, was on par with “welfare state[s] similar to those among the more industrialized nations.”170

Even more, they added, at the peak of the Welfare State, the centralization of the Israeli power structure was unprecedented for a democratic society. Between the State’s own institutions and the other large centralized organizations it funded and/or coordinated with (i.e. the Jewish Agency, the remaining party-run service networks, etc.),

the concentrated influence in a few highly centralized, bureaucratic, and political institutions… can be described as ‘party state corporatism’ …[in that there was] no aspect of life untouched by the state acting either unilaterally or in partnership with some equally monolithic, bureaucratic, political institution.171

169 Doron and Kramer, 18-19.
170 Their characterization was based on a system that now effectively protected “the entire population against most risks of loss of income,…helped narrow income differentials and reduce[d] the incidence of poverty,” and through these means, contributed to improving the quality of life for the individual Israeli citizen.” (Doron and Kramer, 20-21).
171 Doron and Kramer, 7.
Although the Yishuv did have a long history of voluntarism, and its residents had founded many non-profit organizations to meet their various needs in the past, over time, the emergence of a powerful welfare state bent on mamlakhtiyut crowded out most non-governmental actors, aside from political parties. In this environment, there was not much of a place for NGOs, which as we will see in the next chapters, would eventually become the primary Israeli recipients of diaspora funding. Of those NGOs that did exist during this era, almost all fell into a category that Gidron, et. al. call IWWSS organizations, or organizations ‘Integrated Within the Welfare State System’. These groups, though technically independent, had an intimate relationship with the State. Most were established specifically to fill roles that the state preferred to outsource, and accordingly, were heavily, if not entirely funded by the state.

There were very few NGOs operating during this era that did not fall within the IWWSS category. Hermann explains that during this era, neither the state apparatus, nor the popular political culture had much interest in or tolerance for civil society organizations (CSOs)—NGOs existing for purposes of advocacy or citizen expression.

Israeli citizens participated mainly through the established channels, which are more easily controlled ones. Furthermore, the political elite succeeded in presenting public compliance with the official stances and policies as a necessary term for real patriotism and in convincing the citizens that under the pressing circumstances they exert the necessary amount of democratic control over the decision making by using their voting rights or the established partisan channels.

She notes that in the rare instances in which a CSO did attempt to build grass-roots support in order to advocate for an issue or agenda that ran counter to government policies, “an

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172 There were an astounding 445 no-profit organizations operating in the Yishuv in 1933 (Simmons, 35-36).
immediate counterattack was launched” against the CSO by the Israeli government. Kabalo’s account of the *Shurat ha-Mitnadvim*, one of the more prominent examples of an early CSO, echoes Herman’s perspective that state and citizens alike saw little reason for the existence of these types of organizations. Kabalo explains that “the Israeli political system… had no room for the activities of a nonpartisan organization that was vague in its sources of influence and management and in its ideological agenda,” and as a result, “found no reason to replace political parties as the legitimate mediators between citizens and authorities.”

In sum, during these years, government and citizens, alike, shared the outlook that the state and the political parties should be the central bodies in civic life, and that there was no place for other civil society organizations. We can see why statism was as successful as it was as an organizing concept as it was during Israel’s first decades, and as a result, why the Jewish Agency—as long as it received the continued endorsement of the state—would remain the uncontested primary destination for contributions from diaspora Jews.

**Idea #3: American Institutional Deference over the Use of Philanthropic Funds**

In addition to the centrality of the UJA and the Jewish Agency in their respective societies, the other predictable component of this era was an ingrained American institutional deference over use of funds. The UJA and the Jewish Agency agreed on the roles each would play in the diasporic philanthropic relationship. The UJA’s role was to raise the money, and the Jewish Agency’s was to use it. There was rarely tension. But this willingness of American

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175 Hermann, “New Challenges to New Authority: Israeli Grassroots Activism in the 1950s” 112.
leadership to allow their Israeli counterparts full discretion in deciding how to use donated funds did not happen automatically.

Background to the Issue of Deference over the Use of Philanthropic Funds

As the Zionist enterprise was taking shape in the late 19th and early 20th centuries, two main schools of thought emerged regarding how Americans’ donations should be allocated in the Yishuv. One argued that Jews living in the Yishuv were most qualified to decide how money could best be spent, and as the people on the ground enduring the trials of building a new society, the most entitled. The other school claimed that expenditure decisions ought to be, at least partially in the hands of those providing the funds. Not only were people entitled to decide how to spend their own money, it argued, but also, transferring funds into the hands of an intermediary body that would make spending decisions could easily lead to issues like inefficiency, deception, and politicking that mitigate the impact donors wanted their money to have.

At the extreme of this position was Baron Edmund de Rothschild, the French Jewish philanthropist who supported the first Zionist colonies in Palestine in the late 19th century. Rothschild dictated how he wanted his money spent. To ensure that things were executed according to his design, he deployed a team of administrators to Palestine to oversee the work of the colonists. Rothschild’s decision making, according to Schama, was based on the, “assumption that he, not they [those living in the Zionist colonies], knew where their best interests lay.”177 As such, he demanded that the Zionist pioneers take direct orders from his representatives on the ground. Should the colonists fail to meet the requirements he expected of

them, Rothschild wrote, to Baron Maurice de Hirsch, another philanthropist and supporter of the
Zionist movement, the consequence would be grave: “‘I will not hesitate to withdraw my
protection and abandon them to themselves,’” he wrote.

Zionist pioneers in the Yishuv had already been ambivalent about the idea of accepting
funding from diaspora Jews because they regarded it as too reminiscent of the halukkah. But
the experience Zionists had with Rothschild of, as Hoffman described, being forced to, “knuckle
under to the dictates of domineering, wealthy diaspora Jews,” entrenched their skepticism of
diaspora Jewish philanthropists, who they feared might again try to use their money to dictate
their terms and impose their agendas. The idea of wealthy benefactors from far away involving
themselves in decision-making about on-the-ground minutiae in Israel was to mainstream
Zionist—and eventually Israeli—ideology not just arrogant and demeaning, but, as we will see in
the next pages, more so a fundamentally misplaced voice of authority.

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Challenge to Institutional Deference over the Use of Philanthropic Funds in the Yishuv Era

In the first decades of the 20th century, the little money given by American Jews to
support the Zionists’ efforts in the Yishuv was done through donations to centralized bodies. The
tiny American Zionist movement was comprised of hard-core adherents to various strains of
classic Zionist ideology, who mostly concurred that the nuts-and-bolts decision making for how

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179 Waxman explained that since a core tenet of the Zionist movement was, “attaining economic self-sufficiency in
the Yishuv, most Zionists, “opposed to the traditional system of the…Halukkah, because they believed that it
couraged indolence.” (Chaim Waxman, “American Jewish Identity and New Patterns of Philanthropy” in Allon
Gal, Athena S. Leoussi, and Anthony D. Smith, The Call of the Homeland: Diaspora Nationalisms, Past and
Present (Leiden : Boston : Brill, 2010), 85).  
180 Hoffman, 124.
to build the new Jewish society in Zion should be something determined by those living there and building it—not those in the diaspora.

But this idea was challenged by Louis Brandeis soon after he became the head of the American Zionist movement. Brandeis believed that with the issuance of the Balfour Declaration in 1917, the *raison d’être* of the World Zionist Organization (WZO) had been achieved, and as such, the organization should cease to exist as a political body. In the interest of generating the most funds, and using them with the greatest efficiency, Brandeis believed that businessmen and technicians should recommend the most judicious use of the funds, rather than politicians and ideologues. As Stock described it, Brandeis’s approach was essentially “guided…by cool rationality and economic criteria rather than by emotion and instinct.”¹⁸¹ In addition, Brandeis felt that American Jewish donors should have a say on the destination of their funds, rather than simply passing them along to someone else. As Halpern explains, the Brandeis group believed such giving provided for more active, closer personal involvement of Zionist members…As stockholders of new Palestinian institutions or volunteer leaders of support groups for Palestinian medical, welfare, educational, or agrotechnical institutions, Diaspora Zionists could become involved in the work of reconstruction more fully than by simply contributing to Keren Hayesod or voting in occasional Zionist elections.¹⁸²

It would be inaccurate to characterize the Brandeis philosophy over the use of funds an offshoot of Rothschild’s. The two positions differed considerably. However, the one thing they did share was the idea that Jews who contributed funding for a project in the Yishuv were entitled to some say in how it was to be used.

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The main opponent of the Brandeis view was Chaim Weizmann, the head of the WZO. He believed that the governance, strategy, and decision making of the state-in-the-making should come from the wing of the movement in the Yishuv—the early waves of Jews already relocating from the diaspora to Zion. And to that end, money being given by Jews to support the up-building of Palestinian Jewry should be allocated by the Jewish Agency—the official Zionist governing instrument created in the Mandate era, and consisting at the time, exclusively of the WZO. Weizmann’s philosophy on philanthropic relations was rooted in a core principle of Zionism known as shilat-ha-galut (negation of the exile). It stated that in an age of the re-birth of Zion, the diaspora should no longer exist—and if it did, it would have to be in some small way that no longer held any sway in the important developments of world Jewry, politically culturally or otherwise. Making Aliya was viewed as an eventuality for all of world Jewry. Willingly choosing not to was seen as unthinkable, or at the very least, certainly not a respect-worthy option. As such, Zionist and early Israeli state leadership held an outward disdain for Jews supporting the ongoing existence of diaspora. But as it became clear over time that most of Western Jewry had no intention of immigrating to Israel, and that the political and economic assistance provided by these diaspora communities would be of crucial importance to Israel, the rhetoric of shilat-ha-galut was toned down substantially. However, the core disrespect towards the idea that the diaspora was as an equally legitimate voice in the future trajectory of world Jewry remained. This was especially true when it came to diaspora involvement in Israeli affairs.

Therefore to Weizmann, Brandeis’s ideas for shifting the locus of decision making over expenditures away from the WZO was unacceptable. The two camps came to an impasse when the Brandeis vision for American Jewish giving to the Yishuv was ratified by the Executive Committee of the Zionist Organization of America (ZOA) in 1921. Fearing the Brandeis
philosophy gaining traction within American Jewry, Weizmann came to the U.S. himself in spring 1921 to launch a WZO-led fundraising campaign (called Keren Hayesod or foundation fund) in America.\textsuperscript{183} To ameliorate rising tensions between the two camps and their opposing views, a special session of the ZOA called in June 1921. In what was, among a few other key issues, a referendum on whether American Jews should have a say in how their donated funds should be used in the Yishuv or should fall in line with the WZO’s philosophy of deferring to those on the ground in the Yishuv, the Weizmann camp prevailed by a vote of 173-71.\textsuperscript{184}

Unwilling to abide by the divergent vision, Brandeis and 34 other delegates resigned their posts with the ZOA. Subsequently, they formed their own organizations that could facilitate direct philanthropy and investment to the Yishuv via the Palestine Endowment Fund (P.E.F.) and the Palestine Economic Corporation (P.E.C.), respectively. Though P.E.F. has not been an insignificant enterprise since its establishment, it has never been more than a largely unknown fringe alternative mode for philanthropic engagement with the Yishuv/Israel.\textsuperscript{185}

Weizmann’s victory in 1921 ensured the WZO perspective on use of funds as unchallenged ZOA policy. Indeed, over the ensuing two decades, funds raised by Keren Hayesod and its successor umbrella bodies, the UPA and the UJA, were forwarded along to the Jewish Agency to be used by its discretion, without incident.

\begin{itemize}
\item As we saw in chapter two, up until that point, American Zionist giving went to the ZOA, which passed it along to the WZO. If Brandeis’s ideas had become official ZOA policy, the Jewish Agency (which was the WZO) would not receive crucial funding from the ZOA, the principal American Zionist organization, and likely far less from Americans overall.\textsuperscript{183}
\item Stock, \textit{Partners and Pursestrings}, 16.
\item As a point of comparison, in the 20 years from 1968-1987, P.E.F. allocated $90 million in Israel, while the UIA, over the same time period remitted $4.3 billion—47 times more than P.E.F. (Note: this time period was selected for this comparison based on what data was available on P.E.F.) (Philip Goodman, \textit{66 Years of Benevolence: The Story of PEF Israel Endowment Funds} (New York: PEF Israel Endowment Funds, 1989)). Philip Bernstein, 338. “American Jewish Contributions to Israel,” (Jewish Virtual Library). Raphael, 136. Rosen, 120.\textsuperscript{185}
\end{itemize}
An Early Challenge to Institutional Deference over the Use of Philanthropic Funds in the State Era

The issue re-emerged again in 1948. Cleveland Rabbi Abba Hillel Silver, one of the junior members of the Brandeis group that was defeated in 1921, returned to the ZOA in the late 1920s. Over the next decade and a half, Silver climbed through the ranks of the American Zionist movement, becoming its most important and influential figure by the 1940s. Silver, an outspoken supporter of the creation of a Jewish state, secured the mantle of American Zionist leadership in 1942, as he championed the creation of a Jewish state as the principal aim of the ZOA—and eventually, as we saw, the entire organized American Jewish community. Silver, however, did not only view the American Zionist movement as a tool to help advocate for and fundraise on behalf of Zionists in the Yishuv. He believed that even after the establishment of the state, the ZOA should retain its status as an independent body, voicing its own opinions and promoting its own agendas—whether or not they necessarily fell in line with those of the new state.

The heirs to the Weizmann philosophy on controlling the use of philanthropic funds—the leadership in the Yishuv (including Ben-Gurion) and their like-minded American allies (notably former U.S. Treasury Secretary and UJA Campaign Chair Henry Morgenthau, and UJA Director Henry Montor)—could not accept the kind of agency in decision making that Silver intimated should become ZOA policy once Israeli statehood was established. They felt that the appropriate place of the UJA then and in the future was solely to get American Jewish philanthropic dollars into the hand of decision makers in the Yishuv/Israel, and not “to influence the social and political constellation in Israel,” as Montor accused Silver and his allies of intending to do.186 Morgenthau echoed this concern in a 1948 letter he wrote to Jewish Agency and eventual Israeli Finance Minister Eliezer Kaplan, “What we fear is that certain Jews in the U.S. will dictate to

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you what you should do with their money,” adding, “I have confidence in the Jews of Israel, I have no confidence in the Jews of the U.S. who have control over their money.”

For this reason, Silver’s stature and ambition represented a great danger from their perspective. For not only did Silver enjoy enormous popularity amongst American Jews, but as the head of the ZOA, he also stood at the helm of the UJA fundraising machine, so crucial to Israel’s early existence. Yet, it was clear in the lead-up to 1948, that it was not the time to wage a fight with such a powerful ally in the statehood cause as Silver. However, once Israeli statehood was declared in 1948, battle lines were drawn between the Silver camp and the Morgenthau-Montor camp. The Morgenthau-Montor camp crafted a legal strategy to circumvent Silver, that can fairly be characterized as an organizational coup d’etat. They announced a plan to establish a new independent 501(c)(3) organization—confusingly named JAFI, Inc.—that would replace the UPA as the JDC’s official partner organization under the UJA umbrella, thereby stripping the UPA and ZOA of all power and influence in the American Jewish fundraising apparatus. They reasoned that from the perspective of donors, things would look indistinguishable. Donors would still give to the UJA under the recognizable leadership of Morgenthau and Montor, regardless of whether the organization collecting the funds was called the ‘UPA’ or ‘JAFI, Inc.’.

Upon hearing the news of JAFI, Inc.’s establishment, Silver and his allies understood that they were being sidestepped, and that they had no recourse to prevent it. Seeing the writing on the wall, they resigned from their posts in the ZOA and UPA. By removing Silver and any other prominent voices that might espouse their own agendas in the up-building of the new state, and

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187 Stock, Chosen Instrument, 40.
188 The ZOA, was the driving force in and mouthpiece of the UPA (which as we saw was the dominant party at that point in the UJA) and thus held the de facto reigns on American Jewish fundraising on behalf of allocations to Israel.
replacing them with non-Zionists, who had no political interests in influencing Israel’s direction, Montor and Morgenthau were ensuring a UJA, that for the foreseeable future, would defer to Israelis in determining how collected money should be spent.

Maintaining the Culture of Deference in Spending Decisions (1949-1967)

With the leadership of the UJA firmly entrenched in the belief that Israelis should govern the use of donated funds, this position was enshrined as policy, and faced minimal challenges over the next 1-2 decades. Its strategy for maintaining the culture of deference manifested in two ways: holding dissenting voices at bay and channeling any independent-minded donors into other UJA-controlled ventures. The greatest challengers might have come from the small but passionate base of ideological Zionists, closely affiliated with the various Israeli parties. But through a mechanism called Constructive Enterprise Funds, that was discussed earlier in this chapter, the UJA and Jewish Agency were able to undercut any potential independent efforts that might have arisen to mobilize ideological grassroots Zionists into an effective opposing voice in the American Jewish philanthropic organizational apparatus.

The UJA was to retain its position as the uncontested organization in raising and passing along American Jewish philanthropy for Israel. Its one real potential challenger for maintaining its primacy over this issue was the federation system. Most in the domestically-oriented federation were comfortable deferring to the UJA’s and JDC’s judgment about the wisest use of donated funds for overseas Jewish communities. If the UJA trusted the Jewish Agency, that was enough for federations. One example of how normative it was in American

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190 See page 43.
191 See discussion of the Committee on Control and Authorization of Campaigns (page 66-76).
Jewish organizational culture for the federation to be at arm’s length to JDC and UJA overseas decision making was relayed by Gottlieb Hammer, the Executive Director of the Jewish Agency-American Section (The Jewish Agency’s office in New York). Hammer recounted an instance in the mid-1950s in which the Jewish Agency-American Section agreed to a request from the federation’s governing body, the Council of Jewish Federations (CJF) to discuss its budget.

[The JDC chair] was aghast when he heard I had agreed to discuss the Jewish Agency’s budget with the CJF committee. I must emphasize the word ‘discuss’ because our agreement was to give information, not to seek approval or accept disapproval; the representatives of the federation were to be there, not express opinions.  

In the rare cases in which the UJA and Jewish Agency were actually challenged, and calls came from the federation for greater transparency and accountability from the Jewish Agency, the UJA was able to convince skeptics that that the Jewish Agency should be fully trusted to create its budget and carry out its work exactly as it saw fit. In one such instance, Hammer arranged to personally take the main critics from the CJFWF (as the CJF was then known) on a three-week trip to meet with Jewish Agency leadership and tour Jewish Agency field operations. Hammer recounted that the trip assuaged the concerns of the Jewish Agency’s biggest critics.

The reaction…was highly favorable…[Howard Glasser, the consultant to CJFWF who was most concerned about the Jewish Agency] conceded bluntly that we had licked him on the issues he had raised. As far as the CJF was concerned, it [concern over the Jewish Agency’s efficacy and trustworthiness] would never have to be brought up again.  

This anecdote speaks to the high level of ingrained American Jewish deference at the time. Through one short trip alone, the UJA and Jewish Agency were able to quiet the Agency’s leading American critics, who not only conceded to maintain the status quo in power relations,
but went nearly so far as to apologize that they had even questioned the Jewish Agency in the first place.

Re-Packaging Deference to a Slightly More Restive American Jewish Community (1967-1981)

According to Stock, in the mid-1960s, the UJA and the Jewish Agency began to sense an increase in pressure from “contributors, especially in the U.S., for a say in how this money [they contributed] was to be spent.”194 This phenomenon was accelerated following the outbreak of the 1967 War. For, not only did American Jewish philanthropy flow into Israel in magnitudes never before seen, but the war evoked a dramatic increase in interest in Israel amongst American Jews. Many were interested in becoming more involved than simply giving. The new reality brought a new challenge for the Jewish Agency and its American allies in the UJA: how to provide a compelling enough vision of Diaspora involvement in Israel to maintain the upswing in interest and engagement, and the huge dollar amounts that were coming along with them. The Jewish Agency astutely recognized the seedlings of donor-directed giving tendencies that would come to dominate the field within a generation. They correctly predicted that donors would not be totally satisfied with the classic model of ‘checkbook Zionism.’

In response, the Jewish Agency invited Jews from around the world to Jerusalem in 1968 for the so-named Conference on Human Needs. Its stated purpose was to discuss how the Israel-diaspora partnership could be enhanced in a changing world. It indicated that there had been a maturation in diaspora Jewry’s knowledge, interest, and understanding of Israel, and in enthused language, spoke of the new possibilities for ‘partnership’.

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194 Stock, Chosen Instrument, 8.
The present relationship of world Jewry and Israel goes beyond the mainly emotional character of earlier years. We are today witnessing growing interest in mutual practical involvement, increasing eagerness for action based on information and understanding.\textsuperscript{195}

It added in that, “The Jews of the world are seeking a more personal involvement in what goes on in Israel.”\textsuperscript{196}

The process initiated with the Conference on Human Needs culminated four years later with a formal reconstitution of the Jewish Agency, splitting governance roles of the Agency and its budget equally between Israelis and diaspora Jews.\textsuperscript{197} Louis Pincus, Chairman of the Jewish Agency’s Executive proclaimed that it was time the Jewish Agency reform its structure in order to, “give world Jewry, which raises the funds for Israel, a direct say in the way the funds are spent.”\textsuperscript{198}

As it turned out, following the reconstitution of the Jewish Agency, little changed practically. The seemingly dramatic restructuring did not represent the sea change it proclaimed, but was instead, largely a clever re-packaging of old relationship dynamics. Israelis were still in control of all important decisions. But the fanfare of the ‘new partnership’ introduced enough new honorific—but essentially superficial—features, so as to amply placate most interested diasporans, and temporarily put off demands from the small vanguard of diasporans agitating for real structural changes to power relationships. The total effect was that diaspora delegates to the Jewish Agency, even though not as philosophically committed to exclusive Israeli control as the UJA leadership had long been, were still mostly deferential to their Israeli counterparts, and to

\textsuperscript{195} Stock, \textit{Beyond Partnership}, 152.
\textsuperscript{196} Ibid.
\textsuperscript{197} The reconstitution agreement was very similar to the ‘Pact of Glory’, the defunct power-sharing agreement reached in 1929 between the WZO and non-Zionist American Jewish Committee, but never really enacted. (See page 33-34).
\textsuperscript{198} Stock, \textit{Partners and Pursestrings}, 191; It should also be noted that the Reconstitution of the Jewish Agency was also motivated by the Agency’s desire to buttress its independence and strength against an Israeli state that had been increasingly marginalizing its role over the previous years.
put it bluntly, Israelis expected such deference. Hoffman described the new environment of the new American Jewish delegates to the Jewish Agency mainly flattered that they were invited into conversations, but not wanting any real responsibilities.

For the first ten years or so following the reconstitution of the Agency, diaspora participants came to the [Jewish Agency’s] Assembly, mainly for the experience of visiting Israel as honored guests. As one long-time observer described it: ‘All they wanted to do was to hear talks by the Defense Minister or other dignitaries. Getting them interested in really learning about Agency business was a hopeless task.’

Elazar and Dortort concurred:

They are pleased at the respect and deference with which they are treated by Israeli leaders…But the last thing they want is more responsibility which would necessitate greater demands on their time.

The core of American Jews who had a real interest in substantively changing power-sharing arrangements had been initially encouraged by the reconstitution. But as Elazar and Dortort explain, they experienced great frustrations, “in the first years of the reconstituted Jewish Agency—budgets that were not budgets, meetings that had no operative dimension but [consisted of] merely being lectured at by Israelis.”

As we will see in the next chapter, leaders in this group would increasingly agitate for real change. But in the meantime, the old relationship of institutional deference over the use of philanthropic funds that reigned supreme for the first 80 years of the 20th century remained intact. Some still adhered to the philosophy of deference. Others, who were less tied into the issue, perhaps just trusted the Jewish Agency or did not understand enough to have an opinion.

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199 Hoffman, 140.
201 Elazar and Dortort, 2.
But the effect was a *de facto* quiescent American Jewish community that allowed the Jewish Agency mostly unfettered use of the hundreds of millions of dollars it annually donated.

**Chapter Conclusion**

In this chapter, we have looked at the development of the dominant structures, dynamics, and underlying philosophies of the philanthropic relationship between American Jews and Israelis for most of the 20th century. Chapter three will tell the next part of the story. It will pick up on the three central ideas of federatedness, statism, and institutional deference, asking how and why each lost its resonance and what the results were to the philanthropic relationship.
Chapter 3: The Decline of Classic Institutional Relationship Structures and the Emergence of New Organizational Alternatives in the Philanthropic Relationship (1985-2013)

Introduction

In chapter two, we explored how the Committee for the Control and Authorization of Campaigns (CCA) systematically kept organizations from competing with the UJA in raising American Jewish philanthropy for Israel. Through some combination of belief in the value of federatedness, trust in the UJA/federation system, and, for some, a fear of the CCA and community ostracization, American Jewish organizations did not challenge the CCA’s self-appointed role as arbiter of worthwhile giving to Israel for years. For example, in the first three decades following the establishment of Israel, only seven new organizations received CCA authorization to fundraise amongst American Jews. While by the mid-1970s, somewhere in the order of 50 additional ‘unauthorized’ organizations were trying to raise money in the U.S., the CCA still managed to keep unauthorized fundraising activity to a minimal and largely insignificant place, and as a result, the UJA and the small list of approved groups it had authorized in 1948 continue to dominate the scene.

202 According to an internal CCA memo, “for the most part… these [fundraising] attempts were either discontinued following discussion and/or correspondence [with the CCA], or confined to low-key membership drives” and those few unauthorized organizations that ignored the CCA, raised only “minor sums”. (Herman L. Sainer, Staff Consultant, National Committee on Control and Authorization of Campaigns of the Jewish Agency for Israel, “Memorandum: A Policy on Multiple Appeals,” 19 April 1984, Isadore Hamlin Files, File: Z6, Central Zionist Archives, Jerusalem, Israel).

But starting in the late 1970s and more strongly through the 1980s, the CCA lost its grip on the American Jewish community, as more and more organizations ignored its mandate, and freely went about their own fundraising. Huge numbers of new giving vehicles appeared, and in short time, came to collectively dominate the field. For example, in 1975, aside from the UJA, there was a total of 72 (17 authorized and 55 unauthorized) organizations raising money from American Jews for work in Israel. Collectively, these organizations raised only 21% of all American Jewish philanthropic dollars going to Israel. The remainder was raised by the UJA. But by 1994, the number of organizations channeling money to Israel had more than tripled to 246, and roughly 71% of all giving to Israel occurred outside of the UJA. By 2007, the story had become even more dramatic, with 561 Charities raising as much as 90% of the money, and channeling it mostly to independent NGOs in Israel—and not the Jewish Agency. In addition, much of the money donated to the UJC (the UJA’s successor organization), was not being automatically passed along to the Jewish Agency, as it long had been. As of 2007, the UJC earmarked somewhere between 35%-55% of dollars it passed along to the Jewish Agency for specific projects. Indeed, in 2007, the amount of unrestricted funding received by the Jewish Agency was a paltry 4% of all American Jewish philanthropic funds going to Israel.

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204 National Committee on Control and Authorization of Campaigns of the Jewish Agency for Israel, “Memorandum: A Policy on Multiple Appeals.”
205 This figure is derived from UJA data obtained from Marc Lee Raphael (A History of the United Jewish Appeal, 1939-1982 (Chico, CA: Scholars Press, 1982)), and tabulations of non-UJA campaigns by S.P. Goldberg (“Jewish Communal Services: Programs and Finances” American Jewish Year Book (New York, 1978)).
206 The numbers of organizations are derived from a data set gathered in conjunction by Eric Fleisch and Theodore Sasson in preparation for their report: The New Philanthropy: American Jewish Giving to Israeli Organizations (Brandeis University: Maurice and Marilyn Cohen Center for Modern Jewish Studies, April 2012).
207 This figure is derived from UJA data obtained from Mark I. Rosen (Mission, Meaning, and Money: How the Joint Distribution Committee Became a Fundraising Innovator (Bloomington, IN: iUniverse, 2010)), and estimations of non-UJA campaigns by Jack Wertheimer (“Current Trends in American Jewish Philanthropy” American Jewish Year Book (New York, 1997)).
208 Fleisch and Sasson.
209 Jewish Agency for Israel, Budget ’08, Approved by the Board of Governors, October 2007.; Ofer Isaroff, (Director of the Division of Priority Regions, Jewish Agency), interview held in his office Jerusalem, Israel, 11 July, 2010.
This chapter will explore what transpired during this era to bring about such a dramatic change. Its broad purpose is to demonstrate why the old institutional partnership relationships that were so dominant for most of the 20th century crumbled during this period. It will trace shifts in attitudes and behaviors in the field and provide a macro profile of the organizational players that emerged to replace the UJA and Jewish Agency as the central figures in the diaspora philanthropic relationship. It will focus its analysis on how the three central ideas at the foundation of the longstanding dominant UJA-Jewish Agency philanthropic partnership discussed at the end of the last chapter (statism, federatedness, and ingrained American institutional deference over use of funds) changed in the 1980s and 1990s. For reasons we will explore, each idea lost its resonance, and as a result, trends that had long been subsumed, finally emerged. These included a robust Israeli third sector, many new choices for American Jews in their Israel giving, and a culture that facilitated and even celebrated independent giving. Taken together, these trends resulted in the collapse of the ‘old system’s’ dominance.

This chapter is divided into four parts. Part one discusses the decline of statism and the emergence of the Israeli third sector. The remainder of the chapter looks at the development of federatedness and institutional deference. The discussion of the development of each will be, in part, based around one specific historical conflict—the UJA’s clash with a portion of its donor base concerning the issue of giving to causes over the Green Line. Part two lays out the history of this issue, which is a good case study for exploring these trends, but also conveniently provides factual background to the dissertation’s main case study that will be introduced in chapter four. Parts three and four look specifically at how trends apparent in the example of giving over the Green Line speak respectively to changing attitudes regarding federatedness and American institutional deference over use of donated funds.
Part 1: The Decline of Statism and the Emergence of a Third Sector in Israel

Summary Review of Israel in a Pre-Third Sector Era

As we saw in the last chapter, during the pre-state era, the Jewish Agency and party-run networks of services were the most prevalent and influential organizations in the Yishuv. Once Israel achieved statehood, it maintained close relationships with these bodies, gradually taking on the provision most of their services itself. But other than these state-linked bodies, there was almost no third sector in Israel during this period. This was not surprising. On the one hand, the Israeli government did not value and even maligned the appearance of independent organizations. Hermann noted that in Ben-Gurion’s statist outlook, voluntary groups were considered, “petty, parochial, and counterproductive to the collective national interest.”

Additionally, Israeli citizens did not, themselves, have much inclination to establish independent associations and organizations to meet their various needs, instead turning to parties and the state and its rapidly expanding welfare services. The result for the philanthropic relationship between American Jews and Israel was that the Jewish Agency was able to maintain an uncontested grip over American Jewish donations. Every five years, the UJA/UIA would renew its agreement with the Jewish Agency, guaranteeing that the latter would be its exclusive recipient of funds in Israel.

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From Statism to Pluralism

The dominant statist environment kept a significant third sector from appearing in Israel for the first two decades of its statehood. But starting in the early 1970s, this began to change. Gidron, Bar, and Katz characterized the shift in Israeli mentality during this period from ‘statist’, with the state and its related bodies dominating the center of civic life, to ‘pluralist’, in which a proliferation of non-state organizations were established to meet the various needs of the populace.

This change can be attributed to several factors. First, the Israeli welfare state, which had grown ever larger for the first several decades of the state, slowed in its growth in the 1970s, and then in the 1980s began to be dismantled by the ruling Likud party, in the name of smaller government and greater free enterprise. Doron and Kramer explained, that with this change in philosophy of government, “allocations for many programs in education, health care, and personal social services were substantially reduced.” As a result, large numbers of NGOs were established to fill service provision and community building roles previously played by the state or parties. Indeed, from the beginning of the 1980s to the beginning of the 1990s, the number of registered NGOs in Israel climbed from 3,000 to 16,000 and by 2005 to 41,000. The sector’s significance in Israel’s economy grew substantially as well. In the years between 1955 and 1975, the Israeli third sector comprised an annual average of only 6% of Israel’s GDP. But from 1975-1984, the figure rose to 8%. By 1991, it reached 11.6%. This all notwithstanding, the character

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of the sector was not as dramatically different from the statist era as the numbers might suggest. Most NGOs fell into a category introduced in the last chapter that Gidron, Bar, and Katz termed IWWSS (Integrated Within the Welfare State System). Though technically independent, these organizations were intimately tied into government. Most were supported by government allocations, and few promoted agendas that ran counter to Israeli government policy. Gidron, Bar, and Katz explained that in these relationships, “an elaborate system of contracts existed between nonprofit organizations and the government, which viewed these organizations as if they were an executive arm, filling the government’s policies, only using a different framework to do so.”

So even though the first years of the pluralist period (1970s – early 1980s) saw a growing third sector, government influence still extended into most realms of civic life.

The Rise of Protest

As indicated, during the early years of the state, common opinion amongst Israelis was that independent organizations had no constructive place in society. The appropriate place for citizens to express any discontent they had with government policy, therefore, was via political parties and elections, not extra-parliamentary protest. But starting in the 1970s, new attitudes towards citizen expression outside of classic government and party patterns began to germinate. In his impressive study on the emergence of protest in Israel, Lehman-Wilzig shows that in both the 1970s and 1980s, Israeli citizens turned to extra-parliamentary protest activities in far greater numbers than they had in previous era. From 1971-1978, the average annual number of protest events in Israel grew by 213% (from 38.8 to 121.5) as compared to the previous period that he


To illustrate just how great a change took place in Israeli mentality about independent civil society activity, one can contrast the leading voices of protest that arose in response to the 1967 and 1973 wars. Following its victory in the 1967 war, Israel faced a new reality in its security and strategic outlook. Yishai recounts that in this context, two opposing protest perspectives emerged regarding what Israel should do with the territory it acquired in the war. One group, the Movement for a Greater Israel, called for the annexation of the new territories into an enlarged Israel. While another, Peace and Security, saw an historic opening for Israel to make peace with its neighbors. Though each movement had clear political objectives and a passionate—albeit fairly small—group of supporters, neither knew how to parlay the energy of its movement into an effective vehicle for policy advocacy. In a society without a recent tradition of an independent third sector, leaders of each movement did what they knew best: they formed themselves as political parties. However, as both groups were relatively niche factions without large support bases, they were easily lost in the larger party environment, and their supporters ultimately swallowed back into mainstream parties. As a result, both movements fizzled out with nothing to show for themselves.\footnote{217 Yael Yishai, “Civil Society in Transition: Interest Politics in Israel” \textit{Annals of the American Academy of Political and Social Science}, 555, (Jan. 1998), 152.}

Following the national trauma of the 1973 war, as Gidron, Bar, and Katz argue, “deep ideological rifts opened up over the definition of the general will and general good, with citizens of all groups demanding greater input.”\footnote{218 Gidron, Bar, and Katz, \textit{The Israeli Third Sector: Between Welfare State and Civil Society}, 102.} The mood of widespread disenchantment with government in Israel spawned a number of protest movements—the most notable among them
being the Black Panthers, Gush Emunim, and Peace Now. Looking at these three groups, one can see a distinct change in strategic orientation from that of the Movement for a Greater Israel and Peace and Security, only a few years earlier. In comparison to the post-’67 groups, none of these post-’73 groups attempted to become a political party. Instead, all positioned themselves as pressure groups, using mass demonstrations and grassroots activity to get their messages across. Yet, it is also important to note that none incorporated themselves as advocacy NGOs either. The choice instrument for protest movements, we see, appeared to be as unincorporated pressure groups. The changes in the associational orientation underway during these years that resulted in the creation of hundreds, if not thousands, of new IWWSS NGOs had not yet trickled down into civil society groups like Black Panthers, Gush Emunim, and Peace Now. Hermann offered a similar observation in her study of the peace movement in Israel. She noted that, “in the 1970s and 1980s, most peace groups focused on consciousness-raising and protest activities in order to mobilize grassroots support.”

Undertaking the bolder step of incorporating into more focused—and better funded—advocacy organizations that could battle the government in courts, the press, and the broader public realm still lagged as a strategy. She attributes this to remnants of a squeamish attitude towards ‘unaccountable’ groups being able to exercise real influence over government.

> Since the groups that promoted such activity were not elected and hence could not be held accountable, the political establishment and the broad public often questioned their right to...influence decision-making processes, particularly when sensitive national-security matters were involved.  

It was really only as the next generation came of age that more critical attitudes and confrontational stances towards the state emerged as more acceptable features of protest. This

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220 Ibid, 111.
breakout from what Lehman-Wilzig called “the paternalistic cocoon,” first occurred in a
significant way only in the 1980s and beyond.\textsuperscript{221} Hermann attributes this to the newer activists

Never having been dependent on state assistance, as many of their parents
had been when they arrived in Israel mentally and financially destitute
after the Second World War…[This] second generation of Israelis lacked
the gratitude their parents felt to the government, a sentiment which
softened the older generation’s criticism of the political elite’s poor
performance.\textsuperscript{222}

\textbf{The Appearance of Civil Society Organizations (CSOs)}

Gradually, Israelis wanting to voice protest started to incorporate themselves as NGOs.

This category of NGOs are commonly referred to as Civil Society Organizations (CSOs). As
Silber and Rosenhek explain,

\begin{quote}
A common trait of the more confrontational organizations [CSOs],
distinguishing them from the more traditional voluntary associations, is
that they do not define their role as subsidiary and subordinate to the state.
In contrary, they see their basic duty as the management of a militant and
vocal politics of claims-making towards it, defining themselves in
numerous cases as watchdogs aiming at restraining, or at least denouncing,
the state apparatus’ abuses.\textsuperscript{223}
\end{quote}

Though CSOs have never represented a large portion of the Israeli third sector, as Oser
points out, they represented the fastest growing category of NGOs in the 1990s in Israel, growing
from only 3% of all new organizations at the beginning of the decade to 9% by the end.\textsuperscript{224}

Gidron, Katz, and Bar reflected in 2000 that, “in general, we are witnessing a significant
change in Israeli Civil Society. The growing number of advocacy organizations and their
increased involvement in public policy-making clearly reflects a changed view of the role of

\textsuperscript{221} Sam N. Lehman-Wilzig, \textit{Wildfire: Grassroots Revolts in Israel in the Post-Socialist Era} (Albany: State
\textsuperscript{222} Tamar Hermann, “Do They Have a Chance? Protest and Political Structure of Opportunities in Israel” \textit{Israel
Studies} 1:1 (1996), 156.
\textsuperscript{223} Ilana Silber and Zeev Rosenhek, \textit{The Historical Development of the Israeli Third Sector} (Beer Sheva: Ben-
Gurion University of the Negev Press, 1999), 39-40.
\textsuperscript{224} Jennifer Oser, “Between Atomistic and Participatory Democracy” \textit{Nonprofit and Voluntary Sector Quarterly},
39:3 (2010), 431.
Civil Society in Israel.” Many CSOs, embodied the sentiment of mass protest, but went about their activity in a very different way than before. Rather than drawing on a base of grassroots support and engaging in mass protest or activism, CSOs typically use a variety of strategies, including public education, lobbying, production of reports, and press work.

In many ways, with the emergence of a CSO sector in the 1990s and 2000s, Israel had finally caught up with much of the world. NGOs had already become amongst the most popular and effective instruments of choice the world over in expressing protest. In taking organizational forms, they are more able to raise money (often from overseas supporters) that they can then strategically target to influence some aspect of the system. As this dissertation will argue in the next chapter—a close look at eight CSOs in Israel—the sector is increasingly becoming more influential, as activists develop greater knowledge, increased access to technology, and overall sophistication in strategy. They are able to effectively push through agendas on sub-issues in belief that this will ultimately push through agendas on bigger issues. Many examples suggest they are right. This is largely because, as unincorporated entities, rather than informal movements, the process of incorporating themselves as CSOs are able to bring more money in, and in doing so, change the power equation between themselves and government in a way that unfunded activism typically cannot.

NGOs as Philanthropic Partners for American Jewish Donors

It is clear why CSOs, as well as non-political service-oriented NGOs, have become significant factors in the diasporic philanthropic relationship. For one, whereas many IWSS

NGOs receive state support (41%), most do not (59%), and even more CSOs do not (74%).\textsuperscript{226}

The problem for NGOs in Israel, unlike in other industrialized countries with comparable economies, is that Israel does not have a well-developed culture of philanthropy. This is due, in large part, to the remnants of a system in which citizens looked to their government to provide all services, and in which civic culture frowned upon independent initiatives.

To illustrate just how poor Israel’s rate of philanthropic giving is, we can look at it relative to that of Americans. Shye, Lazar, Duchin, and Gidron reported that total giving by Israelis in 1997 was 465 million shekels.\textsuperscript{227} At an exchange rate of about 3.4 shekels/dollar,\textsuperscript{228} that is equivalent to approximately $136.8 million. Taking that total figure and dividing by Israel’s population in 1997 of 5.9 million people,\textsuperscript{229} comes to $23.19 donated per capita in Israel.

Compare that figure to the $109.26 billion given by Americans in 1997,\textsuperscript{230} which, when divided by the U.S. population of 267.78 million people in 1997,\textsuperscript{231} comes out to $408.02 per capita. But to better compare apples to apples, the amount people give should be looked at relative to how much money they earn. So we can look at these figures relative to median income levels amongst Americans ($30,282),\textsuperscript{232} and Israelis ($18,450) in 1997.\textsuperscript{233} Adding in this factor, we see that Americans gave approximately 1.3% of their earnings to charity, an enormous 11-times as much as Israelis, who gave less than 0.01% of the money they earned to charity.

\begin{footnotesize}
\begin{enumerate}
\item [\textsuperscript{226}] Ibid, 48-49.
\item [\textsuperscript{228}] “Israeli Shekel”, (http://www.tradingeconomics.com/israel/currency)
\item [\textsuperscript{232}] “United States – GDP per capita,” (http://www.indexmundi.com/facts/united-states/gdp-per-capita)
\item [\textsuperscript{233}] “Israel – GDP per capita,” (http://www.indexmundi.com/israel/gdp_per_capita)
\end{enumerate}
\end{footnotesize}
While it has been suggested that this trend may be in the process of changing, Israeli levels of giving are still poor, meaning that NGOs need to look elsewhere for funding. Many have found very receptive audiences amongst American Jews, who, conveniently are often looking for a cause or organization in Israel to which they can contribute.

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As we have seen in this section, changes in economic philosophies, growing popular disenchantment with government, and a maturation in how citizens believe they can comport themselves vis a vis their government, have all contributed to the gradual waning of the once-bedrock state-centered system in Israel. As a result, openings have emerged for thousands of Israeli NGOs to put themselves onto the international market for philanthropy, providing the Jewish Agency legions of challengers for limited funds from American Jews it never had to contend with during the era in which statism was predominant in Israel.

**Part 2: The Case of the UIA’s Policy on Giving Over the Green Line**

As we saw in the last chapter, through use of the CCA, the UJA and Jewish Agency were able to cement their dominance over American Jewish philanthropy for Israel during the first four decades of Israeli statehood. They were dominant both in collecting and allocating the majority of American Jewish donations to Israel, as well as in setting the narrative of how Israel should be understood and supported by American Jews. A telling example of how these

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organizations shaped the narrative on permissible and worthwhile giving to Israel is the policy the United Israel Appeal (UIA)\textsuperscript{235} maintained regarding funding projects over the Green Line. The UIA’s policy on this issue, put simply, was that it prohibited the funding of any projects beyond the Green Line. Anyone interested in supporting the nascent settlement communities through their tax-deductible contributions to the UJA was told by the UIA that such giving was neither permissible by the IRS nor the U.S. State Department. Because the UJA was the authoritative voice framing the issues related to how American Jews could help in Israel, if the UIA said no funding over the Green Line, there was no funding over the Green Line. No one pressed them on the issue. As a result, little if any American Jewish funding went to support the efforts of the early waves of settlers\textsuperscript{236} for the first 20 years of Israeli settlement over the Green Line.\textsuperscript{237}

This policy was only first challenged in 1987. New York businesswoman and philanthropist Hadassah Marcus made a donation to her local federation, requesting that it be directed to support a yeshiva located in the Shiloh settlement, and another donation to the federation’s close ally organization, the Jewish National Fund (JNF), requesting that it be

\textsuperscript{235} As we saw in chapter two, the UPA (the UIA’s predecessor organization from the Yishuv era) itself was formerly a fundraising body. But with the solidification of an entrenched Israel-oriented agenda within the UJA (1946-1950), the UIA ceased to have a role in fundraising, and effectively became the allocations arm for the UJA’s Israel giving.

\textsuperscript{236} The first organizations established to support development of settlement communities were Gush Emunim, Ltd. (1979)—which eventually became the Central Fund of Israel—and the Hebron Fund (1980). The receipts of each of these organizations would grow to become significant in the ensuing decades, but at this time were minimal. By the mid-1980s, there were no other vehicles that facilitated tax-deductible giving to settlements.

\textsuperscript{237} The settlement project was relatively small during this era, but it was nonetheless growing. Early settlements established for mainly ideological purposes—i.e. secular nationalist (Gush Etzion, 1967) or religious Zionist (Kiryat Arba, 1968/1971)—or security purposes (Jordan Valley settlements, early 1970s), were joined by a wider movement to settle all of the West Bank. Under the leadership of Gush Emunim, a much broader settlement enterprise was initiated from the mid-1970s onward. Its first major settlements included Ofra (1975) and Kedumim (1977). In the first decade or so of settlement, the number of Jews living in settlements was modest, but once the Likud party won the 1977 election, the scope of the settlement project increased exponentially. For example, between 1983 and 1993 the number of Israelis living in settlements in the West Bank and Gaza Strip jumped by 380% from 24,000 to 116,000 (Israel Central Bureau of Statistics, \textit{Statistical Abstract of Israel}, 1992-2008). For detailed accounts of settlement chronology, see the thorough but partisan works of Gershom Gorenberg (\textit{The Accidental Empire: Israel and the Birth of the Settlements}, 1967-1977 (New York: Times Books, 2006)) and Idith Zertal, Akiva Eldar, and Vivian Sohn Eden (\textit{Lords of the Land: The War Over Israel’s Settlements in the Occupied Territories}, 1967-2007 (New York: Nation Books, 2007)).
directed to support afforestation work in the same settlement.\textsuperscript{238} To her surprise, both organizations rejected her requests, explaining that giving over the Green Line was not considered charitable by the IRS. Unsatisfied by this response, Marcus reached out to a young tax attorney named Michael Teplow, whom she knew to be a strong supporter of Israeli settlement over the Green Line.\textsuperscript{239} Teplow was certain that there were no American laws or treasury regulations that would render humanitarian work in settlements not charitable, and so he pressed the UIA legal department that its claim regarding non-deductibility of charities over the Green Line was patently inaccurate.\textsuperscript{240} His case included a letter U.S. Senator Alfonse D’Amato (R-NY) had obtained from the Chief of the IRS’s Exempt Organization’s Ruling Bureau on behalf of his constituents Hadassah Marcus and her husband Arthur, that attested to the exemption eligibility of charities over the Green Line.\textsuperscript{241} In the face of this irrefutable evidence attesting to the eligibility of charities over the Green Line, the UIA had to concede the point. But, it countered that the real reason that it could not facilitate giving over the Green Line was that it had been pressured by the State Department to refrain from facilitating any activity that supported settlements.

The UIA’s desire to avoid passing money to projects in settlements, and thus raising the ire of the U.S. government was understandable. The U.S. maintained a very clear position opposing Israeli settlement in the territories Israel occupied during the 1967 war. It therefore could make sense that the State Department would prefer that an American charitable

\textsuperscript{238} Hadassah Marcus, (Founder and President, Gush Emunim, Ltd./Central Fund of Israel), interview held by phone, 14 December, 2010.

\textsuperscript{239} Teplow was co-Director of Techiya-USA, the American support body for the Israeli political party Techiya, which advocated for Israeli annexation of all territories captured in 1967.

\textsuperscript{240} Michael Teplow, (former Co-Chairman, The Ad Hoc Committee UJA & JNF Funding for Jews of Jerusalem, Judea, Samaria, Gaza, & the Golan Heights), interviews held in his office Tel Aviv, Israel, 30 June, 2010 and by phone 5 April, 2012.

\textsuperscript{241} Milton Cerny, Chief, Exempt Organizations Ruling Branch, Internal Revenue Service, to United States Senator Alfonse D’Amato, Washington, DC, 2 April, 1987, Personal Files of Michael Teplow, Tel Aviv, Israel.
organization not do anything that would bolster the continued existence or expansion of settlements. Furthermore, this issue was an especially sensitive one for the UIA, which in addition to being the conduit for UJA funds, was also entrusted by the U.S. government to monitor the huge annual grants it made for the purpose of resettling refugees in Israel. The one stipulation put forth by the U.S. government was that as per U.S. policy opposing any and all Israeli settlement beyond the Green Line, none of these grant funds whatsoever could be allocated to any projects over the Green Line. This policy, articulated in a 1994 Congressional Services Issue Brief:

As is true of all U.S. aid to Israel, the…refugee resettlement grants cannot be used by Israel in the occupied territories because the United States does not want to foster the appearance of endorsing Israel’s annexation of the territories without negotiations.\(^{242}\)

Indeed, as the work of the UIA grew to be heavily focused on administering these funds on behalf of the U.S. government, it stands to reason that an organization so dependent on American government grants would not want to risk facing punitive repercussions from the State Department or the IRS by spurning a very public U.S. government policy—especially on an issue that it perceived to be fringe to the greater UJA donor base, like West Bank settlement development.

All of this notwithstanding, Teplow did not believe that the UIA was making its decisions based on State Department pressure. As he explained, “It could not be. There was no way that the State Department—the diplomacy arm of the United States government—is going to get involved with some ferakta charity and tell them what to do.”\(^{243}\) And so Teplow proceeded to obtain a letter from U.S. Assistant Secretary of State Richard Murphy which, though reiterating


\(^{243}\) Teplow interview.
the U.S.’s policy opposing West Bank settlement, clearly denied that the State Department would push its positions on any private citizen or citizens association, such as the UIA. Murphy wrote:

In connection with this policy concerning U.S. government funds, we do not encourage activities by the UIA or any other entity—charitable or otherwise—that would tend to support Israeli settlement activity, and we have made our views known to the UIA and other charitable organizations who have inquired.

But, he continued, the State Department would not “threaten to impose on private donors the policy of the United States.”  

When Teplow presented the letter, the UIA again conceded the point, but again stood its ground on the larger issue, now arguing that the real reason for its policy was that its corporate charter did not allow such giving. As the activities of American tax-deductible organizations are governed by the parameters laid out in their legally registered corporate charters, violating its corporate charter, it argued, was grounds for loss of its tax-exempt status. The UIA’s charter, written in 1960, identified the UIA as a support organization for Israel. The UIA interpreted that since its charter was written before 1967, ‘Israel’, by the organization’s legal definition, had to mean Israel as it was in 1960, and would therefore not include any territory that Israel acquired after that date (i.e. in the 1967 war). The only way to allow causes over the Green Line to be legal charitable destinations for UIA funding, it continued, was to re-write its charter. Short of re-organization, the UIA claimed, it risked censure for acting beyond its constituted legal mandate. But, on the other hand, it contended, were it to undertake the legal process of re-

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244 Richard Murphy, United States Assistant Secretary of State, letter to Michael Teplow, Co-Chairman, of The Ad Hoc Committee UJA & JNF Funding for Jews of Jerusalem, Judea, Samaria, Gaza, & the Golan Heights, Washington, D.C., 25 January, 1988, Personal Files of Michael Teplow, Tel Aviv, Israel.

organizing its charter, it would be required to re-apply for tax exempt status, thereby opening itself up to a full accounting of its work, which could mean an IRS audit, and at worst, loss of tax-exempt status—all of which it considered a very big, and ultimately unnecessary risk. Either way then, it claimed it faced a legal conundrum that could really only be avoided by adhering to a definition of Israel based on what Israel was in 1960.

Since this reasoning was the UIA’s own strategic calculation rather than an assertion of hard facts, Teplow could not refute it, per se. However, he suspected that the argument was a trumped up excuse intended to obfuscate the UIA’s true motivation, which both he and Marcus believed to be an institutional bias against the settlement project. Though they could not prove this, they felt that they could prove that the UJA and JNF were fraudulently representing themselves to their donors in how they marketed themselves as organizations supportive of ‘Israel’. They determined that if the UJA and JNF continued to refuse to direct Marcus’s donations to the projects in Shiloh, they would file lawsuits against both organizations to force them to either change their policy on giving over the Green Line or disclose their real motives.

Marcus and Teplow decided to first target the JNF, a smaller organization and thus a more manageable lawsuit. The suit, brought forward in 1987, claimed that the JNF was fraudulently representing itself in the following way: The organization’s classically recognizable symbol, the Blue Box, included a map of the full Land of Israel, with dots all over indicating JNF work on both sides of the Green Line. If it was going to visually brand itself as a builder of all of the Land of Israel irrespective of the Green Line, it either had to change its policies to allow its donors to contribute to organizations on both sides of the Green Line, or it had to modify its symbol. As there were no legal prohibitions against the JNF giving over the Green Line, the suit contended, the policy was purely one of organizational choice.
Ultimately, the judge ruled that if the JNF wanted to deny funding over the Green Line, it needed to be forthcoming to its donors about why it was doing so. Short of that, the JNF was indeed guilty of fraudulently representing itself. The JNF was given the option to change its policy or face legal censure. It opted to maintain its prohibition on giving over the Green Line, which though within its organizational right to do, came at a big cost. The result of the ruling was a staggering defeat for the century-old legendary Zionist organization, with the judge determining that the JNF could no longer use its Blue Box. The combination of the loss of the Blue Box and the stigma of fraud were devastating to the organization. It took the JNF years to recover its pre-suit standing and campaign receipts.246

After witnessing the results of the JNF suit, one might expect that the UIA would have adjusted its position on the issue of giving over the Green Line, but incredibly, it did not. Marcus and Teplow had planned to sue the UJA next over similar charges that its duplicity on the Green Line issue was resulting in its fraudulent representation to its donor base. They were sure they could also win a case against the UJA, which they expected would deal the organization a major blow. And for this reason, Marcus and Teplow relented. They were not interested in pursuing a course that could destroy the UJA, an institution intimately involved in raising funds for local Jewish community federations, which that did legions of important social and humanitarian work for Jews in the U.S..247


247 Marcus interview.
Motivations for the UIA’s Policy

In the aftermath of this case, it remained unclear what the UIA’s motives really were. If the UIA leadership knew that there were no associated IRS or State Department issues, what then were the actual reasons that the UIA made it its organizational policy to absolutely restrict giving over the Green Line? Was it the issue of the corporate charter as it asserted or was that only an excuse? Furthermore, why did the UIA intentionally mask whatever was truly motivating the establishment of its policy? Through analyzing documents and interview data pertinent to the issue, it becomes clear that there were three issues at the core of the UIA’s policy of prohibiting giving over the Green Line.

Motive 1: Concern over the Corporate Charter

Was there legitimate concern that by endorsing something that ran counter to U.S. policy, the UIA might risk losing its status as American government grantee, or even worse, might actually compel a disapproving U.S. government to conduct an audit of wider UIA activity, which in a worst case scenario could mean the loss of its tax-exempt status? There is mixed opinion on the issue. Critics of the UIA’s Green Line stance considered this argument an excuse fabricated to mask the organization’s actual motives. While they were able to make compelling arguments to support their position,\(^{248}\) there was also a good case to be made that the UIA

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\(^{248}\) These critics cite several facts. For one, the JDC, whose corporate charter was issued in the early 1920s, authorized work for Jews in all of Mandate Palestine. Therefore, even after the 1948 borders were set, the JDC could and legally provide support services for Jews living in parts of Mandate Palestine not included in the State of Israel—which it did do after Jews began settling beyond the Green Line. If the U.S. government allowed this, then why would it try to prevent the UIA, the JDC’s sister organization, from servicing the same populations? Also, the UIA, itself, did not fully adhere to this concept of Israel as pre-1967 Israel, that it claimed sacrosanct. Following Israel’s formal annexation of East Jerusalem (1980) and the Golan Heights (1981)—neither of which was legally recognized by the United States—the UIA would eventually fund work in each of these areas without changing its charter. This suggests that the UIA’s working definition of ‘Israel’ seemed at least in part driven by Israel’s own
actually did view the issue of deviating from or altering its charter as dangerous. Regardless of how the UIA felt, was the UIA’s ban based on a real concern, or as some claimed, was it purely driven by the anti-Settlement politics of the top UIA leaders? Opinions differ on this issue as well. The takeaway point is that it is at least plausible that the UIA was genuinely concerned

conception of its legal boundaries, rather than that of the U.S. From this, critics argued that it was nonsense that the UIA believed it would have to change its charter to allow funding to settlements in the West Bank and Gaza.

Daniel Allen, who in his capacity as a senior staff member at the UIA from 1988-2000 was the organization’s top expert on this issue, contends that UIA leadership believed it to be legitimately dangerous to broach this issue. In the 1960s, U.S. Senator William Fulbright (D-AR) attempted on numerous occasions to call the UIA’s exempt status into question. Though his efforts never amounted to anything, the idea remained that another Fulbright could emerge to pick up the cause at any time. Due to the enormity of important work the UIA was supporting, Allen explains that it was too dangerous an issue to test by allowing support for a less important issue like funding projects over the Green Line. Allen gives the following example to illustrate his point: In 1990, when the UIA helped bring 189,000 Soviet Jews to Israel, “[Why would we] risk that [we] can’t afford to do that because our tax deductibility is in jeopardy? Because of what? Because you want to give money to a swimming pool in Ariel? No. I don’t think so.” Allen notes that this reasoning needs to be understood in the context of its time, when American Jewish leadership did not feel quite as comfortable with the Jewish community’s security in America as it felt at the time that he discussed the issue in 2012; In other words, Allen believes that given realities of the time, this was a realistic political analysis. “We’re not [talking about] the days of AIPAC having 14,000 people at a meeting. We’re [talking about] the days when AIPAC had 500 people at a national meeting. I think it was a realistic evaluation of the possibility.” He adds that the prevailing wisdom of UIA leadership was, “Why mess with the U.S. government if you don’t have to’… It’s almost in the Jewish DNA that if you don’t have to screw around with authorities, why would you?” (Daniel Allen (former Executive Vice Chairman and Assistant Executive Vice Chairman of the United Israel Appeal, 1988-2000) interview held by phone, 5 April, 2012.)

The argument is concisely laid out by Charles Hoffman (The Smoke Screen: Israel, Philanthropy, and American Jews (Silver Spring, MD: Eshel Books, 1989), 76). Longtime federation veteran and expert on this issue, Stephen Donshik, who served for two decades as an Israel-based expert working on behalf of various UJA and federation system bodies, explains that however likely these negative outcomes may or may not have been, the UIA brazenly supporting projects over the Green Line would have been akin to the UIA “putting a pin in the tuchus of the U.S. government.” Why, he asked, would they have possibly wanted to risk the responses that might bring? (Donshik interview).

On the other hand, some contend that UIA leadership was certain that they were not in any danger of facing censure from the U.S. government. One legendary anecdote that is passed around in the field speaks to this position. (Anecdote conveyed by Stanley Stone (Executive Vice President, Jewish Federation of Central New Jersey). Interview with Stone held in his office Scotch Plains, New Jersey, 8 December, 2010). In the mid-1980s, U.S. Senator Alfonse D’amato (R-NY) barged uninvited into a high profile meeting of the New York UJA-Federation’s leadership in Washington DC, sat down on the conference table, puffing a cigar, and then bluntly told the assembled that there was no truth whatsoever to the UIA’s public explanation on why it prohibited giving over the Green Line. The UIA trope, he contended, was mythology, intentionally propagated to conceal some other agenda. “This is…bupkus. Why are we [the U.S. government] giving 501(c)(3)’s [to other organizations working over the Green Line]?”… It’s tax exempt. You can’t say that your tax exempt status is in jeopardy by giving dollars over your imaginary line.” In other words, if several newly incorporated 501(c)(3) organizations were supporting work over the Green Line and not being audited, the UJA could rest assured that neither would it be. In sum, there is mixed opinion on whether the UIA was actually vulnerable to facing repercussions from the U.S. government. At the time, other existing organization included: Gush Emunim, Ltd. (founded 1979), American Friends of Bet-El Yeshiva Center (1981), Hebron Fund (1982), American Friends of Ateret Cohanim Inc. (1984), Ohr Torah Stone Institutions of Israel (1985). In addition, Hindsight confirms this as the many organizations giving over the Green Line have freely acted for decades—no one has ever been harassed by the IRS or State Department. Fleisch and Sasson
that its corporate charter prevented it from doing so, and that any attempts to change the charter might come at a significant cost.

Motive 2: The UIA’s Role as an Apolitical Consensus Organization

The second actual reason for the UIA’s Green Line policy is that it did not see its involvement in this issue as appropriate. For one, as a self-defined ‘consensus’ organization that vowed to stay apolitical, the UIA had no interest in getting involved in a politicized issue like settlement. Additionally, it considered settlements “a specific Israeli partisan political issue.” Therefore, according to an internal UIA memo, short of being “asked by the appropriate authority in Israel to consider funding beyond the Green Line,” the UIA should simply not consider the debate over settlements its business. What the UIA failed to realize is that by taking this stand, it neither maintained its place as an apolitical actor, nor a consensus body. By blocking donors from directing their federation gifts to otherwise worthy charitable projects that happened to lie over the Green Line, the UIA was preferencing one political position (opposition to the settlement project) over another (support for the settlement project). In so doing, the UIA was telling a subset of federation/UJA supporters that the area of their greatest charitable humanitarian interest in Israel was beyond the pale of what these organizations would even consider supporting. A consensus organization probably would have found some way to keep these people at the table. As we will see later in this chapter, it turned out these donors responded

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253 This is a telling assessment of the organized American Jewish community’s attitude regarding its role vis a vis Israel at the time.
to being rebuffed by, by and large leaving the UJA fold to form their own charitable ventures in Israel.

**Motive 3: The UIA’s Political Bias**

The final reason, which has long been asserted by critics as the reason the UIA maintained its Green Line policy is that there was an institutional federation/UJA agenda to oppose Jewish settlement in the West Bank and Gaza.\(^\text{254}\) This remained an unsubstantiated accusation for years, but evidence now confirms that an anti-settlement bias was indeed at least a factor driving UIA policy. An internal UIA memo from 1993 that outlines the details of the Green Line policy contains among its reasons the following: “At this point in time, the board has chosen not to initiate any changes [in policy on this issue]... The board’s decision is based in part on concerns expressed by local communities, many of which feel that discussing such a change in policy would lower overall donations to their annual campaigns.”\(^\text{255}\) The implication here is that there was some perception of a likely uproar from some major federation donors who opposed settlement were the UIA to even consider changing its policy on the issue. When asked in a retrospective interview the extent to which anti-settlement bias permeated the UIA leadership when deciding on this issue, Allen said, “I don’t think that’s how they would have

\(^{254}\) This position was posited by more than 20 interview subjects that opposed the UIA’s Green Line policy. Michael Teplow articulated it clearly. When asked what led him to believe that the UIA’s policy was motivated by one political agenda, he replied: “Their own behavior is their indictment. They’re pursuing a policy that is discriminatory against Jews depending on where they live. And they don’t have a political opinion if a Jew lives in Tel Aviv. Or if a Jew lives in Brooklyn. Or if a Jew lives in Zimbabwe. But they do have a problem if a Jew lives in Hebron. Or if a Jew lives in Karnei Shomron. I infer from that, that that’s a political statement—a very political statement. They’re playing politics with charitable money... How is that you can possibly say that you believe in giving to the poor.....But if your poor man lives in the Jewish community of Karnei Shomron, uh, I won’t give to him, because he lives in Karnei Shomron. How do you justify that? What? The Jews in Karnei Shomron don’t have needs like other Jews? Like other communities?” (Teplow interview).

\(^{255}\) “Federation Allocations to ‘Israel’ Beyond the 1967 Borders” Memo jointly issued by the United Israel Appeal, the United Jewish Appeal, and the Council of Jewish Federations to all community federations. 4 April, 1995.
expressed it [but]… I think the majority of the leadership would not have been uncomfortable with that [assessment] in private.”

**Resonance of the UIA’s Policy**

In the final analysis, it needs to be asked that regardless of the extent to which each of the above factors influenced the UIA to ban giving over the Green Line, why did it choose to publicly justify its policy with what it knew to be fabricated excuses (i.e. IRS prohibitions and State Department pressure)? Donshik explains that UIA leadership reasoned that in order to avoid the possibility of any tension with the U.S. government or any internal political tension within the Jewish community over the settlement debate, “the easiest thing to do” was to skirt the issue—“to tell people it’s illegal for [the UIA] to give tax deductible dollars… That became the mantra and the system bought into it. If one [federation] said it, people accepted it.”

And so an ingrained misunderstanding of the issue, or what Donshik calls a “folk wisdom,” was allowed to develop and become accepted as truth. Barbara Promislow, longtime Director of the UIA’s Israel office concurs. “It had been ingrained into people’s minds that you couldn’t fund over the Green Line. Period. It was an iron clad rule. It [kept] being repeated and repeated and repeated. We do not fund over the Green Line.” Until Marcus and Teplow, the UIA’s position was universally accepted in the federation/UJA, going unquestioned for years. In addition, after they challenged the UIA, the issue did not come up again in a significant way for more than a decade. This speaks to the federation system’s desire to control the narrative on this issue, and indeed its ability to do so. For years, the federation/UJA was the most trusted source for information about Israel.

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256 Allen interview.
257 Donshik interview.
258 Barbara Promislow (Director, UIA Israel Office, Jewish Federations of North America), interview held in her office Jerusalem, Israel, 4 July, 2010.
American Jews were hungry for information on Israel, especially after the dramatic victory in the 6-Day War elevated American Jews’ interest in Israel. To many donors to the UJA, local federation/UJA programming’s perspective on Israel were the voice on Israel. American Jews vested a lot of trust in the federations to be the articulator and decision maker for communal priorities. Within this framework, the UJA wielded considerable power over the domestic-oriented federations in controlling the narrative of what was going on in Israel and how American Jewry should understand it. Stanley Stone, Executive Vice President of the Jewish Federation of Central New Jersey, described how during the 1980s and before, anyone who wanted to hear about what was happening in Israel would therefore flock to hear whatever the federation would dole out. He described the phenomenon at the time:

We would do a program on Israel. I don't care if we did it with a lot of time or no time, we were the place to get the information. It would be subscribed to. Packed. You could bring in a speaker. You could do the most creative thing. Done. It could be a yutz. But it said ‘coming from Israel’ or ‘an expert on Israel’, people were dying for that. They wanted it. We were the only place to get it.

The next section explores what happened when trusted sources like the federation/UJA and the Jewish Agency were deemed biased, unreliable, duplicitous, or disinterred in their donor partners.

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260 Stone interview.
Part 3: The Decline of Federatedness and the Emergence of Direct Giving

Introduction

The decades-long consolidation of American Jewish giving to Israel, discussed in the last chapter, illustrates a handful of central reasons underlying peoples’ willingness to trust a federated body as the best dispenser for their philanthropy. First is the general idea commonly held by American Jews that thoughtful collective planning and action was crucial to the community’s ability to thrive and survive in America. But perhaps equally important are three implicit assumptions about the UJA. That it: (1) Had access to and could provide its donors with the best source of information concerning on-the-ground realities in Israel, (2) Would allocate funds to the most important causes, and (3) Would remain interested in the opinions of its full donor base. In the case of the UIA’s Green Line policy, the three motives we argued were behind its position, collectively projected an attitude that the federation/UJA system was not interested in addressing the concerns of the pro-settlement sector of its donor base. From the perspective of this population of donors, which though not a large group at first, would grow substantially over the ensuing years, the UJA violated several central tenets underlying their faith in it as a trusted federated body. First, the UJA was either misinformed or lying about the legal repercussions it faced if it tried to change its policy—either of which would be problematic. Second, by refusing to even direct donations to causes over the Green Line, the UJA effectively ignored the adamant requests of a segment of its donor base. And third, and most important to this group, the UJA ignored populations of needy Jews living in the territories because of its own policy bias. Looking at all of these factors, it is clear why the issue of giving over the Green Line became the death knell in this population’s support of the UJA.
The issue of the UIA’s policy towards giving over the Green Line is likely just one of many examples experienced by former stalwarts for the UJA that undermined their faith in the federated option as the best destination for their Israel giving. Good research awaits on this topic, but for now, looking beyond the settlement issue, the numbers demonstrate just how much federatedness receded as an organizing concept in American Jewish giving to Israel in the 1980s and beyond. As discussed at the beginning of this chapter, the UJA had raised roughly 80% of the funds American Jews gave to Israel as late as the mid-1970s, but by 2007, its market share had dropped below 10%. This can be attributed in large part to there having been a distinct change in American Jews’ perception of the importance of federatedness as an organizing concept. The ideal of federatedness that we saw as the cornerstone of the emerging American Jewish philanthropic culture and organization throughout most of the 20th century lost much of its resonance as a guiding principle during these years. Whereas giving to the collective and trusting in some kind of ‘communal’ decision-making were long considered the ideal, towards the end of the 20th century, the importance of other factors, including: greater donor choice, independent sources of information, accountability, control, entrepreneurialism, and innovation, began to surpass the traditional emphasis on federated giving. These shifts in communal and philanthropic outlooks were spurred by a federation system regarded as not adequately meeting the diversifying needs of its constituency. As a result, donors who were satisfied with the Israel-oriented giving strategy of the UJA/federation system shifted their giving in large numbers to other organizations that they believed better met their needs and/or were more efficient, effective, or trustworthy.

This section will look at how the decline of federatedness has manifested in American Jewish giving to Israel. It will first look at the example of the philanthropic response to the
UIA’s Green Line policy. Then it will speak more generally about changes in American Jewish giving patterns, looking at the four types of giving instruments that have emerged. It will close with a brief discussion about how broader trends in philanthropy have likely also influenced the decline of federatedness in how American Jews give to Israel.

**Development of New Organizations**

Hadassah Marcus herself remained engaged on this issue, but rather than continuing to grapple with the federation/UJA system, she pursued a different strategy: develop her tiny already-existing NGO, Gush Emunim, Ltd., to serve as an alternative charitable vehicle to the UJA that could enable American Jews to receive tax deductions for giving to humanitarian projects in settlements. Marcus changed the organization’s name to the ‘Central Fund of Israel’ (CFI). Over the next two decades, CFI became a leading settlement support organization, helping to connect American Jewish donors with hundreds of charitable projects over the Green Line.  

Indeed many American Jews who supported the settlement project followed suit, withdrawing their support from the UJA and either giving through Marcus’s organization or through one of the many new organizations that emerged to support the social and educational needs of the nascent settlement communities. In addition to already-existing organizations, several new organizations were founded in the first few years after the JNF case, including: the Israel Community Development Fund, The Benjamin Foundation, One Israel Fund, American Friends of Ariel, Shuvu Bonim, Pro Israel, Etzion Foundation, American Friends of Beit Orot, Maaleh Adumim Foundation, and Ohel Harav Yehoshua Boruch Foundation. Though the sums

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261 CFI supports work inside the Green Line as well.

262 Central Fund of Israel, American Friends of Bet-El Yeshiva Center, the Hebron Fund, American Friends of Ateret Cohanim Inc., and Ohr Torah Stone Institutions of Israel.
they raised were initially fairly small, the organizations played important roles in helping new settlement communities in the West Bank to become more viable. Most important for our study is not the size of the endeavor at the time, but rather the trend it signaled. Unsatisfied with the federation/UJA system, American Jews chose to give their donations elsewhere, creating or joining other venues for giving that better met their needs. One example of this exodus from the UJA referenced by a 1995 article in *The New York Jewish Week*, describes a meeting Amnon and Heni Abramowitz of Brooklyn had recently attended with 30 other UJA supporters, in which people were choosing to shift their contributions “from UJA to [causes in] Judea and Samaria.” Amnon noted, “We are not doing it to punish UJA, but it is a matter of seeing to it that [the Jews living in the territories] get help.” And indeed for many donors who shifted their overseas giving away from federated funds, it was also probably not an overtly punitive measure against the UJA, but rather simply a changed belief that other options better reflected their needs or were more trustworthy.

By 2007, there were at least 41 American organizations that raised funds to support projects in settlements, collectively raising over $40 million. These included a host of funds supporting individual *yeshivot* or communities, as well as more general umbrella groups supporting security, religious, educational, and recreational projects in settlements. Teplow explains the long-term fallout of why federations’ choice to marginalize their pro-settlement donors led to such a large break—$40 million after all, is more than 25% of what federations have contributed to Israel over the last several years, in which there has not been an emergency

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264 Fleisch and Sasson.
campaign. “If they changed their policy, they’d have been able to keep within their domain a lot of supporters….At the end of the day, they didn’t change their policies, so other charities were set up that give over the Green Line…It would have been nice had we been able to maintain a working united front. But they made it impossible. How can you work on a united front when they boycott [your opinions of what is important to support]?”

The blossoming of alternative Yesha charities took place at the dawn of what was to be a revolution in how American Jews give to Israel. Just as in the case we have looked at, individuals who have become disenchanted with the federation/UJA system’s competence, trustworthiness, or judgment, or may simply have seen its priorities as not in line with their own, have ventured outside of it, establishing and/or giving through myriad new options. The result has been the creation of 750 American organizations raising funds in the U.S. for distribution in Israel, the overwhelming majority of which were founded in the 1990s, 2000s, and 2010s. Since giving to these organizations grew to amount to roughly 90% of all American Jewish philanthropy to Israel by 2007, in order to understand how the structures and dynamics of philanthropic relationships between American Jews and Israel have changed, it is important to understand who these organizations are and how they operate. This section will explore the various ways American Jews donate to Israel as of the late 2000s. To be able to fully understand what types of organizations exist, including the benefits and limitations of each, it is necessary to first understand rudimentary background about tax law and American giving culture. These next pages will review some basics.

265 The 2007 federation allocation to Israel was $332 million, but it included a large portion of the $265 million raised from the 2006-2007 Israel Emergency Campaign, held to raise extra funds for support and reconstruction during and after the 2006 Lebanon War.
266 Teplow interview.
267 This number excludes the many explicitly Christian organizations that raise funds for Israel, as well as the many religious institutions who likely raise funds for Israel, but who do not have to report their activity to the IRS.
Importance of Tax Deductibility to Donors

Americans can legally give to any charity they wish, so long as it does not support terrorism. But evidence suggests that most Americans will only give to a cause if they can receive a tax deduction for doing so. Though giving to non-deductible causes does happen to some degree, scholars of philanthropy agree if that charity is not a tax deductible organization, American donors are likely to give either far less money or maybe even none at all. A telling example of the degree to which this is true for the American Jewish community transpired in April 1948. At a time when American Jewish concern for the vitality of the Zionist project was at an all-time high, and American Jews were exponentially increasing their financial support to the pre-State Yishuv, the UJA experienced a scare when its tax-exempt status was very briefly stripped by the IRS due to an accusation that UJA money was being used to buy arms for the Hagannah (the pre-State Israel Defense Forces). In April 1948, UJA chair Henry Montor sent a panicked cable to Jewish Agency Finance Minister Eliezer Kaplan regarding the indispensability of UJA tax exemption. “If the tax ruling stands, it will mean the collapse of the UJA and perhaps a new kind of campaign without tax exemptions. That will be a terrible kind of campaign to conduct. The proceeds would be minimal…I don’t know how we could operate under those circumstances and convince people to give any kind of substantial sums.”

For example, Americans give considerable sums to domestic political charities, including parties, candidates, PACs. While none of these is tax deductible, people still give.

Though the literature on this issue admits that there is uncertainty about the exact degree to which tax deductibility affects giving, Clotfelter notes that there is “near universal consensus” in the scholarly community that tax deductibility “has a significant effect” on individual’s giving choices. (Charles T. Clotfelter, “The Economics of Giving” in John W. Barry and Bruno V. Manno, ed., Giving Better, Giving Smarter: Working Papers of the National Commission on Philanthropy and Civic Renewal (Washington, DC: National Commission on Philanthropy and Civic Renewal, 1997)). In Boris and Odendahl’s study of wealthy donors, the authors interviewed 135 donors. Of them, they noted that, “fewer than ten people told us that tax considerations were not important to them, and perhaps another ten said they only have moderate influence.” (Elizabeth T. Boris and Teresa Jean Odendahl. America’s Wealthy and the Future of Foundations. (New York: Yale University Institution for Social and Policy Studies Program for Non-Profit Organizations Foundation Center, 1987), 231.)

deductibility mattered to American Jews to such an extent at a moment in which the future of an Israeli state hung in the balance, attests to its force in determining giving choices. In short, any organization hoping to raise a significant sum from American donors needs to be able to offer them a tax deduction.

Requirements Organizations Must Meet to Offer Tax Deductions

Since 1917, the U.S. government has offered American taxpayers deductions for domestic charitable giving, so long as the recipient organization meets three requirements.

The first requirement is that the organization has to be not-for-profit—no board members or employees can derive profit from the group’s work. Second, it cannot be what is considered ‘overtly political’, defined only as groups engaging in excessive lobbying or support of political candidates. Finally, it must be dedicated to either ‘religious, literary, scientific, educational, recreational, or charitable purposes’.

Some argue that an additional stipulation be added: that

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271 All the more so that Stock characterized this as an era in which contributors felt “a sense of personal participation in an heroic period of Jewish history.” (Stock, Partners and Pursestrings, 126).
272 This generalization holds true for American Jewish giving to Israel for the large measure. Though AIPAC a non-tax-deductible Israel-oriented political charity brought in $75 million in donations in 2010, this is clearly not the norm. In my own research of 16 Israeli NGOs—all supported by very ideologically oriented donor bases—all but one believed that without means for offering Americans tax deductions, their overseas support would dry up and their organization would go out of business.
274 Ibid.
275 “Political” is only defined in these ways. So, for example, as political as the issue West Bank settlement is to many, in the eyes of the IRS, it is not political. See Internal Revenue Service, Revenue Ruling 73-440, 1973.
276 Some have questioned whether giving to support the development of aspects of settlements—such as security cameras or fences—should be considered ‘charitable’. While it is arguably a fair question, Bittker and Rahdert make the important point that ‘charitable’ has never really been well defined by U.S. tax law. Work can be considered ‘charitable’ whether it offers benefit to the full public or to only a small private circle. So for example, a free soup kitchen in New York City is in the eyes of the IRS equally charitable to installing security cameras to help bolster the viability of a settlement in the West Bank. The only defined limit to ‘charitable’ is that there can be no support for any military work, no matter how justified or righteous or charitable it might seem to some—as in the example referenced earlier when the Jewish Agency spent some of the funds it received from charitable contributions to the UJA to support arms purchases during the Israeli War of Independence, the IRS suspended the UJA’s tax-exempt status. (Boris Bittker and George K. Rahdert, “The Exemption of Nonprofit Organizations from Federal Income Taxation” Yale Law Journal, 85:3 (January 1976)).
an organization supporting work that runs contrary to U.S. policy cannot be tax-exempt, but to date, this has not become a requirement for tax-exemption.

In 1938, deduction benefits were extended to all charitable giving, regardless of whether the ultimate destination of the donation was a domestic or an overseas charity. With this, supporting an orphanage in Shanghai, for example, became equally worthy of a U.S. tax deduction in the eyes of the tax code as supporting an orphanage in Cleveland. Indeed, there is nothing that preferences domestic giving over legal overseas giving, so long as donations to a foreign charity meet three additional requirements.

Were this to be enacted, it would have direct implications for giving over the Green Line, as the U.S. government has a stated policy of opposition to West Bank settlement. Two incidents in the late 2000s brought this question to the fore. In 2009, Gush Shalom, an Israeli peace group, began taking legal steps to challenge the legitimacy the tax-exempt status of NGOs supporting work in settlements. (E.B. Solomont, “Gush Shalom seeks to hinder settlers’ U.S. fundraising,” Jerusalem Post, 21 October, 2009). Then in 2010, the New York Times ran a front page lead story criticizing settlement support organizations, also implying that their legality should be examined (Jim Rutenberg, Mike McIntire, and Ethan Bronner, “Tax-Exempt Funds Aid Settlements in West Bank,” New York Times, 5 July 2010, sec. 1, A1).

The idea is based on a 1983 U.S. Supreme Court ruling regarding Bob Jones University, a school that did not allow its students to date inter-racially. The Court ruled Bob Jones University be stripped of its tax-exempt status because organizations cannot be considered charitable by U.S. law if their work is in some way “contrary to established [US] public policy,” which in the Bob Jones case was racial segregation. Those arguing for application of this ruling to organizations supporting work over the Green Line argue that support of settlements needs to be considered in a similar vein. Since the U.S. has long maintained an “established public policy” opposing settlement, it should then similarly hold that organizations working contrary to this policy should also lose their tax-exempt status.

This claim has yet to be argued in the courts, but most believe it would not hold for the following reason: The federal government offers tax deductions to citizens who donate to charitable NGOs to incent them to give to charities. In doing so, the government is foregoing what otherwise would have been tax revenue. It therefore should be understood that by effectively foregoing what Dale called ‘otherwise taxable income’ (Dale, “Public Policy Limits on Tax Benefits”), the federal government is making a statement that on some level it endorses the support of eligible charitable organizations. It would therefore stand to reason that the government would only want to enable support for charities whose work they support. So should charities be supporting work that runs contrary to U.S. policy—i.e. supporting any infrastructure for settlements when U.S. government policy has unequivocally stated for decades that it opposes Jewish settlement in the West Bank? The opinion appears valid that it might only be a matter of time before the government discontinues costly tax incentives for such activity. Technically, the Bob Jones ruling empowers the IRS to strip an organization’s tax deductibility if it determines its activities are contrary to U.S. public policy, but the prevailing opinion on this issue by Congress and the Treasury department is that such a policy gives the IRS inappropriate powers. Still, this remains an intriguing open question. (See Supreme Court of the United States, Certiorari to the United States Court of Appeals for the Fourth Circuit, 461 U.S. 574, Bob Jones University v. United States, No. 81-3 Argued: October 12, 1982, Decided: May 24, 1983. For a good discussion of the case, see Harvey J. Dale, “Public Policy Limits on Tax Benefits: ‘Bob Jones’ Revisited,” Tax Forum, Paper #459 (1990)).

Dale, “Foreign Charities.”
The first is that the donation needs to be made to an “American” organization, whose board of directors is comprised of 50% or more American citizens. The rationale is that in such an organization, expenditure decisions would theoretically be made and monitored by Americans, who retain some kind of ‘American interest’, whatever that might mean. Yet, as far as the IRS is concerned, that organization need neither have a domestic agenda nor domestic activities. In fact, if it chooses, it can remit 100% of the donations it receives to foreign NGOs.

The second requirement is that any foreign NGO receiving American tax-exempt dollars could pass what is known as the ‘foreign equivalency test’, if it were called to do so. This means that the American organization must determine whether the foreign NGO it is supporting falls within the same criteria for tax-exempt organizations that the IRS uses to evaluate American NGOs. Foreign equivalency can be achieved by getting a ‘determination letter’ from the IRS in which the IRS, itself, actually investigates the foreign NGO and attests to its eligibility. But as this is a complicated and costly process to initiate, the IRS allows American organizations to make their own ‘equivalency determination’ of foreign NGOs. However, it warns American organizations to treat this privilege very seriously, for if it was ever revealed that the foreign NGOs they support were not compliant with the rules governing American non-profits, the American organization supporting the foreign NGO could itself be stripped of its tax-exempt status.

Lastly, American organizations granting money to foreign NGOs have to exercise ‘expenditure responsibility’, meaning that they have to ensure that granted money is spent exactly as the grantee organization claims it will be spent. This theoretically keeps tax-deductible

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280 Ibid.
U.S. contributions from ending up in the hands of overseas organizations using them for purposes not commensurate with IRS definitions of charitable. Collectively, this system is supposed to ensure that all tax-deductible dollars remain under the stewardship of American citizens, who are legally accountable for upholding the letter, if not the spirit of IRS regulations.\textsuperscript{282}

How American Jews Currently Give to Israel

In sum, what essentially amount to relatively modest IRS requirements have allowed Americans to establish thousands of tax deductible organizations. In 2010, over 750 such organizations were active in raising money from American Jews to support work in Israel. Aside from the federation system, each of these 750-plus organizations falls into one of four categories: (1) ‘Friends of’ organizations, (2) Pass-through organizations, (3) Ideological umbrella organizations, or (4) Foundations. In the next paragraphs, we will examine the development of each organizational category.

Organization Type 1: ‘Friends of’ Organizations

Since the 1980s, ‘friends of’ organizations have been the fastest growing sector of American Jewish giving to Israel.\textsuperscript{283} In 2010, there were at least 667 ‘friends of’ organizations supporting causes in Israel, which is a 68% increase over the number existing 10 years earlier.

\textsuperscript{282} Foreign equivalency is defined in Internal Revenue Code, Section 4945 (part d4). See Dale, “Foreign Charities” and Crimm, “Through a Post-September 11 Looking Glass.”

\textsuperscript{283} Despite the emergence of a ‘friends of’ phenomenon in American Jewish and general American giving, scholarship on this issue has been lacking. The most commonly cited piece is Stephen G. Greene’s overview in the \textit{Chronicle of Philanthropy} (‘Making Friends in America’ (June 13, 1996) p. 1, 29-31), but the best work to date is David M. Roth’s fine unpublished MA thesis (‘American Friends’ Organizations of Israeli Nonprofits: An Exploration of Challenges and Opportunities, Master’s Thesis, Regis University: 2005).
(397 friends of existed by the end of 2000) and a whopping three times as many as there were 20 years prior (209 organizations existed by the end of 1990). These organizations are usually established to support one specific organization abroad. Some ‘friends of’ organizations conduct additional domestic activity or have domestic agendas, but most do nothing else besides fundraise in the U.S. and pass the money they raise to their partner Israeli organization. Some have paid professionals and very active boards that have a say in the use of funds in Israel, but many others are little more than paper organizations, with just a P.O. box and a titular, but essentially powerless, board of directors that meets infrequently if at all. For this reason, ‘friends of’ organizations have been criticized as mere legal conduits established to funnel tax-exempt money to overseas NGOs. However, as long as everyone involved in the exchange understands that the American board retains full legal right to, at any point, allocate the donations it receives to any charitable cause it wishes without recourse, the IRS does not get involved. For example, if the board of the American Friends of Hebrew University decided that instead of passing the money it raised to Hebrew University, it instead wanted to give it to an environmental organization in Zimbabwe, it would be within its legal right to do so. Neither Hebrew University nor the donors who intended their gifts to go to Hebrew University would have any legal recourse. While this option remains a legal possibility, ‘friends of’ organizations do not typically make drastically different allocations decisions than their donors expect them to.

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284 The numbers of organizations are derived from a data set gathered in conjunction with Theodore Sasson in preparation for Fleisch and Sasson.
286 This came up in a 1980 court case, Bilingual Montessori School of Paris v. Commissioner of Internal Revenue. The plaintiff argued that with no paid employees or activities in the United States, the Paris-based school was “a corporate shell without assets or employees in the United States and was used solely to funnel contributions overseas”, and should thus not be eligible to receive tax deductible donations. However, the court struck down this claim, arguing that the official treasury department’s revenue ruling (63-252) requires neither domestic employees nor activities. (Internal Revenue Service 1983 EO CPE (Exempt Organizations Continuing Professional Education), “Text O”, 6).
Organization Type 2: Pass-through Organizations

The second organization type is a pass-through organization. While most of the 650+ American organizations that grant money to Israeli organizations are directly linked to one NGO, educational facility, or social service organization, pass-through organizations enable donors to support Israeli institutions, regardless of whether or not that organization has its own ‘friends of’ organization. For the most part, pass-through organizations do not outwardly espouse any ideology or agenda, nor do they weigh in on allocations decisions. So while they are still required to fulfill IRS requirements for making equivalency determinations of their overseas grantees and maintaining expenditure responsibility over allocations, their purpose is to provide an easy way to pass tax-exempt donations from American donors to Israeli NGOs. The oldest and most well-known pass-through organization is P.E.F.-Israel Endowment Funds. Established in 1923, P.E.F. operated as the lone pass-through organization for decades. However, in the era of UJA primacy, it was very small in scope. In 1984, for example, P.E.F.’s total giving to Israel was $8 million, compared to $243 million given by the UJA. But from 1990 onward, P.E.F. grew dramatically, cementing itself as the largest in what has become a burgeoning sub-sector of pass-through organizations. In 2010, P.E.F. facilitated a total of $45 million to 1,200 Israeli NGOs. Central Fund of Israel (CFI), the organization established by Hadassah Marcus has also grown remarkably: In 2008, it brought in $12 million, compared to only $350,000 in 1991. More recently, other pass-through organizations have been established, including the online platform Israelgives.com. Collectively, these organizations are becoming a very important

287 The organization was created by Louis Brandeis when he left the ZOA after his 1921 split with Chaim Weizmann (see chapter two). (Philip Goodman, 66 Years of Benevolence: The Story of PEF Israel Endowment Funds (New York: PEF Israel Endowment Funds, 1989)).
288 “American Jewish Contributions to Israel 1948-2004”, Jewish Virtual Library; Goodman.
290 Information obtained from IRS form 990 documents for Central Fund of Israel (tax years 1998 and 2008) and United Israel Appeal (tax years 2000 and 2006). 990 forms were available via guidestar.org.
part of the overall picture of giving to Israel. PEF, CFI, Israelgives, and a number of smaller pass-through organizations facilitated tax-deductible American donations to over 2,000 Israeli NGOs in 2010. The dollar growth in giving to Israeli NGOs through pass-through organizations has risen dramatically as well. For example, PEF and CFI brought in a combined $85 million in 2007, compared to $48.1 million only six years earlier—a 77% increase. Compare this to the federation campaign’s 7% increase ($827 million to $896 million) in a similar timeframe (2000-2006). Factoring in inflation, the pass-through organizations recorded a 51% increase during that span, whereas the federation receipts actually decreased by 7%.

Organization Type 3: Ideological Umbrella Organizations

The third type of organizations are ideological umbrella organizations. They have a mission, raise money based on that mission, and then search to build a portfolio of various NGOs in Israel that work on their goal issues. The most prominent is the New Israel Fund (NIF), an organization committed to promoting various progressive values in Israel. Started in 1979,
NIF distributed a total of $27 million to dozens of Israeli organizations in 2007. By positioning themselves as the experts on certain issues, ideological umbrellas have become trusted voices in determining worthy causes and worthy recipient NGOs for a pool of donors committed to the umbrella organization’s ideology. Counterparts to NIF on the right include One Israel Fund, which supports a variety of projects aimed at supporting Jewish life in West Bank settlement communities and the Israel Independence Fund, an organization formed in 2009 that supports right-leaning Zionist NGOs working on either side of the Green Line. Though the growth of this segment has been significant, in 2010, it still represented only a small part of total American Jewish giving to Israel.

Organization Type 4: Foundations

The fourth type of organization is private grant-making foundations. Foundations are asset-based organizations—meaning that they maintain large endowments and typically make their donations (grants) from the interest they accrue on that endowment. Foundations enable an individual or family to incorporate their assets into an organization and gain all associated rights—meaning they can give tax deductible gifts directly to any charitable cause in Israel, without any intermediary organizations—whereas the families or individuals who funded them could not do so on their own. Since the IRS holds foundations legally accountable for making equivalency determinations and exercising expenditure responsibility on the donations they make to organizations overseas, most family foundations who want to support Israeli NGOs at this

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is crucial. It is our belief that the New Israel Fund, by funding organizations dealing with these problems, can help provide the support. (New Israel Fund, 1982 Annual Reports, available from the Harvard Depository at Widener Library, Harvard University).

295 By law, foundations are legally required to give away at least 5% of their endowment every year. See Fritz F. Heimann, ed., The Future of Foundations (Englewood Cliffs, NJ: Prentice-Hall, 1973).
point refrain from giving to them directly. They instead choose to give to Israeli organizations via ‘friends of” organizations, pass-through organizations, ideological umbrellas, or federations. But still, risks aside, some do give directly to Israeli organizations. With only a cursory search, Fleisch and Sasson identified hundreds of Jewish family foundations with Israel portfolios, 100 of which give grants directly to Israeli organizations. This number is certainly only a fraction of the total.

The scope of direct giving by foundations has yet to be documented in a comprehensive fashion, but evidence suggests that it will become a more important part of the story of contemporary American Jewish giving to Israel. There have been no comprehensive studies of Jewish family foundations to date, but we do know that between 1995 and 2001, total assets and grant dollars of all U.S. foundations nearly doubled, and Tobin’s preliminary research on foundations suggests that Jewish foundations are at least keeping pace with the trend. Though many of the foundations do not have an Israel agenda, many do. In sum, we would benefit from more research on the size and development of what is likely a rapidly growing phenomenon.

Collectively, giving to the 774 organizations representing the four organizational types we have discussed, accounted for somewhere between 84-92% of total traceable American Jewish giving to Israel in 2007. That number is likely even larger because of untraceable forms of giving, which include non-deductible donations American Jews give directly to Israeli organizations, and grants made by Synagogues, religious movements, and other religious

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296 Fleisch and Sasson.
299 Fleisch and Sasson.
300 These estimates use Fleisch and Sasson’s numbers, but adjust for the sizeable emergency campaign conducted by the UJC during the Second Lebanon War.
301 Non-deductible donations do not need to be reported to the IRS.
institutions.\textsuperscript{302} The federation system, now called the Jewish Federations of North America (JFNA),\textsuperscript{303} represents, at most, 10\% of Jewish giving to Israel in a typical year, a meteoric fall from its long dominant perch. In most cases, the move away from federated giving, in favor of more individualized donation methods was not spurred by the kind of open confrontation, we saw in the example of giving over the Green Line. But contentious or not, the point remains that American Jewish donors now primarily choose to make their donations outside of the federation system.\textsuperscript{304}

**Donor-Designated Giving Within Federations**

One additional factor that has led to an even greater decline in centralized giving than numbers might suggest is that federations have begun to accept quite a bit of designated giving, which is alternately called donor-directed giving or donor-advised (DA) giving. As a result of the hemorrhaging of charitable funds going outside of the federation system to the other four organization types, in order to better compete for available charitable funds, a number of federations offer themselves as pass-through organizations to facilitate giving to Israeli NGOs of their donors’ choosing—operating essentially no differently than another P.E.F., CFI, or Israelgives.

Joseph Gitler, founder and CEO of Israel’s largest food bank, Leket, explains how he has seen this phenomenon in practice. For one, before his organization established its own ‘friends of’ organization, at one time it had used the Rockland County, NY federation in this manner.

\textsuperscript{302} Religious institutions are not required to disclose their finances to the IRS, as all other American non-profit organizations and foundations are.

\textsuperscript{303} In 2009, the UJC changed its name to Jewish Federations of North America (JFNA).

\textsuperscript{304} Likewise, NGO providers in Israel have arisen that have a different idea of what needs to be done than does the Jewish Agency.
“For them, they thought, ‘this is great’: $100,000-200,000 coming through us a year makes our numbers look great. Even though it was all simply being handed over to us minus a small percentage.” Gitler added that in his contact with his own donors he sees that a lot of federations are willing to take directed donations now. “We have a major funder in Pittsburgh. He doesn't give any money to the federation…But he says, in order to make the federation people happy he puts [his donation to Leket] through them. They don’t take anything off the top—they wouldn’t dare…But he sends it to them and it’s good for their numbers. There is a lot of that play going on.”

One federation that asked to remain anonymous articulated its philosophy towards DA giving in a confidential internal memo:

[Federation X] does not actively encourage DA gifts, nor provides them same level of service or degree of professional attention for DA donors …as it does for [our annual campaign]…We believe the most sensible approach is for [Federation X] to accept DA gifts for any institution in Israel or elsewhere, whose mission is not antithetical to [Federation X’s] values. Conversely, if we limit our donors to narrower confines, they are likely to simply go elsewhere—to institutions that afford them total flexibility in their charitable designations.

In this case, we see this federation’s willingness to facilitate giving to almost any organization, irrespective of its commitment to the federation’s priorities and values. The very baseline criteria is that their mission only be “not antithetical” to the federation’s. It is a bit of a peculiar phenomenon, as these pass-through gifts may give the federations no benefit other than the ability to report artificially inflated figures in their fundraising statistics.

It should be noted that some federations allow pass-through gifts, only to donors who are already making substantial gifts to the federation campaign and want to make an additional or ‘over and above’ gift to another organization. Two federations in this position are the New York

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305 Joseph Gitler (Chairman and Founder, Leket Israel), interview held in his office Ra’anana, Israel, 10 May, 2010.
306 Memo obtained by author from federation that requested to remain anonymous.
and Los Angeles federations. Martin Karp, Senior Vice President and head of Israel office for the Jewish Federation of Greater Los Angeles, explained that his federation will facilitate DA giving, as long as donors have already made a contribution to the annual campaign. Former Director of the Israel Office at UJA-Federation of New York, Stephen Donshik, explained that his federation only allowed DA giving, in principle, if the donor’s giving priorities were appropriate for the federation’s own priorities. These examples suggest that bigger federations may be more confident in defining terms for allowing DA giving, while smaller federations avoid a top-down attitude towards donor-directed givers and may feel the need to bend to donors’ wishes so as to keep them happy by most any means.

In sum, why federations are interested in acting as pass-through organizations for all types of causes in Israel is a bit unclear. The answer may be as one insider suggested, “the federation system is fighting to prove its own importance” in an increasingly competitive field. Whatever the reason, for our purposes, it is important to know that through this phenomenon, federations have even less money to play with than their numbers suggest. One additional spillover implication is that federations, themselves, may feel more pressure to be innovative and therefore offer exciting options to donors and thus themselves give less to the core than they otherwise might.

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This section has explored the decline of federatedness, the second idea, so central to the ‘old system’. The next section will explore the decline of institutional deference.

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307 Martin Karp (Senior Vice President and head of Israel office, Jewish Federation of Greater Los Angeles), interviews held in his office Jerusalem, Israel, 9 May, 2010 and 27 July, 2010.
308 Donshik interview.
Part 4: The Decline of Institutional Deference

Last chapter’s discussion of the development of power sharing in the Jewish Agency left off with the 1981 Caesarea conference. While most American Jews involved as delegates to the reconstituted Jewish Agency seemed satisfied with the terms of the relationship, there was a core of vocal members who were not. To them, the changes promised in the 1971 reconstitution had produced little substantive development in the power sharing relationship. They contended that the WZO controlled the Agency’s decision-making process over all important matters, through its ability to appoint Agency department chairs and control Agency budgets. At Caesarea, diaspora leadership first took a stand, declaring that they would not be satisfied by such an arrangement. They demanded that a review process be launched in order to, “institute reforms or clarifications with regard to the Jewish Agency’s goals and objectives.”

This could have been a major turning point in the development of the Israel-diaspora philanthropic relationship within the Jewish Agency. As we saw, those voices who believed spending prerogative should lay exclusively with Israelis had been able to maintain a dominant role in the UJA-Jewish Agency nexus for decades. Those who disagreed were either removed (i.e. Brandeis, Silver) or were convinced to trust the Agency’s decision making and conduct. These strategies would no longer work. Enough of the top diaspora Jewish leadership in the Agency believed non-Israelis in the partnership should also be involved in spending decisions in the Jewish Agency. They were unimpressed with what they considered the Agency’s smoke-and-mirrors version of power sharing in the first decade following the reconstitution, and refused to be quieted or tricked. The Israeli leadership in the Jewish Agency ostensibly had the choice either to yield to genuine reform in power sharing or to continue its charade of power sharing

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309 Elazar and Dortort, 2.
while conducting business as usual, and in doing so, risk alienating an important part of federation/UJA leadership and undermine their belief in the ongoing indispensability of the UJA-Jewish Agency relationship. The Israeli leadership in the Jewish Agency opted for the latter, which as we will see in this section, commenced an unraveling of the automatic federation/UJA deference to the Jewish Agency on spending decisions that had been a hallmark of the organizations’ relationship.

**Power Sharing After Caesarea**

The most tangible concession that followed Caesarea was that the diaspora Jews in the Jewish Agency were encouraged to make use of their powers to ‘advise and consent’. ‘Advise and consent’ powers gave the non-Israeli members of the Jewish Agency’s board of governors the power to approve the nominations for the Agency’s department heads put forward by the WZO. Though ‘advise and consent’ was a product of the reconstitution agreement, diaspora Jews did not make use of it at all until 1977, and not in any significant way until after Caesarea. It was in 1982 that diaspora Jews first used their power to veto a WZO nominee, blocking the appointment of Rafael Kotlowitz as Agency Treasurer. They regarded Kotlowitz as unqualified for the post, receiving the nomination only as a beneficiary of political party cronyism. Though their act of muscle-flexing could not be overruled by the Agency’s official rules, Israeli leadership did not take kindly to what some felt was inappropriate diaspora interference. In a

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310 Chinitz explains that, “the purpose of ‘advise and consent’ was not to ‘control’ but to safeguard the principle of excellence with respect to key Agency positions.” (Zelig Chinitz, *A Common Agenda: The Reconstitution of the Jewish Agency for Israel* (Jerusalem: Jerusalem Center for Public Affairs, 1985), 65-66).

311 Hoffman, 172.
clear statement of dissatisfaction with this move, Prime Minister Menachem Begin as the JTA put it, “retaliated by boycotting a planned briefing session with the Board.”

Over the next years, diaspora delegates to the Agency only seldomly used ‘advise and consent’ powers to overrule nominees. At some point, it became clear that despite their ability to block the Kotlowitz nomination and a handful of others, when it came down to it, ‘advise and consent’ was a toothless power. As the following anecdote demonstrates, if Israeli leadership really wanted to overrule the board’s use of this power, all acknowledged that it could. Daniel Allen, former Executive Vice Chairman of the UIA, recounted an experience he had while at the ‘advise and consent’ committee’s interviews for the new treasurer of the Jewish Agency in the late 1990s. The committee was conducting:

Interview[s] at Max Fisher's office in Detroit. People from around the world came to interview five Israelis who wanted to be treasurer of the Jewish Agency...and in the middle of that meeting...the phone rang and it was the Prime Minister...The chairman of the committee said, ‘may I put it on speaker phone?’ And he said, ‘No’. They had the conversation. Put down the phone. The chairman of the committee and Max Fisher and I [as the senior staff person] went in another room, had a meeting for 30 nanoseconds and came back and they announced who the person who would be the treasurer of the Jewish Agency. The Prime Minister called and said ‘this is my person. Thank you very much for having your committee meeting.’ No one was going to argue with the Prime Minister.

Here we see some of the most highly esteemed diaspora Jews traveling from all around the world to exercise what was supposed to be their most important responsibility, and in a moment, their power was overruled by a word from the Israeli prime minister.

Twenty-five years after the reconstitution, the preeminent scholar of Jewish organizational structures and politics Daniel Elazar, himself an optimistic advocate for the

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312 “Kotlowitz Ousted As Chairman of the Jewish Agency Aliya Department,” Jewish Telegraphic Agency, 27 October, 1983.
313 Allen interview.
establishment of a world governing body of Judaism, and one known to give the Jewish Agency the benefit of the doubt for even small achievements in how it shared power, acknowledged just how limited the reconstitution’s advances had been.

Theoretically, the Jewish Agency Assembly was intended to be the basic policy-making body, the board of Governors the principal governing body, and the Executive, the body handling day-to-day matters. In fact, as is always the case in such systems, the tail comes to wag the dog. The Executive is the body with the real power. The Board of Governors has been struggling valiantly to find a governance role for itself, given the fact that its members are scattered over much of the world and can assemble only a few times a year for brief periods. The Assembly at best briefly reviews policy matters presented to it, but has not really found an effective role for itself, something which generates a great deal of frustration on the part of many of the diaspora members who want to make their participation in the Assembly meaningful, especially since it comes at substantial personal expense.\footnote{Daniel J. Elazar, Reinventing World Jewry: How to Design the World Jewish Polity (Jerusalem: Jerusalem Center for Public Affairs, 1996), 39.}

Ultimately, his assessment concluded that though the reconstituted Jewish Agency was a great idea in theory, the Israelis and Americans involved differed about basic ideas of shared governance. In the most important matters, it was still dominated by Israeli leadership—and often times, the Israeli government itself. Elazar recognized how frustrating a process it had been for those wanting the Jewish Agency to be independent, and even acknowledged that barring a real change to the Jewish Agency, at some point, it would cease to be relevant to diaspora Jews.

Elazar’s assessment proved to be prophetic. Staring in the mid-1980s and accelerating in the years after, though the Jewish Agency still existed as a ‘partnership’, in which American Jews and Israelis theoretically shared governance responsibilities, many Americans had grown tired of the conversation and the Agency’s role receded from main recipient of American Jewish philanthropy into a small piece of the story.
Disenchantment with the Middleman

For years, while there had been growing concern with the opacity and politicization of the Jewish Agency, there was still a strong trust in the Agency, or at least a willingness to let them sort out their issues. At that time, there was no move to change the standard process of automatic allocations of UJA dollars to the Jewish Agency. One major UJA donor (quoted by Hoffman) explained his views at the time as follows: “The Jewish Agency is as corrupt and inefficient as anything I’ve seen. But I don’t want to stop giving, so I look the other way…I’d disband the Agency if I could, but I won’t say that I’ll stop giving until they change things over there,” noting that this sentiment was widely shared amongst major UJA contributors.

But many American Jews gradually became more disenchanted with the process of automatically sending money to the Jewish Agency to be used entirely at its discretion. In addition, they became more aware that the work of the Jewish Agency and the overall picture of Israel they were being sold were in many ways not reality. One Israeli fundraiser described the frustration Americans increasingly had with the Jewish Agency.

They just kept calling the people in the Jewish Agency, and they’re just telling them: ‘Everything’s amazing. Everything’s amazing. Everything’s amazing.’ Showing the exact same bomb shelter that they built to 20 different groups and telling everybody this is your money that built this bomb shelter. Then hearing from people that were here in Israel: ‘We’re waiting for a bomb shelter to be fixed in our neighborhood.’

The feeling arose that: “I have nobody to talk to, I have nobody to be aware of whether it is happening or not.”

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316 Hoffman, 32.
The Slow Revolt at the Margins

By the mid-1980s, the leadership at the San Francisco federation, was frustrated at their inability to track how their charitable dollars were being spent and what outcomes their gifts helped achieve. In 1985, the federation took two unprecedented steps. First, it diverted $100,000 from its automatic allocation to the UJA, to instead support other NGOs in Israel, not affiliated with the Jewish Agency. Although the $100,000 represented only a small portion of the San Francisco federation’s total giving to the UJA, it was still a very controversial move to break with the protocol of full and automatic allocation to the Jewish Agency. Second, the San Francisco federation opened its own office in Jerusalem as a way to have an on-the-ground presence in Israel to observe how the Jewish Agency allocated the funds received from San Francisco, and then to report the results back to the San Francisco federation. The office would enable it to gather its own information without a Jewish Agency filter, and make its own choices for how to spend the money it raised.

Within a few years, other federations followed San Francisco’s lead, opening their own Israel offices as well. As one federation’s Israel office director put it, her community was no longer satisfied with a “spray and pray” mentality in forwarding all of their Israel giving to the Jewish Agency. In federation parlance, the UJC’s unrestricted giving to the Jewish Agency and the JDC is known as “core” giving, which has come to be disparagingly referred to by federation insiders as “core shachor”—an English/Hebrew hybrid term meaning ‘black hole’. The implication being that giving to the Jewish Agency—which has alternately been criticized as

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317 Gila Noam (Director-Israel and Overseas, The Jewish Community Federation of San Francisco) interview held in her office Jerusalem, Israel 13 June, 2010.
318 Karp interview.
319 Yael Shapira (Federation Representative, Jewish Federation of Greater Atlanta and Jewish Federation of St. Louis), interview held in a café, Rosh Ha’ayin, Israel, 24 June, 2010.
being a bloated bureaucracy, an inefficient organization, or simply just “not always the best NGO provider” for services—is tantamount in some ways to throwing money away.

As of 2010, 21 federations had their own offices in Israel. Over time, most offices grew to take on increased roles, with functions ranging from observatory, to identifying new projects for their individual federation to fund, to fully handling their federation’s Israel allocations process.

The Israel office of the Metrowest New Jersey federation is a good example of a typical federation Israel office. Metrowest opened its office in 1998 to better “develop their Israel and overseas agenda,” which involved better “identifying needs” in Israel and “building better relationships” with beneficiary communities and organizations there. Over time, the office has identified specific projects in Israel that fit the Metrowest community’s priorities, and ultimately helped to facilitate the funding of over 100 projects. The experience of so many new hands-on projects and partnerships with Israelis has undoubtedly contributed to Metrowest’s ability to offer bold, informed perspectives on a variety of issues of Israel-related issues rather than simply wait for the centralized JFNA system to hand down information and policies.

Persistent Loyalty to ‘Core’

As much as there was increased evidence of individual federations’ discontent with the exclusive relationship with the Jewish Agency as their main source of information and funding recipient, the UJA’s loyalty to the Jewish Agency ran very deeply. From its perspective, the Jewish Agency had a storied history of rising to the occasion in times of crisis—whether in war,

320 List obtained from Israel office, Jewish Federation of Greater Los Angeles.
321 Amir Shacham (Director, Israel Operations, United Jewish Communities of Metrowest New Jersey), interview held in his office Jerusalem, Israel, 29 June, 2010.
aliya, or anything else—to meet the needs of the Jewish community. Together, the organizations had been able to raise and distribute huge sums of funds when they were most needed. So, irrespective of how legitimate critiques of the ‘old system’ might have been or what positive results federations were experiencing with their non-Jewish Agency giving activity, the central body was going to stick by its partner.

Revolt Intensifies

This sense of core as core shachor grew over the 25 years following San Francisco’s first move away from traditional federation behavior. In the intervening years, more and more federations experimented with the same thing: shifting a portion of their overseas budgets away from core allocations and opting instead to directly fund Israeli NGOs. Rosen explains that though this process was underway with small sums, “the first federation to really break rank in any significant way was Cleveland.” In 1997, rather than remitting its typical $10-11 million to the UJA, the Cleveland federation decided that from then on, it would withhold $3 million of its annual UJA contribution—allocating it instead to organizations of its choosing.322

By the end of the 2000s, this had evolved to the point that a handful of larger federations no longer gave any automatic grants to the Jewish Agency or the JDC, instead inviting them to apply for grants from their overseas budget, just like any other Israeli NGO would have to do. The most extreme example of this trend is the Philadelphia federation, which makes its entire overseas budget available to whoever presents the most compelling proposal; As they explain, they have identified their communities’ priorities and will only fund projects that align with them. Furthermore, they closely evaluate and measure performance outcomes, with poor

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322 Rosen, 60.
performers not getting their grants renewed. The Philadelphia federation's Israel representative Talia Lidar explained that in today's environment with a lot of other Israeli NGOs, “If we want the best provider for a certain project, it’s not always going to be JAFI and JDC.” She added, “It’s not that we’re not funding core…we’re just not going to fund core because it’s core.” A more typical example is the San Francisco federation. Though it supports approximately 35 other grantees annually to the tune of $2.5 million, in most cases it still chooses Jewish Agency and JDC projects as the best recipients for most of its budget. At the other end of the spectrum, some federations have resisted the move of independent Israel allocations. Federations like Chicago and Baltimore believe in the sanctity of core giving and have a generally disparaging attitude to those departing from core. Despite voices like these, evidence suggests that the trend away from core allocations will only continue to grow larger within the wider federation system.

Another manifestation of this trend was that individual federations were starting to deviate from the national system’s policies if they felt it important to do so. One example of this involves the issue of giving over the Green Line during the Second Intifada.

In 2000-2001, Palestinians launched the Second Intifada, which brought an onslaught of terror attacks against Jewish civilians on both sides of the Green Line. The national federation system—the United Jewish Communities (UJC), as it had then become known—sprang into action, initiating a supplemental Israel Emergency fundraising campaign that would ultimately raise $265 million to support security and trauma-related services for Israelis. However, as per

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323 Talia Lidar (Israel Representative, Jewish Federation of Greater Philadelphia), interview held in her office Jerusalem, Israel, 4 July, 2010.
324 Noam interview.
325 Linda Epstein (Associate Vice President, Jewish United Fund/ Jewish Federation of Metropolitan Chicago), interview held in her office Jerusalem, Israel, 30 May, 2010.
326 The UJC was created in 1999 from a merger of the UJA, UIA, and the Council of Jewish Federations (CJF), the national umbrella body of community federations. Though the UIA became part of the UJC, it also continued to exist as a semi-autonomous unit, for tax law purposes.
UIA policy, aid was distributed exclusively to communities within Israel proper. Israelis living in the settlements, arguably in a more vulnerable position, were not privy to receiving support. Three federations in New Jersey (Bergen County, Middlesex County, and Central New Jersey) found this restriction unacceptable. They refused to accept the idea that they could not help Jews in danger, and so decided they had to do something. But bearing in mind the UIA’s Green Line policy, they realized that this meant side-stepping the national system to provide their own aid to services in settlements, something that to date had not happened. How was this departure from longstanding policy received? In one example—the Metrowest federation—there are differences in how federation leaders recall what happened. Some recall a seamless process, while others remember it being more heated. Federation director Max Kleinman recalls having to lobby lay leadership beforehand to get everyone on board, but that it was not very hard. Indeed, the board’s meeting minutes reveal only minor initial opposition, and ultimately consensus, to approve what was the first-ever expenditure beyond the Green Line from a federation’s core budget: a bulletproof school bus to transport special needs children the few miles from their home in Gush Etzion to their school in Jerusalem along a road that was being riddled with gunfire from Palestinians. The Bergen County and Middlesex, New Jersey federations immediately followed Metrowest by supporting similar projects. The leadership of these federations simply felt that if the national system was not going to respond, they would. They continued to fund similar humanitarian and security-related projects over the next several years to support Jews under fire—that they lived in settlements was no longer a consequential factor.

327 Max Kleinman (Executive Vice President, United Jewish Communities of Metrowest NJ), interview held in his office Whippany, New Jersey, 8 December, 2010.Steven Klinghoffer (former Chairman of the Board of United Jewish Communities of Metrowest NJ), interview held in his office Springfield, New Jersey, 8 December, 2010.; Shacham interview.
328 United Jewish Federation of Metrowest, New Jersey, Minutes of Executive Committee Meeting, 12 June, 2001.
Indeed a number of other federations quickly followed the model of the three NJ federations. The Los Angeles federation, for example, over the next years supported a number of projects to aid Jews under fire including aiding in the development of the Efrat emergency Medical Clinic in Efrat, which was built so Jews did not have to risk their lives travelling the roads from the Gush Etzion bloc of settlements to hospitals in Jerusalem. Their support also included ‘jaws of life’ gear for first responders in Ariel and night patrol gear for the community patrol teams guarding settlements in the Jordan Valley. When queried whether the federation’s giving over the Green Line faced any censure from the national system for breaking with longstanding policy, head of the Los Angeles federation's Israel office Martin Karp replied that the UJC, “didn’t have the power to strong-arm individual federations.” If federations wanted to write their own Green Line policy, no one could stop them.

Revolt Against Automatic Deference Trickles Upward

Eventually, the United Jewish Communities (UJC), the successor organization to the UJA, came to realize that it had to accommodate the changes coming from its base. Recognizing the shift to federations conducting their own Israel giving outside of the Jewish Agency as an increasingly unwieldy trend in the system, the UJC issued a new system-wide protocol for overseas giving in late 1999. Under this process known as ONAD (the Overseas Needs Assessment and Distribution Committee), federations would continue to automatically give 90% of their overseas budget to the core, but could designate the remaining 10%—the so-called “elective” money—more according to their own specifically determined priorities. The idea

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329 Karp interview.
was that by doing so, the system would, as JFNA Senior Vice President for Israel and Overseas Rebecca Caspi explained, “kasher a process that had been splintering and happening anyway, which was the direct federation-to-program relationships.”331 Although intended to effectively co-opt the trend of federations making their own choices for their Israel giving, the creation of this officially endorsed core/elective divide instead exacerbated the splintering process. A problem with ONAD’s setup was that elective funding had to still go either to the Jewish Agency, the JDC, or one of two other UJC-determined projects.332 It was therefore not surprising that criticisms began to roll in that the elective options were too narrow333 and did not really give federations the flexibility and control they desired. Federations that did not want to adhere to the limiting ONAD stipulations simply did not. There was nothing to prevent them from going their own way. In addition, other federations that had previously never made their own overseas giving choices got a taste of the appeal of earmarking funds to projects of their choosing. The result was that within short time, more and more federations began to allocate more and more of their overseas dollars outside of the system, and the ONAD framework collapsed.

The pressure from the field on the Green Line issue also eventually affected the UJC. By June 2002, when over 100 Jews living in the territories had already been killed in terrorist attacks and several federations had broken ranks with the UIA’s official stance, enough pressure finally simmered upward from various federations for the UIA to officially change its policy and allow for part of its $265 million emergency grant to Israel to be used to support social services and security projects in Jewish communities in the West Bank.334 And so, in a meeting in July 2002,

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331 Caspi interview held in her office Jerusalem, Israel, 27 July, 2010. Note: In addition to being JFNA's Senior Vice President for Israel and Overseas, Caspi is also Director General of JFNA's Israel Office.
332 Hessel, 2.
333 Ibid.
334 Promislow interview; United Israel Appeal, New York, NY, Minutes of the Board of Directors, Meeting, 11 July, 2002; Gary Rosenblatt, "UJC Reverses Policy Over the Green Line," The Jewish Week, 15 June 2002; Rachel
the UIA board voted to amend the language in the organization's charter. To avoid the issue of having to re-define the organization’s stated position on the boundaries of Israel. It broadened the legal mission of the United Israel Appeal from, “to give voluntary aid and assistance to persons and groups seeking a refuge and a haven in Israel…” to, “to provide for relief and rehabilitation of persons of or in Europe, Asia, Africa, or any other foreign countries and for the well-being of Jews and other persons in Israel and around the world…”

The Formal Break

The trends of dissatisfaction with the Jewish Agency in solving the Israel giving needs of the American Jewish federation movement culminated in an official decision in November 2011 that Jewish Federations of North America (JFNA), the successor organization to the UJC, would formally cease its exclusive relationship with the Jewish Agency. The fact that it did so without adding a new partner organization in its place speaks to how much the idea of automatic deference had collapsed. While deference probably still exists as the prominent feature in many federations’ relationships with Israeli NGOs, it no longer exists as a blanket phenomenon.

In addition, despite the changing relationship between federations and core overseas allocations to the Jewish Agency, there is still a prevailing sense amongst many or most in the federation world that the core, while in many ways problematic, remains extremely important.

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335 United Israel Appeal, Corporate Charter, Amended Meeting of 11 July, 2002. The ease with which this process unfolded says something very interesting. The fact that the endless opposition the UIA had shown to inquirers for years—all of the reasons that had been cited for why it could not give over the Green Line—were easily changed with the stroke of a pen, with no repercussions, suggesting that their longstanding avoidance of the issue was indeed motivated by an unstated agenda, as critics had long contended.

That is why federations that are very active with elective work still by and large support a core Jewish Agency budget—between 45-65% of total UJC funds passed along to the Jewish Agency in 2007 were unrestricted. There is still some trust remaining that in times of crisis, the Jewish Agency might be the best way to adequately serve Jewish needs, as it has traditionally been. 337

Caspi explained:

If you defund JAFI…to a degree that their ability to continue having certain core competencies or to continue to do…certain kinds of activities that in a moment of need could be easily expanded, then you risk going back to a time that hasn’t existed for more than half a century where that capacity no longer exists in the Jewish world.” 338

Amir Shacham explained why a federation like Metrowest NJ, which itself maintains direct partnerships with six different communities in Israel, funding approximately 100 programs, is still so loyal to supporting the core:

With Metrowest…everyone understands that the electives and the partnerships and the building bridges are the bones and heart of what we do and are the best tools to connect us. And on the other hand, everybody understands that we can’t really abandon the national system. We are always good soldiers. We will never leave the system or make Shabbat to ourselves and we try to support the core as much as we can. 339

The example of the 2006 Israel Emergency Campaign (IEC) seems to illustrate the state of the drift from commitment to core within the federation system. Launched at the start of the 2006 Lebanon War, the IEC demonstrated how the national system can still pull together to raise a lot of money ($350 million) quickly in times of emergency. 340

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337 Rosen chronicles how the JDC identified this as a problem issue for its organizational health, and has spent the better part of the last 15 years, revamping its fundraising operation to reduce its dependence on core funding from the JFNA.
338 Caspi interview.
339 Shacham interview.
However, compared to how smoothly allocations were executed in previous emergency campaigns (i.e. 1967 emergency campaign in wake of 6-Day War), the allocations process surrounding the 2006 IEC had its problems. One federation employee involved in the IEC who asked to remain nameless relayed a sentiment shared by a number of interviewees:

We said: ‘Look, we are giving I don’t know how many millions, but we want half a million to go to Sderot, because all the money’s going to the North and we are very South-oriented.’ Now that’s a small example, but each federation did that. ‘We want this and we want that.’ ‘Why did Nahariya not get this and that?’ ‘Who told you they didn't get it?’ ‘OK. The mayor called the executive of the federation because he knows him and said, ‘you are giving money and we didn’t get it.’ [It was] a big, big balagan. On the one hand, it’s good, because it emphasizes the need of transparency and we all want to know that each city got its [part]. On the other hand, the needs were not equal and you need to trust your headquarters and your people to map the needs …so there was a lot of money, it was a great success on the one hand. On the other hand… it’s impossible to work like that.

Ofer Isaroff, the Director of the Division of Priority Regions for the Jewish Agency echoed this sentiment. “The whole process took much more time that it should have taken. The various interests within the system stopped a lot of money. Decision making was very slow. Money often came in 3-6 months after it should have.”

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Implications of the Decline of Automatic Institutional Deference

The environment of American Jewish unquestioning trust in the work of the Jewish Agency grounded Israel-diaspora philanthropic relationship was for decades. Israelis were able to present Israel as they wanted and American donors trusted their Israeli ‘partners’ in the field to

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341 Elazar, *Community and Polity: The Organizational Dynamics of American Jewry.*

342 Isaroff interview.
report on needs, use of funds, and impact, relying on their assessments with minimal pushback. In many ways, American Jews relied on the Jewish Agency to provide them with their picture of Israel. There is enormous power in being able to set a narrative that people believed. This is a core concept of power sharing. As the Jewish Agency lost the ability to play this role, and American Jewish donors started working with thousands of new sources of information and providers of service, the Jewish Agency’s significance in the Israel-diaspora philanthropic relationship rapidly declined.

Chapter Conclusion

This chapter has argued that the main ideas that upheld the old philanthropic partnership ceased to adequately resonate with their respective populations. Statism no longer worked in a maturing Israel, and has given way, among other things, to an active field of NGOs, including a fast-growing sub-sector of CSOs. Federatedness and institutional deference, the two concepts that propped up the UJA-Jewish Agency partnership have also suffered substantial setbacks. The perception of a UJA/federation that cannot keep pace with changing donor needs and preferences has resulted in a decline in the value of ‘federatedness’ as a concept, and as a result, a fragmenting system. With increasing frequency, donors have left the federation fold to find other ways to support chosen causes in Israel. In addition, we have seen how individual federations branched out from automatic allocating to the Jewish Agency by establishing their own operations on the ground in Israel and by shifting their overseas budgets increasingly away from core, to destinations that reflect their own communally-defined overseas priorities. And eventually, as we saw, the JFNA began to follow the lead of its base, severing its exclusive
relationship with the Jewish Agency in 2011. In sum, from the mid-1980s on, the central organizing principles that grounded the philanthropic relationship for most of the 20th century changed.\textsuperscript{343} The result of these trends is evident by the fact that in 2007, American Jews gave tax deductible donations to over 2,000 Israeli NGOs,\textsuperscript{344} vastly different than the CCA era in which American donors had very few tax deductible options for supporting causes in Israel.

For the purpose of this dissertation’s central questions about relationship dynamics, it is evident that the old unit of analysis for analyzing the Israel-diaspora philanthropic relationship has been rendered invalid. There are too many players and too many voices to generalize, as was largely possible in the era of the CCA by looking at the inter-relationship between the UJA and Jewish Agency. As this is an unwieldy field with hundreds of organizational players in the U.S. and thousands in Israel, partnership relationships have to be analyzed today by looking at a variety of arrangements. The final chapters of the dissertation offer one analysis of changes in the field by looking at these issues in the context of one specific sample of contemporary organizations—16 Israeli CSOs working on the issue of West Bank settlement. Though not typical in all ways, due to the high intensity of the issue they work on, the sample of

\textsuperscript{343} As much as federatedness seems to be failing in most places, it can still thrive in the right situation. For example, the New Israel Fund—which though not based in one specific community, acts like a federated fundraising body—has flourished over the same time that other federations have shrunk. What is especially notable about NIF in this regard, is that as federations increasingly receive a higher portion of their donations as designated gifts, the percentage of donations to NIF relative to its overall budget have remained static. Roughly the same portion of their giving was donor advised from 1986-1991 (30.7%), as it was from 2002-2007 (30.2%)—an incredible feat in an era in which donor directed giving is surging in every sector. The implication here is that NIF’s donor base continually trusts the organization to select the best destination for their charitable gifts. (NOTE: The data set used to calculate the above figures omits 2003, in which NIF received a one-time $20 million donor-advised gift from the Ford Israel Foundation that considerably skews the numbers for that one year. Otherwise, donor-advised giving as a percentage of total giving to NIF has been remarkably consistent, with the figure sitting between 29%-36% for 16 of the 22 years from 1986 to 2007. All data was obtained from New Israel Fund Annual Reports (1986-2007), available from the Harvard Depository at Widener Library, Harvard University).

\textsuperscript{344} This number is compiled by assembling the data of total independent friends of groups, foundation giving, and direct federation giving (Fleisch and Sasson) and adding the number of organization receiving gifts through pass-through and umbrella organizations (Aliza Herbst (American Friends of New Communities in Israel) e-mail message to author, January 16, 2012; Jay Marcus (Central Fund of Israel) e-mail message to author, January 16, 2012.; Avery Gross (American Friends of Old City Charities), e-mail message to author, January 16, 2012; Yonatan Ben-Dror (Israelgives.com) e-mail message to author, January 21, 2012; P.E.F. – Israel Endowment Funds Inc., 2011 Annual Report; New Israel Fund, 2011 Annual Report).
organizations is good to look at for several reasons. First, their work inspires passionate activity on both sides of the ocean, as well as on all sides of the political spectrum. Second, the organizations explored in this case, illustrate the variety and vitality of the changing Israeli third sector. Collectively, they provide an instructive portrait of power partnership dynamics between American Jews and Israelis in a contemporary setting. The next chapter will introduce a number of the case study CSOs, examining their histories, activities, and organizational strategies.
Chapter 4: A Study of NGOs Working on the Issue of Israeli Settlement in the West Bank and Traditionally Arab Neighborhoods of East Jerusalem

Chapter Purpose

As discussed in the introduction, one of this dissertation’s two central interests is to explore philanthropic relationship dynamics in a contemporary era, by looking at how Israeli NGOs collaborate with their overseas supporters. To do so, I have examined a sample of NGOs, focusing on the structure and dynamics of their relationships with the American Jewish funders who support them. The sample is comprised of 16 Israeli NGOs all working on the same issue—the future of Israeli settlement in the West Bank and traditionally Arab neighborhoods of East Jerusalem. This chapter’s principal purpose is to introduce some of the NGOs in the study—profiling their histories, organizational missions, and activities. I chose to include profiles for just half of the NGOs in my overall study, as doing so for all 16 would have made the chapter both repetitive and excessively lengthy. The eight NGOs I highlight represent a good cross-section of the full sample. They include both well-established and start-up NGOs, and reflect the spectrum of ideological camps involved in this debate, as well as the wide range of methods and strategies they employ to achieve their goals.345

There are two additional, albeit less important, goals of this chapter. As a secondary purpose of the overall dissertation is to offer insight into the development of the Israeli third

345 The eight NGOs I researched, but am not profiling in this chapter are: the Ariel Development Fund, Ateret Cohanim, B’tselem, El’ad, Emek Shaveh, Ir Amim, One Israel Fund, and Solidarity (formerly known as Sheikh Jarrah Solidarity).
sector, the close examinations of eight specific NGOs in this chapter provide a good look at a cutting-edge sub-set of the sector. Additionally, through studying how a number of third sector organizations have responded to a major challenge confronting Israeli society (i.e. the settlement debate), this chapter provides examples of how creative, confident NGOs in Israel can wield enormous power in debates over social and political issues—even the most contentious ones. While it is impossible to draw definitive generalizations on the third sector at large from this one sample alone, the sample does suggest several hypotheses that will be discussed in the chapter’s conclusion.

One additional purpose of this chapter is to make a contribution to the scholarly study of Israel’s West Bank settlement enterprise, scholarship on which is surprisingly sparse based on the historical, political, and sociological significance of settlement to Israel Studies and Middle East Studies. The background and context included in the NGO profiles touch upon many of the central themes underlying the settlement debate, as well as the history and present condition of the settlement enterprise. Collectively, therefore, the cases provide an illuminating sketch of the settlement debate in its complexity, and make an important contribution to the study of settlement.

Chapter Structure

The chapter is divided into four pairings of case studies that each profile two NGOs working on one specific thematic issue central to the settlement debate. To illustrate the symmetry of how supporters and opponents of the settlement movement both make use of NGOs to advance their agendas, each case pairing includes one NGO working to bolster settlement
communities and interests, and one working to support the local Palestinian populations in their
efforts to withstand the expansion of settlement in their midst. For each NGO profiled, I present
the background of the issues it was formed to address, as well as its strategic and/or symbolic
importance to the overall settlement project. I then detail the organization’s history and
development, focusing on how and why its agenda and chosen tactics have or have not changed
over time. I discuss some of each organization’s biggest successes to date, with an eye towards
its actual level of efficacy. A brief introduction to each of the four case pairings follows.

- Pairing #1 looks at the Rebuilders of the Jewish Community in Hebron and
  Madaa Silwan, NGOs that have played important roles in two of the main
  battleground communities in the settlement debate—Hebron and the Silwan/City
  of David area of East Jerusalem. Through providing a variety of means for
  community empowerment and development, both NGOs have worked to bolster
  embattled communities in the face of a variety of challenging obstacles, arguably
  spurred on by an Israeli establishment that is somewhere between ambivalent and
  oppositional towards the communities’ ongoing existence.

- Pairing #2 explores Mishmeret Yesha and Yesh Din, two NGOs that have
  responded to what each perceives as the Israeli government’s failure to uphold its
  responsibility to provide basic protections for people living in the West Bank: for
  Mishmeret Yesha, this means Jewish settlers, and for Yesh Din, Palestinian
  landowners in Area C. Without an Israeli legal and security apparatus delivering
  on promises to ensure each group’s economic and personal security, the NGOs
  have taken matters into their own hands to provide the education and support they
  believe will bring a more secure and just environment to the West Bank.

- Pairing #3 looks at Women in Green and Rabbis for Human Rights, two
  veteran protest movements that, in their later years, developed targeted advocacy
  strategies to accompany their grassroots activity. Both NGOs have used
  agriculture to help create ‘facts on the ground’ that they hope will ultimately
  influence who has the legal right to use discrete areas of land.

- Pairing #4 looks Peace Now’s Settlement Watch and Regavim, two groups that
  have protested illegal building and settling in the West Bank. Settlement Watch
  has focused on Jewish settlements and outposts, and Regavim on widespread
  Palestinian building done without permits in Area C. Each has used the Israeli
  court system to force a reluctant state to enforce its own already enacted laws on
  these issues.
Methodology for Studying the NGOs

For each of the profiled NGOs, I collected data from a variety of sources. I conducted in-depth interviews with key organizational members and supporters, including leaders, visionaries, fundraisers, and donors from abroad. Also, in all cases where possible, I either personally accompanied NGO staff as an observer while they conducted their field work, or toured with them to see their activities and fieldwork firsthand and hear it explained from their perspective. In addition, I conducted an extensive study of their written material—including publications and promotional pieces, their websites, and in some cases, internal documents and organizational archives made available to me. I also studied coverage of the organizations in a variety of media outlets.

Methodological Challenges to Researching and Writing about Settlement

A methodological challenge currently unavoidable when studying the issue of settlement is the major lack of scholarship on the issue. Due in part to this being a highly politically charged issue, it is difficult to find objective material on the subject. Therefore, while much has been written about settlements, almost everything produced is partisan. The best one can do is to recognize that reports from all camps contain facts and distortions and, in some cases, even outright fabrications. Nonetheless, as partisan materials are among the only printed studies on aspects of the settlement issue, it is necessary to judiciously draw on them.

In writing about this issue, it is natural for the author to develop his own personal views on the subject. Because this work aims to be a neutral, fact-based scholarly inquiry, I have attempted to present materials free of my own personal beliefs and biases. Therefore, I attempt to
relay the narratives of the NGOs from their own perspectives. While I do provide the opinions of critics, I refrain from presenting my own commentary on the issues.

Regarding language, it is important, for obvious reasons, to use common terminology while discussing the work of the various NGOs. However, as certain terms used to discuss West Bank settlement are considered loaded and partisan, I attempt to use neutral terminology whenever possible—bearing in mind that it impossible to do so in all cases. For example, settlers and their supporters typically refer to the ‘West Bank’ as ‘Judea and Samaria’ or ‘Yesha’. Likewise Palestinians and other opponents of settlement may call the West Bank the ‘OpT’ (Occupied Palestinian Territories) or ‘Occupied Palestine’. I use only ‘West Bank’, even when writing from the perspectives of the various groups. In this way, I deviate from the language of a particular group, but I present a common language through which to examine these varied NGOs.

In addition, since the NGOs in my study by and large approach their activity within the context of Israeli law (as opposed to other legal systems such as international law or religious law), I have therefore chosen to use terms and concepts that are consistent with Israel’s own legal categorizations. For example, I treat East Jerusalem as part of Israel, since Israel unilaterally annexed it, but treat the West Bank only as territory occupied and administered by Israel. Likewise, I treat the complicated issues of ‘land ownership’ and ‘land status’ in the West Bank, according to Israeli law.

As we will see, these land ownership issues underlay the work of many of the NGOs explored in this chapter. Since they are rather complicated, before proceeding into the body of

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346 ‘Yesha’ is a Hebrew acronym for Judea, Samaria, and Gaza. Even though Israel removed its settlements from Gaza in 2005, the Yesha acronym is still used.
347 Israel annexed East Jerusalem officially in 1980, but de facto in 1967, while it never annexed the West Bank.
this chapter, I will devote the last pages of this section to giving a brief introduction to Israeli land law in the West Bank.

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Though a variety of ideological perspectives exist on who is the ‘rightful’ owner of land in the West Bank,\textsuperscript{348} for this study it is only important to understand the specifics of the official Israeli legal perspective, as all of the profiled NGOs whose work relates to West Bank lands rights issues operate within the Israeli legal framework. More specifically, for the purposes of this project, Israeli land law need only be understood as it pertains to ‘Area C’, an administrative section of the West Bank, which comprises roughly 60% of the West Bank’s total land mass.\textsuperscript{349} All Israeli settlements are located within Area C, so fittingly, all of the NGOs in this study conduct their work there.

**Relevant Israeli Land Law**

When the West Bank fell under Israeli control following the Six Day War in 1967, Israel recognized its role as temporary occupier and administrator of the land. This included overseeing land ownership and usage rights—including farming and building rights. Israel quickly discovered that the legal system it inherited from Jordan for managing land rights was a complex and internally contradictory amalgam of laws from Ottoman, Mandate British, and Jordanian legal codes. In addition, it found that private ownership over most of the land in the West Bank

\textsuperscript{348} For example, traditional Jewish law considers all of *Eretz Yisrael* (the Land of Israel) the eternal possession of the Jewish people, Islamic tradition regards the West Bank—and Israel—as Muslim land, the Palestinian national narrative sees the West Bank as a sovereign Palestinian state—or part of a Palestinian state—under illegal foreign occupation, and many interpretations of international law feel the same.

\textsuperscript{349} The 1993 Oslo Accords divided the West Bank into three different administrative areas: Areas A, B, and C. Areas A and B—comprising higher populated Palestinian areas—would be under full or partial control of the Palestinian Authority (PA). While Area C—including all Israeli settlements, as well as more sparsely populated Palestinian areas—was to remain under full Israeli jurisdiction, as it had been since 1967.
had never been registered—meaning that there was no legal record whatsoever of who owned the land that comprised approximately 2/3 of the West Bank. While families had lived and farmed on specific pieces of land well before modern-day governments legally registered their ‘ownership’ of that land, legal recognition of individual land ownership in the West Bank was only a recent phenomenon. The process of officially registering land was begun by the Ottoman Empire in the mid-19th century, and only conducted in a systematic fashion by British Mandate authorities starting in 1928. Jordan continued the process of registering land during its 18-year control of the West Bank. But by the time the West Bank came under Israeli control in 1967, only a total of 1/3 of the land had been surveyed. Thus, over its first decade administering the territories, Israel worked to sort out the legal status and usage rights for the remaining 2/3 of the land in the West Bank, and more generally to formulate a clear land policy going forward for the West Bank and Gaza Strip.

By the early 1980s, Israel unveiled its new policy regarding land ownership and usage rights in the West Bank. The policy made heavy use of an old Ottoman legal concept that regarded all undeeded land not presently being farmed as ‘state land’, which was essentially tantamount to declaring this land as the possession of Israel, as long as it remained the sovereign governing authority in the West Bank. In order to determine what undeeded land was being farmed and what was not, Israel proceeded to collect time-sequenced aerial photographs of much of the West Bank over the next years. It classified all ‘tilled’ land as private, and the roughly 1.5 million dunams of ‘untilled’ land—which represented over 40% of the total territory in Area C—as state land.351

The classification of so much land as ‘state land’ was deeply problematic for Palestinians. First, many claimed that parcels declared as state land had belonged to their families for generations, even though they were not presently being farmed. However, without legal deed or a track record of recent cultivation, Israel did not recognize individual attestations to family ownership, and as such, by Israeli law, many Palestinians retained no legal rights to lands they had understood to be theirs.

Moreover, Palestinians viewed Israeli policies for allocation of state land as disadvantageous to their community. B’tselem, an Israeli human rights organization, argues that while Israel used the Ottoman legal formulation of ‘state land’, it did so very differently than it had originally been understood. “Originally, the term ‘state land’ meant land that did not belong to a certain person, but to the general public.”\footnote{Ofir Feuerstein and Michelle Bubis (B’tselem), Access Denied: Israeli Measures to Deny Palestinians Access to Land Around Settlements. (Jerusalem, Israel: B’tselem. 2008), 17.} It contends, therefore, that beyond using the land to meet its military needs as an occupying state, Israel’s administration of the land should only be, “for the benefit of that public”\footnote{Nir Shalev and Yael Stein (B’tselem), Under the Guise of Legality: Israel’s Declarations of State Land in the West Bank. (Jerusalem, Israel: B’tselem. 2012), 84.} (meaning the nearby population of Palestinians). However, for the most part, Israel did not allocate state land on that basis—instead primarily using the vast areas of state land to serve its own interests. Though much state land remained vacant and unused, Israel designated use of state land for a variety of purposes over the next several decades, including, in addition to military use, the construction of industrial zones and factories and the establishment and expansion of Israeli settlements—75% of the municipal area of settlements, in fact, is located on state land.\footnote{Hareuveni, Stern, and Shulman, 24.} Only in rare cases, however, were local Palestinians able to make use of state land for their own community purposes, such as the expansion of adjacent Palestinian municipalities with growing populations. Regavim, an NGO

}\footnote{Hareuveni, Stern, and Shulman, 24.}
monitoring illegal Palestinian building in Area C, would dispute this claim, noting that since 2007 alone, Israel approved building plans for new housing in Area C that could accommodate 1.17 million Palestinians. However, Bimkom, an NGO advocating for what it considers more equitable planning policies, would counter that the approved plans do not at all reflect Palestinian’s actual communal needs, as evidenced by how few of their own building requests have been granted—only 5.6% of all applications for permits were accepted by the Israeli civil administration from 2000-2007.

Finally, there are two other legal stipulations important to understand in this discussion. Both laws, based on provisions Israel retained from the Ottoman Empire’s Land Code of 1858, are odd by contemporary concepts of ‘ownership.’ First, ‘Article 78’ of the code stipulates that individuals can obtain private ownership rights over a plot of previously unoccupied state land if they farm on it for 10 consecutive years. Though the original intention of the law was likely to help the empire raise more tax revenue by virtue of having more land owners to tax, in the contemporary context, it allows individuals to legally seize possession of state land. At the conclusion of 10 years of continuous use, the state will change the status of the land from state land to individually owned. This applies to both Jewish and Palestinian farmers, and has been used by both groups, as we will see. The second law states that if a person ceases to work land for three consecutive years, the land’s status can be changed to state land, with all further use to be determined by the Israeli state.

355 Bezalel Smotrich (Founder and Director, Regavim), interviews held in Jerusalem, Israel Jerusalem, Israel, 26 July, 2010 and while touring Regavim’s work in the West Bank, 10 August 2011.
357 Yehezkel Lein, Alon Cohen-Lifshitz, and Zvi Shulman (B’tselem and Bimkom), Under the Guise of Security: Routing the Separation Barrier to Enable the Expansion of Israeli Settlements in the West Bank. (Jerusalem, Israel: B’tselem and Bimkom. 2005), 83.
With this legal context in mind, let us now proceed to the body of the chapter: a study of the work of eight Israeli NGOs working on the settlement issue.
Case Pairing 1: Making Embattled Communities Viable: The Cases of the Rebuilders of the Jewish Community in Hebron and Madaa Silwan

The Rebuilders of the Jewish Community in Hebron

Background: The Establishment of Jewish Settlement in Hebron

In the early days after the 6-day war, the Israeli government’s settlement policy was limited and measured, allowing only for the establishment of tiny settlement in the Jordan Valley based on strategic defense assessments and the re-establishment of Gush Etzion by residents who, themselves, had been expelled from there in 1948. Otherwise, settling in the newly captured territories was off limits for Israelis.

The first settlement to fall outside of these paradigms was the Jewish settlement in Hebron/Kiryat Arba. In 1968, Rabbi Moshe Levinger requested that Israeli authorities allow him and a small group to spend the Passover holiday in Hebron, classically one of Judaism’s holiest cities, but one that had been completely free of Jews since the Jewish community had been violently uprooted in 1929. The group received permission, and so agreed to lease the Park Hotel in Hebron for one week. When the holiday ended, however, Levinger announced that the group planned to stay in Hebron permanently. The Israeli government ordered the group to

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358 For a variety of reasons, Hebron occupies a special place in the collective Jewish imagination. For one, there are deep Jewish biblical ties to Hebron. Hebron is the site of the ‘Cave of the Patriarchs (Maarat Machpelah), believed to contain the tombs of the Jewish biblical Patriarchs and Matriarchs. It also was the original capital of King David’s empire, prior to its relocation to Jerusalem. Despite the exile of the Jewish community from Eretz Yisrael by the Roman Empire in 70 A.D., and the ensuing scattering of Jews into the diaspora, Jews maintained a continuous presence in Hebron for almost two millennia.

359 In 1929, in the midst of widespread Arab riots in Palestine against the British mandate and Zionist community, an armed group of Arabs perpetrated a brutal massacre on the Jews of Hebron, destroying and looting Jewish property, and killing 67 Jews, wounding and raping countless others. The Mandate government responded to the violence, by expelling the remaining Jewish community from Hebron. The massacres of 1929 cemented an even more intensive Jewish connection to the city. (Jerold S. Auerbach, Hebron Jews: Memory and Conflict in the Land of Israel. (Lanham, MD: Rowman and Littlefield. 2009), 65-79).
Finally after months of wrangling, Levinger and his group agreed to leave Hebron on the condition that the government allowed them to permanently settle right outside of the city. The compromise resulted in the establishment of the settlement, Kiryat Arba on the outskirts of Hebron, less than two kilometers away from the Jewish holy site Maarat Machpelah (Cave of the Patriarchs)—the site believed to be the location described in the bible as the final resting place of Jewish patriarchs and matriarchs.

This compromise placated Levinger and his followers for a time, and throughout the 1970s, Kiryat Arba was built up from a makeshift outpost to a permanent community with a growing population. Nevertheless, the real desire of Levinger and the Kiryat Arba residents remained the actual re-establishment of a Jewish community within Hebron, itself. On a number of occasions, residents attempted to establish a settlement in Hebron, by squatting in vacant buildings in the city, but they were repeatedly removed by the Israeli army. Finally, in the middle of one night in early May 1979, Rabbi Levinger’s wife Miriam led a group of 10 women and 30 children to squat in Beit Hadassah, a building that had formerly housed the Jewish medical clinic in Hebron prior to 1929. The Israeli government immediately pressured the group to vacate what was a tiny and dirty space, without access to the most basic resources, but the group did not relent. After a 10-month impasse, the government acquiesced to the settlers’ demands in

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361 One incident that illustrates the degree of the group’s resolve occurred when the government allowed the army to send a doctor to visit Beit Hadassah in order to inspect a number of sick children. The doctor diagnosed one of the Levinger’s children with hepatitis, certainly brought on by living in the squalid conditions in Beit Hadassah. He recommended that the children move out, as their living environment was causing them serious medical problems. However, Miriam Levinger refused. She contended that although some Zionist pioneers from the days of the Yishuv contracted malaria while working in the Jezreel valley, they nonetheless remained out of their deep Zionist conviction. If early Zionists had that degree of resolve, the settlers of Hebron—the heirs to Zionist pioneering—had to have the same. (The Hebron Fund, “Beit Hadassah: The Dramatic Return of Jewish Life to Downtown Hebron.” Available in: The Hebron Fund Presents: Hebron Calendar 2010-2011 5771, (Brooklyn, NY: The Hebron Fund. 2010), on page accompanying March 2011 monthly calendar.

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March 1980, and by a narrow vote, approved the establishment of a yeshiva in Beit Hadassah, thus giving Jews their first foothold in Hebron itself, and beginning a slow, decades-long process of the development of a contemporary Jewish community in Hebron.

The Creation of the Hebron Support NGOs

Simultaneous to Miriam Levinger’s standoff with the Israeli government, Rabbi Levinger founded two support NGOs, for the purpose of helping to finance Jewish settlement in Hebron. First he created an Israeli NGO known as *M’hadashet Ha-Yishuv Ha-Yehudi B’Hevron*, or ‘The Rebuilders of the Jewish Community in Hebron’ (‘The Rebuilders’ for short) in 1979, and then in 1980, he established a sister support NGO in the U.S., known as the Hebron Fund. While the organizations are legally separate entities, by their own admission, they have fundamentally acted as one.

In the 33 years of their existence, these two NGOs have played a crucial role in the development of Jewish Hebron. Activists and settlers in Hebron may have provided the on-the-ground presence necessary to entrench and expand Jewish Hebron, but behind the scenes, the work of the NGOs has also been essential in mobilizing support—primarily from American Jews—that has in many ways allowed for the establishment of a permanent, vibrant Jewish community in Hebron. Their sponsored work has included developing religious and educational

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362 As would be the case with much of the settlement in Hebron, shifting government attitudes came immediately in the wake of Arab violence against Jews. In this case, the murder of Kiryat Arba yeshiva student, Yehoshua Saloma, in the Hebron market in January 1980, likely impelled a hung cabinet to lean one way and approve the creation of the yeshiva in Beit Hadassah by an 8-6 vote. Auerbach sees the connection as definitely causal, calling the cabinet vote, “a delayed response to Saloma’s murder.” (Auerbach, 107-109).

363 As the Hebron Fund’s mission statement explains, “While the fund is a separate entity, it was created as an affiliate organization of the [Rebuilders of the] Jewish community in Hebron and, subsequently, operates in concert with the community there to assess their needs and respond in kind.”
services, funding community events and festivals, providing educational and humanitarian aid for the community’s needy, and maintaining public facilities.\textsuperscript{364}

The story of how the Rebuilders and the Hebron Fund have helped to impact the development of Jewish Hebron can be divided into three time periods, based on both the organizations’ activities and the Israeli government’s variant receptivity to the idea of a Jewish community existing in the center of an otherwise Arab Hebron. The remainder of this case will provide an overview of the operative conditions in each of the three phases, and explain how the NGOs have responded to the environment of the day in order to best support the advancement of the Jewish community in Hebron.

**Phase 1: Settler Activism, Sometime Government Complicity, and NGO Support (1979-1997)**

The history of Jewish Hebron from 1979 until 1997 was a fairly consistent pattern: Activist settlers would occupy and establish makeshift homes in properties owned by Jews prior to the 1929 expulsion—usually whatever buildings stood there were in poor condition; The Israeli government would attempt to reverse the settler’s actions, but when the political winds blew in the right direction, settlers were given clearance to remain in their new locations,\textsuperscript{365} and eventually were given permission to renovate and expand. For example, a number of families were permitted to settle in 1981 in a rundown building owned by Jews prior to 1929 called ‘Beit

\textsuperscript{364} Yossi Baumol (Director, The Hebron Fund), interview held in Jerusalem, Israel, 11 May 2010.

\textsuperscript{365} For example, in 1980, Arab gunmen killed six yeshiva students who were on their way to pray at Beit Hadassah. Immediately thereafter, the Israeli government that had been refusing to allow any expansion of the Jewish community within Hebron reversed course, permitting a limited number of Jews to settle previously owned Jewish properties in Hebron, including the Avraham Avinu synagogue and a building called Beit Romano. In another example, following the murders of Nachum Hoss and Yehuda Partush, when an Arab gunman opened fire on Jewish passengers disembarking from a bus in Hebron in 1995, two new buildings were erected to commemorate the two victims. These two cases typify what was a fairly consistent pattern during this time period.
Schneerson’. Several more moved into mobile homes they set up atop an empty hill called Tel Rumeida. In both cases, they remained in these sub-standard living conditions for years until they received permits to build more permanent structures—14 years in the case of Beit Schneerson and 15 in Tel Rumeida. In each case, the cost of the multi-million shekel renovations was shouldered by the NGOs, who would accumulate assets for renovations through regular yearly fundraising drives, such that when projects were eventually given clearance to proceed, the NGOs were mostly ready to pick up the tab.

In this fashion, the Jewish settlement in Hebron grew to over 1,000 people, living in approximately 10 buildings. The ongoing current of partial government resistance that Hebron’s Jewish leadership faced in growing the community, is indicative of the Israeli governments’ ambivalent attitude towards the wisdom of an expanding Jewish community in the heart of a Palestinian city. For example, in what was the golden era of Israeli government support for—or some would argue outright sponsorship of—settlement throughout the West Bank and Gaza Strip, Hebron’s Jews received only basic services, as compared to other settlements more directly supported by the Israeli government that received big government expenditures on infrastructure and provided incentives to entice people to move to settlements. In the absence of wholehearted government support, the costs for developing Jewish Hebron were heavily shouldered by ‘The Rebuilders’. This work included both the physical refurbishments of communal space and infrastructure as well as the construction and maintenance of parks, playgrounds, and a variety of recreational and educational programming for the Jewish community.

Phase 2: Persistence in the Face of Unsympathetic Government Attitudes (1997-2010)

As part of the Oslo process, Israel and the Palestinian Authority (PA) signed the Hebron Accords in 1997. This agreement created a new framework for security cooperation between Israel and the PA. By its terms, Hebron was divided into two sections, H-1 and H-2. H-1, which comprised about 80% of the area of the city, was to be under the jurisdiction of PA security forces. H-2, which comprised the remaining 20% of the city including all buildings with Jewish settlers and the Maarat Machpelah, was to remain under Israeli security jurisdiction. To the settler community, Hebron was supposed to be a united Jewish city over which Israel should permanently maintain full jurisdiction. This agreement was therefore a major betrayal. Even worse, it indicated to them that the Israel government’s attitude towards Jewish rights in Hebron was changing. If the government was willing to relinquish a portion of Hebron in an eventual peace deal, perhaps it was willing to relinquish all of it.

This concern became more pronounced when the wave of terror attacks of the Second Intifada put the Hebron Jewish community on the front lines. As the H-2 part of Hebron increasingly became as “a war zone” with besieged Jewish residents encountering regular “cascades of stones, bottles, [bullets], and firebombs.” Against the backdrop of these developments, a tangible change in the Israeli government’s long permissive stance to limited Jewish settlement in Hebron became apparent. The government had a noticeably cooling attitude towards allowing Jewish expansion in Hebron. This all suggested that the government was seriously questioning the wisdom of maintaining a Jewish settlement in Hebron, due to both its high human costs and the financial strain it incurred in maintaining a substantial military presence to protect a relatively small Jewish enclave living in the midst of a large Arab city.

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367 Auerbach, 148-149.
This changing attitude became increasingly clearer to the settlers, as they were thwarted in every way they attempted to physically expand their community. The community’s claims that Jews were rightful owners of property abandoned by other Jews in 1929—which had been the basis for past Israeli government willingness to allow Jews squatting in former Jewish properties to remain—were no longer treated as leniently. As such, Jewish squatting in former Jewish properties was not tolerated by the Israeli government. Eventually, this was corroborated by a ruling from the Israeli High Court of Justice, which asserted that Jews definitively did not have rights on formerly owned Jewish properties in Hebron.

All Jewish expansion in Hebron, therefore, had to be done by Jews purchasing buildings from Arab owners. This, however, was no easy feat, as the PA had made it a criminal offense punishable by death for Palestinians to sell property to Jews. Nonetheless, through complicated transactions involving middlemen, absentee owners, and inflated sale prices, Jews were able to very slowly acquire properties during this period. In this way, Jews acquired four buildings in Hebron between 2004 and 2012. Though the Rebuilders was not itself purchasing the buildings, it played a central role in facilitating the sales. But in as clear a statement to date of the government’s changed attitude towards Jewish settlement in Hebron, the government refused to allow settlers to move into these legally purchased properties. First, in May 2006, police forcibly evacuated 25 settlers from Beit Shapira, a building purchased in 2004. The eviction order came directly from Israeli Defense Minister Amir Peretz, who invoked a little-used 1980 law known as Civil Administration Order 25. According to the order, “the occupation or transfer

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368 Including the Avraham Avinu synagogue, Beit Hadassah, and Tel Rumeida. (Chaim Levinson, “Israel Supreme Court Rules Hebron Jews Can’t Reclaim Lands Lost After 1948,” Haaretz, 18 February 2011.)
of ownership of homes in the West Bank by Jews needs to be coordinated with the Civil Administration to be deemed legal. “\textsuperscript{372} Though technically an Israeli law, it had been invoked only sparingly in the past. But now it was used each time Jews attempted to move into new buildings, including the November 2008 forcible eviction of settlers from a building purchased in 2007 known as Beit Ha-Shalom, and again in 2012 from a building known as Beit Hamachpela.\textsuperscript{373} The fact that this process was carried out by a government led by the Likud party—the longtime patron of the settlement movement—indicates the degree to which government attitudes had changed.

Additionally, the Israeli government prohibited new construction, not only in vacant lots, but even as additions to already-held Jewish structures. These prohibitions went as far as not allowing settlers to winterize properties, including preventing the construction of a permanent roof over one of the Jewish prayer spaces at \textit{Maarat Machpelah} that had long been covered by a worn-down canvass awning.\textsuperscript{374}

By blocking illegal settlement, legal settlement, and even expansion of already existing settlements, the Israeli government had effectively prevented the settling of additional Jews in Hebron. As the CEO of the Rebuilders lamented in his annual report in 2010, there was a “housing crisis” in Hebron with “no empty apartments available for Jewish families.”\textsuperscript{375}

\textbf{NGOs’ Other Means for Supporting Internal Strengthening of Community}

During these years that the community could not grow, the NGOs continued to provide support for crucial elements of the community’s infrastructure not supported by government, as

\textsuperscript{373} Tovah Lazaroff, Herb Keinon, and Joanna Paraszcz “Border Police Evacuate Settlers from Hebron Home,” \textit{Jerusalem Post}, 4 April 2012.
\textsuperscript{374} David Wilder, “Rooting for a Roof,” \textit{Hebron Now & Forever}, Spring 2011, pg. 5.
they had during the in-between times in the past. If the community was not allowed to grow, the Rebuilders would still do its part to help bolster the comfort and morale of the community. This included providing support for basic communal necessities. Additionally, it funded the construction and maintenance of parks, playgrounds, libraries, and after-school and summer youth activities. For those donors still interested in supporting some kind of building, the Hebron Fund offered opportunities to support the beautification of the Jewish area of Hebron, including refurbishing of landscaping and other cosmetic enhancements. Collectively, all of these activities aimed at making Jewish Hebron a more sustainable community, through making the lives of its resident families more enjoyable.

Amidst these discouraging years for the Hebron Jewish community, an unexpected demographic shift occurred that would completely change the calculus on the future of a Jewish Hebron.

The Unexpected Demographic Shift

During the Second Intifada (2000-2005), there was a mass exodus of Palestinian residents from H-2 to H-1, with perhaps as many as 30,000 of H-2’s previously 40,000 Palestinians moving to H-1. There are different explanations as to what caused this exodus, but the fact is that by 2007, only approximately 10,000 Palestinians remained in H-2. The explanation offered by Hebron Fund director Yossi Baumol is that Arabs simply moved. “In our part of town, when the Second Intifada began, the Arabs started shooting at the Jews [and then] the Arabs who lived next to the Jews picked up and ran. (North Town News Magazine, “Broadcast from the Greater Chicago Jewish Festival: Interview with Yossi Baumol,” 12 June 2010. http://www.youtube.com/watch?v=FrCIZjzu6u4). A similar explanation is given by the Hebron Fund during the tours it offers of Jewish Hebron. (Attended tour, May 2010). Two Israeli NGOs, B’tselem and the Association for Civil Rights in Israel (ACRI), partnered on a publication in 2007 that offered a very different explanation. According to their report, the IDF’s imposition of unnecessarily prolonged and arbitrary curfews in H-2 from 2000-2003, essentially made life unlivable for Arabs who lived in H-2. Their survey statistics show, for example, that due to such conditions, 3/4 of the over 1,000 Arab businesses in H-2 went out of business during this period. (Ofir Feuerstein (B’tselem, Association for Civil Rights in Israel), Ghost

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combination of the 1997 division of the city and the Palestinian exodus from H-2, yielded a demographic situation once thought unimaginable to supporters of Jewish Hebron. At the time that Beit Hadassah was established in 1980, the population ratio in Hebron was about 15 hundred Palestinians for every Jew. By 1997, this had shrunk to 167 Palestinians for every Jew. But following the Palestinian flight, the combined population of H-2 and the contiguous settlement, Kiryat Arba, was roughly 1-to-1 (10,000 Palestinians and 10,000 Jews) in H-2/Kiryat Arba. Though H-2 is only a tiny slice of metropolitan Hebron, these factors have created a change whereby Jews have come to comprise half of the population of a bounded area—which could subsequently be argued to be its own mini-city.

Phase 3: Government Attitude and New Demographic Realities Yield New Strategies (2010-Present)

The continued frustration over the inability to expand, along with the recent change to Hebron’s demographics, pushed the Rebuilders to alter its strategy. Where, as we have seen, its work has traditionally been community support—i.e. wait for the settlers to set the pace, and then provide financial support for whatever they most needed—the Rebuilders has moved into more activist roles like alliance building, branding, and advocacy. Its goal is to help create a groundswell of popular support across sectors in Israeli society and the diaspora for the idea of a contemporary Jewish Hebron. It is trying to change a popularly held conception within the Jewish world that the settlement in Hebron is little more than a tiny enclave of religious zealots that can and will be dismantled in an eventual peace deal—instead branding Hebron as a place of

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Town: Israel’s Separation Policy and Forced Eviction of Palestinians from the Center of Hebron. (Jerusalem, Israel: B’tselem, Association for Civil Rights in Israel. 2007).

377 In 1980, there were roughly 60,000 Arabs in Hebron, with the only Jews being the 40 that were squatting in Beit Hadassah. In 1997, there were roughly 100,000 Arabs in Hebron, and about 600 Jews (Auerbach, 110, 144).
ongoing central importance to Jews. Though it does not talk about a truncated Jewish Hebron (in H-2/Kiryat Arba) as the future, the new demographic realities are what make the notion of some form of permanent Jewish civilian presence in Hebron seem more plausible.

One main strategy the Rebuilders and the Hebron Fund have jointly taken on is working to encourage more tourism to Hebron. Throughout the year, the Hebron Fund organizes regular tours intended for diaspora Jews. Over the past several years, the frequency of tours has dramatically increased, with there being a tour nearly every day during high tourist seasons. In total, according to a report in *Arutz Sheva*, pilgrimages and tours brought 700,000 tourists to Jewish Hebron in 2010.\(^\text{378}\) The NGOs present the case for Jewish rights in Hebron and the importance of Hebron to Jewish past, present, and future in terms even non-religious and non-politically hawkish audiences can support.\(^\text{379}\)

For a number of years, the NGOs have been organizing an annual pilgrimage weekend to Hebron during Shabbat Chayei Sara, when the Torah portion describing Abraham’s purchase of *Maarat Machpelah* is read each year. When ‘the Rebuilders’ and the Hebron Fund first started promoting the event, a few thousand people came. But as more and more people came each year, they devoted more attention to helping them grow even larger. Before long, the NGOs were organizing additional pilgrimages for Selichot (prior to Rosh Hashannah) and Sukkot. By 2007, 20,000 people came to Hebron on Shabbat Chayei Sara alone, with almost 100,000 coming

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\(^{378}\) David Wilder, “Education Minister Gideon Saar at Ma’arat HaMachpela,” *Arutz Sheva*, 16 February 2011.

\(^{379}\) One argument they emphasize is that Jews would most likely not be able to have access to *Maarat Machpelah*—arguably the second most important religious site in Judaism—were Hebron to once again become an exclusively Arab city. Drawing on the history of the site, they make a compelling case, therefore, for the need for ongoing Jewish settlement. David Wilder, Spokesman for the Jewish Community in Hebron, will frequently explain that in the 700 years from the time that the Mamluke Turks captured Hebron from Christian crusaders (1267) until the 6-day war (1967), Jews were not allowed to enter *Maarat Machpelah*. Wilder continued, “we were told that it [*Maarat Machpelah*] was a mosque, and only Muslims could pray there…That claim they still hold. We’re told today that if they ever hold that site again, that they won't let us pray there…[In order to ensure] that these sites are accessible to anybody, anytime they want, we know that we have to be there.” (Revelation TV, “In the Last Days: Interview with David Wilder,” 26 February 2010. [http://www.youtube.com/watch?v=ut6COpzka7mc](http://www.youtube.com/watch?v=ut6COpzka7mc)).
during the roughly eight-week period from Selichot to Shabbat Chayei Sara. These pilgrimages, especially the Chayei Sara festival in Hebron, have begun to acquire a bit of a cult-following amongst religious youth in Israel. Noam Arnon, Spokesman for the Jewish Community in Hebron, described the scene of roughly 20,000 people camped out for the weekend as the “Woodstock of the religious kehillah.”

In 2011, the Rebuilders’ CEO Menachem Livni announced a plan to build on the success of these programs by aiming to make a ‘Hebron experience’ a part of the education of all Israeli students and as many diaspora tourists as possible. Noting that the majority of Jews who visited Hebron came to become the most sympathetic supporters of a permanent Jewish presence in Hebron, it would be important to use the power of Hebron to try and win the hearts and minds of those Jews who were less supportive. “We have seen the difference two hours [touring Hebron] can make in changing preconceptions,” Livni explained. “Therefore, we have set as a goal, to begin bringing as many secular communities into Hebron as we possibly can.” He announced the importance of dedicating budgetary resources to subsidize the costs for transportation, guides, and even snacks, so as to incent curious, but less passionate Jews to come to Hebron. The plan got a boost in February 2011 when Israeli Education Minister Gideon Sa’ar announced that his ministry would be funding a pilot program in the coming year to bring Israeli school children on field trips to Hebron, that he hoped to eventually roll out universally.

By undertaking these strategies, the Builders/Hebron Fund have attempted to expand the cause of Hebron beyond that of a narrow and often considered radical constituency. In lieu of actually being able to support the development of Hebron from within, they have begun focusing

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380 JM in the AM: Interview with Noam Arnon, Spokesman for the Jewish Community in Hebron. 2 October 2002.
381 Livni, 4.
382 Tovah Lazaroff, “Sa’ar presents program to bring pupils to Hebron,” Jerusalem Post, 16 February 2011.
on promoting the idea of Jewish Hebron from without, hoping to generate the kind of support that will block Israeli willingness to completely withdraw from Hebron in any future peace agreement.

Case Conclusion

By 2013, the idea and reality of Jewish Hebron had grown ever more entrenched, despite the Israeli government’s less than enthusiastic attitude—if not opposition—to this prospect. We see here that the result of continued efforts by activists on the ground and the NGOs that support them have driven the success of the Jewish settlement enterprise in Hebron. While settlers established a physical Jewish foothold in Hebron, the work of the Rebuilders and the Hebron Fund have been indispensable in both enabling Jewish Hebron to develop into a community of over 1,000, and in establishing the infrastructure and the political alliances necessary to make the notion of a permanent Jewish Hebron viable. Indeed, between the demographic realities now at play with a 50% Jewish population in H-2/Kiryat Arba and the possibility of developing the support of religious masses, secular Israeli allies, and a powerful vocal diaspora constituency, the work of the two NGOs may be rendering the notions of a purely Arab Hebron in the future increasingly unlikely.
Madaa Silwan

A Vehicle for Leadership and Activism Training in a Community Struggling from Being Overrun by Settlement Expansion

Introduction

This case involves Silwan, an Arab neighborhood of East Jerusalem on the outskirts of the Old City. With the onset of the Israeli-Palestinian peace process in the early 1990s, Silwan became a flashpoint due to both its strategic and symbolic location. In a little more than a decade, this formerly exclusive Arab neighborhood largely came under the control of Jewish settlers, with 400 settlers moving into the neighborhood and much of the community’s public spaces placed into the control of settlement interests. Yet, for years, Silwan’s residents had not effectively mobilized to counter settlement encroachment or to ameliorate the hardships settlement brought upon their community. This began to change in 2007, when a new NGO named Madaa Silwan was established to provide recreational and youth empowerment activities for Silwan’s children. The arrival of Madaa set in motion a process of community development that in short time fundamentally transformed the social and political character of Silwan, and provided hope that much of the damage being done to the neighborhood by settlement could be countered.

Background: Silwan’s Strategic and Symbolic Importance

As the Oslo process was unfolding in the early 1990s, talk became more prevalent of a future political settlement in which Israeli and Palestinian states would each receive a portion of

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383 Although a small number of Jews did live in one neighborhood in Silwan prior to 1929, once the Arab riots broke out in 1929, all but a tiny few left Silwan.
384 Meron Rapoport, Shady Dealings in Silwan. (Jerusalem, Israel: Ir Amim. 2009), 38.
Jerusalem as their capital city. With the future of Jerusalem and its holy sites therefore possibly hanging in the balance, both Israelis and Palestinians understood the importance of controlling the areas contiguous to the Old City. Since Silwan directly abuts the Western Wall Plaza and the Temple Mount/Haram Al Sharif, it became ground zero in this clash.

Additionally, Silwan stands on the site believed to be the City of David—the original Jewish Jerusalem King David captured in 1,000 B.C.E to serve as the capital of the Jewish commonwealth. Though evidence to support this was uncovered starting in the 19th century, and further corroborated through a major archaeological expedition undertaken by the Israel Antiquities Authority from 1978-1985, for years, the Israeli government appeared disinterested in further promoting Israel’s historical connection to the City of David, as the archaeological dig lay abandoned and by some accounts in decrepit condition until the 1990s. Starting at that point, the Israeli government began promoting Silwan’s symbolic importance to Jewish historical lore in order to help develop a more legitimate claim to Jewish rights in Silwan. It principally did so through its broad support of El’ad, an NGO whose stated mission is to, “strengthen…the Jewish people’s connection to the city of Jerusalem through archeological excavations, tourism development, and educational programming – at the actual location of Biblical Jerusalem, the City of David.” Israel gave El’ad permission to rehabilitate the archaeological site, and construct a tourist attraction around it. It also gave El’ad less explicit, but equally strong tacit

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385 It is likely that the Israeli government recognized it a strategic interest to establish a Jewish-populated buffer between the Old City and Arab-inhabited neighborhoods of East Jerusalem, thereby rendering it unlikely that shared jurisdiction of the Old City could be a plausible component in a peace deal (Rapoport, 9). For the same reason, Palestinians had an interest in keeping all adjacent Palestinian neighborhoods populated with Palestinians—since without territorial contiguity of Palestinian villages, there would be much less likelihood that a Palestinian state would have East Jerusalem as its capital.

386 El’ad’s own website includes the following description: “The city was in such a state of disrepair and neglect that the former excavations that had been conducted in the area were once again concealed beneath garbage and waste.” (Cityofdavid.org, “Ir David Foundation.”) (http://www.cityofdavid.org.il/en/The-Ir-David-Foundation).

El’ad began leading tours around the site, and gradually raised funds to construct an elaborate archaeological park and tourist attraction built around the dig, known as Ir David (the City of David). The site quickly became one of Israel’s top tourist attractions. Some estimates say that tourism to Ir David grew from only 25,000 annual visitors in 2000, to approximately 1.5 million visitors in 2012. Its vision is even greater. Doron Spielman, Senior Director of the Ir David Foundation, explained that the group’s ultimate vision is to draw five million visitors per year, more on par with the ancient sites of Athens and Rome.

The expansion of the City of David tourist site caused considerable consternation to the Palestinian residents of Silwan. For one, most of the formerly public spaces in the community were seized by the State for the purposes of expanding the archaeological and tourist sites. Also, the archaeological work conducted by El’ad involved extensive digging under both the homes of

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388 Rapoport argues that the connection between El’ad and the Israeli government is so deeply entrenched that effectively, “in East Jerusalem, Elad serves for all purposes as a government agency.” (Rapoport). See also Nir Hasson, “How the State Helped Right-wing Groups Settle East Jerusalem,” Haaretz, 7 November 2010. Though these sources and many others critical of El’ad provide extensive evidence to support these claims, El’ad, itself, denies government connection. In my own research of Israeli NGOs, none proved to be as secretive and opaque as El’ad.

389 The Wadi Hilweh neighborhood is located on the Eastern slope of Mount Zion, directly south of the Old City.


392 Doron Spielman, (Senior Director, Ir David Foundation), interview held by phone, Israel, 13 September 2011.
residents and public streets, which by the account of Silwan’s residents, caused extensive damage to public and private spaces.393

In early 2010, Jerusalem Mayor Nir Barkat unveiled a plan for the next stage of the City of David’s expansion, the so-called Gan Ha Melech (Garden of the King). The plan intends for the Gan Ha Melech to be a natural garden adjacent to the City of David that re-creates the spot some believe to be where King David authored the 73 psalms attributed to him in the biblical book of psalms. It also includes a full tourist-oriented complex, complete with shops, restaurants, and galleries. The problem for Silwan’s Arabs is that at the time of its unveiling, the proposed site was already occupied by Silwan’s residential Al-Bustan neighborhood,394 where 120 Palestinian families reside in 22 houses.395 Noting that all 22 structures were built without permits, Barkat officially approved the demolition of the homes in June 2010. Though no further steps to actualize the plan were subsequently undertaken, the impending demolition of much of the Al-Bustan neighborhood loomed.

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393 One account of the damage follows: “Two years ago, locals felt tiny and oddly-timed earthquakes beneath their feet. Some thought they were losing their sanity because of the voices echoing from under the floors. Cracks appeared in sturdy walls, and droplets that made their way through fractures in ceilings spattered on children in their sleep…. [Additionally,] cavities have opened in the street, some several meters deep, and only by luck or divine intervention, no child has yet to fall and be injured.” (Danny Felsteiner, “Under the Beautiful Valley,” The Electronic Intifada, 5 April 2010. [http://electronicintifada.net/content/under-beautiful-valley/8762].)

394 The Al-Bustan neighborhood of Silwan is located in the valley at the base of the mountain slope, on which the Wadi Hilweh neighborhood and the City of David archaeological site are located.

395 Supporters of the plan note that all 22 homes were built without having received permission from the Jerusalem municipality, and as such, were illegal structures that should be demolished—irrespective of any future plans for the site. Opponents claim that as Silwan has grown dramatically over the last several decades, the municipality has refused to grant any building permits, and that illegal construction has been the only answer possible to accommodate a growing population. (Ethan Bronner. “Mayor’s Housing Offer Sets Off Row in Jerusalem,” New York Times, 25 February 2010, sec. 1, A1.); (“Wadi Hilwah Information Center: The Story Behind the Tourist Site,” 3.)
The Arrival of Jewish Settlers

Concurrent to the restoration of the City of David site, Jews began to move into Silwan in late 1991. Their dramatic entrance into the community took place in the middle of one night that October. A former employee of El‘ad involved in the operation recalls:

The first entrance to Ir David [City of David] was a huge operation. Amazing. I was part of that. They bought six or five houses and they were going to settle all of them in a single night…Settling them also means fortifying them—putting up fences and lights and guard booths…there were like 300 young men who were part of the operation all coming in from different directions…People carrying barbed wire, electricity; people to help Arabs move their stuff; settlers coming in with families…And then in the morning, suddenly Ir David was Ir David and not Silwan—five or six houses with 15 families and Israeli flags all over the place.396

Starting in just these few houses, settlers gradually acquired and moved into other homes in the Wadi Hilweh neighborhood of Silwan in a similar fashion. In many cases, Palestinian residents were unaware that their homes had been sold to someone else until police arrived to evict them and supervise the new settler families moving in.397 By 2010, a total of over 400 Jewish residents were living in the Wadi Hilweh neighborhood amongst an Arab population of over 5,500.398 The dramatic circumstances under which settlers arrived and what the expansion of their community’s size has meant to the Palestinian character of Silwan have engendered deep

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396 Interview with former El‘ad employee who requested to remain anonymous. Interview held in Tel Aviv, Israel, 8 July, 2010.
397 There are harsh penalties imposed on Arabs who sell their properties to Jews in Silwan. As noted in the previous section, the PA considers it a capital offense for an Arab to sell his property to a Jew. And although Silwan is not under PA jurisdiction, there is communal self-policing that heavily punishes Arabs who sell to Jews. Therefore, Jews wishing to settle in Silwan have had to find other means of acquiring rights on properties.

The original settlers took advantage of convoluted absentee property law and what some consider preferential treatment by Israeli bodies to secretly acquire the rights to a number of properties in Silwan. According to Rapoport, settlers affiliated with the El’ad organization had brought information to the Jewish National Fund regarding “property that had been owned by Jewish families in Silwan in the early 20th century…. [The Israeli Ministry of Housing then] transferred properties inhabited by Palestinian residents to Elad [in July 1991] in exchange for nominal sums of money, after some of those properties were taken away from their Palestinian owners on the basis of the[ir being] Absentee Property.” Altogether, “14 [properties] in Silwan…were transferred to Elad…in this [and other dubious] manner[s]…” (Rapoport, 11-13).

Following this initial wave, Jews interested in settling in Silwan have done so through executing complicated third-party purchases with anonymous buyers and sellers, or by making use of court-enforced evictions of Arab homes under claims of pre-1948 Jewish ownership.

398 “Wadi Hilwah Information Center: The Story Behind the Tourist Site,” 2.
resentments amongst Silwan’s Arabs. The resulting tensions between the two communities put
Silwan’s settlers into legitimate physical danger. To protect their homes and families, most
installed extensive security measures—including barbed wire fences, surveillance cameras, and
armed guards on duty around the clock—bringing an additional foreboding atmosphere right into
the heart of Silwan.

The Creation of Madaa Silwan

The progress of both endeavors moved rapidly and mostly unabated for years.

Palestinians felt helpless to stop what they perceived as their community being stolen from under
their feet; yet they lacked effective political organization to do anything to stop it.399 But starting
in 2007, this all began to change.

Jawad Siyam, a social worker and resident of Silwan, recognized how difficult life had
become for Palestinian children in Silwan, amidst the environment of conflict enveloping the
neighborhood. In what had already been an impoverished community400 with minimal
recreational options, the confiscation of previously vacant public spaces for the expansion of the
City of David tourist site left resident children with essentially nowhere to go401—the result over
the last decades being more and more children and teenagers in Silwan spending more of their
time on the streets, with many getting into violent clashes with settlers, their private security
guards, or city police. Siyam determined that children coming of age in the stressful environment

399 Silwan’s residents do have the ability to become officially involved in Jerusalem’s city government. However, as
East Jerusalem Palestinian communities do not accept their status as part of a united Israeli-controlled Jerusalem,
they have mostly abdicated any official participation in city governance.
400 Silwan has notoriously become one of the most neglected, impoverished areas of Jerusalem, and perhaps all of
Israel. 75% of children in Silwan live under the poverty line. (Joel Beinin, “Confronting Settlement Expansion in
East Jerusalem,” Middle East Report Online, 14 February 2010.)
401 Beinin notes that in Silwan “there are no playgrounds, green parks, public libraries, sports facilities or public
medical clinics…cafés or cinemas.” (Ibid.)
of Silwan needed opportunities both to have fun and to develop the tools to deal with adversity that could ultimately enable them to thrive. He decided the best way to do this, was to establish a youth center that would provide recreation, education, and skill building.

So, in 2007, Siyam opened a makeshift community center named Madaa Silwan (translated as ‘Horizon’) in the Wadi Hilweh neighborhood. He also registered the center as an NGO with the Israeli bureau of NGOs under the official name ‘The Association for the Dialogue and Education for the Prevention of Violence in the Society’. Originally the center operated out of a tiny space, offering a handful of extra-curricular activities to 35 children. But within short time, it grew to become a force in Silwan. By 2010, it was providing classes and activities for more than 500 children out of three different locations, expanding its offerings into a variety of areas, including music, art, drama, and writing. It also provided children access to various recreational, educational, and communal building resources, not previously available to them, including a community garden, film screenings, music performances, a computer lab, and a lending library. Though Madaa remained primarily focused on providing recreational activities, over time, it began offering its attendees instruction in the legal rights they possessed as Palestinian residents of East Jerusalem, as well as training in non-violent means of expression and self-advocacy.

Madaa as a Bridge to Wider Community Empowerment, Organization, and Activism

Though Madaa was established to be a youth center, within a few years of its inception, its presence began to usher in a cultural shift in Silwan that was having ripple effects on the community’s social and political life, well beyond youth programming and education. Madaa

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music teacher Danny Felsteiner explained that prior to Madaa, though many in Silwan felt that there was a need for doing something to address the many problems facing the community, there was “no capacity for answering that demand.” However, once Madaa existed, “people started to meet and network and talk about problems with legal and other issues.” Madaa’s energy and principles of self- and community-empowerment were parlayed into other projects in Silwan. One example was the work it helped spur in women’s empowerment. Mothers of children in Madaa youth programs began to meet at the Madaa center for a variety of groups and classes. In one group, called ‘Ou’rouba’, women in Silwan would regularly meet up to discuss issues of women and society, and solutions for how they should best “deal with the problems that the political reality [in Silwan] has imposed upon their lives.”

Further Steps in Community Empowerment: The Creation of the Wadi Hilweh Information Center

In 2009, the leaders of Madaa charted how it could next help meet the community’s needs. The feedback they received suggested that the Silwan community longed for a greater voice in promoting its own narrative of Silwan’s past, present, and future to the outside world. With the cachet they had developed as community leaders, Siyam and other leaders from Madaa established the Wadi Hilweh Information Center in 2009. Located in a small tent outside of the main Madaa site, the Information Center began disseminating material and offering regular tours and lectures to visiting groups and foreign diplomats so as to provide a counter-narrative on the history and present politics underlying the tension between the proponents of the expansion of

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403 Danny Felsteiner, (Music Teacher, Madaa Silwan), interview held in the Madaa office Jerusalem, Israel, 24 May, 2010.
the City of David idea and the Arab residents of Silwan. The Center also developed an active website with postings of video clips, articles, and blogs, all interpreting how local political developments were affecting Silwan’s Arab community. Yoni Mizrahi, Executive Director of the NGO Emek Shaveh—which challenges aspects of Elad’s City of David work from a technical archaeological standpoint—explained the impact that the interpreting and disseminating of the Information Center has had on the Silwan community. Previously, “most of the information regarding village events would be brought by governmental authorities or from settlers associations.” The center gave an opportunity for Silwan’s Palestinians to have their own voice about the issues most central to their community’s lives. Siyam believes the Information Center’s effects have been significant. He explained that the Center has brought, “awareness and information and power and energy to the people” of Silwan that has helped them to persevere in an otherwise trying environment.

While Madaa and the Information Center are not the same bodies, they are inextricably connected. They share the same physical space, as well as much of the same leadership, including Siyam as their director. But even more than that, the Information Center can in many ways be understood as an offshoot of Madaa. Without the position Madaa developed in the community, the Information Center would not have been possible. It would neither have been executed nor vested with the legitimacy to essentially be the spokesman and diplomatic arm of the Silwan community.

405 Wadi Hilweh Info Center Website, “About Silwanic.” (http://silwanic.net/?page_id=684)
407 Jawad Siyam, (Founder and Director, Madaa Silwan), interviews held in the Madaa office Jerusalem, Israel, 8 July 2010 and 8 August, 2011.
The Popular Committee of Wadi Hilweh

Within a year of its establishment, the Information Center had become the central force in mobilizing community protests and activism against what they considered further settler encroachment in Silwan. This increased political engagement of Silwan’s residents led to the community’s decision to elect a ‘popular committee’ in Silwan in order to represent the community both in communication with Jerusalem municipal authorities and in legal proceedings against illegal activity by settler groups. Half of the people elected to this new ‘Popular Committee of Wadi Hilweh’ were leaders of Madaa and/or the Information Center. Siyam believes the reputation they had earned in the eyes of the community through their work made them obvious choices to represent the community’s interests.  

In its first year, the Popular Committee already made strides in advancing some of Silwan’s most pressing needs. It secured court orders to temporarily stop illegal construction being done in conjunction with the development of the City of David site. In addition, in 2012, it was given an audience with the Israeli Justice Ministry to explain the rampant problem of child arrests in Silwan.

Case Conclusion

Madaa’s rapid growth as a multifaceted influential organization in Silwan is impressive. Though the long-term effects of its recreation and youth empowerment work remain to be seen, by Siyam’s assessment, the presence of Madaa has already been effective in nurturing the rising generation in Silwan. Incidences of youth violence have declined since the creation of Madaa, he explained. “[Madaa] changed [things] in the last few years. I didn’t say we stopped it [violence], but we changed a lot.” For example, rather than expressing their discontent with the presence of

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408 Siyam interviews.
settlers in their community by throwing stones or engaging in other violent behaviors, children are now much more likely to talk about it, and undertake acts of non-violent protest, like marching through the village and shouting at settlers.\textsuperscript{409}

In addition, through the cultural and community development work undertaken by Madaa, there has been a sea change in overall community organization and empowerment. The role Madaa has played and continues to play in the maturation of Silwan’s community is significant to a community long lacking effective means to combat the various problems it faced amidst the expansion of settlement. It is likely that without the work of Madaa such developments would not have happened.

\textsuperscript{409} Ibid.
Case Pairing 2: Stepping in Where the State Fails to Uphold its Basic Responsibilities of Defending Citizens and Non-Citizen Residents in its Midst: The Cases of Mishmeret Yesha and Yesh Din

Mishmeret Yesha

Over the years, longtime settler, Israel Danziger, has seen the situation gradually worsen for Jews living in settlements in the West Bank.\textsuperscript{410} For the first several years after moving to Kiryat Arba (the settlement adjacent to Hebron) in 1972, he was able to lead a stable and fairly normal life, raising a family and running a business, but by the 1980s, things had become much worse. Danziger’s business and property were repeatedly attacked by local Palestinians, and with increasing frequency and ferocity. By the time the First Intifada broke out, he was beginning to believe that his future—and that of all Jews—living in settlements was in danger. Danziger and a group of his peers realized they had to take action to change their situation of minimal protection in the face of increasing violence directed against them. They believed it was up to them to figure out how to defend themselves, because as Danziger explains, the group believed that, “no one [else] was going to do anything for us.”\textsuperscript{411}

In 1987 the group established a small organization, called Matir Asurim, to provide funds for the legal defense of individual settlers who were arrested while purportedly defending themselves or their property against attacks. By providing settlers the means to afford adequate legal defense, Matir Asurim hoped they would be more likely to stand up to attacks on their property and fight back without fearing legal consequences.

\textsuperscript{410} The facts of this case are based on direct field observation conducted by the author on 9 August 2011.\textsuperscript{411} Israel Danziger (Founder and Director of Operations, Mishmeret Yesha), interview held in his car while driving through the West Bank, 9 August 2011.
Over the next decade, the founders of *Matir Asurim* initiated a variety of other small projects, all aimed at providing Jewish settlers in the West Bank and Gaza Strip with assistance to help make their lives more secure and livable. But by 1998, as the leaders of the group sensed a second Palestinian *intifada* was imminent, they recognized they needed to do more to support Jews living in the territories. They decided this could best be done by consolidating their various projects into one streamlined umbrella organization. They named the new NGO Mishmeret Yesha (translated as ‘The Guardians of Judea, Samaria, and Gaza’). Over the ensuing 13 years, against the backdrop of violence, failed peace initiatives, and uncertain political destiny of Jewish settlements in the West Bank and Gaza Strip, Mishmeret Yesha substantially expanded both the range and breadth of its work. Throughout its existence, its overarching goal remained, “to do everything… [possible] to help the communities of Judea, Samaria, and Gaza.”

**Security Projects**

Over time, Mishmeret Yesha has become most known for its security work. Some regard it as the single most important NGO doing security work for Jewish settlements in the West Bank. This work is principally focused on the training and equipping of the Rapid Response Teams (RRTs) that Mishmeret Yesha has helped many settlements to establish. Each community’s RRT is comprised of a small group of its residents who act as a voluntary swat team. Mishmeret Yesha explains that if a settlements come under attack from a Palestinian infiltrator, the RRT is its first line of defense during the critical first 10 minutes or so until the IDF arrives. Although most settlements have a salaried, government-appointed security

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coordinator on site to periodically patrol the area, Mishmeret Yesha and many of the settlements it works with believe that this would likely be insufficient to counter a hostile infiltration.

Mishmeret Yesha believes that a properly trained and mobilized RRT can make the difference between life and death of residents living in a settlement.\textsuperscript{413} And indeed, in a few cases, RRTs have been able to do just that. In one example, two members of Kfar Etzion’s Mishmeret Yesha-trained RRT were credited with foiling an attempted terrorist attack in early 2008 at the Mekor Chaim yeshiva high school.\textsuperscript{414} The successful role the RRT played in saving the lives of countless counselors and students, can be viewed in direct contrast to a similar infiltration that would occur less than two months later at the Mercaz ha Rav yeshiva in Jerusalem, when a Palestinian gunman stormed a defenseless Beit Midrash killing eight students and injuring 11.\textsuperscript{415}

Mishmeret Yesha’s other security-related projects include: designing and manufacturing light-weight high quality bullet proof vests and other security and medical equipment, the establishment of early warning detection systems in settlements, and running a program to help facilitate the lending and sharing of one community’s extra equipment with others who do not have enough.\textsuperscript{416} Less known, but arguably equally important to the long-term survivability of settlements is Mishmeret Yesha’s work to help develop a new partially agriculture-based economy for settlers.

\textsuperscript{413} Danziger interview.
\textsuperscript{414} On January 25\textsuperscript{th} of that year, two members of Hamas infiltrated Kfar Etzion, and entered the Mekor Chaim yeshiva high school disguised as security guards. As they made their way towards a room full of students studying, they encountered a group of counselors who were on break. The terrorists ordered the counselors to line up against the wall—presumably with the intent of killing them. However, within the group of counselors were two members of the settlement’s RRT, who had gone through a Mishmeret Yesha training simulation only one week earlier. When told to line up, the two RRT members sprang into action, disarming the terrorists and killing one of them. (Ezra HaLevi and Josh Shamsi, “Heroism and Miracles in Gush Etzion,” \textit{Arutz Sheva}, 6 February 2008).

The head of the Yeshiva who witnessed the attack credits the response of the two to the training and equipment provided by Mishmeret Yesha. (Rabbi Dov Zinger, Rosh Ha Yeshiva (Yeshivat Mekor Chaim) and Oded Laub, Security Coordinator (Yeshivat Mekor Chaim) to Mishmeret Yesha, Kibbutz Kfar Etzion, 27 January 2008, Personal Files of Yisrael Danziger, Ofra, Israel).

\textsuperscript{416} Malka Eisenberg, “Stemming the tide of terrorism one vest at a time,” \textit{The Jewish Star}, 28 June 2012.
Challenges to Settler Reliance on the Road Network

Prior to the Second Intifada, there was limited need for most settlements to be anything more than purely residential communities. With many settlements easily commutable to Israel’s main cities and commercial centers, settlers could live in the territories, and easily work in Israel. In fact, a number of settlements were established for just that purpose—to be bedroom communities for commuters. However, during the Second Intifada, travelling on the road network connecting settlements to one another and to pre-1967 Israel became extremely dangerous for Israelis. Motorists were regularly assaulted by Palestinian stone throwing, firebombs, and sniper fire. The regular stories of civilians being attacked in their cars had the effect of cutting Israeli traffic on the West Bank road network down to a trickle.

Mishmeret Yesha believes that it was an intentional strategic focus of Palestinians to target Israeli motorists travelling on the roads between Israel and the settlements, so as to choke the settlement enterprise as a whole. It recognized that were a similar crippling of the road network to become the norm in the future, the settlement enterprise, as it was currently constituted, would be doomed. In such a scenario, no settlement could, in Danziger’s assessment, “in any way [be] self-sufficient on any level—whether it’s work, school, food, other supplies. They’re completely

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417 For the most part, the most populous settlements and settlement blocs (including the settlements in and around Ma’ale Adumim, Gush Etzion, Ariel, Karnei Shomron, Giv’at Ze’ev, and Kedumim) are located 20 km or less from the Green Line.


419 The chronicle of terror attacks during the Second Intifada reveals story after story of gruesome, fatal ambushes carried out against Israeli civilians travelling on roads in the West Bank. (Ministry of Foreign Affairs, “Victims of Palestinian Violence and Terrorism since September 2000.” (http://www.mfa.gov.il/MFA/TerrorismObstacle+to+Peace/Palestinian+terror+since+2000/Victims+of=Palestinian+Violence+and+Terrorism+sinc.htm).
dependent on the road network." Without the means to earn a living within the settlements, settlers simply could not survive financially without using the roads. Mishmeret Yesha understood the urgency of addressing this problem.

The Israeli government seemed to share the perspective of the vulnerability and indispensability of the road network. But as it is impossible to protect each individual car on the road, the best way it figured out how to provide settlers as safe as possible routes of travel was to construct new roads—roads surrounded by walls, security buffer zones, and other physical barriers between them and large population centers—and in some cases, roads limited to only cars with Israeli license plates. The construction of these more secure ‘bypass roads’ was identified as important even before the outbreak of violence in 2000. According to a report in the Israeli newspaper *Haaretz*, from 1994-2000, Israel spent NIS 900 million on the construction of bypass roads in the West Bank. When the violence erupted, annual expenditures on bypass roads grew even larger, with NIS 350 million spent in 2001 and 2002 alone.

Mishmeret Yesha believed that while these new roads may help in reducing civilian casualties, they alone would be insufficient in providing security to settlers who depend on the roads for their livelihoods. Therefore, it determined that the key was to figure out how to make the roads less important to the settlement enterprise. Though settlements would never be able to survive as purely self-contained entities, Mishmeret Yesha reasoned, they could to a much greater degree if their residents had some means for earning a living without having to travel on the roads. It determined that the best way settlers could earn a living locally was through agriculture; there was plenty of unused land either inside of or within safe distance from settlements that settlers could use to raise livestock or grow olives, grapes, or other produce. This

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420 Danziger interview.
notwithstanding, Mishmeret Yesha also recognized that there were a number of significant factors hindering settlers’ ability to earn their living from agriculture. For one, many simply did not have the skills in farming and raising livestock. Second, there was often ambiguity as to who owned and/or had the right to cultivate unused land near settlements. Third, much of the land was not in the condition to be farmed. And finally, even if Jews had the skills and access to land, they might be vulnerable to being harassed or physically assaulted by Palestinians, who, themselves, claimed rights over the land. Bearing this all in mind, Mishmeret Yesha developed a battery of programs to help give settlers the skills, access, and protection necessary for them to be able to earn a living as farmers.

**Training in Agriculture**

In one of its newsletters, Mishmeret Yesha argued that over the last 40 years “the state of Israel has left behind its pioneering roots, spirit, and values” and as a result “Jewish labor has suffered greatly” with non-Jews now dominating skilled trades and agricultural work in Israel.\(^{422}\) A people who two generations earlier had built a country through working the land, it contended, now lacked the basic skills to do so. Mishmeret Yesha first addressed these issues by running two- or three-day courses in many settlements, in which it brought Jewish residents into the fields to teach them rudimentary skills in planting and irrigating, and raising chickens, goats, and sheep. As it ran the trainings, it gradually developed the idea that a more formal and comprehensive training program was necessary. This culminated in late 2009, with the opening of a trade school in Nachliel, a settlement 35 kilometers north of Jerusalem in a rural area of the

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West Bank. The school offers training in agricultural skills, as well as in various building trades, including wood work, metal work, and stone work. As of 2011, roughly 60 students were attending the school at any one time. Mishmeret Yesha envisions that the school will grow much larger with time, ultimately producing a cadre of skilled farmers and workers. While it claims the school is intended for all Jewish Israelis to prepare them for work in any part of Israel, its focus has clearly been on settlers and work in the settlements, as approximately 90-95% of its students to date have come from the settlements.\textsuperscript{423}

‘Reclaiming the Land’

In addition to training programs, Mishmeret Yesha runs what it calls ‘land reclamation projects’. Much of the uncultivated land adjacent to settlements is considered state land by Israeli law.\textsuperscript{424} Mishmeret Yesha claims that most of it had originally been earmarked for the future expansion of the settlements, but with the signing of the Oslo Accords, expansion of settlements into these vacant tracts was no longer permitted. Danziger notes how the Palestinian Authority’s (PA’s) ministry of settlement shrewdly recognized and took advantage of these restrictions. “[The PA] said, ‘While they [Israelis] are bound by the Oslo agreement [to not expand settlements into adjacent lands], we’re going to jump the gun and do whatever we can. Take over what we can. Seize whatever we can—especially around the \textit{Yishuvim} [settlements].’”\textsuperscript{425} Through its ‘\textit{Ovdei Haaretz}’ (workers of the land) initiative, Mishmeret Yesha

\textsuperscript{423} Danziger interview.  
\textsuperscript{424} See page 6-9.  
\textsuperscript{425} Ibid.
mobilizes masses of volunteer youth to “reclaim” this land. This includes clearing, fencing, planting, and irrigating on mainly previously untilled land.\textsuperscript{426}

In most cases, the land reclaimed through the \textit{Ovdei Haaretz} project had been fallow—rocky hilltops or valleys—but in some cases, it was being used by Palestinian farmers. Mishmeret Yesha contends that in these cases, it is still within its rights to take possession of the land. Since it was being carried out on Israeli state land, the Palestinian agricultural use of the land should be regarded as illegal. In an environment it regards as one of \textit{de facto} lawlessness, with no Israeli bodies preventing illegal Palestinian land seizure, Mishmeret Yesha considers it unequivocally within its right to do so.\textsuperscript{427} The sum total is that over the last several years, the work of the \textit{Ovdei Haaretz} project has “reclaimed thousands of acres of land throughout the West Bank, and planted tens of thousands of acres of olive trees and grapevines on it.\textsuperscript{428}

\textbf{Self-Defense Training}

Not surprisingly, the expansion of Jewish agriculture onto lands either uninhabited or used by Palestinian farmers has in many cases engendered hostile opposition from local Palestinians. Though most portrayals of conflict between settlers and Palestinians in the West Bank focus on Israeli violence or other illegal activity against Palestinians, it needs to be understood that there are numerous instances of the converse as well. Examples of such violence appear in a 2007 report entitled ‘\textit{Mi Yagen al Etz Hazit Sheli?}’ (translated as ‘Who Will Protect My Olive Tree?’). The report, issued by an NGO called ‘the Human Right Organization of Judea

\textsuperscript{426} Mishmeret Yesha reports having reclaimed thousands of acres of land in this fashion (Mishmeret Yesha, “Mishmeret Yesha informational brochure”, February 2010).

\textsuperscript{427} When asked what deterrents exist to prevent such seizures, he explains, “There is no Israeli law here. There’s no law altogether. It’s all by power of gun here and of course political correct[ness]…. Why not [do it]? Who’s going to go into the village [and stop us]?” (Danziger interview).

\textsuperscript{428} “Mishmeret Yesha informational brochure.”
and Samaria’, chronicled extensive vandalism and intimidation of Jewish farmers perpetrated by Palestinians. By the late ‘00s, Mishmeret Yesha recognized that instances of Palestinians confronting Jewish farmers working in the fields were becoming more frequent and more physical. Though the IDF is responsible for the security of the agricultural process in the West Bank, it tries to stay out of every skirmish, enforcing only a handful of rules to maintain a basic semblance of order. One rule is that anyone who draws a firearm or is accused of drawing a firearm in the course of an argument has his weapon confiscated—this holds for both settlers and Palestinians. Mishmeret Yesha notes that when Jewish farmers lose their weapons in this way—which many have—they become especially vulnerable to subsequent violent attacks. Some have reasoned that due to the importance of ensuring they have a weapon in their homes to protect their families in case of a violent home intrusion, they cannot even risk the possibility of losing their weapons in the fields, and thus now work in the fields vulnerably unarmed.

Bearing this all in mind, Mishmeret Yesha began an intensive effort to train settler farmers in hand-to-hand self-defense skills. The trainings usually consist of experts in hand-to-hand combat visiting settlements to offer multiple-week courses in various self-defense techniques. They also

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429 Some examples of violence done to Israeli farmers and their property include the following incidents: “The torching of 900 dunams of grazing ground, a stable, and 30 pomegranate trees belonging to Yehuda Cohen of Bat Ayin. Shamai Pozak at Ofra had young saplings chopped down, tons of grapevines destroyed before the harvest, and irrigation pipes torched. Moshe Kedem of Pnei Kedem had 500 olive tree saplings uprooted. At Sde Calev, in the Hebron Hills region, arson consumed more than 100 cherry trees, and assorted buildings and storage sheds were set on fire. Just recently, another 400 grapevines were uprooted. Shlomi Cohen’s vineyard in the Dolev region was uprooted four times, which finally prompted the Shin Bet security service to investigate. Suspects were subsequently arrested, but the Shin Bet does not ordinarily get involved in these cases.” (Human Right Organization of Judea and Samaria, Mi Yagen al Etz Hazit Sheli?, (Israel: Human Right Organization of Judea and Samaria. 2007)). The preceding excerpts were quoted from: Nadav Shragai, “Settlers: Palestinians vandalizing Jewish farmers’ property,” Haaretz, 20 November 2007).

430 In the more than four decades in which the Israeli military has been responsible for security in the West Bank, many orders have been issued that reiterate the IDF’s responsibility to protect Palestinian agriculture. See for example, Israeli Military Order No. 1015 “Concerning Monitoring the Planting of Fruitful Trees” Issued by Uri Or-Aluf, Commander of the Forces of the Israeli Defense Army, West Bank Area. 27 August, 1982.

431 Danziger interview.

432 Aharon Pulver (Executive Director, Israel Independence Fund), interview held in Kfar Vradim, Israel, 7 August 2011. The Israel Independence Fund, which provides funding for Mishmeret Yesha, is an organization founded in 2007, according to Pulver, in order to “strengthen the Jewish and Zionist ethos of Israel from within.”
work to help farmers develop better instincts and awareness of their surroundings so that they are better able to anticipate danger and prevent attacks from occurring.

Case Conclusion

Throughout its history, Mishmeret Yesha has repeatedly identified what it has felt are the most crucial needs for the protection of settlers and settlements. They see the Israeli government as grossly failing to provide its citizens living in the West Bank with these basic protections. It has no expectations that conditions will improve. It expects Palestinians to become more hostile towards settlements, and the Israeli government not to take adequate measures to protect settlers. Mishmeret Yesha thus takes matters into its own hands. For whatever it identifies as a vulnerable area, it attempts to develop and provide training and equipment to aid settlers in their quest to provide for their own security and well-being.
Yesh Din

Hassan is a Palestinian farmer from the village of Si’ir, just northeast of Hebron. Part of the land he owns is a small field approximately four kilometers from his village, that for whatever his reasons, he had not farmed for many years. One day in July 2011, he went to visit the land. When he arrived, he was stunned to find it covered with over 500 newly planted grapevines. Hassan assumed that the planting had to have been the work of local settlers, as his plot abuts the perimeter fence of a settlement (alternatively known as Asfar, Metzad, and Metzad Asfar). Yet, he did not know what he could do about it. Recalling many stories he had heard of settlers committing unprovoked violent assaults against unarmed Palestinian farmers in the West Bank, Hassan reasoned that trying to confront the settlers and assert control over his land was a fruitless, not to mention an intimidating, or even dangerous proposition. The other logical recourse would seem to have been filing a criminal trespassing complaint with the Israeli police, the body officially responsible for maintaining law and order amongst civilians in Area C of the

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433 Some of the facts of this case are based on direct field observation conducted by the author on August 9th, 2011. The name of the actual Palestinian farmer from Si’ir has been changed.

434 While there is often ambiguity in cases like this, in which Palestinian farmers and the Israeli land registry differ as to who owns a plot of land, there was no ambiguity in this case. Hassan’s family’s ownership of the land, was supported by not only family narrative and the Ottoman-era deed to the land it possessed, but by an official Israeli government letter attesting to his family’s ownership. In 1983, the government had declared Hassan’s family’s plot to be state land. The family, in turn, challenged the decision in court. The court ruled that the family’s claim to ownership was indeed valid, and that the government would need to change the designation of the plot from State land to privately owned Palestinian land, which it summarily did. (Mohaned Anati (Field Researcher, Yesh Din), interview held while touring the group’s work in the West Bank, 9 August, 2011.)

435 Yesh Din considers land like Hassan’s a ‘no-go zone’, which it describes in the following way: “In areas surrounding settlements and outposts… Palestinians often face armed settlers [whose presence]… ensures that the land is virtually abandoned by its fearful owners.” (Yesh Din website, “Criminal Accountability of Israeli Civilians.” http://www.yesh-din.org/cat.asp?catid=3). The following anecdote, for example, is considered emblematic of the problem: “AT owns land located 300 meters away from a known Outpost. On 3 September 2009, while he was picking figs from trees on his plot, he was attacked by three Israeli civilians–two were masked and carried axes, and the third, unmasked, carried a large stick and had a large dog with him. The three attacked AT, beating his back and chest with the stick and ax handles. They were soon joined by another three masked men. The attackers removed AT’s belt from his pants and beat him with it on the head and face. Next, they stripped him, took away his clothes, shoes and wallet, containing his ID documents and 200 shekels, and left him in his underwear. When AT started walking toward his home, they threw stones at him.” (Yesh Din, “Monitoring Update: Law Enforcement upon Israeli Civilians in the West Bank”, Data Sheet released February 2011, 8.)
West Bank. But in matters like this, the reputation had grown within rural Palestinian society, that the Israeli police were not interested in enforcing justice—the police made it very difficult for Palestinians to file claims, and in cases in which Palestinians actually did file claims, police did not usually treat their cases very seriously. To whatever degree this perception of obstruction may have been accurate, the fact is that Palestinians believed it to be the case. Or as former IDF general and head of military intelligence and current member of Yesh Din’s public council Shlomo Gazit noted, the typical Palestinian resident in the West Bank feels that he is “unable in most cases to stand up for his rights and to find his way in the State of Israel’s civil and military bureaucratic maze.”

**The Creation of Yesh Din**

It is cases like Hassan’s that led a group of volunteers to establish an NGO in 2005 called Yesh Din (translated as ‘There is justice’). Most of Yesh Din’s founders had been volunteers at Machsom Watch, a related NGO that monitors that rights of Palestinians are being properly upheld at checkpoints. Their experience at Machsom Watch made them aware of issues of justice and rights for Palestinians beyond what was happening at checkpoints. They came to regard settlers’ activity as a general spate of lawless behavior committed for the purpose of

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436 By Israeli Military Order 947, the ‘Civilian Administration’ was established in 1981. Taking into account what it identified as, “the need to maintain an orderly administration and public order in the region,” the Civilian Administration would maintain the responsibility to “administer the civilian affairs in the region... for the well-being and good of the population...” (Israel Military Order No. 947 (“Concerning the Establishment of a Civilian Administration”), 1981).

437 Joel Klemes (Volunteer, Yesh Din), interview held in his car while touring the group’s work in the West Bank, 9 August, 2011. Yehudit Elkana (Interim Director of Steering Committee, Yesh Din), interview held in her home Jerusalem, Israel, 21 June, 2010; Anati interview.


439 Elkana interview.

440 Machsom Watch, itself, was a spinoff organization, founded in 2001 by members of ‘Women in Black’, the first major women’s peace movement in Israel.
expanding their dominion over West Bank land; and the Israeli law enforcement system designed to combat such lawlessness as grossly insufficient to deal with the problem.\footnote{441} In this environment, they believed Palestinian farmers had no good options for addressing the violence, intimidation, and dispossession they faced, and thus stood a low likelihood of actually standing up to settler encroachment.\footnote{442} The group’s founders resolved, therefore, that Yesh Din would aim to counter these trends by working to spread more complete law enforcement throughout Area C of the West Bank.\footnote{443} Yesh Din’s mission was not to be about settlements, per se, but in its leaders’ opinion, as the \textit{modus operandi} of activist settlement expansion was the ability to commit unchecked, lawless activity against Palestinian farmers and landowners, Yesh Din’s work would run in direct opposition to pro-settlement efforts.\footnote{444}

\footnote{441} “Yesh Din, “Monitoring Update: Law Enforcement upon Israeli Civilians in the West Bank”, Data Sheet released March 2012.

\footnote{442} According to the “Criminal Accountability of Israeli Civilians” section on Yesh Din’s website: “The failure of law enforcement in the OPT has led many Palestinians to refrain from filing complaints when attacked. Those who do have little hope for redress. Importantly, the State’s ongoing failure to instate criminal accountability of violent settlers inadvertently empowers them and supports the continuation of their strategic brand of violence.” (“Criminal Accountability of Israeli Civilians”).

\footnote{443} In this context, it is important to note that Yesh Din only works with what it regards as under-application of the laws that Israel itself claims to guarantee West Bank residents, unlike other human rights NGOs, such as B’tselem, that base much of their criticism of Israel on what they allege to be violations of internationally defined human rights laws and norms. As such, Yesh Din only assists Palestinians when they have Israeli documentation attesting to their ownership of certain land. Yesh Din does not get involved in arguing for what some contend are injustices in how Israel has dealt with undeeded land (i.e. its halting of the Jordanian land registration process, its decisions to declare large tracts of unregistered land as state land, its granting of state land to settlements, or its non-recognition of individual Palestinian attestations to longtime family ownership (see page 6-9)). So while Yesh Din is considered a ‘human rights organization’, it would probably be more accurate to describe its work as fighting for the application of legal \textit{civic} rights for Palestinians.

\footnote{444} There are two distinguishing characteristics of Yesh Din that the organization’s leaders consider to be central to its identity that are not pertinent to this study. Yet, as they are core components of the organization’s self-understanding, they warrant mention. The first is that volunteers play a critical role in the organization’s activities. The second is that almost all of its volunteers are women. Both of these are by design. Though the organization employs an executive director, administrator, legal and development teams, and four field researchers responsible for developing in-roads into Palestinian communities affected by settler activity, it is the volunteers that travel into the field to take testimonies of alleged victims, help them to understand the legal means at their disposal, accompany them to file reports, and take their power of attorney. Of the 25-30 active Yesh Din volunteers, all but two are women. Yehudit Elkana, a key organizational leader, explained that the personal experience of Yesh Din’s founders when working with Machsom Watch demonstrated why this was the preferable composition. While she noted that some argued for this makeup from a “radical feminist perspective”, there was, what she identified as a very “practical reason” compelling them, as well. “Having men do the shifts with us [at Machsom Watch], was immediately a kind of macho-macho interaction—a negative interaction with the soldiers, because the men could very easily become very aggressive and say, ‘Yes, I was in company #890 of the parachutists, and you don’t tell
Strategic Approach

Yesh Din has undertaken two main strategies to address these issues. One strategy, which has been at the core of its work since its inception, is to push for the activation of more consistent and complete law enforcement. The main components of this work are: (a) taking testimonies from Palestinians claimants, (b) accompanying them to police stations to file their reports, (c) following up to help oversee that investigations are being handled seriously and responsibly, and (d) documenting the degree to which it believes laws are properly enforced. In the next pages, we will look at each of these in greater detail based on the experience of Hassan, the farmer from Si’ir, whose case we introduced at the beginning of this section.

Yesh Din’s other main strategy is its ‘Land Advocacy Project’ (LAP). Begun in 2007, when Dror Etkes, the longtime director of Peace Now’s Settlement Watch joined Yesh Din, the LAP is a project that uses the Israeli court system to force the Israeli government to act against settler seizure of private Palestinian civilians’ Israeli-recognized legally deeded land. Etkes had begun initiating such legal activity while still working at Settlement Watch, but upon his arrival at Yesh Din, he vastly increased the scale of the LAP.

Since the LAP has been a part of two distinct NGOs (Peace Now/Settlement Watch and Yesh Din), it can be discussed in the context of either. I have decided it more helpful to include it in the discussion of Peace Now/Settlement Watch. As such, we will discuss the LAP in much greater detail later in this chapter.
Taking Testimonies

Faced with what he believed to be no good options for re-obtaining his land, Hassan contacted Yesh Din to see if it could help him pursue legal action. A Yesh Din field researcher and volunteer subsequently came to Hassan’s home to record his account of what happened.

Yesh Din collects such testimonies for several reasons. First, the process allows it to assess whether it believes a violation of rights occurred and, if so, to recommend an appropriate course of action. Second, as testimonies are typically taken in the homes of the Palestinian accusers, in Yesh Din’s opinion, this helps to build their trust that the organization is working in their interests. Yehudit Elkana, one of Yesh Din’s core lay leaders, believes this format to be a big part of why Palestinians, who might otherwise be skeptical of Israelis, are willing to talk to Yesh Din representatives as openly as they do. She explained, “We are volunteers—mostly elderly women. Going out to the West Bank, being their guests, drinking coffee with them. [It gives them] some sort of an atmosphere which is different than [it would be with] paid officials…that would try and do the same thing.” As Yesh Din is only able to fully conduct its legal advocacy work in cases in which Palestinian claimants grants the organization power of attorney over their cases, building such trust is essential. One additional reason why Yesh Din takes testimonies is that it is attempting to collect as much testimony as it can of cases of alleged abuse of rights to help inform the research reports it publishes.

Filing Claims

After taking Hassan’s testimony, the Yesh Din team instructed him that if he hoped to press his claims, he would have to file a formal complaint with the Israeli police against the

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445 Elkana interview.
settlers from Metzad Asfar. Yesh Din offered to have a team accompany him to the police station—which Hassan accepted. The organization offers such accompaniment for two reasons. First, it believes this helps provide claimants with better explanations and support to help them weather what many find to be a convoluted and intimidating process. Second, from its experience, Yesh Din believes that the presence of Israelis accompanying a Palestinian claimant makes it likely that he will face fewer obstructions in the process of filing his complaints.

On the morning of August 9, 2011, I joined Mohaned Anati, a Palestinian-Israeli Yesh Din field researcher and Joel Klemes, a Jewish-Israeli Yesh Din volunteer as they picked up Hassan and drove him to the nearest police station, 13 kilometers from his home, located in the Alon Shvut settlement within the Gush Etzion settlement bloc.

From my own perspective as an observer, the station projected a rather unwelcoming appearance, consisting of a series of trailers behind bars and a locked gate. Anati rang the buzzer over and over again, but no one answered. This continued for 10 full minutes until a police officer finally came out, questioned why Hassan was there, and ultimately escorted him inside. After another 10 minutes, the officer re-appeared, and asked whether Anati would translate for Hassan, as Hassan did not speak Hebrew and no officers spoke Arabic. Anati declined, explaining that it is Yesh Din’s policy to not intercede in any way with the actual filing of complaints. It maintains this policy, so as to ensure that defense attorneys cannot later claim that the organization improperly interfered in the accurate reporting of a claim. Through the open door, however, Anati saw another officer he had previously met, whom he insisted knew how to speak Arabic. The original officer dismissed Anati’s claim, maintaining that there were no Arabic speakers on duty, and instructing Hassan that if he wanted to file a complaint, he would need to do so that afternoon at a police station 20 km away in the Kiryat Arba settlement.
Klemes reflected that from what he has witnessed on his numerous trips accompanying Palestinian claimants to police stations, Hassan’s futile experience that day was typical for Palestinians seeking to file complaints against settlers. Sometimes claimants wait for hours at a police station before being told to go to a different station or come back on a different day. Sometimes the stations they are sent to are physically located inside a settlement’s gates. Klemes explained that in such cases, even before getting to the station, claimants may face hours of sitting at the entrance gate to the settlement waiting for a police officer to even inquire why they want to be let in to file a claim. Thereafter, they might encounter more logistical obstacles, similar to those experienced by Hassan. Not to mention, that visiting settlements—especially more ideologically driven settlements like Kiryat Arba—may be sufficiently intimidating to Palestinians as to sway them from continuing the claim filing process. Finally, the fact that the body charged with administering law enforcement over an area populated predominantly by Palestinians may not have any Arabic speaking officers on duty, as we saw in Hassan’s case, may suggest to Palestinians an inaccessibility to the justice system, both practically and symbolically.

Yesh Din contends that the sum total of the various obstacles encountered by Palestinian claimants has resulted in the reputation spreading amongst Palestinians that going to the police is a frustrating and usually pointless endeavor. The ripple effects of this perception is that many Palestinians do not report their grievances to the police, and in so doing, forfeit their legal recourse. Yesh Din estimates that,

in some parts of the West Bank [incidents of intimidation, violence, and theft are] a daily occurrence, and the vast majority is not reported…Palestinian residents refrain from reporting attacks by settlers for various reasons, including a lack of confidence in the law enforcement
system in the West Bank and fear of reprisals from settlers or security personnel against those who file complaints.\footnote{Lior Yavne; Mikha'el Sefarad (Yesh Din: Volunteers for Human Rights), \textit{A Semblance of Law: Law Enforcement upon Israeli Civilians in the West Bank}. (Tel Aviv, Israel: Yesh Din, Volunteers for Human Rights. 2006), 25.}

The result of this is that the number of reported grievances of violent incidents committed by settlers is likely only a small fraction of the actual total.

**Follow-up and Legal Action**

After claimants file complaints with the police, Yesh Din requests that they authorize the NGO to have power of attorney over their claims; this allows Yesh Din’s legal department to conduct official follow-up inquiries with the police into the status of the investigation. Yesh Din believes that the presence of Israeli advocates versed in the law leads to more serious treatment of Palestinians’ cases. This all notwithstanding, from Yesh Din’s perspective, follow-up by law enforcement is grossly inadequate,\footnote{“Criminal Accountability of Israeli Civilians”.} and systemic changes are necessary. For this reason, in certain cases, Yesh Din actually files legal suit on behalf of the Palestinian claimant. It does so in hopes of achieving “precedent-setting rulings that will affect change in policy, and institute long-lasting and sustainable reform.”\footnote{Ibid.}

**Reporting**

Yesh Din periodically issues reports on the aggregate rates of law enforcement in the cases it handles. As the only source that publicizes what Yesh Din considers to be Israel’s failure to provide adequate law enforcement for Palestinians in the West Bank, these reports can offer
insight into specific shortcomings and make recommendations for how the police and army can make procedural changes to provide more thorough law enforcement. For example, in one of its reports, Yesh Din noted that a startling “90% of the investigations in the cases monitored by Yesh Din were closed on grounds that reflect failure on the part of the investigators. By its read, “these failures derive from systemic investigatory faults and failures when addressing offenses perpetrated by Israeli civilians against Palestinians in [the West Bank].” The report cites a previous Yesh Din report that “pointed out that more than 50% of the investigation files examined failed to meet appropriate police standards and were characteristically sloppy, unprofessional and ignored basic investigation procedures.”

This is especially egregious, as it estimates that the number of cases it is aware of are only a small portion of total infractions. Furthermore, there are many cases that Yesh Din is aware of that do not end up reflected in the statistics because the claim filing process is not completed or falls out of the organization’s purview.

Such is the case with Hassan’s situation. After filing his claim, Hassan declined to provide Yesh Din the power of attorney to follow up. As such, Yesh Din does not know whether the police ended up filing charges—or much less, even conducting a full investigation. Though it cannot say conclusively, it assumes that most likely nothing was done to counter the settler takeover of Hassan’s land.

Case Conclusion

It is difficult to assess Yesh Din’s impact to date. It has played a role in raising awareness of lawless activity taking place in Area C of the West Bank, to various audiences, including the

\[449\] 'Law Enforcement Upon Israeli Civilians in the West Bank’, 2011, 2.
\[450\] Ibid.
Israeli government, the Israeli public, and the international community. By bringing this picture of the West Bank closer to mainstream Israeli focus, Yesh Din has hoped to gradually make progress in compelling the Israeli government to address the problem. For example, in its most extensive report, *A Semblance of Law: Law Enforcement upon Israeli Civilians in the West Bank*, Yesh Din argued that both the police and the army were falling well short of their government-mandated responsibility to provide sufficient law enforcement in the West Bank and offered some suggestions for improved practice. In response, although each body defended its records in law enforcement, it likewise acknowledged that providing adequate law enforcement around the violence, intimidation, and dispossession surrounding land disputes in the West Bank was an unimaginably large task—effectively beyond their capacity to carry out.\(^{451}\) In so doing, both the police and army essentially endorsed Yesh Din’s chief organizational claim that settlers carry out and very often get away with lawless behavior in the West Bank. The implication in their acknowledging this problem was that they believed there was space for other bodies to help promote more complete law enforcement. Such an achievement, Yesh Din believes, is the first step to making important systemic changes.

On a more micro level, Yesh Din has helped to increase the number of Palestinians coming forward to press their legal grievances. Elkana explains that whereas complaints used to not be filed at all, they now are to at least some extent. With increased reporting of grievances, there have been preliminary changes to the law enforcement process. With each change, she

explained, Yesh Din sees justice as one step closer to being carried out—even though she admits that there is a very, very long way to go.
Case Pairing 3: Fighting an Agricultural War of Attrition to Ensure West Bank Land is in the Hands of its Rightful Owner: The Cases of Rabbis for Human Rights and Women in Green

Women in Green

In response to the signing of the Oslo Accords in 1993, 28-year-old olah Nadia Matar and her mother-in-law, Ruth Matar, began organizing protests against what they regarded as Israel’s betrayal of the Jewish people. Driven by both political and theological outlooks, they believed that all of Eretz Yisrael (the ‘Land of Israel’)\textsuperscript{452} belonged to Jews, and therefore, compromise over control of any of the West Bank or Gaza Strip was both politically unwise and theologically forbidden. The group, which quickly attracted a dedicated following, formally established itself in 1994 as an NGO named ‘Women for Israel’s Tomorrow’, but became commonly known by its nickname, ‘Women in Green’.\textsuperscript{453} During the 12-year period between the signing of the Oslo Accords and the 2005 Gaza withdrawal, the group carried out some of the most notable and brazen demonstrations in Israel.\textsuperscript{454} But following the shock and disappointment of the Gaza

\textsuperscript{452} In the group’s opinion, the ‘Land of Israel’ includes, at least, the official state boundaries of the Israeli state, as well as the West Bank and Gaza Strip.

\textsuperscript{453} In order to demonstrate what it regarded as the folly of contracting Israel to the skinny pre-1967 borders, or the ‘Green Line’, as it has become commonly known, the Matars encouraged women attending early rallies to come wearing green hats. The Jerusalem Post dubbed the group ‘Women in Green’ as a play on the famous Israel women’s peace group ‘Women in Black.”

\textsuperscript{454} In its early days, Women in Green’s goal was to attract attention to its position on the Oslo Accords by engaging in high profile—even inflammatory acts of protest. When its demonstrations did not attract much press coverage early on, the group decided it would, as Matar explains, ‘go where the cameras were’. (Nadia Matar, (Co-Founder and Co-Chair, Women in Green), interview held in her car while touring the group’s work in Alon Shvut, West Bank, 11 August, 2011).

For example, it would find out where Prime Minister Yitzhak Rabin and Foreign Minister Shimon Peres (the Israeli leaders most responsible for the Oslo Accords) were scheduled to appear in public, and would show up and engage in flamboyant protest in front of the already present media. Women in Green’s aggressive strategy led to clashes with police on a number of occasions. Another notable example was its response to settler Baruch Goldstein’s 1994 massacre of 29 Arabs praying in Hebron, which had prompted near universal outrage amongst Israelis. When the Israeli High Court of Justice convened to begin its investigation of the attack, Women in Green organized a protest outside of the court building, demanding that the court also “investigate the killings of 33 Israeli
withdrawal, in which some of its leaders witnessed first-hand as Jewish settlers were being forcibly evicted from their homes, Women in Green underwent a period of organizational introspection. The group acknowledged that irrespective of its best efforts up until that point, its vision for the future of Israel was being dealt a serious blow, and that Jewish settlers in the West Bank realistically might soon be facing the same fate as those in Gaza.

Women in Green emerged from this experience a re-invented movement, changing both its focus and strategic approach. Rather than continuing to fight the larger issue of the peace process, its leaders reasoned that they stood to have a greater direct impact if they campaigned for smaller issues like maintaining Jewish sovereignty over discrete spots of disputed land. From a tactical perspective, where Women in Green had previously focused on screaming from the rooftops—organizing demonstrations and trying to attract media attention, it decided that in closer keeping with the tradition of Zionist activism, it would focus less on speeches and more on creating facts on the ground.

This change in philosophy was largely inspired by Yehudit Katsover, a new co-director of Women in Green, who had joined the organization following Ruth Matar’s retirement in 2006. Katsover was a veteran settler activist, who, most notably, had been among the original group of women that squatted for 9 months in the Beit Hadassah building in Hebron in 1980. From her experience at Beit Hadassah, Katsover developed a distinct formula for conducting effective activism that she brought to Women in Green to help revamp and re-energized the organization. It included three components: First, rather than fighting over big-picture ideological or political visions of the fate of the whole West Bank, identify a discrete site to fight for and then demonstrate holistic commitment to that site by maintaining a consistent physical presence there.


See page 12.
Second, raise awareness on the fight for the chosen site through an aggressive, targeted public education campaign. And third, reach out to politicians to find an advocate to push the issue on to the broader political agenda.


Women in Green unveiled its new approach in a variety of campaigns it ran between 2006-2010. First, in 2006-2007, it joined with other local groups to push for the opening of the Zaatra bypass road, a newly constructed road connecting the-then relatively isolated settlements in Eastern Gush Etzion to Jerusalem. With the opening of the road, what was a 45-minute commute to Jerusalem could shrink to roughly 10 minutes. The road had been commissioned and constructed during the Second Intifada, but its opening was controversial due to how the shortened commute time that it created integrated settlements in Eastern Gush Etzion more closely into the metropolitan Jerusalem area, thereby vesting them with a greater degree of symbolic permanence. The groups achieved a breakthrough in August 2007, with the announcement that the road would indeed be opened. Though the details of what exactly influenced the decision to open the road are not clear, Women in Green claimed a share in the victory.

The organization’s next focus area, and arguably its biggest success to date, was its 2008-2010 fight for Shdema—a former Israeli army outpost in the West Bank located on a hilltop overlooking the Bethlehem metropolitan area and the Jewish settlements in Har Homa and Gush

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457 Making such a statement was especially controversial at a time when the Kadima/Labor coalition government was attempting to jump-start stalled peace negotiations with the PA.
Etzion. Though Israel had decided to close the outpost in 2006, the Shdema hill itself remained part of ‘Area C’—and thus still under full Israeli legal jurisdiction. However, in early 2008, a report in the newspaper *Hatzofeh* indicated that as part of a series of gestures to move the stalled peace process along, the Olmert government had agreed to cede control of the Shdema to PA. Learning of the impending transfer of the Shdema in April 2008, Women in Green immediately made Shdema its main organizational focus. Beyond its dissatisfaction with the idea of ceding any additional land to Palestinians, Women in Green believed that the Shdema hill held specific strategic importance to future Israeli control of Gush Etzion and even Jerusalem.

Women in Green focused almost exclusively on the Shdema issue for two years. Its work included a battery of activism, publicity, and lobbying. Finally, in early 2010, it received the news that the Israeli government had decided to reverse course on Shdema—choosing to retain control of Shdema and even to re-open the army post.

Though it is hard to prove direct causality between the work of Women in Green and the success at Shdema, it can, at the very least, be argued that Israel’s reversal in course regarding Shdema was abetted by all of the attention Women in Green brought to the issue, as it was a non-issue before Women in Green’s campaign.

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458 The decision on why to close the camp was not stated, but it can be inferred that it was probably deemed not strategically important enough to maintain a military presence at Shdema, with the larger Herodian camp only a few miles kilometers away.

459 Palestinians welcomed the impending handover of the Shdema (or Ush Ghurab as they call it). It would have made sense that they coveted the hill if for no other reason than it was the one island of Area C terrain surrounded entirely by PA-administered Area A land. But beyond that, plans were unveiled for a construction project that would essentially integrate Shdema/Ush Ghurab into the adjacent Arab village, Beit Sahour, through the construction of a large complex, with a sports center, a restaurant, and an orthopedic hospital on the hill and its adjacent valley. In 2007, Beit Sahour submitted a request to the Israeli Ministry of Defense for this project. Though the request had not yet been granted, there was speculation that permission was imminent. Funded largely by grants from EU-affiliated organizations and USAID, Palestinians broke ground on the project in early 2008. (Nate Wright, “Bypassing Bethlehem’s Eastern Reaches,” *Middle East Report*, 7 October 2008.)

460 While Women in Green would have fought against the handover of land anywhere, it regarded Shdema as more than a contested hilltop or symbolic statement, but rather an essential Jewish foothold in the cross roads of North-South axis of Jerusalem-Har Homa-Eastern GE (Tekoa/Nokdim) on the one hand and the Bethlehem/ Bayt Sahur to Southern suburbs of East Jerusalem—the expanded metropolitan area of a possibly eventual Palestinian capital.
Following the Shdema campaign, Women in Green replicated the model over another recently closed army base—the Adurayim base—located in the southern West Bank, near settlement of Beit Hagai. In December 2010, this base was likewise re-opened.\footnote{Hillel Fendel, “Keeping a Former IDF Base Jewish,” \textit{Arutz Sheva}, 2 December 2010.}

\textbf{Netzer}

As it was enjoying the outcomes of the Shdema and Adurayim campaigns, Women in Green first became aware of what it regarded a much larger problem, and one that would take substantially more work and energy to fight for. From that point in 2010 on, Women in Green’s work has focused on an area known as Netzer. The group’s work in Netzer is a good example of its new model of activism, and demonstrates the degree to Women in Green truly appears dedicated to fighting over \textit{every} inch of land in \textit{Eretz Yisrael}.

Netzer is a small cluster of uninhabited hills and valleys stretching across the two short kilometers between the Elazar and Alon Shvut settlements in the Gush Etzion bloc. Aside from a small portion of land privately owned by Palestinians, nearly all of Netzer is legally classified by Israel as state land. Women in Green contends that the residents of Alon Shvut and Elazar assumed that the Israeli government would eventually designate the state land in Netzer as legally part of their two communities, thereby allowing them to construct new homes and roads to accommodate their growing populations.

However, in late 2009, Women in Green became aware that Palestinian farmers had been quietly engaged in a campaign of legal seizure of state land over the past several years, that if unabated, would eventually render impossible the idea of future Jewish expansion into Netzer.
Making use of the peculiar ‘article 78’ of the Ottoman Land code, individual Palestinian farmers had been undertaking steps to become the legal owners of many of the plots of land in Netzer. By the time Women in Green became aware of what was happening, Palestinians had, in some cases, been at the task long enough to have already obtained legal ownership. In others, they were well on their way. Women in Green—many of whose leaders lived in Gush Etzion—was startled to learn that a process was underway in its own backyard that stood to change the future complexion of the area by rendering Jewish settlement in Netzer impossible, and even more so that no one was doing anything to stop it.

Women in Green’s Activity in Netzer

At that point, the organization turned its focus to halting the trend of land seizure in Netzer. Studying official maps and land registration records, it learned that most of the roughly 60 dunams of vacant land in Netzer was, at that point, still state land, and thus it was not too late to fight to prevent Palestinian takeover of the entire strip. However, it also realized that the only way it would be able to counter the process of Palestinian land seizure would be for it to make use of the same land code provision and farm the land itself. In doing so, Women in Green would hope for one of two equally favorable outcomes: If it farmed land for a long enough period, the land would eventually be declared private Jewish land; Or if Women in Green activists came into direct conflict with Palestinians over usage rights over a specific plot of land, the army would likely get involved to mediate the dispute, typically resulting in it issuing an order that the contested plot be off-limits to all. In such a case, its status would remain as state land.

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462 This provision allows for an individual to become the owner of previously un-owned land if he farms it for 10 consecutive years. (See page 6-9).
463 Matar explains that technically no one is supposed to be farming these areas, and that the Civil Administration is supposed to be enforcing as such. However, the Civil Administration remains indifferent to the issue, doing nothing unless Israelis and Palestinians get into physical altercations. Matar explains, “we want that friction…we force the
Let us now look at how Women in Green’s work in Netzer has incorporated each of the components of its new approach to activism.

**Activism Component #1: Persistent Presence**

The first component of Women in Green’s strategy is to establish and maintain a physical presence at the site it is fighting for. In the Netzer case, this meant that Women in Green would plant on state land in Netzer, with the intention of eventually planting on every open spot once it had the time, money, and manpower necessary to do so. In order to achieve its mission in Netzer, Women in Green’s volunteers have had to be tirelessly devoted to the cause. Most volunteers work all day elsewhere at jobs, but then might get a call in the middle of the night to start planting on a piece of land or to stay up all night guarding a plot of new planting, before having to return to work again the next day. As one volunteer explained, “it’s changed our lives completely.” One cannot help but see that this work bears resemblance to Homa v’ Migdal, the grassroots Zionist work of the Yishuv era in which activists advanced Jewish dominion over new pockets of land under the cover of night, and then by day guarded the new ‘facts on the ground’ that they had created.

But as the group’s work has run into direct conflict with Palestinian farmers doing exactly the same thing, Women in Green’s activity in Netzer can best be described as a plot-by-plot trench warfare, with the two sides each trying to plant open areas more quickly than the other. The following example recounting one week in the summer of 2010, is, according to authorities to get involved. And that’s when they have to tell the Arabs, ‘this is not yours. You’re not allowed to be here.’ (Matar interview.)
Matar, a typical case of how the concept of ‘persistent presence’ has manifest in Women in Green’s work in Netzer.

- **Monday** – On a Monday night, one Women in Green activist noticed that a water pipe the group had recently lain in Netzer had been burned down. She notified Women in Green leadership, who, assuming the vandalism committed by Palestinians, decided to retaliate by expanding their planting into an adjacent plot of still-vacant State land. They called in additional activists to the spot, and the group worked until sunrise planting hundreds of grapevines.

- **Tuesday** – When a few activists returned the next morning to check on their grapevines, they encountered a group of Palestinians pulling them out of the ground. The Women in Green group confronted the Palestinians, who insisted the plot legally belonged to them. When the dispute began to intensify, Women in Green called in the army to mediate. When the soldiers arrived, they consulted the official Israeli land ownership registry, and determined that the disputed plot was state land. They subsequently ordered both groups to indefinitely refrain from doing anything to the land. With that order, Women in Green assumed that the matter was closed, and that they had effectively achieved victory over that plot by getting the army to freeze the plot’s status as Israeli state land.

- **Wednesday** – Nevertheless, the next day, they noticed that the Palestinian group had returned and fully uprooted the grapevines, presumably in preparation for their own planting. Women in Green decided that if the Palestinians would not abide by the army’s decision, neither would it.

- **Thursday** – At 5am the next morning, Women in Green volunteers returned with trucks containing several large trees they intended to plant on the contested plot. However, the police had somehow become aware of Women in Green’s plan and were waiting in Netzer to block the group and confiscate their trees. Learning this, Women in Green quickly diverted the trucks, and temporarily hid the trees at nearby Kibbutz Kfar Etzion.

- **Saturday** – Two nights later, when it assumed the matter cooled down, Women in Green returned in the middle of the night and planted the trees.

- **Sunday** – The next morning, they discovered that Palestinians had uprooted them all. So again that night, they returned and planted the trees—this time much deeper. They also stationed volunteers to guard the trees around the clock for the next three days.
Thursday – After three days, the volunteers finally left, but within an hour of their leaving, Women in Green got a call that several Palestinians had returned with power saws. Women in Green immediately called the army back in, who again declared the spot frozen. Since then, Matar explains, the Arabs have left the spot alone.\textsuperscript{464}

Activism Component #2: Raise Awareness

Part of Women in Green’s work on the Netzer campaign has been to build public awareness on the issue amongst Israelis and Jewish allies in the diaspora. Women in Green believes the best way to generate interest is to bring people out to the fields, for them to both understand the challenges the group faces, and have an opportunity to connect with the land in a more classically Zionist manner, through physically working it. One way it has been successful in building supporters is through summer camps. Each summer, youth from all over Israel have come to Netzer to assist Women in Green in planting. Matar acknowledged that it is no easy feat to, “take those kids away from twitter, from facebook, from everything, and actually make them touch the land, and feel the land and connect to the land.”\textsuperscript{465} And yet, by Women in Green’s assessment, the summer camps in Netzer have engendered energetic involvement by youth and helped them develop much greater passion for the cause of maintaining Jewish sovereignty over all the ‘Land of Israel.’

Women in Green has also worked to build more support from the residents of Elazar and Alon Shvut in order to make them aware of the issues and to get them out of what it considers an ‘enclave mentality’. It believes that it has made important strides in this area, as well. As Matar puts it, local residents “used to not look at those hills [in Netzer] at all….We basically taught the

\textsuperscript{464} Ibid.  
\textsuperscript{465} Ibid.
people to look beyond their living room….to come out of confined areas, and walk the hills, and show their ownership over the land.” In addition to volunteering to aid in Women in Green’s planting efforts, local residents have been key in monitoring Palestinian activity in Netzer and informing Women in Green when Palestinians start to farm on new areas or vandalize Women in Green’s planting.

After first focusing on these groups, Women in Green has begun to target new groups from Israel and tourists from the diaspora to join in its work.

Activism Component #3: Involve Politicians

Having established its on-the-ground-work and awareness-building campaigns, Women in Green has increasingly reached out to politicians in hopes of finding political allies to adopt the Netzer issue as their own. This is likely what changed the outcomes in its campaigns over Zaatra, Shdema, and Adurayim. In the Shdema case, for example, the group’s persistent outreach to politicians slowly began to yield results. The turning point of the campaign was when it drew a visit from the Knesset sub-group of the Foreign Affairs and Defense Committee. Following the visit, one member of the subgroup, Kadima MK Otniel Schneller, was especially convinced of Women in Green’s case on the importance of retaining Shdema. Schneller began to argue that Shdema was crucial to the defense of Jerusalem. Within months, he had managed to convince even non-ideologically driven lawmakers that they had not realized how poor a decision it had been to give up Shdema, which ultimately resulted in Israel reversing its policy and re-establishing an IDF presence at the site.

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466 Ibid.
Women in Green is in its early stages of building political alliances on the Netzer issue. Starting in 2011, it began sponsoring a conference on the application of permanent Israeli sovereignty over the West Bank. Though a very fringe perspective, at the time Women in Green launched the conference, by 2013, the idea had gained momentum. As one commentator wrote in an op/ed in the Jerusalem Post, “Just several years ago annexing Judea and Samaria seemed liked an implausible, unrealistic, or even taboo suggestion, today the concept of establishing Jewish sovereignty over all of the land from the River to the Sea has grown into an entire movement.”

In January 2013, Women in Green’s third annual ‘Conference for the Application of Israeli Sovereignty over Judea and Samaria’ attracted over 1,000 attendees, and featured a number of high profile figures as speakers, including several Knesset members. Through the relationships it has developed as conference organizer, Women in Green has begun to make friends in higher places and bring greater awareness to its work in Netzer—the dividends of which may have started paying off. In May 2012, rumors emerged that the Civil Administration ordered that all trees Women in Green had planted in Netzer be removed. But weeks later, the order was rescinded. Arutz Sheva speculated that this was due to pressure brought on by “several political leaders.”

**Women in Green’s Impact**

Women in Green’s development since 2005 is striking. In its earlier years, it had acted more like a protest movement, using media attention and shock value to promote a certain viewpoint into the public discourse. Since 2005, as an arguably more mature NGO, it has taken

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practical steps to effect policy change. The extent to which the successes of the Zaatra, Shdema, and Adurayim campaigns were directly due to Women in Green’s efforts is not clear. However, connecting the dots does suggest Women in Green’s impact on these issues. In the Shdema case, for example, prior to the group’s involvement, the issue was simply not on the radar of politicians or other activists. In the Netzer case, the early results of Women in Green’s work have been more tangible. Women in Green has successfully compelled the army to freeze the status of a number of plots as state land; it is also on its way to obtaining legal ownership over many other plots, through its own planting. Though it remains to be seen whether Women in Green will ultimately influence Jewish retention of a critical mass of Netzer (or the larger issue of maintaining sovereignty over the entire West Bank), its impact is more apparent than it was in its early days, when it was a voice expressing discontent over big picture issues. Through adjusting its tactical approach, and better employing the tools of an NGO—making use of publicity, fundraising, and strategic lobbying, in addition to direct action work)—Women in Green appears to have become more influential.
Rabbis for Human Rights

In 1988 Rabbi David Forman and a coalition of 80 rabbis, spanning all Jewish denominations, came together to address what they believed was a major void in the rabbinic leadership of Israel. In the wake of the First Intifada, it was clear to them that Israeli society had pressing moral and ethical issues it needed to confront. Nonetheless, they lamentably observed an Israeli rabbinate that remained concerned with mainly ritual matters. In response, the group established a new NGO, called Rabbis for Human Rights (RHR), that could fill the vacant, but indispensable role of what they called Israel’s “rabbinic voice of conscience.”

Over the next 15 years, RHR initiated a variety of education and activism projects, aimed at building awareness within Israel on human rights issues affecting both Jews and Palestinians, both in Israel and in the West Bank and Gaza Strip. Yet, it was not until the early 2000s that RHR first became involved in work directly related to settlements. It was then that it began to learn about what it would come to regard as a culture of settler violence and intimidation intentionally aimed at both the dispossession of Palestinian individuals, and more broadly, the de-population of Palestinians from parts of the West Bank. This would ultimately lead to RHR creating its ‘Olive Tree Project’ in 2002, that we will explore in depth later in this section. But before doing so, it is important to review some background on the olive harvest.

The Importance of the Palestinian Olive Harvest

To the largely agrarian population of Palestinians living in rural villages in the West Bank, the ability to reap an adequate olive harvest is essential to their basic livelihood.

According to estimates, the olive oil industry provides “about one quarter of the gross agricultural income” in the West Bank and supports “approximately 100,000 families…”⁴⁷² Each autumn, farmers have only a short 2-3 month window in which their olives are in an optimal state for harvesting.⁴⁷³ Naturally, it is crucial that they have unfettered access to their lands during this period to carry out their harvests. For the first three decades of Israel’s control over the West Bank, this had never been much of an issue. But since the early 2000s, the once undisturbed olive harvest has come under a frontal assault. Due to a combination of what RHR has come to regard as settler interference and systemic logistical obstacles, many Palestinians have been unable to sufficiently access to their lands during the harvest period, and as a result, have lost their traditional means for supporting themselves,⁴⁷⁴ resulting in some migrating from the countryside to urban areas in order to find work.

RHR believes that this is precisely why some settlers intentionally disrupt Palestinians’ olive harvests. If Israel’s best chance for permanently retaining control over parts of the West Bank is to maximize the ratio of Jews to Palestinians living in those areas, then it is in the interest of settlers to do whatever they can to reduce the number of Palestinians living in certain areas. Indeed settler interference seems to be slowly achieving these desired effects.⁴⁷⁵ In one example relayed in an article in Haaretz, a Palestinian farmer explained how obstacles to the local olive harvest have increasingly devastated his village’s economy, even putting its ongoing

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⁴⁷³ Feuerstein and Bubis, 64.
⁴⁷⁴ B’tselem reported that in some cases, “fruit had rotted on the trees because the farmers couldn’t arrange entry in time.” It further explained that, “when farmers manage to gain entry during the harvest season, they rush and pick more than they can sell at a given time, knowing that they won’t be allowed to return to their land and pick at a reasonable time. In these cases, a large portion of the fruit rots after being picked.” (Ibid)
⁴⁷⁵ According to B’tselem, testimonies taken from Palestinians “indicate that the harassment and attacks have a threatening and deterrent effect over time…In many areas, Palestinian do not dare stay on such land, or even cross it.” (Feuerstein and Bubis, 27).
continued existence into jeopardy. “In the past few months, some of the residents left the village and moved to Akrabeh. They couldn’t take the fear anymore. We were 150 residents, which gradually decreased to 100, then 87. Last Friday, only eight families were still here.”

**Settlers’ Methods for Interfering in the Harvest**

One action some settlers have taken to disrupt the harvest is to uproot olive trees on private Palestinian land. There are different figures on exactly how widespread a phenomenon this has become, but a United Nations source reports that in the first nine months of 2011, “More than 7,500 olive trees,” or an average of more than 850 trees/month, “belonging to Palestinians were uprooted, set on fire or otherwise vandalized by Israeli settlers.”

As concerning as these attacks on trees are for Palestinian farmers, the more widespread and significant problem is settlers physically confronting Palestinians while they are harvesting, intimidating or attacking them. One example of the many reported cases of such intimidation was relayed by an RHR volunteer who witnessed a confrontation:

On Friday, October 22nd 2010 Palestinian farmers from the Abu Sabha family… who were picking olives, were attacked by masked people who came from the settlement Susya. One of the masked man cut with a knife two of a track’s wheels and the others threw stones on the people who harvested and their vehicles…This attack is not the only one. [Palestinian farmers have] …been attacked by masked people from the settlements Susya and Maon at least five times during the last two weeks.

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477 Publications more sympathetic to the settlers tend to attribute much or most of the vandalism to Palestinians secretly destroying their own property in order to garner international sympathy. (David Lev, “Arab/Leftist Olive Tree Vandals Busted by Jewish Film Crew,” *Arutz Sheva*, 25 October, 2012.)
478 “Olive Harvest Fact Sheet.”
There are reports of many cases of similar instances of intimidation taking place each harvest season.\textsuperscript{480} As can be expected, such encounters have frequently resulted in violent confrontations between settlers and Palestinians. Typically when this happens, the army is called in to mediate. Prior to 2005, the army’s standard protocol for dealing with such clashes was to declare spots where violence had taken place as closed military zones, which legally barred all parties from using the land, and thus prevented Palestinian landowners access to their crops. Moreover, to prevent such confrontations from occurring in the first place, the army even proactively ruled certain areas it expected to be flashpoints as closed zones. As the army explained,

Palestinian farmers often suffer from harassment by the Israeli inhabitants when they enter their land… Every year the olive harvest is a focal point for conflicts between Israeli settlers and Palestinian farmers and that in a large number of cases these conflicts result in serious harm to the lives and property of the Palestinian farmers. Because of the aforesaid, the military commander adopts the measure of closing areas to the Palestinian farmers in order to realize the purpose of protecting them against attacks directed at them.\textsuperscript{481}

Consequently, many groves would go unharvested, and their owners would suffer the financial consequences. Knowing this all well, RHR explains, settlers would intentionally initiate provocations in order compel the IDF to close areas, and bar Palestinians from harvesting.\textsuperscript{482}

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\textsuperscript{480} This has been corroborated by the Israeli High Court of Justice, who wrote the following as part of a 2006 decision related to this issue: “The physical security of the Palestinian farmers is in real danger when they go to cultivate their land, because of serious acts of violence on the part of Israeli settlers. The property of the Palestinian farmers also suffers from lawlessness when, after a day’s work, under the cover of night lawbreak[ing settlers] return to the agricultural land in order to uproot trees and damage agricultural implements.” (“HCJ 9593/04 Morar v. IDF Commander in Judaea and Samaria 87 – Rashed Morar, Head of Yanun Village Council and others v. 1. IDF Commander in Judaea and Samaria 2. Samaria and Judaea District Commander, Israel Police”), \textit{Israel Law Reports} (Jerusalem, Israel: Nevo Press: 2006), 81).

\textsuperscript{481} \textit{Israel Law Reports}, 76.

\textsuperscript{482} Tsvi Avni (Legal Department, Rabbis for Human Rights), interview held in his office, Jerusalem, Israel, 20 May, 2010.; Yehiel Grenniman (Director, OPT Department, Rabbis for Human Rights), interview held in Jerusalem, Israel, 3 August, 2011.
Additional Institutional Challenges

During the 1990s and 2000s, following a surge in the number of violent Palestinian attacks against settlers, most settlement communities erected security fences around their perimeters. The Israeli defense establishment advised that in order to ensure the best security for their residents, settlements should establish a buffer zone—or what became known as a ‘Special Security Area’ (SSA)\(^{483}\)—in between their municipal boundaries and their security fences, that should extend at a radius of approximately 300 meters from settlements’ borders. As such, through the implementation of fences and SSA’s, large tracts of land adjacent to settlements were incorporated within communities’ fences. B’tselem, an Israeli human rights NGO, estimates that the establishment of SSA's in total incorporated “tens of thousands” of dunams of land into settlements.\(^{484}\) The problem is that much of the land that was effectively swallowed into settlements consisted of fields and groves privately owned by Palestinian farmers. From that point forward, in order to harvest their crops, Palestinian farmers had to enter settlements to do so. This presented a difficult, if not impossible, predicament for the farmers. Many were too intimidated to enter settlements due to the threat of the violence they might encounter. For those farmers who attempted to access their land regardless, they could only do so upon receiving official permission from Israeli security forces, who would arrange for their access. Accomplishing this was no easy task. For some, it was hard to provide adequate documentation to convince authorities of their legal ownership of the land.\(^{485}\) And even for those who were granted permission, many complained that the significantly time-limited access they received was inadequate for completing their harvest, and hurt its overall yield and quality.

\(^{483}\) Feuerstein, 32.
\(^{484}\) Feuerstein, 37.
\(^{485}\) Feuerstein, 47.
RHR Involvement: The Olive Tree Project

Around the outbreak of the Second Intifada, RHR first became aware of the compounding obstacles facing the Palestinian olive harvest. In late 2000, RHR Director, Rabbi Arik Ascherman, received a call one day that settlers had burned down a grove of over 1,500 olive trees near the Palestinian village of Hares, southwest of Nablus. In response, he and a small group of RHR volunteers traveled to Hares to join local Palestinians in solidarity and to begin planting replacement trees. Two of the RHR volunteers accompanying Ascherman that day were Rabbis Arthur Waskow and Phyllis Berman, two influential RHR supporters from abroad. When they returned to the U.S., Waskow and Berman took out a full page advertisement in the *New York Times*, decrying as “deeply wrong” the phenomenon of settler vandalism of trees that had “been the economic and ecological basis of the town for centuries past and must be for decades to come.” In response, the ad called for an ‘Olive Trees for Peace Campaign’, in which American Jews could send money to RHR to help plant new trees.\(^{486}\) The ad raised the unexpectedly large sum of more than $100,000. Though until that moment, RHR had not been involved in any organized activism around the problems facing olive trees and harvests, the influx of funds opened the door to what within a year would become one of the organization’s main projects.\(^{487}\)

In early 2002, RHR formally launched its ‘Olive Tree Project’, aimed at fighting against the dispossession of agricultural lands from individuals on a person-by-person, community-by-community basis. RHR considered protecting Palestinian access to olive harvests to be in perfect sync with its organizational values and philosophy. On a basic level, its most central goal was to

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\(^{487}\) Arik Ascherman (Former Director and current Director of Special Projects, Rabbis for Human Rights), interview held in a cafe, Brookline, MA, 18 January, 2013.
fight for Israel to be a just, moral society. Therefore, it adamantly opposed both the dispossession of individuals, and work to de-populate areas of Palestinians, as a group—both of which it believed were underway. From another angle, as RHR supported the idea of a two-state settlement as the most just solution to the Israeli-Palestinian conflict, it opposed efforts that stood to undermine the solvency of a future Palestinian state. To them, protection of the possibility of a future Palestinian state meant protection of basic land contiguity amongst Palestinian population blocs—and this meant viable rural communities comprised of Palestinians earning a living locally in the countryside through their traditional agricultural work.

Specifically RHR worked on these issue in a number of ways. In the first years, its main activity was organizing groups of Israeli Jews to go into the fields to accompany Palestinians while they harvested their olives. RHR believed that the mere presence of Israelis significantly changed the dynamics of how Palestinian farmers were treated by both settlers and soldiers. From the organization’s perspective, it was more likely than not that soldiers brought in to mediate disputes between settlers and Palestinians over issues they may know little about, would side with settlers, simply because they identified with them more—sharing the same language, culture, nationality, and perhaps political perspective—rather than with the Palestinians. The RHR volunteers were thus effectively a counter lobby to the settlers. They could advocate for the perspective and needs of Palestinian farmers in a way that soldiers would more likely hear and take seriously. RHR cites many examples of this dynamic successfully in action. According to one example it reported from the field: “On Friday the IDF attempted to evict farmers harvesting their groves near Kdumim. Due to our intervention they continued to work. Near the settlement
Shvut Rachel settlers drove out Palestinian farmers from their lands. Following our intervention the IDF escorted the farmer back to their lands and they continued their work.\textsuperscript{488}

In addition, RHR volunteers could help minimize clashes between Palestinians and settlers. For one, it reasoned that settlers were less likely to attack or intimidate Palestinians if Israelis were standing by as observers. Second, RHR recognized that in some cases, settler opposition to Palestinian harvesting was out of legitimate security concerns. According to Ascherman, “It is true that there are real security issues, that there have been cases where trees have been used as cover for Palestinian terrorists to fire upon Israelis or to throw stones—that we must take these concerns very seriously.”\textsuperscript{489} But recognizing that these cases were the exception, RHR volunteers could vouch for Palestinians they knew to be legitimately trying to carry out their harvests.

\textbf{A Major Legal Victory}

While RHR volunteers confronted these issues in discrete cases in the field, its legal department addressed some of the systemic obstacles to the Palestinians’ olive harvest. In 2004, RHR and the Association for Civil Rights in Israel (ACRI) jointly filed motions before the Israeli High Court of Justice in the name of five Palestinian families. They claimed that the military’s protocol of automatically declaring contested spaces closed military zones was discriminatory to the landowners. RHR’s Director of the ‘Occupied Palestinian Territories Department’ Rabbi Yehiel Grenniman explained that though, “the army obviously has a right to close an area up


\textsuperscript{489} “Rabbis For Human Rights – Education and Olive Tree Campaign,” 21 November 2006. (http://www.youtube.com/watch?v=-Tr60Zcw8Ws)
militarily when there’s violence to deal with a situation, … that should be an action of last resort, and should not lead to a situation where a victim of attack [is punished].”

In June 2006, the Court ruled, issuing a landmark decision in favor of RHR’s and ACRI’s claim. It explained in its decision, “Admittedly, closing the areas is likely to achieve the purpose of protecting the Palestinian farmers, but when the discretion of the military commander in closing the areas is influenced by the criminal acts of violent individuals, who violate the rights of the inhabitants to their property, the discretion is tainted.” In response, it ruled that Israel had a legal responsibility henceforth to guarantee Palestinian farmers access to their lands, and mandate that the IDF completely change its procedures on how to provide security for Palestinian harvesters.

Following the ruling, the army was forced to overhaul its policies regarding the olive harvest. Going forward, it not only refrained from whimsical land closures, but instituted mandatory training for all its personnel on Palestinian rights, settler activities, and IDF responsibilities to uphold the law. Most importantly, it began coordinating harvesting times, and posting soldiers to protect harvesters. RHR happily reports that the new climate has yielded many successes to date. And in cases in which there has been a disconnect between IDF guidelines and execution, RHR has been involved in helping hold the IDF accountable for enforcing its policies. As it explained: “We have sent out a few hundred volunteers… We have

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490 Grenniman interview.
491 HCJ 9593/04 Morar v. IDF Commander in Judaea and Samaria 87 – Rashed Morar, Head of Yanun Village Council and others v. 1. IDF Commander in Judaea and Samaria 2. Samaria and Judaea District Commander, Israel Police.
492 Israel Law Reports, 77.
493 Its specific instructions were described at the end of the Court’s decision: “First, action should be taken to ensure the security of the Palestinian farmers when they go to work on the land and, if necessary, to protect them when the agricultural work is being carried out. Second, clear and unequivocal instructions should be given to the forces operating in the field as to how to act in order not to prevent those inhabitants who are entitled thereto from having access to their land, unless there is a lawful ground for doing so. Third, forces should be deployed in order to protect the property of the Palestinian inhabitants.” (Israel Law Reports, 83).
maintained constant contact with many other villages, intervening where necessary with the DCO, local army units and calling the police where there has been settler violence or vandalism. We have encouraged farmers to lodge complaints, and our legal department has actively followed up on land disputes with settlers.\(^494\)

**Successes and Limitations of RHR’s Olive Tree Campaign**

RHR has achieved success in changing the environment surrounding Palestinian olive harvests in the West Bank, but opinions within the organization vary on the extent of its impact. Ascherman believes the organization is helping to achieve justice and a better future one farmer at a time. Helping to facilitate the just, complete harvest of each individual tree by its legal owner is one step closer to maintaining the kind of just society that RHR believes Israel can and should be. While from Grenniman’s perspective, though the group has achieved success, it has only provided band-aids on an epidemic. Each story of facilitating just harvests is “outweighed by 100 stories going the other way.”\(^495\) The fact that RHR can celebrate that during the 2012 harvest, it was, “not aware of any villages next to settlements that did not harvest all their olives,”\(^496\) needs to be understood in the context of RHR only engaged in active relationships with about 15 villages in the West Bank.\(^497\) In RHR’s calculation, since improved IDF policies alone do not solve the problems, the harvesting process can best weather settler interference when RHR participants are involved either in the field, acting as advocates to the soldiers, or

\(^494\) *Harvest Journal Blog.*

\(^495\) Grenniman interview.

\(^496\) Ascherman interview.

\(^497\) RHR is not involved beyond this group of communities for a few reasons. First, not all Palestinian communities want Israeli civilian involvement their own communal affairs. Second, though RHR seems to have developed a working framework for how to use grassroots involvement to address problems with the harvest, it lacks the resource—both volunteers and finances—to be involved in many more communities.
behind the scenes, ensuring the IDF is enforcing its policies. Therefore, since all but 15 villages in the West Bank may be facing similar settler challenges to their harvests without an active advocate, the question arises as to how impactful RHR’s work is on the overall issue of curtailing settler interference in Palestinian olive harvests, writ large. Still, RHR is not complacent on the issue. Though it has no plans to expand its involvement into other villages, RHR is contemplating how it can best use education, legal work, and advocacy to improve what it believes is currently very poor attention to protecting olive trees during the non-harvest months, during which settler vandalism remains a very big problem.
Case Pairing 4: Using the Court System to Force Israel to Enforce its Own Laws: The Cases of Settlement Watch and Regavim

Settlement Watch

From 1977-1992, the settlement movement enjoyed its heyday, as a mostly supportive government authorized the establishment of over 100 new settlements, and offered Israelis incentives to move there. In total, during the 15-year period, the number of settlements grew five-fold from 25 to 134, and the number of settlers by over 20 times, from 5,000 to 118,000 in 1992. But starting in 1992, due to the geo-political environment of the day, including a soon-to-be-unfolding Israeli-Palestinian Peace process, newly elected Prime Minister Yitzhak Rabin dealt the growth of the settlement enterprise a major blow, by issuing a ban on the creation of new settlement communities. Construction would still permitted within existing settlements, but the expanding map of settlements was to be frozen in time. While the total populations within the settlements could still grow—and it did healthily, growing by 58% between 1992 and 2000—the emergence of new pockets of Israelis living in uninhabited areas of the West Bank, the longtime stock and trade of the settlement enterprise, was no longer allowed. Whatever maps Israeli and Palestinian negotiating teams were using as the basis for their discussions over eventual state borders at the start of the Oslo process were supposed to remain as constants, however long it would take for an agreement to be reached.

498 B’tselem accounts for the variety of benefits offered to entice Israelis to move into the territories: “Most of the settlements in the West Bank hold the status of National Priority Area A, which entitles them to a number of benefits: in housing, by enabling settlers to purchase quality, inexpensive apartments, with an automatic grant of a subsidized mortgage; wide-ranging benefits in education, such as free education from age three, extended school days, free transportation to schools, and higher teachers’ salaries.” (Hareuveni, Stern, and Shulman, 5).
500 Ibid.
But starting in 1996, Peace Now—historically Israel’s most known and arguably influential pro-peace organization—first became aware of a new phenomenon underway that effectively circumvented the ban on new settlement construction. It learned that throughout the previous year, in spite of legal restrictions, settlers had been constructing legally unauthorized housing units outside of the boundaries of existing settlements. These clusters of new residences, which were typically constructed in close vicinity to already-existing settlements, were referred to by settlers as ‘new neighborhoods’, but were to become known more commonly by the term ‘outposts’. Peace Now quickly understood the dangerous implications the growth of outposts could play to the prospect of a two-state settlement as a solution to the Israeli-Palestinian conflict. During the 1980s, this idea of a two-state solution had been Peace Now’s core organizational objective (along with advocating that Israel enter into dialogue with the PLO). However, once the Oslo Process had set these objectives into motion, Peace Now’s raison d’être had become much less clear. 501 But with the outpost issue now emerging, some in the organization recognized that an undeterred growth of outposts could become the new biggest obstacle to peace, and thus warranted its attention. As a result, Peace Now launched its ‘Settlement Watch’ project in late 1996. Settlement Watch was to serve as an information clearinghouse on outposts and settlements. Its all-volunteer team would gather information by travelling to the West Bank and taking pictures of new construction or counting houses in outposts. Peace Now would attempt to publicize whatever data Settlement Watch collected.

501 Peace Now was originally founded in 1978 to demand that Israel take steps to build on peace developments with Egypt in order to conclude peace agreements with all of it neighbors. At the heights of its popular support during the 1980s, it attracted a mass following of Israelis to its demonstrations, famously including its 1982 anti-war protest that drew an estimated 400,000 Israelis. For more on Peace Now’s history, see Magnus Norell, *A Dissenting Democracy: The Israeli Movement “Peace Now.”* (London, Portland, OR: Frank Cass. 2002).
But over the next years, as outpost construction continued at a rapid pace—more than 40 outposts had been established between 1996 and 1999\(^{502}\)—Peace Now recognized that in order to better address the detrimental role outpost expansion was increasingly having on the prospect for an eventual peace settlement with the Palestinians, it needed to improve upon its ad hoc efforts. In 2000, Peace Now hired Settlement Watch’s first fulltime director. But neither this director, nor his successor succeeded in significantly advancing Settlement Watch’s knowledge base or organizational goals during the next two years. So, in late 2001, Peace Now brought in another director named Dror Etkes to run Settlement Watch. It is during the tenures of Etkes (2002-2007) and the subsequent director of Settlement Watch, Hagit Ofran (2007-present) that the organization came to play the central role it has assumed amongst NGOs opposing settlement.

From the time Etkes joined Settlement Watch, its work has been divided into three main areas: monitoring and data collection, development of resources, and legal activity. This next section will briefly outline the first two, before going into greater detail about Settlement Watch’s legal work.

Data Collection and Resource Development

The operative theory behind Settlement Watch’s monitoring work is that the expansion of settlement activity—both through outposts and illegal construction within settlements—is a large, well-resourced, and intentional, yet clandestine operation intentionally kept out of the public eye. The group sees its mission to be the watchdog body reporting on individual settlement and outpost growth, and to assess the development of the settlement movement on a

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\(^{502}\) Peace Now website, “First Petitions Against the Outposts.” (http://peacenow.org.il/eng/content/first-petitions-against-outposts)
macro level. Roughly once each week, the Settlement Watch director travels into the West Bank to collect data on the growth and development of settlements. Like in Settlement Watch’s early days, this includes reporting on what has already transpired through taking pictures of construction sites and counting houses in settlements—but it also includes gathering information on secondary evidence that suggests expansion projects soon to be underway, such as searching for newly cleared roads, and noting the erection of new fences and security systems.

By the mid-2000s, Settlement Watch’s data collection became more sophisticated. Though it continued to conduct field visits, Settlement Watch also augmented them with use of an advanced aerial photography-based technology known as Geographic Information Systems (GIS). With this technology, it could obtain detailed, time-sequenced data revealing new patterns and pace of settlement construction. GIS enabled Settlement Watch to more fully track the macro-trajectory of settlement development, including watching unfolding development patterns and monitoring that even the government-approved plans were being carried out legally. GIS also gave Settlement Watch the ability to produce its own graphic resources to illustrate settlement development, including topographical maps overlain with high resolution aerial photography. Settlement Watch’s maps became the industry standard for various groups concerned with settlement expansion, including other Israeli NGOs, the press, and the diplomatic community. In addition, its regular briefings and periodic summary reports assessing settlement and outpost growth became invaluable resources for all of these groups. Settlement Watch, itself, was little involved in the dissemination strategy, rather passing information along.

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503 Dror Etkes (Former Director, Settlement Watch; Former Director of the Land Advocacy Project, Yesh Din), interviews held by phone, 7 September 2011, 14 September 2011, 17 January 2013, and 22 January 2013.
504 For an introduction to GIS technologies and their applications for creating time-sequenced mapping, see for example, Essays on Geography and GIS, Volume 1. (Redlands, CA: ESRI (Environmental Systems Research Institute). September 2008).
505 Hagit Ofran (Director, Settlement Watch), interview held in the Settlement Watch office, Jerusalem, Israel, 27 May 2010.
to its parent body, Peace Now, for it to decide on the best avenues for publicizing its findings amongst journalists, decision makers, and the population at large.

**Beyond Monitoring: Settlement Watch’s Legal Work**

As Settlement Watch learned more about outposts, it came to understand the deep extent of what is viewed as illegal activity underlying outpost construction. In early 2002, it decided that in addition to gathering and disseminating information, it could best achieve its goal of opposing the expansion of outposts through the use of the legal system. It reasoned that if it could prove to a court that outposts were illegal by Israeli law, the government would be forced to evacuate outposts, or at the very least, halt further construction.

In 2002, Peace Now initiated its first legal petition, arguing that as buildings constructed without official government permission, outposts necessarily lacked the permits Israeli law required for all construction, and were thus in violation of building codes. The court responded by rejecting the petition, as too “general”, because it dealt with “dozens of outposts that could not be discussed all at once.”

Due to the lack of specificity, it therefore refused to consider the issues in Settlement Watch’s petition. Settlement Watch would make little headway with its legal work over the next few years. But in 2005, startling information would emerge that would alter Settlement Watch’s legal strategies, and ultimately its fortunes.

**The Effects of the Sasson Report**

In 2005, Talia Sasson, an official in the Justice Ministry who had been commissioned by Prime Minister Ariel Sharon to conduct an official government inquiry into outposts, issued her

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506 “First Petitions Against the Outposts.” (“HCJ 6431/02 Yoav Haas, Mussi Raz, Yesh Gvul, Peace Now v. The Government of Israel, Benjamin Ben-Eliezer (Defense Minister)”). [In Hebrew].

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Expectations had been that the Sasson Report would be a fairly dry compilation of facts and figures on the outpost phenomenon. Israeli society was therefore shocked when the Sasson Report leveled a scathing critique of Israel for its failure to act against the widespread, egregious illegal activity of outpost development. The report revealed that beyond being built in breach of building codes, many of the then 105 outposts had actually been built on land seized from individual Palestinian owners. This was in direct violation of Israeli law. In a 1979 High Court of Justice decision, that became known as the ‘Elon Moreh case’, the court ruled that the state could not seize privately owned land for the purpose of constructing settlements, as it had done during the first several years of settlement construction. The government accepted the court’s ruling, codifying into law a new list of stipulations that would govern the creation of all future settlements. From the time of the Elon Moreh case until the early 2000s, this remained a non-issue in Israeli public discourse. All strategic, national, religious, and ethical debates about the merits of settlement aside, all parties agreed that settlements legally could not be built on private Palestinian land henceforth. It was assumed, therefore, that any settlement activity—even the ‘unofficial’ outpost construction—was being done in accordance with the Israeli legal

507 Former U.S. Ambassador to Israel, Daniel Kurtzer, recounted that as part of the discussions between U.S. President George W. Bush and Israeli Prime Minister Ariel Sharon that would ultimately result in Bush’s issuance of his groundbreaking 2004 letter of explicit U.S. support for Israel’s ultimate retention of large settlement blocs in a future peace deal, Sharon pledged to dismantle the many illegal outposts that had been established from the time he became Prime Minister. The problem was that Sharon felt that the Israeli government did not possess a comprehensive enough source of data on outposts necessary, and so, he appointed Justice Ministry official Talia Sasson to conduct a comprehensive study of illegal outposts in the West Bank. (See Daniel Kurtzer, “Behind the Settlements,” The American Interest, (5:4) March/April 2010).


509 In the late 1970s, the Israeli government expropriated land in order to construct the settlement Elon Moreh. Much of the designated land was state land. But roughly 5,000 dunams were not state land, but land owned privately by several residents of Rujibs, a nearby Palestinian village. To protest the confiscation of their legally deeded property, the owners petitioned the High Court of Justice. The Court ruled in their favor, ordering return of the expropriated land, as well as a more general prohibition against future land seizure for the purpose of settlement construction. (Kurtzer).

510 Following the decision, the government decided that for all future settlements, four conditions would need to be met: “The full Cabinet would need to approve the establishment of a new settlement; a settlement could be established only on ‘state land’; the settlement would need an approved municipal building plan; and the local IDF commander would need to approve the settlement’s municipal boundaries.” (Ibid)
requirement that the land it was built on not be private. But the Sasson Report shattered this illusion, revealing many cases of outposts being built upon private Palestinian lands. Settlement Watch recognized that if it could prove that Palestinian land had been used for outpost construction, the Israeli legal system would not again be able to deflect the issue, as it had in the first petition. Indeed, it would have no choice but to issue a ruling upholding the property right of the landowners, and order the dismantling of outposts built on private land.

Based on its previous failed attempts in court, Settlement Watch opted to file its first claim of illegal use of private land against one specific outpost. It chose the Amona outpost (located on the outskirts of the Ofra settlement, just north of Jerusalem)—and even more specifically, only nine houses in Amona it knew it could indisputably prove had been built on private land. In 2005, just as Settlement Watch had predicted, the court ruled in favor of its petition, and ordered the demolition of the nine structures in Amona, which was summarily carried out in early 2006.511

The ‘Land Advocacy Project’ (LAP)

As encouraged as Settlement Watch was to have evidence on which to file the Amona petition, far more significant was the revelation it came to in the process. In studying one of the unpublished appendices of the Sasson report, Settlement Watch Director Dror Etkes noticed a vague reference to a database in the possession of the Israeli Civil Administration, containing a detailed mapping of all of Area C of the West Bank, complete with the officially recognized

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ownership status of all plots of land.\textsuperscript{512} Previously it had been assumed that such information did not, and due to its complexity, probably even could not exist.\textsuperscript{513} But this revelation compelled Etkes to dig further. If Settlement Watch could obtain the specific land status of all parts of Area C, it would be able to file more precise legal petitions against only those buildings that it was certain were built on private land. Hypothetically speaking, a motion against an outpost built on 90\% private land and 10\% state land stood a fair chance of being dismissed for not being precise enough. So while the Sasson Report may have given general information about construction of certain outposts on private Palestinian land, it would take more exact information only available in the Civil Administration database in order to guarantee the likely success of Settlement Watch’s legal petitions against outposts.

Etkes knew that due to Israel’s recently enacted ‘freedom of information law’, if such a database existed, it was public information, and he would be able to obtain a copy.\textsuperscript{514} Thus, Settlement Watch initiated a series of freedom of information law requests from 2005-2008, demanding that the Civil Administration provide Settlement Watch with its detailed mapping of Area C. At first, its requests were delayed, deferred, or outright denied,\textsuperscript{515} but it received a break in early 2006, when an unknown source leaked much of the information from the Civil Administration’s database—the so-called ‘Shape File’—to Etkes.\textsuperscript{516} In addition to containing the

\textsuperscript{512} This database was a classified project that Sharon had commissioned at the same time as the Sasson Report. He had enlisted retired Brigadier General Baruch Spiegel to conduct a similar study to Sasson’s, but to focus on all the legally approved settlements. While knowledge of Sasson’s study was to be public, Spiegel’s assignment was classified. (Uri Blau, “Secret Israeli Database Reveals Full Extent of Illegal Settlement,” \textit{Haaretz}, 30 January 2009).
\textsuperscript{513} Etkes interviews.
\textsuperscript{515} Dror Etkes, Hagit Ofran, Monique Goldwasser, and Muayed Ghanaim (Settlement Watch), \textit{Breaking the Law in the West Bank – One Violation Leads to Another: Israeli Settlement Building on Private Palestinian Property.} (Jerusalem, Tel Aviv, Israel: Peace Now Settlement Watch Team. 2006.)
\textsuperscript{516} In early 2007, some freedom of information law requests were granted, and Etkes received information that verified and augmented information in the ‘Shape File’. (Etkes interviews)
comprehensive land status information alluded to in the appendix of the Sasson Report, the leaked database revealed two unexpected pieces of information.

First, it exposed the shocking revelation that not only illegal outposts, but many of the settlements legally approved by the Israeli government (prior to the 1992 freeze) had also been built on private Palestinian land; this in direct contravention of the Elon Moreh case. With this information, Settlement Watch issued a damning report in October 2006 that first made known to the Israeli public that the Israeli government was complicit in, or at least aware of, widespread illegal land seizure.

Second and more directly relevant to the work of the LAP, was that the database also contained a full mapping of precise bloc and parcel numbers of all land in Area C. This information proved to be a turning point in the LAP’s strategy. With this information, Etkes realized that the individual landowners whose lands had been expropriated for outpost construction could now be identified and located. If these landowners, who held legally recognized Israeli property deeds containing the identical bloc and parcel numbers to those on which the outpost stood, could be compelled to file suit against the Israeli government claiming their personal property had been stolen, Etkes reasoned, Settlement Watch’s legal petitions would almost certainly succeed in court. The Israeli government would then be backed into a corner in which it would either have to demolish all outposts built on private land, or circumvent court orders by retroactively legalizing the land expropriation done to construct them, which would be a blight on its record as a state that upholds personal property rights. Settlement Watch started working with Palestinian field researchers to track down the specific landowners, and convince them that Settlement Watch and its work were to be trusted. As Etkes explains, when the Palestinian landowners, “realized that we are serious and that we take the issue seriously, and
that we’re not going to misuse their trust, it became easier and easier [to convince them to work] with us.”

Split in the Vision of Settlement Watch’s Organizational Trajectory

Faced with the flood of new possibilities brought on by the newly obtained data on how to best battle against the vitality of the settlement enterprise, Etkes favored approaching the issue from a more aggressive, activist perspective than Settlement Watch had traditionally done. He explained: “[In late 2006.] I realized that documenting and telling what happened [was not] enough for me. I [was] also interested in creating [a] political dynamic by using the legal system.” This would mean increasing the volume of Settlement Watch’s legal work far beyond the 4-5 new cases of illegal land seizure that Peace Now had consented to Settlement Watch pursuing following the Amona petition. Etkes felt the only way to truly effect change was to ensure that the issue not be sidelined or dismissed as isolated, anomalous cases by the Courts or the Israeli government enforcement bodies. To him, this could only be achieved by inundating the court with the scope of the problem—and that would mean 40-50 cases, instead of 4-5. In the face of so much court-endorsed evidence, Etkes believed Israel would then be brought “to a total constitutional crisis” in which it would be forced to account for “the contradictions between what [it] says it is and what [it] actually is.” Only at that point, would decision makers be forced to actually address the root of the problem, and insist that Israeli law be upheld over the settlers.

However Peace Now’s senior leadership did not agree with Etkes’s vision for Settlement Watch. It favored Settlement Watch continuing on the less activist information-gathering path it had been on before the LAP. This led to an irreparable break between the two parties. Etkes felt

517 Etkes interviews.
518 Ibid.
519 Ibid.
that due to its cutting edge work on the front lines of the issues, Settlement Watch understood how best to advance Peace Now’s strategic goals. He believed that Peace Now could best impact the issues it cared about by fully empowering Settlement Watch to decide how to proceed on them, and Etkes resented the leadership at Peace Now insisting otherwise. He felt that Peace Now’s leadership—which had been the same core group of lay leaders that had run the organization for decades (Janet Aviad, Galia Golan, and Tzali Reshef)—no longer had their fingers on the pulse of the moment. In the present environment, they over-evaluated the ongoing importance of ‘Peace Now’ as an organization. He explained that while Peace Now had once been an important grassroots movement, “for many years, it has not been one.” In the current environment, he continued, “you didn’t need hundreds of thousands of people. You didn’t need thousands of people. You didn’t need five people. You needed one decisive person with funding and administrative assistance.”

Peace Now’s leadership saw things differently. While they may have considered Settlement Watch to be the “crown jewel of Peace Now,” they believed that Peace Now, itself, remained an indispensable institution in Israel. Aviad explained that though the peace movement in Israel may be dormant, Peace Now had the infrastructure, the reputation, and the respect to take the lead once the time was again ripe. Peace Now and only Peace Now could still catch the energy of certain popular moods and move people. It, therefore, was as fit as it ever was to make decisions on how best to meet its agenda.

The philosophical split led to the two sides parting company in late 2007. Etkes continued to run the LAP, but now under the banner of a new NGO, Yesh Din, where it would become a cornerstone of that organization’s work over the next several years. Ultimately, Etkes

520 Ibid.
521 Janet Aviad (Co-Founder and longtime leader, Peace Now), interview held in Jerusalem, Israel, 1 June 2010.
and Yesh Din had a far less amicable split than he had had with Settlement Watch, and in 2011 Etkes was out, with Yesh Din retaining the LAP.

**Settlement Watch After the LAP**

Following Etkes’s departure, Settlement Watch reverted to its former less activist role, principally focusing once again on data collection and dissemination. In these ways, the organization has carved out a niche for itself. Key NGOs opposing settlement activity, including B’tselem and Ir Amim, heavily rely on Settlement Watch materials. Additionally, due to the reputation Settlement Watch has earned for the detail and reliable accuracy of its materials and information, it developed ever-deepening relationships with foreign diplomats. With the issue of settlements and outposts becoming front and center in conversations between Israel and western diplomats in the late ‘00s and early ‘10s, officials relished having information that helped them cut through Israeli rhetoric and bring solid facts to the table in negotiations with Israel that would not be otherwise available. Settlement Watch’s limited legal work is usually around what Ofran refers to as “meaningful and symbolic cases.” The Peace Now website explains the purpose of Settlement Watch’s legal work as such: “We turn towards the judiciary system in order to try and change the situation on the ground but also to raise the issue of the settlements and how they harm Israel to the public consciousness.”

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522 Daniel Kurtzer, former U.S. Ambassador to Israel (2001-2004), indicates that in key negotiations in 2002-2003 the U.S.’s hands were often tied because it lacked good information to bring to the negotiating table. (Kurtzer) A leaked cable published by wikileaks reveals that subsequently Peace Now had an audience with U.S. diplomats on which it argued its perspective on outposts. (Ofer Aderet, “Haaretz WikiLeaks exclusive / Israel’s Peace Now Updates U.S. on West Bank Construction,” *Haaretz*, 7 April 2011.)

523 Ofran interview.

Overall, Settlement Watch’s legacy is significant in this field. Its reputation as a source of quality information and materials has been discussed at length. It spawned the LAP, whose work has resulted in the evacuation of several significant outposts, including the Ulpana outpost (located on the outskirts of Ramallah outside of the Beit El settlement), which was evacuated in June 2012, and the Migron outpost (located just north of Jerusalem)—considered the largest outpost in the West Bank—which was evacuated in September 2012. Additionally, the entire Amona outpost which, as we saw, had nine buildings demolished by court order in 2006, is slated to be demolished in April 2013. And more outposts are likely to follow. At its most basic level, Settlement Watch can be credited with bringing outposts into the discourse. Prior to Settlement Watch’s work, little was known about outposts, and they were given minimal attention, but since Settlement Watch raised awareness on outposts, they have become a central factor in the settlement debate.

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Regavim

The final group in our study, Regavim (translated as ‘clumps of earth’), is a watchdog NGO that works to ensure that Israel more responsibly administers the use of its public lands.\textsuperscript{527} Founded in 2007 by longtime friends Yehuda Eliyahu and Bezalel Smotrich, the group asserts that against the backdrop of prolonged Israeli negligence, Palestinians have carried out rampant, unchecked illegal building and land use that have created major problems for Israel in the Negev, the Galilee, and the West Bank. Though Regavim divides its work equally between the three regions, in keeping with our overall study, this case will discuss only Regavim’s work as it pertains to land in the West Bank.

Regavim argues that illegal Palestinian building in Area C of the West Bank has begun to dangerously impact the security of the settlement enterprise. It estimates that, as of 2011, Palestinians had constructed approximately 30,000 buildings in Area C without permission—and most of them on Israeli state land. The biggest problem with this, it contends, is that much of the illegal building is not random, as Israel assumes, but rather according to centrally coordinated Palestinian national plans aimed at using Palestinian building to undermine the strength of Israeli settlements. As a result of the building, many individual settlements already face major security problems and/or environmental issues. And from a larger perspective, illegal Palestinian building is challenging the sustainability of the overall settlement project, by blocking land contiguity between Israeli population blocs. Yet, Regavim argues, by this point the illegal building problem has already grown so large and out of control that private initiatives are essentially powerless to reverse the tide. Only the state can stop it. Regavim’s agenda is thus aimed at pushing the state to alter its policies and enforcement practices.

\textsuperscript{527} The facts of this case are based on direct field observation conducted by the author on 10 August 2011.
Background

When Regavim first began to address this issue, it could not understand why Israel had allowed such an epidemic to have developed. Israel believes, as most industrialized states do, that in a society based on the rule of law, there cannot be haphazard building all over the place. As such, the state enforces building standards and codes within its pre-'67 borders, as well as in all Jewish settlements in the West Bank. Yet, curiously, Regavim points out, Israel fails to do so for Palestinians living in Area C, even though they are supposed to be living under full Israeli jurisdiction, and consequently subject to Israel’s laws pertaining to building.

Eliyahu and Smotrich devoted much of their efforts during Regavim’s first few years to understanding Israel’s perspective on the issue. What they came to believe was that the Israeli government likely knew about the scope of illegal building, but chose to mostly ignore the issue. Whether this was out of concern for the bad public relations backlash it was likely to endure if it initiated widespread demolitions of Palestinian homes, or whether it simply did not view the problems with Palestinian building as gravely as Regavim did, the Israeli government consistently demonstrated a lack of will in trying to prevent illegal building. For years, it did not employ nearly enough inspectors to keep pace with rapid Palestinian construction. And though the inspectors it did employ issued demolition orders on hundreds—if not thousands—of the 30,000 illegal buildings over time, very few were carried out by the Israeli Civil Administration (CA), the governing body in the West Bank. Though, it should have been incumbent on the Israeli judicial system to better hold the CA accountable for enforcing demolition orders, Regavim argues that the judicial system chose not to interfere. “Generally, the court… does not come in to tell the CA how to do its job,” Smotrich explained. It “says the [CA]… does its job

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528 Hillel Fendel, “Court Suits Against Illegal Arab Castle, Stadium,” Arutz Sheva, 29 December 2009
well, and we don’t want to interfere… The CA makes decisions on what its priorities are [and the court respects them].”

Regavim’s Work

In 2009-2010, Regavim began to more aggressively address these issues. It felt that the Israeli government and the Israeli public needed to understand that unauthorized Palestinian building was not harmless or sporadic, but strategically orchestrated from on high in order to advance Palestinian national interests and simultaneously disrupt Israeli national interests. Smotrich lamented, “what’s sad in this story is that the Israeli state [didn’t] understand” the intentionality and coordination of illegal building projects. Regavim’s International Relations Director Avi Briggs refers to Palestinian building in Area C as, “the illegal building *intifada*.” He explained that under the directive of PA Prime Minister Salam Fayyad—often lauded for his savvy physical and social infrastructure development strategies in the West Bank—the PA has been attempting to, “unilaterally extend [its]… control over undeveloped state lands within Area C in an attempt to pre-empt the outcome of any such negotiations or in the more likely scenario do away with the need for them completely.”

Regavim began trying to bring these issues to greater light by picking specific projects it deemed as likely to compel the courts to re-evaluate the tacit endorsement they had given the CA’s enforcement practices. Smotrich explained, Regavim’s philosophy on which cases to pursue: “We can’t deal with all 30,000 illegal houses, so we try to deal with the places that hold something important… We’re trying to bring more

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529 Bezalel Smotrich (Founder and Director, Regavim), interviews held in Jerusalem, Israel Jerusalem, Israel, 26 July, 2010 and while touring Regavim’s work in the West Bank, 10 August 2011.

530 Ibid.

outlying, strange cases to the Court, and we’re trying to say that when you look at those cases, you see that the CA isn’t doing what it has to do.”532

One of Regavim’s major claims is that Palestinians building is happening in places that endanger the physical security of individual settlements.533 Regavim has tried to fight the construction of an enormous five million dollar residence being built by a Saudi Sheikh on the outskirts of the Palestinian village, El Chadel. Regavim contends that this building, is a big security threat to local settlements because it sits on a high point overlooking an important road junction, thus giving it control of the road if and when violence next breaks out in the area.534 Another example is Regavim’s motion to oppose a 15,000-person football stadium being built without permission in Area C, outside of Al-Birah (a village near Ramallah), only 150 meters an Israeli settlement named Psagot. As Regavim sees it, the stadium presents a great danger to the settlement. Psagot town secretary, Noam Sharon explained the concern Regavim and his community share: “If 15,000 frenzied Arabs at a game decide to march on Psagot, they can be here in five minutes without anyone stopping them—and certainly not our lone soldier standing at the town gate.”535

Regavim also addresses cases in which illegal Palestinian construction or commerce on state land in Area C has detrimental environmental effects. Regavim brands itself as dually motivated by a Zionist agenda and an environmental agenda, and pursues issues it perceives to be a threat to either. While it does admit having worked on some cases against environmental degradation that have nothing to do with its Zionist agenda, most of its claims against pollution and other environmental infractions are also driven by Zionist considerations. Such is true with

532 Smotrich interviews.
534 Fendel.
535 Ibid.
the legal action Regavim brought against a group of Palestinians in the Wadi Ara in the northern West Bank. The group was producing charcoal by burning large piles of wood, a process it claimed to have been a continuation of a practice local Palestinians had carried out in the area for the previous 150 years. Regavim argued that the smoke created by their work compromised the air quality of several local settlements. In 2012, the court ruled in Regavim’s favor that the smoke was hazardous to the health of local populations and subsequently ordered that the charcoal production process halted.536

Most notably, Regavim takes on cases that it believes stand to have long-term impact on the overall settlement project. Though Regavim is a religious Zionist organization that believes the West Bank should remain permanently in Israel’s hands, it also recognizes from a pragmatic standpoint, that some form of Israeli withdrawal or partition may be an inevitability. Thus it prepares for the best case in such a scenario by addressing Palestinian building patterns it believes are being executed specifically in order to break territorial contiguity between Israeli settlements. This may be to block the future expansion trajectories of individual settlements, or to separate population blocs, so as to make any Israeli visions for annexation for larger blocs of the West Bank more difficult. An example of this plan in motion, in Regavim’s view, is the many small encampments of Bedouins that have started appearing along both sides of highway 1, the central artery that runs through the West Bank connecting Jerusalem to the Dead Sea. Smotrich argues that the PA leadership recognizes Israel’s challenges with unrecognized Bedouin villages in the Negev and its resultant special sensitivity to avoid uprooting more Bedouins, and as a result, has brought these communities of Bedouins in from the Negev or other parts of the West Bank to be pawns in its larger plan to create Palestinian facts on the ground. The evidence that such building is clearly part of a larger plan, Regavim argues, is that the core

equipment sustaining the existence of the encampments is not typical of what is usually found in Bedouin settlements. Smotrich explained:

> Every encampment of Bedouins stands on two things. They need tractors and water tanks. Without them, they can’t build… The PA has been providing them with these things, because it’s much easier to take control of a big, big area with the Bedouins. You can see lots of new tanks. The PA just gave out 500 free tanks to Bedouin. Encampments of Bedouin all along Highway 1 stretching from Ramallah to Jordan Valley all new over the last two years. It’s easy. Don’t have to build roads or electricity. Just give them tanks and tractors.  

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**Strategic Approach**

To address these various problems, Regavim undertakes strategies similar to those used by Settlement Watch. It collects its data by field observers going out regularly to record new building, making heavy use of GIS technology, and comparing construction patterns to legally approved building plans. As indicated, Regavim also works through the judicial system, picking symbolic cases that it hopes will convince the courts to mandate better CA enforcement practices. But unlike Settlement Watch, Regavim does not focus on advocacy in the press and diplomatic community, but rather on more internal strategies like lobbying Knesset members and ministries on the growing strategic dangers brought on by certain building. The goal is to have lawmakers to adopt more stringent codes for planning and norms for enforcement.

Regavim argues against the commonly perceived criticism that Palestinians have had little alternative but to build illegally in order to accommodate their growing population in the

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537 Smotrich interviews.
538 Incidentally, former Settlement Watch Director, Dror Etkes, believes that Regavim was conceived of and directly modeled after the work he was carrying on in Israeli courts on behalf of Settlement Watch and Yesh Din (Etkes interview).
face of a CA that refuses to grant them nearly enough building permits to accommodate their needs.\footnote{Some cite statistics like the ones issued from the United Nations Office for the Coordination of Humanitarian Affairs (UN-OCHA) in the West Bank: “The Israeli Civil Administration rejected 94 percent of Palestinians’ building permit applications in Area C between 2000 and 2007.”(Jillian Kestler-D’Amours, “Israeli Group Maps Palestinian Removals,”\textit{Inter Press Service News Agency}, 30 July 2012.)} In response, Regavim notes that not only does the PA have free reign to approve any building it wishes in Areas A and B (which comprise 40% of the West Bank), but Palestinians have been given more than ample opportunity to build in Area C—since the end of 2007, the CA approved 167 building plans in Area C which is enough for 1.17 million Palestinians, roughly eight times the present Palestinian population in Area C. The main reason Regavim argues for why Palestinians have all but ignored these options for building legally is that in light of Israel’s complete failure to enforce building laws in the past, Palestinians believe that they can do whatever they want, without any fear of repercussions. Smotrich explained that there is a big problem with the legitimacy of Israeli law in the eyes of Palestinians.

People have to have a fear that if they do something illegal that there will be consequences. You only have to take on a few if most people respect the law and fear the law. The problem here is that since there isn’t any [enforcement], people here are not afraid of anything. So they can build whenever they want and wherever they want, and how big they want. They don’t have to get permission, get permits, pay tax. If I want to build something, I have to pay to get this permission. That’s the real problem.\footnote{Smotrich interview.}

Through better laws and better enforcement, Regavim hopes to create a culture of law and accountability that will dissuade ongoing rampant disregard for Israeli law. Regavim believes this is Israel’s best chance to address the illegal land use so detrimental to the state’s interests.
Case Conclusion

As of 2012, Regavim had brought roughly 20 cases of illegal land use and building to Israeli courts. Though most still remained pending, it had celebrated a few early victories. Regavim believes it has a long way to go in confronting the goliath issue that is illegal building and land use in Area C of the West Bank, but considering that this was an issue long permitted to grow unchecked, it believes it has made important early headway in what will be a very long struggle.

Conclusion: Hypotheses on the Development of the Israeli Third Sector

The eight cases explored in this chapter presented a spectrum of third sector responses to the settlement issue. We have seen organizations confronting the issue from a variety of ideological and tactical approaches. Despite all of their differences, one important factor that all of the organizations share in common is their heavy dependence on overseas financial assistance to support their work in Israel—with much of the funding coming from American Jews. Consistent with the general trend we saw in chapter three of American Jews increasingly choosing individual Israeli NGOs as the main destination for their Israel giving, American Jewish giving in the case of settlement-related NGOs is even more pronounced—likely because philanthropic giving is one way American Jews believe they can directly impact Israeli affairs. The next chapter will explore relationships between Israeli NGOs and their American Jewish donors. It will do so by examining how the eight organizations just profiled, as well as the other

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eight organizations researched for this project, interface with their American Jewish supporters. It returns to the dissertation’s central questions regarding the structures and dynamics of the relationship between Israeli NGOs and American Jews who philanthropically support their work. Central questions surrounding this funding relationship include how involved American Jews are in influencing the agendas and tactics of the NGOs they support, and how involved both they and their Israeli counterparts think they should be.

Beyond this study’s two main research questions, it has also had a more minor secondary goal of exploring the development of the Israeli third sector, reviewing its history, and providing insight into contemporary trends. This section will offer some hypotheses on what can be learned about the development of the broader sector from our study of settlement-related NGOs. Admittedly, settlement-focused NGOs are necessarily partisan, and therefore not accurate reflections of typical Israeli NGOs in many ways. Still, there are several features that emerge when studying this group of NGOs that do speak to the larger Israeli third sector. Bearing in mind that more investigation is needed to conclusively prove the hypotheses below, I suspect the following will hold true under further study.

**An Increasingly Attractive Sector**

As we saw in chapter three, the Israeli third sector has undergone tremendous growth since the 1980s—and even more since the 1990s. Though the vast majority of NGOs are still devoted to non-political issues, the rapid growth rate of a portion of the sector involved in social- and political-change work—the Civil Society Organizations (CSOs)—can be partly explained by what we have seen in this case.
The growth rate of NGOs working on the settlement issue is remarkable. Six of the 16 NGOs in this study were founded since 2003,\textsuperscript{544} with at least five more completely reinventing their agendas and/or strategies during that time.\textsuperscript{545} This growth rate is notable, especially since the debate concerning the West Bank settlement enterprise is not at all new. Israelis have been active weighing in on this debate for decades, principally through means like voting in elections, lobbying government, or taking part in protest movements (both large, such as Gush Emunim or Peace Now, and small like the early protest-focused incarnations of Rabbis for Human Rights and Women in Green). So what, then, explains the steep rise in CSO activity over the last decade around this well-trodden issue? I suspect the growth in organizations working on this issue and the increasing specificity of their missions and targeted strategies suggest that CSOs are becoming known as perhaps the vehicle of choice for disenchanted Israelis looking to influence the status quo on an issue. This is likely due to the growing belief that NGOs can be influential players in effecting policy change without having to build a broad-based movement or make high-placed political allies. For example, in the case of the settlement-focused organizations, we have seen repeated instances of small groups of activists forming NGOs, through which they have effectively advanced viewpoints, action agendas, and impacted real developments on the ground.

The fact that Israelis are seeing NGOs as effective and desirable change agents even over an issue as important as settlement, suggests that they may also be seeing NGOs as the best vehicles for creating influence over other socially or politically divisive issues. I suspect that a study of the rate of growth of NGOs working on other contentious issues in Israel would mirror that of settlement-focused NGOs. Furthermore, I believe their growth rate would reflect an

\textsuperscript{544} Emek Shaveh, Ir Amim, Madaa, Regavim, Sheikh Jarrah Solidarity, and Yesh Din.
\textsuperscript{545} Mishmeret Yesha, The Rebuilders of the Jewish Community in Hebron, Rabbis for Human Rights, Settlement Watch, and Women in Green.
increased belief in Israel that NGOs may be the most feasible method for impacting social and political issues.

An Increasingly Aggressive Sector

A second trend my research suggests is that the Israeli third sector is increasingly more aggressive in its approach. To assess this, it is helpful to draw on David Korten’s theory of third sector development. Korten argues that NGOs’ strategies can be understood as either ‘first generation NGOs,’ ‘second generation NGOs,’ or ‘third generation NGOs’ based on how they attempt to create impact. What Korten calls ‘first generation NGOs’ are classic charity and service provision organizations—soup kitchens, orphanages, clinics, religious institutions, and the like. Traditionally, most NGOs in a society have fallen into this category. Many of the new NGOs emerging over the last few decades in developed countries, however, undertake different strategies, usually focusing on community development/ empowerment or systemic advocacy, which Korten classifies respectively as second and third generation NGO strategies. The implication is that more advanced third sectors, which are capable of being driving forces behind significant societal development, will have a greater portion of their activities conducted by NGOs using second and third generation strategies.546

In the case of Israeli NGOs working on settlement, there is an increasing move towards taking more second, and especially, more third generation approaches. Organizations like the Rebuilders of the Jewish Community in Hebron, which for years could best have been categorized as a hybrid of a first generation NGO (facilitating charitable donations to needy

families in Hebron) and a second generation NGO (doing basic community development work), is shifting its organizational agenda towards proactive advocacy work. This transformation has already taken place with newer NGOs as well. Madaa, for example, which started with an agenda focusing on community empowerment, quickly ventured into a third generation orientation, with its core leadership developing the Wadi Hilwah Information Center and supporting the emergence of the Popular Committee of Wadi Hilwah.

Such development is also apparent in some of the NGOs researched, but not profiled in chapter four. For example, the Ariel Development Fund (ADF), which was established in 1987 to help support the improvement of the community infrastructure of Ariel, gradually moved from raising money for discrete projects in the community, to heavily promoting the idea of Ariel to Israelis, American Jews, and American Christians. The organization has concentrated on branding Ariel as a city indispensable to Israel’s security, and a wellspring of culture and innovation, alternately referring to it as: ‘The Capital of Samaria’, ‘The Healthy Life-Style City,’ and as a community whose existence is indispensable in, ‘Promising Israel’s Future’. Despite whatever specific project or campaign ADF may be promoting, there is a palpable sense of advocacy in all of its messaging.

I believe that a broader study of organizations addressing social and political issues in Israel would reveal a general movement towards third generation strategies throughout the third sector. The organizations in this case provide many examples to Israeli NGOs working on other issues that third generation strategies may be the most effective approach. Organizations, both new and old, have begun using these techniques to more aggressively and effectively advance their agendas.

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547 See the website for the Ariel municipality (www.ariel.muni.il) and for its sister NGO in the U.S., American Friends of Ariel (www.friendsofariel.org).
An Increasingly Confident Sector

For the NGOs in this study that engaged in advocacy since their inceptions, there is an even more targeted, and I would argue, more confident approach to how they go about their business. Their strategies are no longer chiefly focused on protesting; rather they are linked to a proactive advocacy agenda. In other words, through their advocacy, they are not asking for change through the more passive means of petitioning or lobbying, alone. They are instead doing or telling—whether that means creating facts on ground, as Women in Green has done in Netzer, or forcing the government to act on issues it preferred to avoid, like Regavim is doing over illegal Palestinian building in Area C and Rabbis for Human Rights did over the IDF’s policies regarding the Palestinian olive harvest.

In another example, B’tselem, which formerly focused on reporting discrete human rights abuses, has in recent years become more brazen in its critique of fundamental flaws in Israel’s government and society, and more vocal and proactive in promoting this systemic critique in influential bodies abroad: lobbying in Europe and even opening a lobbying office in Washington, D.C. in 2009.

Each NGO in this study identified ways in which the Israeli government took an ambivalent or non-definitive stance towards some aspect of the settlement issue, and in response, developed methods to apply pressure and ultimately create influence. In some cases, this has meant providing support for issues the Israeli government had technically endorsed, but had failed to adequately put into practice. An example is how One Israel Fund provided life-saving bullet-proof school buses and ambulances to Jewish communities in the West Bank and Gaza Strip during the Second Intifada, which though the Israeli government fully supported in name, it failed to provide crucial services such as these, in practice. In other cases, this has meant opposing government policies, such as with Ir Amim’s work to halt government-sponsored plans
for Jewish community development in East Jerusalem. And in some cases, it has meant aggressively pushing forward reality-altering ‘facts on the ground’ in places where government has taken an ambivalent stance, either out of apathy or a fear of committing fully to one course of action. An example of this is Ateret Cohanim’s work to settle Jews in the Muslim Quarter of Jerusalem’s Old City, thereby singlehandedly changing the demographics of a fragile neighborhood at the physical and emotional epicenter of the battle over Jerusalem and the Israeli-Palestinian conflict. In each case, the NGOs believe they have the right and the ability to move their vision and action agenda into reality, regardless of how controversial their stance may be. Rather than merely asking the government to execute a policy, they push it through, themselves.

It would stand to reason that the government would want to drive the trajectory of such a contentious and existentially significant an issue as settlement on its own, rather than leaving opportunities open for NGOs to exploit cracks in government vision and policy, and change key realities. Yet, this is not the case. NGOs confidently insinuate their presence into all levels of the settlement debate, whether the government wants them to or not. Activist NGOs find and exploit loopholes and opportunities for their advantage, believing that creating facts on the ground will eventually lead to policy change—a strategy that is perhaps more in line with traditional Zionist way of doing things, than protesting or lobbying government. In these ways, settlement-related NGOs are likely amongst the vanguard of activist third sector organizations in Israel, demonstrating a variety of models for how other NGOs can more confidently operate in the contemporary Israeli climate.
An Increasingly Effective Sector

The fact that so many of the NGOs studied have been able to effect notable changes on such an important issue as settlement, is a testament to how effective NGOs in Israel have the potential to be on any issue.

For example, the 2005 government-initiated Gaza disengagement was the biggest battleground over the future of settlement to date. Yet, in the ensuing years, the government demurred from initiating other existential confrontations over the future of settlement. In doing so, whether intentionally or not, it left space for NGOs to initiate the next showdowns. Although ultimately it was court orders and Israeli police that carried out the deeply contentious and symbolically significant evacuation of the Migron outpost in 2012, it was the work of Settlement Watch, and not a government decree that set the evacuation into motion.

In another example, the battle over Silwan, which has become a flashpoint in domestic and international arenas, is due mainly to the initiative of an NGO. By gradually advancing its vision for the restoration of the ‘City of David’ over two-and-a-half decades, El’ad has created broad-reaching symbolic and practical changes to the neighborhood. While the government has willingly ridden on El’ad’s coat tails in many ways, the realities in Silwan today and the broader implications they carry for the future of Jerusalem and Israeli-Palestinian relations can be directly attributed to El’ad’s activities.

Smaller NGO initiatives that we have discussed have made notable impact, as well. Women in Green’s persistent efforts over Shdema were likely responsible for blocking the PA from attaining full territorial contiguity between Bethlehem and East Jerusalem. The significant changes in how the IDF has protected Palestinian olive harvesters since 2006 are due to the work of Rabbis for Human Rights. Regavim’s efforts to keep Palestinians from illicitly taking control
of state land have begun to take effect. Sheikh Jarrah Solidarity, a protest movement founded in 2009—and incorporated as an NGO a year later—to counter settler takeover of the Sheikh Jarrah neighborhood of East Jerusalem, has brought attention both nationally and internationally to an issue few had heard of before, and is arguably responsible for thwarting the controversial uprooting of the Palestinian community from this contested Jerusalem neighborhood.

The degree to which these significant—albeit incremental—steps will ultimately lead to broad policy change is not yet clear. Early signs suggest that the impact of many of these groups will be dramatic. Working under the assumption that the advancement of agendas on sub-issues can change *de facto* realities, NGOs stand to wield a heavy influence on the political outcome of the settlement debate. The fact that these NGOs are having so much influence on the sub-issues of such a high-stakes case suggests that equally well-organized, confident, creative NGOs can have influence on any issue in Israel, especially when they have international allies and ample funding in their corner, as these NGOs do.

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The above hypotheses became clear through the study of this sub-set of organizations. I tried not to speculate on the extent to which they apply to the broader sector. But it is very likely that some of what has been found here will apply more broadly. Hopefully other micro studies of the sector will soon follow.
Chapter 5: Structures and Dynamics of the Relationships Between the Case Study NGOs and Their American Jewish Supporters

The dynamics of the philanthropic relationship between American Jews and Israelis could long be understood by looking at the UJA-Jewish Agency relationship. But as we have seen, starting in the 1980s, and accelerating in the years after, a variety of structures and attitudes in both Israel and the American Jewish community underwent major shifts. Compared to old giving patterns, in which American Jews gave most of their philanthropy to Israel through general support of federation appeals, in 2007 only somewhere between 4-7% of American Jewish philanthropy to Israel went to the Jewish Agency’s core budget. The remainder was either designated within federations or given to one of the 700-plus other organizations raising money in the U.S., and passed along to thousands of Israeli NGOs. As a result, the old understandings of how power was shared between Americans and Israelis in philanthropic relationships and what it all meant were no longer accurate.

This chapter’s broad purpose, then, is to offer insight into what relationships in the contemporary environment look like through an exploration of the structure and dynamics of partnership relationships between the NGOs in this case study and the American Jews who support them. Its main frame for analyzing partnership dynamics is how Americans and Israelis share power over allocations decisions. Americans are interested in having a role in this

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548 See chapter two.
conversation that they did not have—and mostly did not ask for—in the ‘old system’. Deciding how an NGO spends its scarce resources goes a long way to determining its de facto agenda and longer-term vision.

Methodology

The data set for this chapter is drawn from 70 semi-structured interviews with leaders of the Israeli NGOs, their Israeli and American fundraising operations, and when possible, a small sample of American Jewish donors to the NGOs. Their observations are contextualized by 40 additional interviews with others who have knowledge of the field—including retired professionals, academics, and observers. In previous chapters, interview subjects were identified by name and affiliated organization (except for a few who had requested anonymity), as they discussed their organizations’ histories, philosophies, and activities. This is also the case in the first section of this chapter, in which similar themes are discussed. However, in the remaining sections of this chapter, the same interview subjects are all treated anonymously, except for a handful of public figures whose organizations’ purposes are to contribute to this discussion publicly. Since the questions touch on more sensitive themes, I decided it best to protect interview subjects from any negative fallout they could potentially face from having gone on record with sometime controversial opinions that might be viewed distastefully by their own organizations or donors, or a wider public. In parts two and three, subjects are only identified by gender, approximate role within their organization, and whether their organization is one of the group of the eight organizations whose work opposes some aspect of settlement, or the eight

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550 For a more detailed description of the methodology used in this study, see chapter one.
551 B’tselem, Emek Shaveh, Ir Amim, Madaa, Rabbis for Human Rights, Settlement Watch, Sheikh Jarrah Solidarity, and Yesh Din

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whose work supports settlement.\footnote{Ariel Development Fund, Ateret Cohanim, El’ad, Mishmeret Yesha, One Israel Fund, The Rebuilders of the Jewish Community in Hebron, Regavim, and Women in Green} For short-hand, I use the otherwise oversimplified labels of ‘anti-settlement’ and ‘pro-settlement’ NGOs. Part four maintains anonymity for interviewees, but because it is dealing once again more directly with the specifics of certain organizations, rather than just general trends, the NGOs are identified by name. Unless otherwise indicated, the specific opinions included in the discussion below are indicative of the most prevalent strains of opinion that came out of the wider interview pool.

One more point that warrants mention is a reminder that most opinions in this section only reflect common opinion amongst NGOs in my study—not the wider field of Israeli NGOs. While opinions in this sample probably reflect the broader population on some issues, it is not something that can be concluded.

\textbf{Chapter Structure}

The chapter is divided into four parts. The first part looks at the formal structures the NGOs and their American supporters have established for collecting and allocating funds including, how money is raised and passed along, as well as methods used to attract and retain donors in a highly competitive field of giving choices. The rest of the chapter is devoted to seeing how the case study NGOs and their American Jewish funders share power and what this might suggest more broadly about power sharing dynamics between American Jewish donors and Israeli NGOs in the contemporary environment. Part two looks at how Israelis and Americans view the expanded role American appear to be seeking in deciding how their donations are spent in Israel.
Parts three and four each look at how power sharing dynamics play out in new relationship forms. The 93-95% of donated funds going to destinations other than the core Jewish Agency budget is split mostly between two general modes of giving: ‘direct giving’ and what I have termed ‘tailored federatedness’. Direct giving is giving that goes to pass-through organizations, giving via the donor advised giving options of ‘friends of’ organizations and ideological umbrellas and foundations making grants directly to Israeli NGOs. ‘Tailored federatedness’ is general giving to ‘friends of’ organizations and ideological umbrellas. I use the term ‘tailored federatedness’ because the giving models are driven by and reflect some of the same characteristics as traditional federated giving; however, they are ‘tailored’ in that donors have chosen a specific organization amongst hundreds, based on their own tailored preferences of what in Israel they believe is most deserving of their support. Part three looks at how power sharing manifests within direct giving arrangements. Part four looks at how power sharing manifests within ‘tailored federatedness’ arrangements.

**Part 1: Structures of Philanthropic Relationships**

Israeli NGOs working on a wide variety of issue areas have taken to raising money from abroad in order to support their work. As we discussed in chapter three, this is disproportionately true of civil society organizations (CSOs). Poor levels of Israeli philanthropy, coupled with an understandable lack of government support for organizations often working not in line with, or even contrary to, government agendas necessitate that CSOs obtain funding from overseas.

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553 It should not be lost in the narrative of the decline of the support of the UJA discussed in chapter three that though many American Jews deemed the central federated body inadequate, they were not rejecting all aspects of federated giving. Many donors wanted to be able to select their own organizations for their giving, but once they did, they were comfortable having the collective decision-making body within that organization make decisions on how best to spend their money—even more, some still held this federatedness as a virtue.
16 NGOs in this study—which can all be considered CSOs—all fall into this category, relying heavily on overseas funding.

This section will use the case study organizations to explore the structural frameworks that support philanthropic relationships between American Jewish donors and Israeli NGOs. It will look at two key components for how NGOs build overseas support: creating structures to facilitate donations and building donor bases. It will look comparatively at how the case study organizations have gone about these processes, and note some of the preferred patterns of activity that became apparent in this study. The other important component of the structural partnership is how allocations decisions are made. The structure for decision making will be touched upon only briefly in this section, as the more important process for how power is actually shared between NGOs and donors will be explored in much greater detail throughout the remainder of the chapter.

The Importance of American Jewish Support

Overseas funding comes to the case study NGOs from a few different sources. A number of the anti-settlement organizations receive funds from European governments and foundations. Some pro-settlement organizations receive funding from Evangelical Christians. However, the common denominator for the organizations is that they receive

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554 This phenomenon is widely documented by an Israeli NGO called NGO Monitor (http://www.ngo-monitor.org). According to the group’s mission statement, “NGO Monitor provides information and analysis, promotes accountability, and supports discussion on the reports and activities of NGOs (non-governmental organizations) claiming to advance human rights and humanitarian agendas.” Much of the site’s focus is to highlight which Israeli NGOs receive money from European government sources.

555 The most known example of this amongst the organizations in this case study is the Ariel Development Fund, which has intentionally cultivated support from Evangelical Christians for decades. (See “Evangelist Hagee Pledges $6 million to Israel,” Associated Press, 6 April, 2008; “Israeli Youth Center Combines Faith, Fun,” The Christian Broadcasting Network, 16 July 2010; Major Avner Mutsafy, Samaria Regional Commander, Firefighting Services of Judea, Samaria and the Jordan Valley, to Faith Bible Chapel, Arvada, Colorado, 19 December, 2010. Letter available at http://www.friendsofariel.org/articlenav.php?id=164). Due to other NGOs’ lack of transparency on fundraising issues, it is difficult to know to what extent attention to raising money from Evangelicals exists with
significant—and in many cases vital—support from diaspora Jews, most of which comes from the American Jewish community, the largest and wealthiest diaspora community.

Methodological Challenges to Collecting Financial Information

When this study was first conceived of, it hoped that it would be able to de-mystify the mythology surrounding foreign funding of settlement support and human rights NGOs in Israel. Articles and reports that have touched on this topic tend to be unconvincing and deeply partisan accounts that give the impression that the NGOs on ‘the other side’ of this issue from the author’s political perspective are swimming in seemingly unlimited amounts of foreign funding, and well outspending the modest budgets of their adversaries. It was hoped that through a study of the exact budget figures for each of the NGOs, the exact quantities and the relative portions coming from American Jewish sources could be reported. After all, American 501(c)(3) organizations are required to file the IRS form 990 every year. By rule, they are required to disclose information about donations received, grants made, and other helpful information to a study like this, including specific organizational objectives and the names of its board members. Not only are these forms publically available, but thanks to the existence of several websites that publish 990s (including www.guidestar.org, www.foundationcenter.org, and www.eri-nonprofit-salaries.com), they are usually easy to access.

some of the other pro-settlement groups in this study as well. But based on the success some other pro-settlement NGOs not included in this case study (i.e. Friends of Elon Moreh, Christian Friends of Israeli communities) have had with Evangelical Christians, it is likely that a number of the pro-settlement NGOs in this study have tried to raise money from Evangelicals as well.

This turned out to be an unrealistic goal. While, the use of 990s proved invaluable in piecing together the financial pictures for several of the most important American organizations in this study, due to organizations’ omission of information\(^{557}\) and often vague language in describing their activities, 990s, in some cases, provided little more than the basic information. In addition, the pass-through organizations that are so important for so many of the NGOs in this study (i.e. Central Fund of Israel, Israelgives, and the donor advised giving option for the New Israel Fund) do not release information on how much money specific Israeli NGOs receive through them.\(^{558}\) When asked any specific questions about recipient organizations and amounts, pass-throughs typically responded that all information was private and would not be released without the permission of the recipient organizations.

On the Israeli side, things also appeared promising initially. NGOs are similarly required to file annual reports—including detailed audited accounting statements—with the Israeli Bureau of Amutot. Though this information had long been public, for years it was very difficult to obtain, due to a disorganized and complicated bureaucratic system.\(^{559}\) However, with the launch of Guidestar Israel (www.guidestar.org.il) in 2010 and the online access it gave to many of the NGOs’ public documents, the task of studying NGO finances became immeasurably easier. However, this proved to be an imperfect source as well, as there are many forms missing on the website. Whether this is due to a failure on the part of the NGOs, the Bureau of Amutot, or Guidestar Israel is not clear. But the fact is that while there was adequate detailed information on the finances of some of the NGOs in this study available, the information on many NGOs was

\(^{557}\) For example, until its 2011 form, American Friends of Ir David never reported the names of its board members. The only name typically listed was the organization’s accountant. And the only address was the accountant’s business address.

\(^{558}\) There are a few small exceptions to this. In 2001 and 2002, the Central Fund of Israel published a list of the names and amounts received for all its recipient NGOs. Also, in 2013, New Israel Fund published similar details on its donor advised giving on its website, www.nif.org.

incomplete (missing forms, numbers reported without explanations, some numbers blacked out), and for some, completely missing.

These limitations required that this study depend on the cooperation and transparency from the NGOs, themselves. It was explained to all groups that this study did not seek sensitive or private information, such as the names of funders or minutiae of budgets, but rather the information that they are legally mandated to make public (i.e. size of budget, amount of funds received from abroad). Nonetheless, much information that would have been helpful was withheld by the NGO leaders interviewed for this study. While aside from the discussions about finances, they were mostly helpful and forthcoming about their organizations’ work, when the topic of finances arose, most demurred, and in a few instances, some became belligerent, refusing to share even the most rudimentary information.

Nonetheless, this study was able to gather enough information for a collective picture to emerge for just how important foreign funding—and specifically American Jewish funding—is to the NGOs in this case. The next section will provide a few examples.

**Significant Percentages of Budgets from American Jewish Donations**

In most cases in which there was enough available information—either through what could be culled from Israeli and American tax documents or what NGOs, themselves, reported—we see how dependent organizations are on the funding they receive from American Jewish donations. For example, Ateret Cohanim gets about 60% of its budget from American Jewish donors, and Peace Now/Settlement Watch brings in about 40% from its donors in the U.S.\(^{560}\)\(^{561}\)

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\(^{560}\) *Haaretz* reported that in an interview with its reporter Uri Blau, Ateret Cohanim’s Chief Fundraiser, “estimated that 60 percent of Ateret Cohanim’s money is raised in the U.S.” (Uri Blau, “U.S. Group Invests Tax-Free Millions in East Jerusalem Land,” *Haaretz*, August 17, 2009.)

\(^{561}\) Janet Aviad (Co-Founder and longtime leader, Peace Now), interview held in her office, Jerusalem, Israel, 1 June 2010.
An examination of the few NGOs with fully available documentation revealed a consistently high portion of groups’ funds came from U.S. For example, of the total 18.2 million NIS budget for the Rebuilders of the Jewish Community of Hebron over the five-year period from 2007-2011, 9.2 million (51%) was contributed by the Hebron Fund, and another 4.986 (27%) came from unattributed donations—a portion of which may very well be from American Jews. In addition, organizations like Rabbis for Human Rights and Sheikh Jarrah Solidarity, though also drawing from other sources, received very high percentages of their operating budgets from donations from American Jews. For a few other NGOs, while the percentage of their budget from American Jews was smaller, it still represented significant portions. For example, B’tselem reported that it receives 33% of its funds from American donors, and in the most recent two years for which full documentation was available (2009-2010), Ir Amim brought in at least 17.2% of its budget from American Jewish donations.

Large Sums Received from American Jewish Donations

In other examples in which there was incomplete information on total budgets, it was impossible to determine the exact relative importance of funding from American Jews. However, in some cases a look at total amounts donated suggests the impact of these donations nonetheless. For example, from 2002-2011, Friends of Ir David brought in $39.4 million in donations, $38.6 million (98%) of which it passed along to Israeli NGOs—presumably all or

562 [www.guidestar.org.il](http://www.guidestar.org.il) (מחדשי הישוב היהודי בחברון) (‘The Rebuilders of the Jewish Community in Hebron’)
563 [www.guidestar.org.il](http://www.guidestar.org.il) (‘Sheikh Jarrah Solidarity’)
564 Risa Zoll, (International Relations Director, B’tselem), interview held in her office Jerusalem, Israel, 27 May 2010.
565 [www.guidestar.org.il](http://www.guidestar.org.il) (‘Ir Amim’)
most going to its sister organization, El’ad. In this case, no matter how large El’ad’s budget may be, it is probably safe to assume that the $38.6 million it received in donations from its supporters in the U.S. has played a significant role in the development of its activities. On a smaller scale, Friends of Ariel raised $12.4 million from 2001 to 2011, granting over $10 million to the Ariel Development Fund. In this case, the impact of these funds is clearer. Leadership from the Ariel Development Fund directly credit the support received from American Jews (and Christians) for making possible the construction of Ariel’s several state-of-the-art recreation and entertainment facilities (pool and fitness center, leadership development center ropes course, performing arts center)—unparalleled amongst West Bank settlements. When asked to evaluate the overall impact foreign support has played in the elevation of Ariel from mid-sized settlement to a city with 20,000 residents, an executive at the Ariel Development Fund said that without all of the public facilities Ariel now offers, it would not have been able to grow and thrive as it has. Without this support, he explained,

I have a picture in my mind—a gray and black city—which is not a city—which is a poor town with [a] big backup in social services department. A couple of convenience stores, maybe a bank, and two small playgrounds...[the] aliya program [which brought approximately 10,000 immigrants from the FSU to Ariel] never would have worked—all community life and culture would have been more dull…I exaggerate, but it would’ve been very, very dull.

Overall Impact

Leaders from all 16 NGOs were asked what their organizations would look like without the support of American Jewish donors. Many indicated that they would likely be out of business without this funding. For others perhaps less reliant on funding from American Jews for their

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566 Information obtained from IRS form 990 documents for Friends of Ir David (tax years 2002-2011). 990 forms were available via guidestar.org.
survival, they confirmed the importance these contributions play in their ability to function effectively. One director of a pro-settlement NGO indicated that though, “the base [of our activities] doesn’t depend on overseas gifts,” in order to be able to have the kind of impact his organization hopes to have, it relies on the staff it can only hire at this point because of its support from American Jews. A leader from an anti-settlement NGO similarly explained that without American Jewish support, his organization would still be able to carry on the same advocacy activity it does, but would have far less funds for marketing—something that has been crucial to the ascendency of the organization as their issues have become put on the radar of the public and the press. For newer and smaller organizations, every dollar counts. Two still relatively unknown organizations in this study operating on low budgets, and receiving only small amounts from American Jewish donors still admit that at this stage, the little extra they do or do not receive from communities abroad can make the difference between whether they have the funds for things like web designers, legal advisers, and other crucial tools for organizations just getting started.

In sum, even though a comprehensive financial picture of each of the NGOs in this study could not be provided, research revealed that philanthropic support from American Jews plays somewhere between an important and a crucial role for all of the NGOs in this study. On that basis, we will now explore how the NGOs generate the philanthropy they receive from American Jews.

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Channels for American Jewish Philanthropy to Israel

As new NGOs in Israel first tried to raise funds from American Jews, they needed to do two things: affiliate with an organization through which they could offer tax deductions to
donors\textsuperscript{567} and build a base of grassroots American supporters. Though all organizations did not go about these processes identically, there are some discernible patterns.

As of 2013, the majority of the funding to the NGOs in this study came through three of the types of giving vehicles described in chapter three—‘friends of’ organizations, pass-through organizations, and ideological umbrellas organizations. These three vehicles will be the primary focus of our discussion. However, it is first worth noting how the other organizational types—foundations, federations, and synagogues—are used in this case.

Several American Jewish foundations support the organizations in this case study. As discussed in chapter three, foundations can legally give directly to Israeli NGOs. While at least 100 American Jewish foundations give directly to Israeli NGOs. I have not found evidence that any of the NGOs in this case study are the beneficiaries of such direct giving by American Jewish foundations. The foundations that give to these NGOs instead use friends-of organizations, pass-throughs, or ideological umbrellas to facilitate their giving. For example, the Naomi and Nehemiah Cohen Foundation supports Ir Amim and Yesh Din, but does so through donor advised gifts to the New Israel Fund, rather than granting to the organizations directly. The Irving I. Moskowitz Foundation likewise gives to Friends of Ir David and American Friends of Ateret Cohanim rather than directly to the Israeli NGOs, themselves.

It is a similar situation for the few federations that support/facilitate giving to the NGOs in this study. In 2006 and 2007, for example, Combined Jewish Philanthropies (CJP), the federation in Boston facilitated donor-advised gifts to the Rebuilders of the Jewish Community in Hebron, but did so through the group’s ‘friends of’ organization, the Hebron Fund, rather than directly to the Israeli NGOs, themselves.

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\textsuperscript{567} For a discussion of the importance of offering tax deductions to attract American supporters, see page 126.
giving directly to the Israeli NGOs. This is true, as well, for other federations supporting NGOs in this case study.\footnote{According to a website called settlementsinpalestine.org that tracks donations to various settlement support bodies by looking through IRS 990 documents from American 501(c)(3) organizations, CJP facilitated a $500 gift to Hebron Fund in 2006 and a $430 gift to the Hebron Fund in 2007. (As of 2013, settlementsinpalestine.org is no longer an active website, but the body’s former research is now hosted by lajewsforpeace.org \url{http://lajewsforpeace.org/SettlementsinPalestine.html})}

It is methodologically more difficult to account for donations given directly to Israeli NGOs by synagogues, since religious institutions are not required by the IRS to disclose their financial information like other American 501(c)(3) organizations. The amount coming to the case study NGOs from synagogue’s discretionary funds is therefore unknown. However, synagogues are, at least, involved to some degree.\footnote{A few examples of synagogues directly supporting Israeli NGOs: Am Kolel, a Jewish Renewal Synagogue in Beallsville, Maryland has supported Rabbis for Human Rights (Am-Kolel, 2010 Annual Report.); Congregation Bnai Yeshurun, an Orthodox Synagogue in Teaneck, New Jersey has supported the Rebuilders of the Jewish Community in Hebron; A Chabad women’s group that calls itself ‘Crown Heights Women for the Safety and Integrity of Israel’, has raised money for Women in Green. (Gil Ronen, “Lubavitch Women Fundraiser for Construction in Judea and Samaria,” \textit{Arutz Sheva}, 21 January 2010.)}

For example, one development director for a pro-settlement NGO said that prior to the financial crisis, there was, “no shortage of Rabbis giving checks from the Rabbi’s discretionary fund.” In addition, there is some evidence of synagogues giving directly to some of the NGOs in this case study, including Rabbis for Human Rights, the Rebuilders of the Jewish Community in Hebron, and Women in Green. It would be wonderful to better understand the full extent of such giving, but no research on the subject yet exists.

\textbf{Giving to Israeli NGOs Through the Three Main Channels: ‘Friends of’ Organizations, Ideological Umbrellas, and Pass-Through Organizations}

During the course of this study, it became clear that most of the Israeli NGOs in this sample believe it is in their best interest to eventually have a parallel ‘friends of’ organization in the U.S.
supporting their work. As of 2013, ‘friends of’ organizations existed for all 10 of the NGOs in this study established prior to 2000. There were not yet ‘friends of’ organizations to support the six NGOs established after 2000, though the process had been begun to establish supporting ‘friends of’ organizations for three of the six. Some were established almost immediately like the Hebron Fund and One Israel Fund, and others like B’tselem USA and American Friends of Ir David took well over a decade. Regardless of how long it takes, it appears that all Israeli NGOs in this study eventually move in the direction of linking up with dedicated American ‘friends of’ organizations, as Table 1 illustrates.

<table>
<thead>
<tr>
<th>Israeli NGO</th>
<th>Founding Date</th>
<th>Organization Used as Pass-through Prior to/Instead of ‘Friends of’ Organization</th>
<th>American ‘Friends of’ Organization</th>
<th>Founding Date</th>
<th>Gap Between Founding Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rebuilders of Hebron</td>
<td>1979</td>
<td>n/a</td>
<td>The Hebron Fund</td>
<td>1980</td>
<td>+1</td>
</tr>
<tr>
<td>Ateret Cohanim</td>
<td>1979</td>
<td>P.E.F.</td>
<td>Friends of Ateret Cohanim</td>
<td>1984</td>
<td>+5</td>
</tr>
<tr>
<td>El‘ad</td>
<td>1985</td>
<td>Unknown</td>
<td>Friends of Ir David</td>
<td>1999</td>
<td>+14</td>
</tr>
<tr>
<td>Ariel Development Fund</td>
<td>1987</td>
<td>P.E.F.</td>
<td>Friends of Ariel</td>
<td>1991</td>
<td>+4</td>
</tr>
<tr>
<td>B’tselem</td>
<td>1989</td>
<td>New Israel Fund</td>
<td>B’tselem USA</td>
<td>2010</td>
<td>+11</td>
</tr>
<tr>
<td>Women in Green</td>
<td>1993</td>
<td>Central Fund of Israel</td>
<td>Yibaneh Fund</td>
<td>2010</td>
<td>+17</td>
</tr>
<tr>
<td>One Israel Fund</td>
<td>1994</td>
<td>n/a</td>
<td>One Israel Fund</td>
<td>1994</td>
<td>0</td>
</tr>
<tr>
<td>Mishmeret Yesha</td>
<td>1998</td>
<td>Central Fund of Israel</td>
<td>Kadam Fund</td>
<td>2010</td>
<td>+12</td>
</tr>
<tr>
<td>Ir Amim</td>
<td>2000</td>
<td>New Israel Fund</td>
<td>In process</td>
<td>In process</td>
<td>&gt;13</td>
</tr>
<tr>
<td>Yesh Din</td>
<td>2005</td>
<td>New Israel Fund</td>
<td>In process</td>
<td>In process</td>
<td>&gt;8</td>
</tr>
<tr>
<td>Regavim</td>
<td>2007</td>
<td>Israel Independence Fund</td>
<td>In process</td>
<td>In process</td>
<td>&gt;6</td>
</tr>
<tr>
<td>Madaa</td>
<td>2007</td>
<td>Musicians Without Borders</td>
<td>---</td>
<td>---</td>
<td>&gt;6</td>
</tr>
<tr>
<td>Emek Shaveh</td>
<td>2008</td>
<td>New Israel Fund</td>
<td>---</td>
<td>---</td>
<td>&gt;5</td>
</tr>
<tr>
<td>Sheikh Jarrah Solidarity</td>
<td>2010</td>
<td>New Israel Fund</td>
<td>---</td>
<td>---</td>
<td>&gt;3</td>
</tr>
</tbody>
</table>

Table 1: Israeli NGOs and their corresponding ‘friends of’ groups, how they facilitated tax-deductible American philanthropy prior to ‘friends of’ organizations, and the lag time between establishment of NGOs and ‘friends of’ organizations.
In all cases to date, the Israeli NGO has played at least some role in having the American organization be established. In a number of cases, it has played the leading role. Most NGOs in this study felt they could make do without having affiliated ‘friends of’ organizations for some years. In the opinions of many of the interviewed leaders, the process of establishing an American 501(c)(3) organization is time consuming and expensive, and seems to be regarded as worth their investment only when the organizations have, themselves, become quite established in Israel. Having an affiliated American 501(c)(3) is not immediately necessary because other means for passing tax-deductible American donations along to Israeli NGOs can be established much more quickly and easily for newer Israeli NGOs. Within this case, for example, the Ariel Development Fund and Ateret Cohanim, each received funds through P.E.F. during their first years before they affiliated with an American ‘friends of’ organizations, Women in Green, Regavim, and Mishmeret Yesha have done the same through the Central Fund of Israel (CFI), and almost all of the anti-settlement organizations in this study have, at some point, had New Israel Fund (NIF) as their conduit for receiving tax deductible donations from Americans. In some cases, pass-through donations were even facilitated through organizations having little or nothing to do with Israel otherwise. For example, gifts to Madaa are possible through Musicians without Borders, an American NGO that develops and funds music programs for children in areas of war and conflict. Sheikh Jarrah Solidarity, which eventually got onto NIF’s list of approved NGOs for donor-advised giving, received its first donations through the Taos Peace House, a Utah-based network of activists that identifies itself as working on issues related to “peace, social justice, and a sustainable future.” In most cases, it was only when organizations

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570 There is significance to the question of who initiated the creation of an NGO’s ‘friends of’ organization. This will be addressed in the last section of this chapter.

571 [www.musicianswithoutborders.org](http://www.musicianswithoutborders.org)

572 [www.taospeacehouse.org](http://www.taospeacehouse.org)
started investing more of their time and resources into expanding the funding they received from
American partners that ‘friends of’ organizations were established.

Though most organizations started out using pass-through organizations before
establishing ‘friends of’ organizations, others have had the benefit of being grantees of
ideological umbrellas. Receiving donations through ideological umbrellas is in many ways a
more desirable channel for NGOs than receiving funds through pass-through organizations.
While P.E.F., CFI, and Israelgives allow NGOs to offer their donors tax deductions, groups like
NIF and Israel Independence Fund (IIF) who run their own fundraising operations in the U.S.
can do more to help their Israeli NGO grantees to publicize their work. In order to drum up
support for the larger portfolio of their own work, NIF and IIF showcase the organizations they
fund to their own general donors and prospective donors.

For example, NIF promotes Yesh Din’s work in its print and online literature. In addition,
NIF might sponsor a leader from Yesh Din to come to the U.S. to give public talks and meet with
donors. Though NIF’s principal goal in doing this is to fundraise for itself, the process also helps
Yesh Din considerably. For one, in the short-term, NIF donors who are attracted by what they
hear about Yesh Din might choose to earmark their NIF gifts to Yesh Din. In the longer term, by
the time NIF ends its institutional support for Yesh Din—which it usually does when
organizations are more established—its promotional activities will have ideally already made
Yesh Din a known entity for many sympathetic American Jews, who otherwise would likely not
have known about it. Similarly, IIF was created because a group of American Jews wanted to
support organizations of certain ideological dispositions in Israel, but did not know who to
support. These American Jews now count on IIF to provide them with information on NGOs that
meet their interests, most of which they would not have otherwise known. Donors in the U.S.
who now support Regavim, therefore, may be doing so precisely because Regavim was one of the NGOs promoted by IIF. Had Regavim had a pass-through organization as its main organizational conduit for raising funds rather than an ideological umbrella, many of its donors may never have otherwise heard of it.

By contrast, making use of a pass-through organization as the vehicle for accepting donations from Americans, while a convenient option for Israeli NGOs, especially newer ones, does not help them to market their organizations in the U.S. It is up to these NGOs, themselves—much more so than those working through ideological umbrellas—to invest in grassroots fundraising work if they hope to raise funds from American Jews.

Cultivating a Grassroots Fundraising Base

At whatever their stage of development, NGOs all recognize the importance of building a grassroots fundraising base. Though each would prefer to find a handful of mega-donors who could provide millions of dollars annually, most NGOs agree that such benefactors are very few and nearly impossible to attract. The only alternative then is to methodically and gradually find and woo individual donors and small foundations, and then hopefully retain their support.

Ron Nachman, the longtime Mayor of Ariel, was a pioneer in this work. He built the Ariel Development Fund’s loyal grassroots donor base in this way, for years travelling to the U.S. for as much as one-to-two months per year. Nachman realized early on that as a community over the Green Line, Ariel would not benefit from diaspora-supported community projects, like many communities within the Green Line. He decided that his best chance to raise funds to bolster the social and recreational infrastructure he believed would be necessary to convert Ariel in thought and practice from small settlement to viable, attractive city was to start aggressively fundraising in the U.S.
I said to myself:… ‘What will you do?’… ‘I [will] go to America and start
to find people.’ That’s exactly what I’ve done…. So I schlepped around
the United States from place to place…It’s a very difficult and very tough
work, but each one of the people that I met became a friend, and each one
of them started to know what was [Ariel].

As a testament to the degree of legwork necessary for an Israeli NGO to successfully
cultivate a grassroots base, Nachman was proud to show interested visitors to his office the stack
of spiral notebooks he collected—each one packed with the names of the people he met and
notes on his conversations with them.

In a similar fashion, leaders of Israeli NGOs in this case study take anywhere from
occasional to regular fundraising trips to the U.S. As a result, regardless of how instrumental
Arik Ascherman (Rabbis for Human Rights), Nadia Matar (Women in Green), Hagit Ofran
(Settlement Watch), Israel Danziger (Mishmeret Yesha), and others are in leading their
organizations and in personally conducting their time-intensive fieldwork, each recognizes the
importance of finding time in their packed schedules to travel to the U.S. to work on building
their donor bases through parlor meetings, speaking engagements, and individual meetings with
donors and prospective donors. One longtime American board member for a ‘friends of’
organization affiliated with a pro-settlement NGO that he requested not be mentioned in his
quote, explained the importance of bringing the NGO’s visionaries to meet with donors in the
U.S.:

There’s so much competition for that American dollar that if you’re [the
founder of the NGO], who’s the most powerful person to speak for [the
NGO]? It’s you. It’s not something that you’re going to delegate… I can’t

573 Ron Nachman (Mayor of Ariel/ Board Member of American Friends of Ariel), interview held in his office in
Ariel, Israel, 7 August, 2011.
574 http://www.jewishboston.com/events/1769-an-evening-with-rabbi-arik-ascherman-director-rabbis-for-human-
rights
575 http://blog.womeningreen.org/?p=225 (Beth Jacob – LA)
speak for other Israeli organizations. I’ve met some of them and I’ve met some of their fundraisers, but I really don’t want to listen to them, because I know—eh—it’s just another job for them. The more they raise, the more their incentive bonus and all this sort of stuff.

Organizations with bigger budgets still do the grassroots circuit, but have a greater number of U.S.-based lay leaders and professionals to help do the work. Some organizations have had the advantage of having the sponsorship of Israeli notables. El’ad, Ateret Cohanim, and One Israel Fund, for example, had former general and Defense Minister (and eventual Prime Minister) Ariel Sharon personally conduct fundraising trips on their behalf. Even in such cases, while Sharon’s presence helped opened doors to wealthier donors, it still required tireless travel and relationship-building campaigns to attract and retain the support of donors.

**Marketing Strategies**

As the Israeli NGOs all seek to make in-roads into American Jewish and other allied overseas communities, each invests considerably in developing messaging accessible to foreign donors. There are two purposes for this. The first, as the next pages address, is immediate fundraising goals. But of perhaps greater importance is a long-term interest in having the tools necessary to craft the messaging on their issues to as many American Jews as they can reach. This aspect will be discussed in greater detail later in this chapter.

**Accessible Development Staffs**

One component of the NGOs’ messaging strategies seems to be having their American ‘friends of’ organizations eventually establish American-based offices with paid development staff who can methodically disseminate their message to American supporters and potential
supporters. Of the 10 NGOs in this study with ‘friends of’ organizations, seven have paid development staff based in the U.S. (American for Peace Now, The Hebron Fund, Friends of Ateret Cohanim, One Israel Fund, and B’tselem USA, Rabbis for Human Rights-North America). Most also have international development directors based in Israel, who are notably all ‘Anglos’, as they are known in Israel—Either American, Canadian, Australian, British, or South African Jews who have immigrated to Israel. These Anglo-born Israelis (ABIs), to slightly modify a term coined by Avi Kay, serve as the face of the organization to the English-speaking diaspora Jewish community. Hiring an ABI international development director seems to be an intermediary step for a number of organizations who are building up their bases of supporters, but do not or do not yet have ‘friends of’ organizations. For the four NGOs in this study that

578 Of the three that do not, it is possible that the two NGOs with the newest ‘friends of’ organizations (Women in Green and Mishmeret Yesha) intend to move toward this model. Nachman had always preferred to fundraise for Ariel Development Fund personally. However in the aftermath of his death in 2013, perhaps this organization will also hire American staff.

Table 2: Patterns of progression in NGOs’ development operations.

were founded between 2000-2007, three have ABI international development directors. The two newest groups, do not yet have such development staff, instead relying on their Israeli-born staff and volunteers to conduct from afar what amounts to limited fundraising efforts. The fact that so many NGOs hire ABIs as their development directors suggests that it is widely regarded as important for them to have a spokesperson, who is viewed by Diaspora Jews as being a ‘real’ Israeli, but who also has the necessary language skills and cultural instincts to be able to make a compelling pitch to an English-speaking audience.

On-line Resources

Of the 10 NGOs founded before 2000, nine have websites loaded with information about the organization’s history and activities, as well as blogs, links to articles, you tube videos, and
other features that are all intended to both promote organizations’ activities and convey their narratives on the context of their work.\textsuperscript{580} The six organizations founded after 2000, all have websites that are less sophisticated and contain less content than the older organizations, but still allow non-Hebrew speakers who may know little or nothing about Israel to become informed about the organization’s narrative or events in Israel and the West Bank. Perhaps it is a given in 2013 that any NGO trying to build a base of supporters abroad would make it a priority to create a good website, but it is nonetheless worth noting that in this case, almost every organization appears to be investing to build robust, easily accessible websites, regardless of its budget.

**Partnerships**

Another strategy, several of the NGOs in this study have employed for developing their grassroots American Jewish support has been to build alliances with like-minded American Jewish organizations. The right alliances help bring publicity, visitors, and funds to the Israeli NGOs. For example, both Women in Green and Mishmeret Yesha have become involved with Americans for a Safe a Israel (AFSI), an American NGO that defines itself as an educational organization asserting Israel’s rights to retain control of the West Bank.\textsuperscript{581} Each year, when AFSI leads its Chizuk mission—a trip to Israel for its members and supporters, it includes on its itinerary meetings and field visits with each of the groups. AFSI members get to plant in Netzer alongside Women in Green activists, and take target practice at a shooting range Mishmeret El’ad (http://www.cityofdavid.org.il/en), Ateret Cohanim (http://www.jerusalemchai.org/), The Rebuilders of the Jewish Community in Hebron (http://www.hebronfund.org/), Women in Green (www.womeningreen.org), Ariel Development Fund (http://www.ariel.muni.il/?CategoryId=265), Settlement Watch (www.peacenow.org.il/eng/content/what-settlement-watch-team), One Israel Fund (http://www.oneisraelfund.org/), B’tselem (http://www.btselem.org/), Rabbis for Human Rights (http://rhr.org.il/eng/). Likely due to its overall organizational interest in secrecy, the other organization does not have a website.


\textsuperscript{581} www.afsi.org
Yesha uses to train its Rapid Response Teams.\textsuperscript{582} In another example, just as Sheikh Jarrah Solidarity (SJS) was getting started, it received a big booster from J Street, the rising American Jewish advocacy group that works to “promote American leadership to end the Arab-Israeli and Palestinian-Israel conflicts peacefully and diplomatically.”\textsuperscript{583} At the opening night of J Street’s second annual conference, one of SJS’s leaders, Sara Beninga, was given one of J Street’s three top honors—its ‘hero’ awards, that it describes as honors for individuals who, “give voice to the values that we hold dear and who have inspired us with their courageous stories, their heroic actions and their bold words.”\textsuperscript{584} As a result, Beninga was invited to address the packed convention center regarding the work of her group.

Though these two examples are not forums for direct solicitations for contributions, they are opportunities for Israeli NGOs to get publicity and sponsorship in front like-minded audiences, who, by virtue of their involvement with a J Street Dinner or an AFSI Chizuk mission alone, demonstrate that they care about Israel and that they are willing to financially support causes that are working to bring forth their vision for an ideal Israel.

\textbf{Cultivating Relationships}

As groups become more established and cement a base of loyal American Jewish supporters, they develop strategies for the continued engagement of their donors. Nearly all of the groups send regular email digests to their mailing lists, updating their work, and providing explanation and interpretation of developments in Israel relevant to their work. They invite donors to visit them in Israel, many offering either public or personal tours of their work. Beyond

\textsuperscript{582} See chapter four.
\textsuperscript{583} [www.jstreet.org](http://www.jstreet.org)
\textsuperscript{584} [http://conference.jstreet.org/Opening_Plenary_Session](http://conference.jstreet.org/Opening_Plenary_Session)
that, most also produce tangible takeaway experiences for their donors every year. For some groups like Ateret Cohanim, One Israel Fund, the Rebuilders of the Jewish Community in Hebron, and the Ariel Development Fund, this means holding an annual gala banquet, which in addition to raising funds, intends to energize the base through celebrating the group’s work, honoring specific donors, and often bringing in esteemed Israeli figures to speak. Other organizations publish anywhere from periodic to very regular research-based reports on the situation in the field and what they are doing to address it. Though the reports are intended for more than fundraising pieces, they are a cornerstone of the groups’ publicity strategies. Rather than only publishing on their websites, they often incur the expense of printing the reports with high quality paper and graphics—something otherwise increasingly rare in 2013. Settlement Watch, Ir Amim, Yesh Din, and Rabbis for Human Rights, all produce and distribute materials as these. But none does it more than B’tselem, who produces between three and six, full-color hard-copy research reports annually, which it mails to its full list of donors.

**Governance and Allocations Decisions**

As we saw in chapter three, in order for an American donor to receive a tax deduction for a donation to an overseas NGO, the donation needs to be made to an American-based organization that is charged by the IRS with being the ultimate arbiter of whether and for what purposes funds will be remitted to overseas NGOs. ‘Friends of’ organizations, pass-through organizations, and ideological umbrellas all have American boards that are responsible for making allocations decisions to beneficiary NGOs in Israel, and monitoring the use of granted funds. Amongst the organizations in this case, the degree to which the American boards execute
their IRS-mandated responsibilities independent of their Israeli beneficiary NGOs varies and will be looked at in greater detail later in the chapter.

Board size and composition of these organizations vary significantly. There are large boards, such as Americans for Peace Now (37) and small boards, such as American Friends of Ir David (4). Likewise, NIF’s board is large, and CFI’s is very small. Some organizations like the Hebron Fund have kept essentially the same board for years, while some like Rabbis for Human Rights-North America rotates its board members periodically.

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This section has presented a structural overview of some of the most important features of how NGOs in this case study interact with American Jews in order to establish funding channels and build donors bases. In sum, though we have seen a variety of strategies in use, there are several definite trends, including the hiring of ABI international development directors, the establishment of ‘friends of’ organizations, and usually the opening of American-based development offices. The remainder of this chapter will focus on the dynamics of collaboration and power sharing behind the structural connections. The various marketing strategies discussed in this section play heavily into NGOs’ strategies for sharing power over allocations decisions with their donors, and will as such, be re-examined in that context.
Part 2: Perspectives on the Increased Opportunity for Decision Making Power for American Jews

With the decline of federatedness and institutional deference over the use of funds as the central organizing concepts of American Jewish giving to Israel, most American Jews have moved from centralized forms of donating in their Israel giving to options that offer them more control (direct giving and ‘tailored federatedness’). In the process, the notion championed by Weizmann that spending decisions over diaspora-donated funds should be made by Israelis—overwhelmingly the dominant modus operandi for most of the 20th century—has been eclipsed by the Brandeis view calling for greater American Jewish involvement, kept at the sidelines of the community’s thought on its philanthropy for most of the 20th century. American Jewish donors now overwhelmingly believe they are entitled to say over how their money is spent in Israel.

In this changed environment, the question emerges as to how Israeli NGOs deal with donors’ increased desire for input. As we saw in our look at the ‘old system’, even when federatedness and institutional deference began to fade as guiding principles, the Jewish Agency continually scrambled to uphold the Weizmann philosophy of power sharing and keep Israelis in control of allocations. On the one hand, Israelis’ aversion to sharing power had pragmatic justifications—namely that Israelis felt they were best equipped to make decisions without any interference from non-Israelis. But also, as discussed earlier, it was rooted in the traditional Israeli-Zionist view of the diaspora. The notion of shlitat ha-Galut (‘negation of the exile’) held that in the era of a modern Israeli state, the diaspora should cease to exist—or if a remnant of it were to continue, it should at least be understood and regarded as a totally inferior state of being for Jews. Zionist thought did not allow for a situation in which Israelis would ever need to regard
their co-religionists in the diaspora as equal partners in any important affairs. While scholars argue that *shlilat-ha-Galut* has significantly receded from Israeli public consciousness over time, most who have studied this issue convincingly argue that its underlying view remains as a critical component in how contemporary Israelis think of diaspora involvement in Israel.\(^{585}\) Simply put, lip service to ‘partnership’ aside, Israelis still do not see diaspora Jews as entitled to be partners in any meaningful way. However, this all said, do the new realities in how American Jews think about their Israel giving indicate that Israelis have needed or will need to soften their stance, and allow diaspora Jews a greater role in deciding how the money they donate is spent in Israel?

This section looks at two questions to help better understand how the NGOs in the case study and their donors deal with this tension by asking two questions. First, what is it that American Jewish donors *actually* want in their philanthropic relationships with Israeli NGOs? Literature on donor-directed giving suggests that as savvier, more attuned donors, American Jews would want more information so they could more strategically direct their giving. Does this accurately reflect the priorities of donors in our case or are they driven by something else? Second, it asks whether Israelis believe Americans are fit to be their partners in making expenditure decisions. For each of the question, rather than presenting the simplest answers, it offers a detailed exploration of the range of opinions held by interviewees from the case study organizations. So, for example, it tries to tease out not just whether Americans want control, but rather, what do they want if it is not exactly ‘control’? Likewise, it explores not just whether

Israelis accept a role for Americans in conversations over allocations, but in greater detail, what do Israelis in this case study think about American Jews as potential partners now and in the future? And if they do not accept American Jews as partners, what do Israelis see as the barriers and limitations to this? The ideas offered by interviewees are based on a mix of often complex motivations and feelings. Having a better sense of the various driving factors at play is central to truly understanding the contours of power sharing in an era of changed philanthropic relationship patterns.

**American Giving Behavior**

Within the literature on changing giving patterns, a prevalent opinion is that the main reason that donors have gravitated towards donor-directed giving options over the last generation is that they like having control over how their donations are used.\(^{586}\) Most writing on this issue seem to link donors’ desire for control with a corollary desire to have more information on the organizations they are supporting in order to help them make their giving choices. For example, Anheier and Leat term the contemporary giving culture as the era of ‘new scientific philanthropy’. It is characterized by a commonly held assumption amongst donors, big and small, that NGOs would work much better if they were run more like businesses. By this thinking, each donor becomes a CEO of sorts, demanding accountability on the destination and eventual impact of his charitable dollars.\(^{587}\) Likewise, Herman describes the rise of ‘venture philanthropy’, a type of giving in which a new breed of very involved donors support NGOs doing innovative work. She describes how in this model, donors place a high premium on

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\(^{586}\) See for example, Susan A. Ostrander, “The Growth of Donor Control: Revisiting the Social Relations of Philanthropy,” *Nonprofit and Voluntary Sector Quarterly* Vol. 36, Issue 2 (June 2007): 357-372. Boris and Odendahl noted that more than half of the interview subjects in their study on giving behavior indicated ‘control’ as their chief motive for how they chose their charitable destinations. (Boris and Odendahl, 258).

attaining good information to help them make their giving choices, including upfront research on potential grantees and ongoing evaluations on the progress of their work. Blum describes a similar giving philosophy that he terms ‘strategic philanthropy’. In it, donors heavily target their giving in a certain, very specific area, and then closely monitor the results of their gifts. All speak about these practices having initially been carried out by foundations, but indicate that smaller donors are beginning to emulate their giving behavior.

Such an idea of donors emulating elite giving patterns is confirmed convincingly in Ostrower’s study of elite giving. Fortunately for our purposes, she dedicates one chapter specifically to philanthropic trends in the Jewish community. In it, she notes that individualized giving has always been a virtue amongst the philanthropic elite, but for a long time had not been so amongst Jews. During the long era in which American Jews were excluded from entry into the upper echelons of society, the elite within the Jewish philanthropic world were confined to holding leadership positions only in Jewish organizations. Amongst them, federations were the gold standard. The Jewish elite were thus invested in the idea of federated philanthropy, and the peer pressure to support the federation system reverberated into all sectors of Jewish givers. However, as Jews have penetrated the mainstream elite philanthropic world over the last two decades, the phenomenon towards individualized philanthropy that was always a trait within the elite has become an ideal amongst Jewish elite. And following that, as the switch to direct giving we discussed would support ‘innovation’, replacing ‘federatedness’ as the emulative ideal amongst the non-elite in the Jewish world, as well. Elite Jewish giving culture now seems to

regard it as more exciting—and perhaps even more respectable, therefore, to fund innovation rather than to give to the collective. Consistent with this hypothesis is Jaffe’s assessment of the evolution in how American Jews are increasingly coming to view their giving to Israel. Jaffe, who had long decried the failure of American Jews to be more involved in how their donations were being spent by Israeli recipients—mainly the Jewish Agency—, triumphantly proclaimed the appearance of a new wave of, “educated, committed, sophisticated philanthropists,” who increasingly made decisions on where they gave based on intellectual criteria.  

We see here several examples of scholars and commentators evaluating changing donor priorities. All agree that the desire for control apparent in the mass migration towards targeted giving options is closely connected to a need for better information, so as to evaluate potential giving options, as well as to hold grantees accountable. Let us look at how these ideas apply to donors supporting the NGOs in our case study. 

Question 1: What Are American Motivations in a New Giving Environment?

The fact alone that American Jewish donors give somewhere between 93-96% of their total giving to Israel to some kind of directed choice—be it giving to the general campaigns of organizations they have hand-picked themselves (‘tailored federatedness’) or to specific projects within them (direct giving)—seems to confirm that Americans are interested in having some degree of say in how their donations are used in Israel. However, along with the desire for control, is there also the premium on informed giving that the literature discusses?

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An Israeli foundation professional started a venture in the early 2000s aimed at helping American Jewish donors conduct due diligence on the work of the Israeli organizations they supported. He was sure that the growing numbers of American Jews choosing to give to Israel outside of umbrella organizations like federations would appreciate having someone on the ground in Israel to help them sort through the thousands of giving options, or at least that check organizations they were giving to were actually doing work they claimed to be doing. In reflecting on his own experiences and those he learned from his counterparts at the five other firms established at the same time for similar purposes, he noted that while there was moderate interest amongst American Jews in such services on the surface, when it came down to it, most seemed to care very little about specific information on the actual activities of the organizations they were supporting. He explained that he often conducted site visits and gathered specific information on certain organizations at the request of donors, but as far as he could tell, they would rarely read the reports he generated. He indicated that other donor services organizations reported the same experiences. Donors would have their donor services organizations ask Israeli NGOs, “a million questions on applications or evaluation forms and then...[not] even read [their answers],” he explained. “It’s almost like [they felt that] ‘if we ask the questions, then we’re done.’” He found it peculiar that donors insisted on directing donations and selecting organizations to such a great degree, but then cared so little to know whether promises were kept. “We thought we wanted to protect them from getting screwed over by the organizations, but in the end, I guess, despite all the talk, as long as there was nothing really crazy or corrupt [going on with the NGOs they supported], it was good enough [for donors].”

With the onset of the financial crisis of 2008, all six of the donor service organizations went out of business. Client donors told the organizations that in a tight financial environment,
they simply could not afford to employ the services of a donor services organization. However, as even in the leanest years following the crisis, American Jews still gave nearly $1.5 billion to Israeli organizations, the message donors seemed to be giving was that donor services organizations were a luxury to them. This suggests that despite any pronouncements to the contrary, these donors were placing a relatively low priority on vetting and due diligence in their giving to Israel. And these were the donors who were supposedly the ones who cared more about being informed givers than the typical American Jews who gave directly to Israeli NGOs without the help of a donor services firm.

The general observation offered by the donor services professional seems to apply to our case as well. In an era in which evaluation and reporting are apparently at a premium, several Israelis working closely with American donors in the case study NGOs reported similar experiences. The director of the Israel office of a federation that has supported the Ariel Development Fund noted that his office is essentially never called on to service and support its donors in their Israel giving, even though his office exists in large measure to do just that. Though his donors give to dozens of Israeli NGOs of their choosing every year, he explained, in more than ten years running his office, he could recall only one instance in which he was asked to do research on an organization for a donor.

An Israeli fundraising professional who vets potential Israeli grantees for her American-based umbrella organization, noted how little most board members of her organization really care to understand about the specific work of their grantees. In her opinion, the board members—the supposed stewards for all of the organizations’ Israel giving—are inadequately informed to make good choices, principally because they do not care to make the effort to be

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593 See for example, Lehn M. Benjamin, “Funders as Principals: Performance Measurement in Philanthropic Relationships” *Nonprofit Management & Leadership* 20:4 (Summer 2010); Ostrander.
informed. Though there are some board members who want to listen and learn, she explained, most have low levels of understanding and are not looking to expand them.

Numerous interviewees shared this impression that most American Jewish donors did not care to know too many details about the Israeli organizations to which they donated. The historical literature characterizes this as having been a prevalent attitude for decades after the creation of the State. Yet these ideas seem to contradict the assumption we saw in the literature that the spike in donor-directed giving to Israel reflects donors’ desire to have the information necessary to make smart, informed choices. On face value, this seems a bit puzzling. Why would donors, on the one hand, insist on picking the destination of their gift to such a great degree, but on the other, not want too much information?

The donor services professional discussed this apparent contradiction. He explained the number one thing that he and others in his field learned in their experience is that people want to feel good. He explained, when you are involved in an organization,

You need to have the emotion or the passion, but very often that goes against the idea of wanting to know what goes on, because in the end, people want it to be fun. They want to feel good…If you start to tell them the nitty gritty of what goes on and all the little things, it’s not going to be pretty—therefore, I don’t think the donors want to know all of that.

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594 As Stock explained, the issue of who the Jewish Agency was and how they decided to spend American Jewish donations, “seemed remote and irrelevant to most Jews in the diaspora.” (Ernest Stock, *Chosen Instrument: The Jewish Agency in the First Decade of the State of Israel* (New York: Herzl Press, 1988), 10. Eliezer Jaffe was one of the earliest vocal advocates for a change in the giving mentality of American Jewish supporters of Israel to what he called ‘partnership philanthropy’. Even as he celebrated advances towards more partnership philanthropy in the first two decades after he began publishing articles and books on the issue, he wrote in 2000 that still, he frequently encountered otherwise discerning and cost-conscious American Jews who would give to “organizations or programs in Israel without the slightest demand for information, accountability or credentials from the recipient organization.” (Eliezer David Jaffe, *Giving Wisely: The Israeli Guide to Nonprofit and Volunteer Social Services* (2000), 22). Charles Hoffman, a journalist for the *Jerusalem Post*, who even more vehemently argued for change in giving mentalities believed that, “many Jewish leaders seem to be guided by the belief that the ‘right to know’, which American Jews claim as citizens of a free country should be suspended when it comes to Israel or Jewish communal affairs.” “Most people’s attitude could be summed up by saying: ‘It all goes for Israel, and that’s good enough for me.’” (Charles Hoffman, *The Smoke Screen: Israel, Philanthropy, and American Jews* (Silver Spring, MD: Eshel Books, 1989), 26).
Others believed that Americans did not want too much information because it would force them to encounter realities in Israel they preferred to avoid. A fundraiser for an anti-settlement NGO explained that regarding Israel’s human rights record in the West Bank, there is a large dissonance between the “gruesome facts” on the ground and what most people would want. Donors, therefore, choose to live in “blissful ignorance,” pretending that realities in Israel match their ideals. Similarly, a former fundraiser for one of the pro-settlement NGOs argued that American Jews did not want to look too closely at what they were supporting, because if they were honest with themselves, they would have to realize that, “their place was in Israel,” and they would thus have to make aliyah. Knowing this on some level, she explained, most American Jews protect their comfortable diaspora existences by only being partially tuned into Israel.

As surprising as these observations might be, they are consistent with some of the other literature from the field of philanthropy studies regarding what compels people to give. Dubby Arbel, the director of Midot, an organization founded in 2008, “to promote effectiveness and impact as the main criterion for social investors and for NPO leaders by rating NPOs and producing sector analysis reports,” explained the phenomenon: At first, the leaders of Midot, like the donor services firm, assumed that it would be, “simple or obvious that the [American] donors want their donations [to Israeli organizations] to be effective and high impact.” But, they learned this was not the case.

Donors don’t want to be confused with information. They want to give from their heart….There’s research about it. The more information you give, they give less. When you show a donor a picture of a girl from Africa in starvation, they give ‘x’ amount of money. If you show her as part of a group of children, they give less… If you give them information about her village, and the problem of food in the area…they give even less.596

595 http://www.midot.org.il
596 Dubby Arbel (CEO, Midot) interview held in a café, Tel Aviv, Israel, 27 July, 2010.
For this reason, he explains, even for savvy philanthropists who work with Midot because they recognize the importance of effective, impactful giving, it is difficult to convince them to even read the evaluation reports of organizations that Midot produces.

If Not Information, What Drives American Jewish Choices in Their Israel Giving?

If these impressions are true that most American Jews giving to organizations in this case study are not making their choices in their Israel giving based on information about the organizations, then what is motivating their giving choices? In her thorough review of contemporary research in the field of giving motivations, Lise Vesterlund explains that while it is true that most donors are indeed interested in seeing the organizations they support efficiently carry out their work and meet their goals, in most cases, organizations’ efficiency and effectiveness are not the primary motivations for why donors select the organizations they do. Rather, she argues, people principally give to derive some kind of personal benefits—either tangible/material benefits or emotional benefits. Tangible benefits can range from acknowledgements and honors to access to leaders, entrées into prestigious circles, and boosts to public reputation. Emotional benefits include relieving guilt and making donors feel good about themselves.597

The interview results appear to corroborate Vesterlund’s argument. Most interviewees at the case study NGOs understand their donors as being mainly motivated by these types of benefits.

Tangible Benefits Motivating Donors

One fundraiser for an organization that gives grants to education projects in the West Bank explained that American Jewish donors are drawn to support his projects over other work in the West Bank in large measure for the recognition they receive from his organization. Everything from new facilities to scholarships for individual students are named for a donor, and clearly publicized as such. “It’s an industry,” he explained. “People like to see their little corner.”

Another fundraiser for a pro-settlement NGO expressed this attitude more bluntly, noting that most American Jews he encounters on his frequent fundraising trips are,

just interested in having their ass kissed. That’s all they want. They want to be stroked in all different ways....Whoever strokes them better—that’s all they’re interested in....If they can go to a dinner and get out of it recognition—oh they love that recognition. They love it. They love being praised.

For others, American Jews appear to be most motivated by the benefits that giving to Israeli causes has on their identity. A leader at one of the ant-settlement NGOs contends that although his organization’s existence depends on the financial support it receives from American Jews, it is the American Jews who benefit even more from the relationship.

I’ve heard from many visitors here that in terms of their own identity as a liberal Jew who supports Israel, but is very critical of Israel, we represent something within the Israeli arena that is crucial for them to identify with…Today we’re more important to the liberal Jewish community in the States than they are to us.

“Psychic Gratification”

A former chair of the UJC, explained the phenomenon of donors receiving emotional benefits in the context of Project Renewal, the 1978 joint initiative of the Israeli government, the Jewish Agency, and the UJA that ‘twinned’ diaspora Jewish communities with disadvantaged...
neighborhoods in Israel. The twinning relationships gave some Diaspora Jews direct exposure to Jewish Agency-funded projects in their twinned communities. In addition, the twinning relationships brought much more specific information about Israel, its people, and its problems to donors than they had ever received before. He observed that donors often did not, “understand all of the data,” they were receiving, but even more than that, they were far less concerned with whether their giving was leading to constructive outcomes than they were with how the process made them feel about themselves. He explained that donors then and donor-directed givers in the years following liked picking their destinations for no reason greater than what he called the “psychic gratification” it brought to them, rather than what it actually might have produced.

The result in many cases, is that even in the supposed age of heady philanthropy, many of American Jews’ giving decisions within our sample of NGOs, are based on emotion, and generally without much condition. One of the pro-settlement NGOs has supported various proactive community building and empowerment activities in settlements for years. But their donors gave much more than they ever had before when the NGO had a campaign during the Second Intifada to buy bullet-proof vests. “It’s not as easy to raise money for a playground as it is a bulletproof vest for a child,” explained an American-based fundraiser for the organization. One of the organization’s grant officers in Israel believes that this is because the “concept of ‘poor Jews’” does something for American Jews emotionally that motivates them to give. “They can see progress,” he explained, but sadly, in some ways American Jewish donors almost act like they prefer, “to see blood.”

A director of another pro-settlement NGO explained that donors he meets on fundraising trips to the U.S. talk to him about how much they value and care about the ‘brave’ Jews living in settlements who sacrifice their comfort and safety for the larger goals of the Jewish people. Yet,
for all their talk about solidarity, he continued, they never reach out to him to check in on how he and the residents living in settlement communities are really doing—even in periods of the worst violence. To him, this is confirmation for how their giving is based more on their trying to make themselves feel good than it is on any real concerns about the people on the front lines as they claim it is.

The following example demonstrates well how appeals to emotion seem to trump appeals to intellect. While in Israel in 2001, two American Jewish leaders learned the issue of settlers destroying a grove of Palestinian olive trees, even witnessing the aftermath of the charred groves firsthand. When they returned to the U.S., they expressed their deep upset about the issue in a full-page advertisement in the *New York Times*. Using heavily tinged emotional language, they called on any American Jews who “care about” Israel to give money to address this problem. The text of the ad included the following

These olive trees were not decorative. They were the life-support of the village. Some of the trees were hundreds of years old, having produced for this village oil and olives for all that time. Each one of them paid the cost of year after year of schooling for a child. Or the cost of a room built for a growing child. Or a dowry for a girl about to be married. In short, these trees are the family bank accounts. They are also beloved members of the families of the village. Many are now gone….We ask the American Jewish community and all Americans who care about the lives, security, and peaceful future of Israelis and Palestinians to help Rabbis for Human Rights work with Palestinian villages to replace these uprooted olive trees….The moment has come. If these steps are not taken at the grass roots… the future will be sour and bitter.598

Coming in the already highly charged context of the Second *Intifada*, the advertisement struck a chord, with like-minded American Jews, who donated over $100,000 to RHR following the ad. However, this was not reasoned, strategic giving. RHR had no infrastructure or program

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or strategy at the time to actually address the issue of settlers destroying Palestinian olive trees. Furthermore, while RHR was an organization known for its innovative programming, it was not known for its organizational acumen or fiscal efficiency. Yet, it was handed a large sum of money without a plan in place for using it to actually address the problem in the ad. As it turned out, RHR did end up developing a program with these funds, but at the time when money was donated, it was not clear whether RHR would actually impact the problem expressed in the New York Times ad that upset the donors enough to give. In this case, the donors were essentially saying: ‘We feel strongly for Israel. We are very upset about what we’re hearing. Here’s some money. Please do something.’ Such emotional giving bears closer resemblance to giving to the UJA in 1948, 1967, or 1973—or perhaps even pre-modern giving to halukkah, than it did an era of supposedly informed giving.

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The seismic shift in how and where American Jews give to Israel—both their selection of organizations and any specific projects they choose within them—makes it clear that American Jewish donors are exercising a prerogative over how their money should be spent in Israel to a far greater degree than they did in the ‘old system’. Yet, we have seen reflection upon reflection that American Jews in this case study, by and large, are not interested in making the kind of informed choices that the literature on donor-directed giving indicates that they would want to be making. These donors are certainly not deferential in how they give. They do want to have a say. But what that ‘say’ seems to be based on is some combination of information, mixed with misinformation, mythology, and their own emotional and tangible needs.

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599 When Israel was at war.
Question 2: Are Israelis Prepared to Accept a New Reality That Gives Americans More Control?

The second question that the changing patterns in American Jewish giving raises regarding power-sharing dynamics is to what degree and in what ways are Israelis ready to accept American Jews having a greater say in how the money they donate is allocated? In order for Israelis to happily move from classic relationship patterns to new forms that welcome American Jewish perspectives into debates about allocations decisions, and consequently their organizational priorities, Israelis would have to view diaspora Jews as entitled to having the greater voice they are demanding—a clear departure from the legacy of *shlilat ha-Galut*. Yet interestingly, interviews with leaders of the Israeli NGOs in this study revealed that most believed that this question of whether diaspora Jews are ‘entitled’ to be included in allocations conversations could not really even be broached yet, because there was a more basic problem preventing relationship patterns from changing. Before they could really entertain the issue of whether diaspora Jews *should* have a say, most contended was the question of whether they *could* have a say. In other words, for the Israelis in this case to support a shift away from classic patterns of power sharing, for starters, they would have to feel confident that their ‘partner’ was at least able to bring informed, valuable perspectives to discussions on the issues on which the NGOs’ work is focused—issues the Israelis view as directly affecting their lives. But most interviewed Israelis did not believe that Americans were properly equipped to do so. In fact, interviews revealed a near unanimity amongst Israelis—whether they were from pro- or anti-settlement groups, Israeli-born or born in the diaspora—that American Jews, including many of their most involved donors, did not understand Israel, and therefore, could not even be *considered* to be partners in deciding their organization’s priorities and spending decisions.
As this perspective is such a baseline impediment standing in the way of the Israelis in this case being willing to contemplate a new power sharing arrangement, it is valuable to lay out the range of their perceptions on what exactly they perceive to be American Jews’ knowledge deficiencies and whether they believe they have any potential to change.

Poor Knowledge Level

There is a fairly common idea showing up in federations’ pronouncements and the Jewish popular press that American Jewish donors today are much sophisticated than Jews in previous generations in their understanding of Israel. Due to increased travel, personal connections, available material on the web, formerly mythically-driven understandings of Israel have now been eclipsed by a more knowledgeable generation. However, the impressions by those interviewed in no way support this narrative. Most Israeli fundraisers for the NGOs—the chief points of contact with American Jews—spoke in dramatic terms about how little the American Jews that they encountered understood about Israel. Interviewee after interviewee made statements to the effect of the widespread misinformation and general ignorance plaguing American Jews. Some examples include:

- “A lot of people don’t know basic stuff.”
- “American Jews know so little.”
- “I don’t think that they’re at all really aware.”
- “I think there’s an illusion of knowledge.”

One director of development raising funds for a pro-settlement organization, who makes approximately five fundraising trips to the U.S. each year echoed the sentiment regarding his donors. “They have no idea…I’m not exaggerating if I tell you for the most part… to them, Samaria is somewhere between Albania and Macedonia.”
Cannot Understand Context or Nuance

Many of those interviewed felt that while lack of knowledge of basic information about Israel is a huge problem, an even bigger barrier to American Jewish donors being able to adequately understand Israel is that they do not—and many believe, cannot—understand the nuance of Israeli society. One Israeli-born grants officer who has been based both in the U.S. and Israel remarked, “It still amazes me how little Americans know about Israel. Even people who come here pretty often still—there aren’t so many who understand Israeli society—the complexity.”

Another development director noted that while many on the American board of his NGO’s ‘friends of’ organization are “adequately informed about what the issues are,” they lack a sense of nuance crucial to good allocations decisions. He offered an example of how his NGO’s American supporters’ lack of sensitivity to the realities in Israel nearly played out in a public relations debacle for his NGO. The ‘friends of’ organization wanted to put a full-page ad in the New York Times condemning Israeli demolitions of Palestinian homes. Although the leadership of his NGO was in agreement with the American ‘friends of’ organization on the issue of home demolitions generally, they argued that it was not the right time to place the ad. A major terrorist attack had taken place in Israel only a few days before, and as Israelis, they understood that such an ad would, at that time, be considered in poor taste by most Israelis, and reflect badly on their organization. The ‘friends of’ organization knew about the attack, but saw the two issues as unrelated, and thus remained adamant about running the ad. It was only through concerted pressure by the Israeli NGO that the ‘friends of’ organization grudgingly relented. Such an example, he explained, is “very emblematic” of the gaps between Israeli NGOs and their American supporters from what he has seen.
It was largely a realization of this problem that was behind San Francisco and other federations’ conclusion that if they wanted to maximize the impact of their philanthropy, they needed their own representatives living in Israel to make better giving judgments based on the realities on the ground, than their leadership would be able to make from afar.

A former federation representative in Israel, explained this philosophy. People can only really understand Israel if they live there at least part time: “Unless it’s somebody who has an apartment here and comes here and sees Israel as not through hotel rooms and through taxis, but goes to the makolet [grocery store] and keeps the appointment and deals with electricians.” Without that purview, he explained, Americans, “see Israel through the eyes that they want to see it”—which may have little connection to realities.

A board member of a pass-through organization that funds NGOs in this study who was born in the U.S., made aliya in the 1980s, summarized the sentiment like this: “Ultimately, there is no substitute for existing, living, and breathing the experience of being in Israel. It has an impact on your thinking...if you live here, you’re just more in touch with what it’s all about.”

An interesting wrinkle on this issue was offered by a former Director of the American-based fundraising branch of one of the pro-settlement NGOs in this study, who made aliya in 2006. She explained that for all the years she lived in the U.S., passionately engaged with Israel, personally and professionally, she was certain that she understood Israel as fully as she would have if she lived there. But upon immigrating, she immediately realized just how much less she understood about Israel than she thought she had. She now believes that, “unless you’re here, you can’t get it.”

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600 From this perspective, Americans cannot be considered adequately knowledgeable about Israel, unless they live there. This may speak more to the remnants of latent disrespect for diaspora existence than it does for an actual honest evaluation of American Jews and their abilities. Presumably, this person knew a lot as an American and had a valuable perspective specifically because she did not live in Israel. When she made aliya, while she acquired an
The Problem of Not Properly Understanding Nuance

An officer at the JDC pointedly explained the repercussions of a parallel phenomenon his organization encounters when one not living in a place seeks to understand it.

If you’re sitting in Boston, and you look out at the community in Bucharest, you will tend to understand what is happening in Bucharest using your understanding of what is Boston….You’ll mostly use a different paradigm for understanding what is happening in Bucharest—the stage of communal development it is at, the local strengths and local weaknesses.

This will invariably lead people to make incorrect assumptions.

Many interviewed felt that American Jews, in lieu of having an accurate perspective, filled up their picture of Israel with myths that reflect more how they want Israel to be than how it is. A fundraiser for one of the anti-settlement NGOs noted that most of their biggest and most influential donors do not come to Israel, advising from afar without having a sense of how things really are in Israel. “They have some fantasy of what it should be like here,” that does not reflect realities. In the minds of American supporters of Israel, she continued, their own mythic understandings of Israel have been cemented to the point that it is hard for them to really understand what is happening here.

Many interviewees indicated that the result of trying to understand Israel within the context of their own experiences, often leads American Jews to make fundamental misappraisals of what would be beneficial for or even possible in Israel. Gerald Steinberg, founder of NGO Monitor, has become one of the most vociferous critics of uninformed donors from abroad that—sometimes knowingly, but often unknowingly—promote misguided agendas in Israel that do not align with locally-perceived needs. He gave the example of young donors who, after “clicking

 Israeli perspective, she also lost part of her American perspective. It is an interesting idea that future studies will hopefully tease out: is there unique value that enriches the conversation that only a non-Israeli can bring?
with Israel on a personal basis,” then attempt to promote certain value systems in Israel that are important to them in their own domestic political agendas, but make the mistake of pushing them in Israel without understanding necessary context. They may like human rights, he explained, but they don’t understand the political currents underneath—“they don’t understand how this plays out in Israeli politics or how it plays out with the UN.”

Disparate Perspectives

Despite the overwhelming majority of leaders in the case study NGOs sharing these opinions, there were a handful of voices that believed the opposite. One fundraiser for an NGO supporting settlement explained that though it might be hard for Americans to have a good understanding of Israel, they are able to do so regarding very discrete issues. He believes, for example, that his organization’s big donors from the U.S. have a good feel for the realities of the issues the organization addresses. A few others noted that they believed that available information on the internet was enough for American Jews to make adequately informed evaluations of issues in Israel and locate the Israeli NGOs who can best address them, but this was a small minority of those interviewed.

Regarding understanding of nuance, a few interviewees believed despite not being on the ground in Israel, American Jews were able to draw on resources to keep adequately informed of the realities in Israel. Notably, all holding this perspective were Americans. One American board member of a ‘friends of’ organization for a pro-settlement group explained that the information he and his fellow board members had regarding the community his organization supported was

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601 Gerald Steinberg, (President and Founder, NGO Monitor), interview held in a café, Jerusalem, Israel, 19 July 2010.
Israeli NGOs and American Jewish Donors: The Structures and Dynamics of Power Sharing in a New Philanthropic Era
Volume II of II

A Dissertation

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The Faculty of the Graduate School of Arts and Sciences
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Doctor of Philosophy

by

Eric J. Fleisch

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sufficient for them to make judgments on what projects in the community were most necessary for them to support. “If I was living in Israel,” he explained, “I don’t know that my information would be any better.”

Maybe he is correct, and it is possible to understand Israel using accessible online resources. But the important point to understand here is that the Israelis working for the case study NGOs do not think he is right. So the issue of what an American’s actual capability would be in bringing an adequately informed perspective into an allocations conversation, aside, it is clear within the NGOs in this case that Israelis believe that American Jews bring an inferior ability to make such judgments to allocations conversations. Because they do not respect their counterparts’ knowledge levels and judgments, it is little surprise that most do not feel comfortable sharing important organizational decision-making with them any more than they absolutely have to. This suggests that within this cohort, Weizmann’s perspective on decision making over use of philanthropy still holds great currency. Despite whatever pronouncements their organizations make in the name of wooing American donors in a competitive field and/or adhering to legal IRS requirements, the prevailing opinion is that the Israelis do not feel Americans are adequately informed, and perhaps not even capable of becoming adequately informed for the Israelis to be comfortable allowing the Americans to have any significant say in their organizations’ spending decisions.

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How do these two findings discussed in this section reconcile? On the one hand, Americans wanted a say in how their money was spent, but on the other, Israelis interviewed in this study did not have the confidence in American Jews to willingly cede any important
decision-making to them. How, then, are American demands for a greater say answered by the NGOs in this case study? Parts three and four address this tension in power sharing. Part three looks at it in ‘direct giving’ scenarios, and part four in the arena of ‘tailored federatedness’.

Part 3: How Power Sharing Manifests Within Direct Giving Arrangements

The Power Sharing Structure of Direct Giving Relationships

In the ‘old system’, the relationship between individual American Jewish donors and the on-the-ground work in Israel that they desired to support was mediated by two bodies. (See figure 1) As we saw, donors had limited say within the UJA, and the UJA by design had little say in the Jewish Agency’s decisions.

![Figure 1: Flow of the majority of American Jewish philanthropy to Israel in the ‘old system’.](image)

The result was that individual donors’ say in how their own giving was allocated to projects on the ground in Israel was essentially non-existent.

The new system in which much of American Jewish giving to Israel is donor-directed looks to be considerably different. Though the old intermediary organizations still exist, donors
giving through pass-through organizations or donor-advised giving to ideological umbrellas, ‘friends of’ organizations, or federations, are only using these organizations a means for getting tax deductions. As we see in figure two, there is essentially an uninterrupted ‘straight-line’ relationship between American Jewish donors and the Israeli NGOs they support.

Figure 2: Flow of Direct American Jewish giving to Israeli NGOs (via pass-through bodies or other organizations acting as pass-throughs).

To American donors, disenchanted with the former middlemen, direct giving has been an appealing alternative. It appears a great situation for those who want more control. Moving decision making away from intermediary organizations and to individual donors has been extolled as democratizing the field of giving—vesting donors with power they had never had. And some, including noted scholar of civil society and philanthropy Susan Ostrander, have gone so far as to say that they have perhaps given donors more power than the organizations they support.602 Donors can pick the organizations they want to give to. They can pick projects within the organizations to which they can target their gifts. And, compared to former days, in which Jews would be blacklisted from their communities if they diverted their giving away from their

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602 Ostrander, 358.
federation, they can now divert their money away from the organization they are supporting for whatever reason, at any point, and switch their support to a different organization.

How do the Israeli recipient NGOs deal with their American donors having so many opportunities for exercising control? There was a long tradition of American deference, in which Israelis made the decisions over expenditures. As we discussed, Israelis liked it that way. And as the interviews overwhelmingly demonstrated, Israelis at the NGOs in this case were not excited about the dynamic changing.

This section will look at how this tension manifests in the case study NGOs. Unlike the more contained power sharing relationships between NGOs and the boards of their American support organizations that will be discussed in the final section of this chapter, power sharing in direct giving relationships has to be hashed out between the only principals in the relationship: the individual American Jewish donors and the recipient Israeli NGOs.

Opportunities for Donors to Exercise Power in Direct Giving Relationships

In direct giving relationships, there are three possible points at which donors can theoretically exercise control. The first is their ability to select the organizations they will support. Donors can pick amongst thousands of Israeli NGOs, and it is up to their own full discretion to determine where they want to give and what criteria they will use to make that decision.

The second is their ability to designate their donations within organizations. Donors can determine what they want to support at many organizations. (In our sample, Ariel Development Fund, Ateret Cohanim, The Rebuilders of the Jewish Community in Hebron, Women in Green, Mishmeret Yesha, Madaa, and One Israel Fund, for example, all present their prospective donors
with menus of options.) For example, donors giving to One Israel Fund can determine if they want to support firefighting equipment, a horseback riding ranch near Shiloh that provides therapy to children, a computer center in Eli, perimeter surveillance camera systems in some of the smaller settlements that might have older equipment, or any one of the 20 or so projects promoted on its website. Donors, thereby can use their designated choices to tell the organization what they feel its biggest priority should be, and, as a collective group can effectively tell an NGO what on its agenda they see as not important. One director of development at a pro-settlement NGO explained that his organization decides some of the projects it will fund based on its calculation of what it believes will, “sell” to its donors. This appears very different than handing money to an organization and empowering it to make its decisions on its own.

Finally, as there are now so many choices for how American Jews can give to Israel, there is great pressure on NGOs to retain their donors in such a competitive environment. Donors can easily pull their support from one organization and give it to another, without consequence. The NGO has no recourse. Israeli NGOs, therefore, have to earn the ongoing support of their donors. They have to show their supporters respect and appreciation, be amply transparent in their use of funds, and be able to demonstrate success, as well as a compelling enough vision for future success. There is no place for organizations to rest on their laurels. No support can be taken for granted. The issues that drove many supporters away from the ‘old system’ of giving (i.e. perception of carelessness, corruption, or blasé attitudes) can no longer exist.

http://www.oneisraelfund.org/projectsnew/
Myths and Realities of Donor Power in Direct Giving Relationships

Proponents of direct giving extol the new system as a sign that donors have become smarter. A director of one of the pass-through organizations in this study, believes that direct giving is on the rise and federations on the decline because people are “getting smarter” and do not want “to see the money get lost… They are tired of getting cheated by the middleman [and have decided] that it is better to have money go where they want it to go.” Eliezer Jaffe, like the other scholars of philanthropy discussed earlier in this chapter, believes that donors who give directly better understand how their money is spent, and maintain accountability over its use.604

In addition, some see it as a sign that donors have become more comfortable asserting that they have a rightful place in the discussion over the trajectory of Israeli society. An executive for an organization that facilitates direct giving to a number of NGOs in this study explained that by providing American donors these giving opportunities, her organization is, “letting them express their values in their philanthropy,” in a way they never could before.

Another pass-through organization’s director explained that the new system facilitated an overall more “responsible” mode of giving. “Having options… forces people to be smarter,” he explained. A donor looking to give to Israel has, “do his investigation independently.” For an organization to be able to compete in a field of donor-consumers with a lot of choices, it has to perform well, he argued, because, “the market tends to be the best judge of the quality of an organization.” By taking part in this process of being consumers and allowing the market to work, donors are ensuring that the best organizations thrive. To him, this is the most responsible way for donors to give and brings the most benefit to the overall system.

604 Jaffe, Giving Wisely, 22.
There certainly could be an argument for this perspective that direct giving may be the most responsible way for donors to give to Israel. However, for this to be true, it would assume that donors were informed, knew what they wanted to support, thoroughly researched the organizations working on their chosen issues, hand-picked their destination, and then designated their donation to something specific within that organization. They would not only be making sound donating choices, but would be holding the organizations accountable for delivering on their promises through an implied threat that at any time, they could pull their funding, and contribute it elsewhere. In this way, every individual donor would be like a small foundation, and NGOs would be compelled to work hard to maximize their effectiveness in order to best compete with other NGOs to retain the support of their funders. However, if the opinions held by the Israelis interviewed in this study are true, the fact is more likely that typical donors are not nearly that informed, focused, or hands-on with their Israel giving. In fact, the narrative that extols direct giving as the most responsible way to give glosses over some important questions that we will look at.

No Middleman or ‘New Middleman’?

The removal of the middleman has been celebrated as a major accomplishment of direct giving. But, the question needs to be asked of how in such an open market, do typical American Jewish donors cut through the multiplicity and figure out which organizations to support without an intermediary organization helping them? Where do they get their information about realities on the ground in Israel and how various NGOs are working to impact them? If, for example, a donor wants to donate to help disadvantaged children in Israel, without the help of centralized organizations to steer the money to needy recipients, he is left to determine which populations he
should support, what issues are most pressing for them, and which Israeli NGOs are the ones
doing the best work to address these issues.

As individual donors try to make sense of Israeli NGOs thousands of miles, away, are they actually less likely to be deceived than they were in the ‘old system’? Gerald Steinberg of NGO Monitor contends that most American Jewish donors do not really know what happens to the money they donate to Israeli organizations, “partly because they’re very busy…partly because they don’t have the resources to independently verify.”

The interview subjects in this case would add that donors do not know enough about Israel to really know what they are doing, and do not seem interested enough to learn. Unless donors are experts in the chosen areas they support, therefore, they invariably will need to rely on some source of information to interpret realities in Israel. But without the traditional middleman to spoon-feed them narratives about how things really are in Israel, how do they get their information?

I hypothesize that precisely because of this dilemma, in the new era of direct giving and the decline of centralized philanthropy, many American Jews do not want ‘no middleman’, as is argued, but rather, a ‘new middleman’. While observers are correct that donors neither want what they regard as the same tired institutional voices of the JFNA and the Jewish Agency, nor any middleman that will ‘make decisions’ with their money, they still want a trusted voice that can help them understand ‘realities’ in Israel, just as they had had in the past. This voice can present them with information on the groups doing work commensurate with their own interests.

Steinberg interview.
NGOs as the New Middleman

This is where the Israeli NGOs come in. As we have seen, there are thousands of Israeli NGOs in need of foreign philanthropy in order to stay afloat. All of the NGOs in this case study recognize that in such a wide open market, Americans can be overwhelmed with possibilities and thus crave what they perceive to be good, reliable sources of information. Through this, they have seen an opportunity to build an American base of supporters by becoming a provider of information that American Jews are hoping to find. The NGOs in this study—and likely in the broader Israeli NGO sector—therefore, compete to be the source of information on discrete issues that can help well-meaning, but under-informed donors cut through the confusion—the voice explaining how things really are in Israel. Since, as we saw in the last section, most leaders of NGOs in this study do not especially respect the knowledge base and discernment level of their donor bases, they view their relationships with their diaspora Jewish donors as deeply susceptible to their framing. They are keenly aware that for each of the core issues they work on (i.e. human rights, security, agriculture, quality of life issues for Palestinians and settlers, and the political destiny of Jerusalem and the West Bank), many voices—including the media, online forums, personal relationships, etc.—are speaking out, espousing a very wide range of opinions on the issues. The idea amongst NGOs in this study is that if they get Americans to buy into their version of realities and vision for affecting them in the future, they will become donors that: (1) Support the NGO’s work, (2) Increasingly defer to its expertise, and (3) Exercise ‘control’ only within the parameters the NGO sets.

Most of the organizations in this study—especially those that have existed for a number of years—recognize that they have come to play this role amongst their supporters. A fundraiser for one of the anti-settlement NGOs explained his organization has developed so much clout amongst its supporters, that it has become their trusted destination for interpreting news and
events on “a range of issues. Not just for incidents but also for dynamics… [When] it’s not clear what’s happening, they’ll call us… to provide them some insight about what’s happening…They don’t always need that [specific information] from us because most of that type of information [is available]… We will provide the back story.” The development director of another anti-settlement organization echoed the same sentiment, noting that her organization and its supporters have developed, “excellent working connections. We feed them with a lot of information. We update them regularly about what’s going on. And also, it’s not just giving the information itself, it’s analyzing it.”

Steinberg has identified this phenomenon as increasingly entrenched amongst American Jews from across the political spectrum. In his opinion, American Jews have become reliant to a fault on a small group of Israelis to frame realities for them. “They have close ties with a narrow group of Israelis who take them to see things which reinforce the images [they have of Israel].” The problem, he explains, is that as their positions become more deeply ingrained, people have a hard time letting even the most compelling facts to the contrary get in the way of their perceptions and ideas about Israel.606

A founder of one of the anti-settlement NGOs echoed this perspective. She described how much, for better or worse, she believed that American Jews look to Israelis to play the role of the ‘new middleman’ interpreting realities: “Diaspora Jews feel like they need an Israeli to come and tell them what’s going on, which I think is a good idea—not to think you always know better for a place you don’t live in.” But the result, she explains, is that they get their information and solidify their opinions and ultimately their giving choices from sources they grow to trust, but give them their own slanted view on realities.

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606 Steinberg interview.
Let us take a look at how NGOs attempt to use this role of ‘new middlemen’ to directly address each of the three leverage points that we discussed for how donors can exercise power in direct giving relationships: (1) picking organizations, (2) choosing whether or not to stay with them, and (3) Designating donations within organizations.

**Recruiting and Retaining Donors**

It is very important for NGOs to determine how best to win—and ultimately retain—the support of donors. The NGOs in this study, for example, invest heavily in creating branding and outreach tools that provide a clear narrative on their issues, and continually drive home their version of events. They understand that the effects of successfully promoting their organizations go beyond immediate fundraising goals. Once they establish themselves as trusted sources for information and interpretation of what is happening in Israel, they work to maintain that trust. If they are successful over time, they can ideally steer their donors to whatever agenda and organizational direction they argue is most important.

**Communication and Branding**

As discussed earlier in this chapter, almost all of the NGOs in this case have invested in developing rich websites. Many of the organizations email out regular digests, post documentaries on their websites, and maintain an active presence on social media sites to not only promote their work, but provide their interpretation of developments in Israel and the wider Middle East.
In all communications, the NGOs pay close attention to how they are branding themselves. Even the names many have chosen for themselves do more than simply capture the nature of their work; they make use of emotionally evocative language they hope will resonate with potential supporters who care about the future of Israel. Thus words emphasizing values, concerns, and aspirations form the foundations of many of their names: Emek Shaveh (*Equal Valley*), Mishmeret Yesha (*Guardians of Judea, Samaria, and Gaza*), B’telem (*In G-d’s image*), Yesh Din (*There is Justice*), Women in Green’s official name is Women for Israel’s *tomorrow*, Madaa (*Horizons*), Ir Amim (*City of Peoples/City of Nations*), Sheikh Jarrah Solidarity’s original name was the Struggle for a *Just Jerusalem*.

Not unlike classic propaganda pieces from the early days of the Zionist movement through the promotional materials of the UJA, JNF, and other major organizations, the NGOs create tag lines and slogans that they hope to drive to the emotional core of supporters. One of the most striking examples of this phenomenon is the Ariel Development Fund. In conjunction with the municipality of Ariel, it has long trumpeted Ariel as ‘The Capital of Samaria.’ The moniker alone lends importance to the centrality of the Ariel settlement to the whole settlement enterprise. Though Ariel is presently amongst the largest settlements, at the time that community founder and eventual mayor Ron Nachman first started using this slogan when speaking about Ariel, it was just another of many small outposts. Nachman explained:

> This was my slogan. Ariel, the Capital of Samaria...In order to create a brand name, ...I wrote it when we only had 15 people here....When you position a project, a company, a city—positioning, you need to be very accurate to penetrate the mind, and the soul, and the heart of the people. So that was my understanding—not to say, Ariel—a settlement. No one is taking care of settlements. The Capital of Samaria. It’s a brand name.

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607 Nachman interview
Throughout his grassroots promotion of Ariel in the U.S., Nachman consistently clung to the brand. He believed that the consistent messaging of Ariel as a capital city permeated the imagination of supporters over time, ultimately making this aspirational vision a reality.\footnote{In 2010, the longtime marketing campaign reached its pinnacle, when the sitting Prime Minister of Israel declared publically that Ariel was “the capital of Samaria.” (Tovah Lazaroff, “PM: Ariel is the ‘capital of Samaria’” \textit{Jerusalem Post}, 29 January 2010).}

Such attention to marketing and branding appear all over amongst these organizations. The Hebron Fund, for example, in its outreach materials emphasizes the deep-rooted familial connections all Jews have with Hebron. They often pose the question: ‘Isn’t it about time you took your children to visit your great-grandparents in Hebron?’\footnote{https://hebronfund.org/} Emek Shaveh attempts to position itself as a voice of non-partisan expertise that rises above the usual shrill, ‘archaeology in the shadow of the conflict.’\footnote{http://www.alt-arch.org/}

\textbf{Intentionally Promoting to Niche Interests}

In the course of researching the NGOs in this case, it was not uncommon to hear stories of them intentionally propagating mythology or half-truths in the name of drawing in supporters. One veteran of several anti-settlement NGOs cynically explained how every organization working on the issues in this case lie and distort information to draw on the heartstrings of potential supporters. “Everybody lies about Jerusalem—Jews, Christian, Muslims, Israelis, and Palestinians…If you’re a public outreach organization that wants to establish a name and things like that, you can take certain liberties with factual accuracy.” Whether this is basic salesmanship or specifically intended to play on what they perceive as American Jews’ emotional-based understanding of Israel, they tended to pitch Israel in mythic terms. One grants officer for an
organization that funds one of the pro-settlement NGOs explained that American Jews are, on the one hand are so devoted to Jerusalem, but on the other, fail to hear and understand the real economic and demographic challenges contemporary Jerusalem faces. “They only see Jerusalem of heaven, not Jerusalem of earth,” she said. The consequences of this gap in understanding is that American Jewish donors are often inclined to be swayed in their giving by whoever can most effectively project and perpetuate whatever mythic understanding is most important to them.

A former director of one of the anti-settlement NGOs explained that he shifted his organization’s message when speaking to American Jews. “There is an ultra-American sensitivity to the phenomenon of a state robbing individuals.” Once he realized that this feeling was, “deeply imbedded in American history and political culture,” he started emphasizing the issue of Israelis using land illegally. Though his organization’s own perspective might have evaluated the issue of land theft as a secondary or tertiary issue to the larger problem it addressed, it was willing to emphasize it as the paramount issue in its dealings with Americans.

In a more overt case of deception, a former fundraiser for a pro-settlement NGO gave an example of how Ariel Sharon in his fundraising meetings with wealthy American donors would outright lie to better tap into the imagination of his audience. Sharon traveled around the U.S. with the Israeli-born founder of the NGO, who we will refer to as ‘Avner’. Avner typified the myth of the irreverent but lovable Israeli pioneer. The fundraiser explained that Sharon would speak, while Avner—who “wears only sandals and doesn’t tuck in his shirt” and who did not speak English, “would nod his head. Arik Sharon would introduce [Avner] as someone who was part of the raid on Entebbe, even though [Avner] was never in Entebbe.” The people they met
with, he explains, “were not aware of the nuances and if Sharon is there, that’s all they need[ed],” to believe that the cause was worthy.

Tours

One of the most important ways the NGOs in this study try to position themselves as the most important or authoritative voices on the settlement issue is through offering tours. The central mood each NGO tries to project in its tours is that the settlement debate is a living, and constantly changing issue, and as such, one can really only understand it by seeing it up close. One founder of a pass-through organization that, among other things, supports humanitarian work in settlements, explained how many from their loyal donor base, first started giving through his organization after he led them on a private tour. “You’re on location. You see it happen. People explain it to you.” This, he explained, is more convincing and more appealing to many than what comes in the mail.

He is not alone in this sentiment. Many of the organizations in this study offer regular public tours, including Ir Amim, Ateret Cohanim, and the Hebron Fund. Some of the more participatory experiential trips offer visitors opportunities like visiting a firing range where they can practice shooting (Mishmeret Yesha), assisting Palestinian farmers in their olive harvests (Rabbis for Human Rights), or working to preserve Jewish land usage rights through planting grapevines and trees (Women in Green). Some of the other organizations that do not offer public tours, regularly take donors and prospective donors, as well as foreign journalists and diplomats on private tours, including Settlement Watch and Regavim. By the estimation of all NGOs in this study, the tours they offer make great impact in solidifying the opinions of their supporters, and converting skeptics and apathetics into new allies. For example, Regavim’s tour includes three hours in a car, and another in a plane. One of its guides explained the power the aerial tour has.
“Once they see it with their own eyes, they understand the problem: Right. Left. Everywhere. You can’t stop seeing illegal building… People go into the plane one person, and come out a different person.”

A former board member of American Friends of Ariel recounted how much this was a cornerstone of Mayor Nachman’s strategy in building support for Ariel.

He went out of his way to [get people to visit Ariel in person.]… Come to Ariel. Come to Ariel. And they went. And they saw it. And I think once that connection was made. If he could get you to Ariel and spend a few hours with him, you were like an open check. That was his strategy and it worked brilliantly.

To illustrate more specifically how NGOs use their tours to drive home certain viewpoints, and cement themselves as authoritative purveyors of information in the eyes of their donors, the next pages will offer a closer look at different tours of the same area, which each present a powerful, but deeply partisan slant on the history of the site.

**Tours in Silwan/City of David**

Nowhere in this study is the tour enterprise so central as in Silwan/City of David. El’ad has elevated the quality of its tour experience to an unrivaled level. Each year, 1.5 million visitors come to the elaborate City of David tourist site and archaeological park, most participating in its tour. Though the tour highlights the organization’s remarkable archaeological finds, it is no less intended to drive home a singular narrative on the history and destiny of the contested neighborhood of Jerusalem sitting on the eastern slope of Mount Zion, just outside of the Western Wall plaza. Though the Arab neighborhood Silwan, with its 31,000 Palestinian residents takes up most of the area, visitors to the City of David site who knew nothing coming

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in would have little idea after their tour about who resides on the land, much less the violent conflict over land and communal rights that has engulfed the neighborhood since El’ad first initiated contemporary Jewish settlement there in 1991. Rather, the 200 meter walk from the Western Wall plaza to the City of David tourist site entrance has been virtually transformed into a tunnel, blocking out views of the adjacent Arab neighborhood. The sidewalks of Ma’ale HaShalom and Ma’a lot Ir David streets that lead from the Dung Gate of the Old City to the City of David site are lined with tall walls, decorated with murals depicting idyllic scenes of Jerusalem, past and present. Images of Jews, Arabs, and foreign tourists, young and old, strolling happily along through contemporary Jerusalem, with lush hills and ancient ruins filling out the background are interspersed with various images of a young King David gathering water from a spring and relaxing on the grass strumming his lyre. The walls contain only a few small openings along the way, strategically placed so those walking to the site can observe the archaeological dig under active excavation by El’ad. The walls block out views of everything else. Ironically, the cheery murals are specifically there so that tourists do not have to see or interact with the distinctly un-cheery inequalities of the impoverished neighborhood they are walking through.

Upon entering the site itself, visitors are greeted with the gentle sounds of lyre music, likely intended to evoke connections between the present-day site and its biblical association with King David’s kingdom. The tour begins with a brief film offering a history of the site. It is narrated by an animated character, almost certainly inspired by the American fictional film character, Indiana Jones—equipped with a safari hat, binoculars, and a bible, highlighting themes of adventure, discovery of the past, and Jewish historical and religious patrimony over the site. The tour winds through ancient tunnels, excavated ruins, and picturesque terraces overlooking East Jerusalem and the Mount of Olives. One stop offers a full glimpse of Silwan. On the tour
that I attended, one of the visitors pointed to Silwan, and asked the guide what the neighborhood was. The guide’s answer said nothing about the strife and controversy that surrounds the contested community. Instead, she said only that it was an Arab village called Silwan, and then made the unsubstantiated claim that Arabs had built many of its buildings intentionally and insensitively using stone thought to have been part of the First Temple (destroyed by the Babylonians in 586 BCE).

The intent of El’ad’s full multi-sensory experience seems to be to literally block out counter narrative. By taking an issue that diaspora Jews might have ambivalence towards supporting, and making it clear cut, El’ad hopes to un-complicate a complicated situation.

El’ad’s success in dominating the narrative of Silwan/City of David was the chief reason behind Madaa’s leadership’s establishment of the Wadi Hilwah Information Center. Though operating with a much less sophisticated site, the Information Center’s tour attempts to do the equivalent of El’ad’s: build supporters with an over-simplification, and no less partisan perspective on the area’s history.

The Information Center’s tour is aimed at emphasizing the Arab connection to the area. The brochure distributed on the tour, like El’ad’s tour also begins with a history of the area, but not starting from the time of King David, rather from the first appearance of a Muslim community in the valley in the 16th century C.E.

Once upon a time, where you’re standing right now, there was a small valley called Wadi Hilwah, part of the large Silwan village…The Muslim village of Silwan started to develop in the 16th century. The village was famous for its quality agricultural produce, and served as a resting point on the way to the old city.

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613 “Wadi Hilwah Information Center: The Story Behind the Tourist Site.” (Wadi Hilwah Information Center), 2.
It counters the notion that the area need be principally identified as the heart of ancient Jewish Jerusalem by placing the Jewish history of the site as just one in a series of many peoples’ histories.

Many cultures left their mark on the spur’s slopes and valleys that set the boundaries of Wadi Hilwah: the Canaanites, who established the city and built the impressive underground water system; the Judeans, who expanded the city; the Assyrians, who besieged it; the Babylonians, who destroyed it and banished its people; the Persians; the Greeks, the heralds of Hellenism; the Romans; the Byzantines; and finally the Muslims, who ruled the city for 1300 years.\textsuperscript{614}

To build credence for its version of the story, despite its low budget tour, the Information Center also offers a narrative of how El’ad is a fringe ideological group that engages in the systematic dispossession of Silwan’s Arabs (with Israeli government backing), while hiding behind the apparent legitimacy projected by its slick multi-million dollar tourist site.

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As we see in this case, the NGOs’ attention to building up a multi-media battery of information sources serves the purpose of promoting their narratives, attracting supporters, and ideally becoming viewed as trusted sources of information. Donors always have the ability to shift their giving to one of the many other giving options, but as long as they are happy, their preference will probably be to stay. Donor tendency, explains Vesterlund, is to want to find organizations they like and stick with them. “Donating to charity is rarely a one-time event;” rather, she argues, “people contribute to the same charity year after year.”\textsuperscript{615}

\textsuperscript{614} Ibid
\textsuperscript{615} Vesterlund, 577.
Designating Gifts

The third means for donor control in direct giving scenarios is for donors to designate their gifts within the organization they are donating to. Organizations invite the donors to decide how their donations should be spent. In the current environment, if they did not do so, they would presumably have difficulty competing for donors as most organizations emphasize their options for donors to designate their gifts. As mentioned, giving donors the opportunity to pick how their money is spent seems to grant them great responsibility in deciding what they believe should be the organization’s priorities. However, this is more illusion than reality for two reasons.

First, donor-advised giving options are within channels selected by the NGOs—not the donors. While it appears that donors thus are deciding how the organization spends its funds, a few things are important to point out. First, they are offering a finite amount of choices. So, for example, if a donor to One Israel Fund wants to support the creation of a youth center inside a settlement, he can earmark his donation there, but it is up to One Israel Fund to decide which of the many communities will receive the center, what the youth center will look like, and when it will be built. NGOs offer a finite number of options on their menus. If a donor wants to support something not listed on giving menus, he can ask the NGO, but as interviews confirmed, in most cases, they would turn such a request down. They have definite ideas about the range of possible destinations for giving.

Second, the budgets of the NGOs are fungible, which means that it is up to the organization to decide how to spend all non-earmarked funds.\(^\text{616}\) So for example, if Ir Amim

hypothetically planned to spend $100,000 in a given year to help build civil society organizations in East Jerusalem, and a new donor decided to donate $50,000 to additionally help the cause, though Ir Amim would honor the donor’s request to direct his gift to the project, it could, and very likely would re-direct $50,000 of its general funds that it was intending to spend on the civil society project to anything it wished. Thus, the net effect of the $50,000 earmarked donation is $50,000 for Ir Amim to allocate to anything it chose. This is a common phenomenon. But, as one retired executive from the federation system explained, “In the donors eyes it doesn’t make any difference. The donor doesn’t think that way.” Donors view the experience as them having spent their money on what they wanted to spend it on. And while they are not wrong per se, in the end, in most situations, designated giving does not take any real power over expenditure decisions away from NGOs

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This section has argued that the NGOs in this study recognize to their dismay that they cannot expect donor deference. As a result, they try to capitalize on what they consider an American Jewish donor base, who, they believe, does not know much and one, whether or not it realizes it, that wants a new middleman to help guide them. By their reads, donors giving to them directly are vulnerable to persuasion, as long as the information they provide is presented to them in understandable yet compelling terms, and as long as they are made to feel empowered by being given opportunities to designate their gifts. Ultimately, the NGOs also need to follow through and actually achieve what they promise to do as an organization, in order to retain their role as trusted middleman.
Part 4: How Power Sharing Manifests Within ‘Tailored Federatedness’ Arrangements

The final section of this chapter looks at power sharing in ‘tailored federatedness’ arrangements. As a reminder, this study has defined ‘tailored federatedness’ as situations in which donors tailor their giving through picking very specifically-focused Israeli organizations to support, but then trust these organization to dispense of their donations in ways the organizations deem most important. General support (i.e. non-designated gifts) of ‘friends of” organizations and ideological umbrellas falls into this category. In our study, although a portion of donors do direct their giving within the ten ‘friends of” organizations and the main ideological umbrellas (New Israel Fund, Israel Independence Fund, and American Friends of New Communities in Israel), a portion also give to general support budgets, and thus qualify these situations as ‘tailored federatedness’.

In ‘tailored federatedness’ arrangements, since donors abdicate control over their donations, any power sharing is negotiated between the board of the American ‘friends of” organization/ideological umbrella and their affiliated or grantee NGOs in Israel. According to IRS regulations, the boards of an American organization legally retain full discretion over the allocations of funds donated to them by American donors. The American board, alone, should decide which NGOs to support, how much they will give them, and the specific activities or projects at each NGO that they will or will not support. The Israeli NGOs supported by ‘friends of” organizations and ideological umbrellas cannot tell the American organizations what to do.
For example, if the board of Friends of Ir David decided that it did not want to support El’ad’s archaeological exploration in Silwan, it would be within its full right to do so. Thus, if an American board wanted to have a say in deciding allocations, its affiliated Israeli organization would have one of two choices: it would be forced to either accept the American demands for a seat at the allocations table or, if it did not want to accept this, it would have to sever its relationship with the American organization. Since ‘tailored federatedness’ has become one of the main modes for how American Jews give to Israel, it would seem that this would result in the ushering in of a new reality in power sharing in the diaspora philanthropic relationship. However, as we will see in this section, things have not transpired in this way. In our case study, the degree of actual power held in allocations decisions by the American boards in ‘tailored federatedness’ arrangements is, with small exception, not much greater than in the direct giving arrangements discussed in the last section.

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‘Tailored federatedness’ relationships can be grouped into three different models based on how the American ‘friends of’ organizations/ ideological umbrellas and the Israeli NGOs they support share power: the loyalist model, the attempted symbiosis model, and the American power play model.

**Model 1: The Loyalist Model**

The most common type of relationship is the loyalist model. Closely mirroring the dynamics in the longstanding UJA-Jewish Agency relationship, the Israelis in this model retain control over most decision making powers. This is the operative model in at least five of the
NGOs in this case study, but perhaps as many as seven. For each, the leadership of an Israeli NGO orchestrated the establishment of the American ‘friends of’ organization, recruiting like-minded Americans to undertake the legal process of establishing the 501(c)(3) organization with the IRS. The boards of these American ‘friends of’ organizations are usually populated by Americans who still hold institutional deference as a value, believing that their Israeli partners are both much more qualified and justified to decide how to spend donated funds. For a smaller portion of American board members at loyalist ‘friends of’ organizations, their abdication of a role in sharing power is less ideologically driven—perhaps more closely resembling the early situation in the Jewish Agency following the 1971 reconstitution in which the Americans were often just ‘glad to be part of the conversation’, and thus remained willing to let the more ‘qualified’, ‘knowledgeable’ Israelis guide the agenda. Often American board members are hand-selected by the leadership of the associated Israeli NGOs. The result is that even though the ‘friends of’ organizations are legally ‘independent’ bodies, they do not act independently. Instead, they are essentially conduits for raising tax deductible donations from Americans to support the desires of the Israeli NGO—and typically, all involved parties understand the arrangement to be such.

617 Ariel Development Fund/ American Friends of Ariel; B’tselem/B’tselem –USA; El’ad/Friends of Ir David; The Rebuilders of the Jewish Community of Hebron/The Hebron Fund; Ateret Cohanim/American Friends of Ateret Cohanim.
618 The Kadam Fund (Mishmeret Yesha) and the Yibaneh Fund (Women in Green) are new organizations. It is not known yet how the power sharing relationship between the American ‘friends of’ organization and the Israeli NGO will take shape, but due to the centralized decision-making structure each of these two NGOs have themselves, it does not seem likely that either would affiliate with any organization unless its officers believed in institutional deference as a virtue.
619 See page 92-93.
Characteristics

In loyalist relationships, Israelis set policy and make decisions over use of funds. For example, a leader from the Rebuilders of the Jewish Community in Hebron explained that his NGO takes the lead in setting priorities and strategies, deciding what it wants money from the Hebron Fund to support. In turn, the Hebron Fund—like most loyalist ‘friends of’ organizations in this study—usually okays the Rebuilders’ proposals, he explained. A longtime member of the Hebron Fund’s board agreed with his Israeli counterpart’s account of the power-sharing dynamics. The Rebuilders make a specific request of the fund, he explained, and the Hebron Fund sends them money for it. Though the Hebron Fund may sometimes have its own ideas, he continued, “we check in with [the Rebuilders].” Ultimately, the American board does not want to be, “influencing decisions over there.” The objective of the Americans on the Hebron Fund’s board, he explained, is to raise money for what the Hebron community determines its needs to be. Noting that only those living in Hebron have the full legitimacy to make decisions, he explained, “my prerogative is to live in New York, so I would never tell them that they have to do A,B,C.” And so, in his ten-plus years on the board, he recalls, “we’ve never held back money because they refused to do something our way.”

Ateret Cohanim operates similarly. An executive at Ateret Cohanim explained that the Israeli NGO decides the budget and direction of the organization. “We dictate projects.” We tell them, “this is what we need money for and this is what you should send it for,” and the American board then decides only how much to send over to support the work, he explained. In an article

However, it does reserve the right to opt out of participating in others if it chooses, and on rare occasion, actually has. But as their budgets are fungible, the NGOs can usually adjust how they report things without changing any real expenditure decisions, so as to make it appear that Americans are not technically funding certain activities. Between these accounting acrobatics and the rarity of loyalist American organizations in this case study actually opting out of supporting something on the Israeli NGOs’ agenda, this seeming ‘exercise of independence’ by the American organization negligible.
about Ateret Cohanim published in Haaretz in 2009, Ateret Cohanim Chairman Mati Dan refuted such an account of the relationship. According to the article, “Mati Dan insisted that the Friends organization ‘is an independent organization that decides for itself whom to fund.’” While this is technically true, for all intents and purposes it is not how things seem to operate. American Friends of Ateret Cohanim, like most loyalist groups, neither operates any domestic programming in the U.S., nor supports any other foreign activities aside from those carried out by its Israeli partner organization. It is rather clear from its tax returns that year after year, whatever American Friends of Ateret Cohanim raises in the U.S. is sent along to its Israeli counterpart. From 2007-2011, for example, American Friends of Ateret Cohanim sent $5.7 million, representing 78.6% of the total funds it raised along to Ateret Cohanim.622

Though the loyalist model is more common amongst the pro-settlement NGOs in this study, it also characterizes the relationship between one anti-settlement NGO, B’tselem, and its ‘friends of’ organization, B’tselem USA. B’tselem had long gone without a ‘friends of’ organization, instead receiving its American Jewish philanthropy via donor-advised giving through the New Israel Fund. In 2009, B’tselem established B’tselem USA to serve as its fundraising branch in the U.S., as well as to undertake some lobbying and education work. There is no ambiguity that the power center in this relationship lies with the Israeli NGO. A former development director for B’tselem explained that the NGO was sure to establish B’tselem USA in a way that its fundraising operation would be completely under the “control and supervision” of B’tselem. Though it was acknowledged that B’tselem USA’s American board would hold governance responsibility over the organization and its allocations as legally mandated—all decision-making and money flows would be supervised and controlled centrally in Israel.

B’tselem was careful to populate the board with Americans fully supportive of this power structure. Even B’tselem USA’s executive director was, himself, appointed by B’tselem—not hired by the American board, as would typically be done with an ‘independent’ organization. He explained that even irrespective of IRS insistence that a 501(c)(3) be understood as a separate organization from the group it supports, both B’tselem and the officials chosen to legally head B’tselem USA, conceived of B’tselem USA as the ‘American branch of B’tselem’, and not an independent organization.

Though not all of the ‘loyalist’ ‘friends of’ groups publish their list of board members, in looking at those that do, one sees extraordinary continuity in board membership. The subtext of this is as long as there is no change in organizational leadership, whatever the culture of governance and collaboration each organization has established vis a vis its partner Israeli NGO will likely continue.

**Alternative Board Structures**

In the first few examples of loyalist organizations discussed here, we have seen organizations whose American boards embrace a deferential relationship to their counterpart Israeli NGOs. But in other instances, groups have structured themselves in even less ambiguous ways so as to maintain a dominant Israeli influence over the governance of the American organization’s board. In some cases, Israeli NGOs have made use of the IRS stipulation that only 50% of a 501(c)(3)’s board need be American citizens, and have put key Israeli figures, themselves, onto the American boards. In the cases of both the American Friends of Ariel and the Gush Etzion Foundation, a similar American ‘friends of’ organization that exists to support development of the Gush Etzion settlement community, the boards are comprised of five
members: including three Americans, the Israeli Director of the corresponding Israeli NGO (the Ariel Development Fund and Keren Gush Etzion, respectively), and the mayors of the municipalities themselves—Ron Nachman in Ariel\textsuperscript{623} and Shaul Goldstein in Gush Etzion. Incidentally, Israeli law considers it a conflict of interest for mayors to sit on the boards of Israeli NGOs supporting their communities. Yet, there is no such ban on them sitting on the governing board of the American organizations that fund the NGOs that support their community. The effective presence of such towering Israeli figures must heavily influence how the boards make decisions. A fundraiser at the Ariel Development Fund, explained that the American board members of the Friends of Ariel hold Ron Nachman in deeply high esteem, and follow his lead. For example, if Nachman, a five-term mayor and community founder of Ariel, explains that the organization should allocate funds for after-school education programs in Ariel, who are the American board members to insist—or perhaps even recommend—that the funds instead be used to build a playground or a synagogue? All the more so, because, as the fundraiser at the Ariel Development Fund explains, the board really likes and supports Nachman. “Whatever he says, that’s what everyone is going to work on. That’s how it works.” This attitude was shared by one of the American Friends of Ariel’s longtime board members:

If I were to set up a business and be a [majority] owner, then I would have much more say in the business, but when it comes to charity, at the end of the day, even though they’re taking your money, it’s got to be what they want to do.

By injecting the voice of esteemed or expert Israelis onto what is designed be a voice of American governance, Israeli NGOs can influence Americans to put aside whatever pangs for an independent exercise of power they might otherwise hold.

\textsuperscript{623} This was the case for American Friends of Ariel until Ron Nachman passed away in 2013.
Challenging the issue of what constitutes an ‘American’ populated board even one step further, American Friends of New Communities in Israel (AFNCI), an ideological umbrellas organization that supports a number of humanitarian projects in settlements, comprised its board entirely of ABIs, American ex-patriots who immigrated to Israel and now hold dual citizenship. One member of the AFNCI board explained that after several previous attempts to set up boards comprised of Americans living in the U.S. failed to yield a board that adequately carried out the agenda that the ABI founders of AFNCI it wanted it to follow, she and her associates concluded that Americans did not, “understand the issues, and you can’t move them.” They had no patience for Americans trying to insert any of their own ideas into allocations and planning discussions, and thus discovered a legal way in which they could avoid the issue of having ‘Americans’ as the ones handling expenditure responsibilities. Though such a move is completely legal, it is arguably not in the spirit of the IRS’s vision of proper stewardship of American ‘friends of’ organizations. The U.S. government ideally wants ‘friends of’ organizations to be under the discretion of ‘American-oriented’ trustees—i.e. U.S. citizens who, “are not acting on behalf of the supported foreign charity.”624 But since the national orientation of board members is not something that can be monitored or even assessed, for that matter, the IRS settled for the stipulation that the majority of board members be American citizens. In the case of the AFNCI board, though all are still legally Americans, they are not only American in their national orientations. All chose to leave the U.S. and become part of a different society. So even if they are ‘more American than Israeli’—whatever that might mean—they most likely do not embody the ‘American orientation’ that the IRS desires in the stewards of American 501(c)(3)s.

Another form that boards of loyalist organizations can take is establishing a board on paper, that though legally in control of financial oversight of donations and allocations, plays no active role at all—perhaps never even meeting—and instead leaves all decision making up to those running the NGO in Israel. A former fundraiser for one of the loyalist organizations in this study, who requested anonymity for both himself and the organization he worked for, described how the ‘friends of’ organization operated in such a way. Following its legal establishment, he was instructed by the director of the Israeli NGO to open a P.O. Box in New York, under the name of the ‘friends of’ organization. American donors wanting to receive a tax deduction for supporting the Israeli NGO would mail checks to that address. Each week, this person would collect the mail from the box, and mail it directly to the NGO’s director in Israel, who would cash the checks and spend the money. This arrangement is not legal by IRS regulations, because tax-deductible donations from Americans must actually be in the hands of an American body—even briefly. But legality aside, we see in the case of this organization, that it may happen nonetheless. The organization was never sanctioned for this arrangement. It can be assumed that this kind of set up over time has not been unique to this one organization. Assuming they could get away with it, this type of set up might be ideal for some Israelis and loyalist Americans who believe all decision making should be in the hands of Israelis.

In sum, the loyalist organizations all array themselves in such a way that the Israeli NGOs control the allocations of donated funds. This model is a healthy contemporary embodiment of the Weizmann philosophy of philanthropic relations. Whether the typical American Jewish donor giving to the general campaigns of these organizations is aware of this or not is unknown. But what is clear in the case of the loyalist organizations is that by design, the Americans do not have any influence in how the funds they have donated are being used.
Model 2: The Attempted Symbiosis Model

In the second relationship type, the attempted symbiosis model, the Israeli NGO and its partner ‘friends of’ organization attempt to create a more reciprocal relationship in which power is shared between them, more so than in the loyalist model. In this model, leaders in the U.S. and Israel see a role in governance and decision making for both groups, and attempt to overcome typical barriers to decision making. This type of arrangement only characterizes one of the ten NGOs in this study with a dedicated ‘friends of’ organization—Settlement Watch/Peace Now and its American counterpart organization, Americans for Peace Now (APN). But it also characterizes New Israel Fund (NIF). Though an ideological umbrella, not a ‘friends of’ organization, NIF is the chief sources of American Jewish funding for two NGOs in this case study—Yesh Din and Ir Amim. By design, NIF’s board is split between Israelis and diaspora Jews (mostly American, but from other diaspora communities, as well). As a result, unlike with other groups in this study, NIF’s negotiations over power sharing take place within its own board.

The two organizations define their symbiosis differently. Peace Now and APN operate with much more of a ‘divide-and-conquer’ mentality, in which each has its specialty, and autonomy from the other to execute it as it wishes. NIF has that mentality to some degree, but it does try to bridge that divide by having a critical mass of Americans intimately involved in actual grant making—an altogether anomalous situation in this case study.

Why Israelis and Americans See Merit in This Type of Relationship

One reason why groups may choose this model is if they see merit in having an American organization execute a unique agenda, aside from simply raising money for the Israeli NGO.
APN was started like the loyalist ‘friends of’ organizations in this study. Initially, the leaders of the Israeli NGO decided they would benefit from having a sister American organization that could raise money from American Jews. However, in this case, the leadership in Israel also felt their ‘friends of’ organization would be most valuable if its work also included a policy/advocacy component. Thus, over time, APN built up a domestic U.S. agenda, recruiting education and lobbying staff to conduct policy advocacy in Washington D.C. To succeed in this realm, APN needed leadership that knew the ins and outs of the American scene. And so APN developed both lay and professional leadership that acted out of the interests of a distinct organization with a distinct agenda from Peace Now. Over time this has meant that for APN to achieve its own organizational goals, it has sometimes had to pursue agendas that, though not necessarily antithetical to Peace Now’s, were not viewed as a priority by the Israeli NGO. In other words, leaders of both organizations came to see that APN could best help Peace Now if the two groups pursued sometime independent agendas from one another. Though APN is still the crucial vehicle for PN’s American fundraising, the two groups have decided it best that somewhere between 24-34% of APN’s annual fundraising receipts be remitted to Peace Now. This accounts for approximately half of Peace Now’s overall budget. These funds are unrestricted, so Peace Now can spend them as it chooses, but the two organizations hold the idea of an ongoing collaborative dialog in high esteem.

NIF’s reason for establishing this type of relationship had less to do with pragmatic concerns like Peace Now’s, and more with the ideological belief that Israelis and diaspora Jews all stood to benefit if they tried to generally forge a new kind of collaborative relationship based on regular communication, transparency, respect for one another, and a commitment to the virtue of joint governance. Through this arrangement, NIF sought to break the classic model of Rich
Uncle-Poor nephew, that was so central in defining most formal Israel-diaspora philanthropic relationships up until that point. As co-founder Jonathan Cohen explained in a 1982 letter to donors, NIF’s founding vision was one of, “Americans and Israelis working together in a new partnership,” establishing a new, “structure for exchange of information and involvement among Israelis and Americans.”

By establishing a board equally comprised of diaspora Jews and Israelis, and rotating the chairmanship, NIF offered its American board members equal say in decision making. Though a more in-depth study awaits on how power dynamics have actually played out within the decision-making process at NIF, suffice it to say that by giving American board members something at least close to an equal seat at the table in organizational strategy and grant evaluation conversations, American participants are afforded with more power than in most organizations in this study.

How the Relationships are Executed

In each of the relationships, Israelis and Americans continually strive to find ideal models for communication. Peace Now and APN work to maintain what one of APN’s leaders described as “joint thinking,” in which neither group makes big decisions unless the other is involved. At the center of this model is a network of regular communication channels, through which the two groups share information, interpret local nuance and context for one another, and collaborate on big-picture strategic vision, but, as a former chair of APN insisted, “we don’t tell each other what to do.” Another former chair explained,

We are an independent organization. We make our own policy, but consult with Peace Now. They don’t always develop the same policies. We sometimes stick our necks out more first. But, we don’t issue statements that deviate from main line because we don’t want to seriously deviate from them.

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Included in their communication is an annual visit of the APN board to meet with Peace Now’s leadership and receive tours and briefings from Settlement Watch’s research and field staff, monthly conference calls between the executive committees of the two boards, weekly conference calls between the staffs of the two organizations, and daily email summaries of the Israeli press sent to APN staff from Peace Now’s perspective. In these communications, much of the information exchanged is based on what is happening in Israel, but Peace Now relies heavily on APN for reporting and interpretation on the American policy scene. Notably, to ensure consistency in their messaging, the two organizations share a common communications department.

NIF has worked for over three decades in refining the concept of joint Israeli-diaspora governance over both its diaspora fundraising and Israeli grant making/grant management processes. It is unclear how large a role nationality plays at NIF. On the one hand, governance is equally split. An Israeli and a senior grants officer at NIF, noted that divides on organizational priorities and agendas typically do not run down national lines between Israeli and American board members. But on the other hand, old lingering patterns are hard to break. There is a nationality-based divide in familiarity and arguably expertise in Israel, and perhaps, as a result, also in the degree to which the various parties are respected. For one, the day-to-day management of and work with grantees is naturally conducted by Israeli staff. American staff naturally focus on raising funds in the U.S. One senior NIF American professional explained that at the actual discussion table, the credibility of Israeli board members is based on their ‘on-the-ground knowledge’, while the credibility of the Americans on their level of financial contribution—perhaps an inevitable result of the logistical realities, but ironically closely mirroring old patterns in relationships. This may be an unbridgeable reality, and as a result, it is
unclear whether Israeli board members truly equally respect the perspectives of most diaspora board members when evaluating needs in Israel and merits of current and prospective grantees to address them to the degree that they claim to aspire towards. The one check on this dynamic is that the CEO of NIF is always an American. Unlike with some NGOs, the CEO of NIF is intimately involved in all important board work, so theoretically, there is constantly a voice coming from the top of the organization advocating for the ideals of mutual respect in joint governance.

Why The Attempted Symbiosis Model Appears as Infrequently as it Does

Amongst the NGOs in this case study, Peace Now is in a unique position at this point in that it recognizes that American policy advocacy work will help its activities in Israel. As a result, it understands that it is in its organization’s best interest pragmatically to allow for APN, its American affiliate organization, to have the autonomy necessary to pursue its own agenda. The two sister organizations have thus been in a position in which they have had to find an arrangement for power-sharing and collaboration that would best help them collectively meet their common goals. The result has been their creation of their ‘attempted symbiotic’ model.

The fact that most NGOs in this study—especially the pro-settlement groups—have such specific agendas in Israel makes it so that it would be odd for them to have their own American policy advocacy branches. However, if, for example, an organization like Women in Green were to shift the focus of its activities much more heavily to advocacy work (i.e. its campaign for the annexation of Area C of the West Bank) such a focus on advocacy in the U.S. could be conceivable. It would then be left to determine how best to array power-sharing between the two

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626 See page 229.
wings of its organization. But there is a very low likelihood that groups like Ateret Cohanim, Mishmeret Yesha, or Regavim, for example, would ever have broad enough American policy agendas to necessitate a dedicated American-based operation that did more than fundraise. Some of the anti-settlement NGOs have broad enough agendas that they could conceivably benefit from an American branch (i.e. Rabbis for Human Rights or Yesh Din), but to date, they have focused their advocacy activities domestically. The one other NGO that has entered the realm of U.S.-based advocacy is B’tselem. But as discussed in the section on loyalist organizations, to date, B’tselem has preferred to keep the decision making of both the Israeli and the American organizations under the control of its leadership in Israel. Unless and until its perspective changes, B’tselem will not be emulating the Peace Now-APN model. As a result, unless Israeli NGOs see symbiotic partnership as an ideal, in and of itself, they are unlikely to shift their relationship structures with their American support organizations away from the loyalist model that most employ.

Regarding NIF’s model of joint governance, it is little surprise from what we have seen in this study that this has not been a commonly pursued model. There remains in Israel a deeply held belief that non-Israelis are not entirely entitled to—and perhaps not even capable of—holding an equal voice. Amongst those affiliated with the organizations in this case study, this has not changed substantially over time, and does not appear like it will soon.\textsuperscript{627} Even as an organization that actively strives to overcome these old biases, NIF, itself, still struggles with them. An Israeli grants officer at NIF indicated how to her and other Israelis at NIF, “it can be

\textsuperscript{627} In the course of interviews with professionals in the federation system, several claimed that they have established joint Israeli-American planning committees in which there is a power sharing arrangement that would fall under our definition of ‘attempted symbiosis’, but no further research was done to investigate to what extent this was reality, as opposed to just another instance of mostly empty proclamations of ‘partnership’ and joint power-sharing that have been so common from the federation system over time.
annoying,” that a non-Israeli, “someone who doesn’t [even] really understand how I’m speaking,” has an equal voice in the conversation. Still, she explained, Israelis at NIF work to get past these feelings because they continually recognize the inherent merit in a symbiotic multinational governance arrangement.

Model 3: The American Power Play Model

Within the sample of organizations, there are two cases in which the American partners insisted on having more control over the decision making process. In each case this caused major tension with the Israeli organization, ultimately leading to a formal split between the two organizations, and the creation of independent entities competing with one another for support amongst their American donor base. The first organization to incur such a split is the One Israel Fund.

Case 1: One Israel Fund and the Yesha Council

In 1991, a group of pro-settlement American olim founded an organization called the Israel Community Development Fund (ICDF). It was aimed at generating greater support amongst American Jews for the settlement enterprise, through promoting humanitarian charity efforts for Jewish residents living in settlement communities in the West Bank and Gaza Strip. In 1992, the ICDF decided that in order to gain enhanced credibility with American Jews, it would formally affiliate with the Yesha Council, the central governing body of Jews living in settlements. The ICDF would serve as the de facto ‘Friends of the Yesha Council’. It would raise the money from American Jews, and the Yesha Council would decide how to allocate it—for
who better to be able to speak to the most pressing humanitarian needs of Jews in the territories than the Yesha Council?

After a very short time, the relationship between the two organizations became strained. ICDF board members were concerned that the Yesha Council was not adhering to IRS regulations in how it was spending the tax-exempt contributions it received from American supporters. As one former ICDF board member explained, the Yesha Council had had no experience raising money in U.S., nor a good understanding of the intricacies of U.S. tax laws. It was not accustomed to the legally dictated fiscal limitations as stipulated by U.S. tax law. “We had some issues with Moetzet Yesha… where they were not being particularly sensitive to these restrictions.” Another recounted:

We [at ICDF] did not want to have anything to do with what I call political money. In other words, money for campaigns. For banners. Anything outside what was strictly charitable, tax-exempt money. The Yesha Council at that time had a different point of view. At the very beginning…when ‘93 came, and they felt that the Oslo campaign was the most important thing, they didn’t give a damn about the law, and they felt that anything they could get…that they could call it an educational campaign and succeed. And basically they did to a certain extent. The people in the ICDF were more hesitant about pressing it, and that’s the way it went.

As this gulf began to develop between the two groups, the Yesha Council came to believe that it would more fully be able to achieve its aims without the ICDF constantly nit-picking about its expenditure decisions. It reasoned that since it had more cachet and name recognition with American donors than the ICDF did, it could bypass the ICDF and appeal directly to American Jews. As one former member of the Yesha Council instrumental in this process explained, “we decided that [our American ‘friends of’ organization]…wouldn’t be run by the people outside of the council because … they had their own agenda. …[It] had to be something that we would run.” So, in a quick succession of events in 1994, the Yesha Council first had
some of its closest American allies establish a new American 501(c)(3) called One Israel Fund (OIF), then it successfully convinced ICDF’s donors to henceforth direct their giving to OIF—the more ‘legitimate’ voice for the interests of Jews living in the territories, it argued—and finally, it officially severed its relationship with ICDF. The move stunned the ICDF. In a flash, it essentially had its organization stolen away from under its nose. But with neither the affiliation with the Yesha Council, nor the support of its American donors, the ICDF could no longer survive and was thus forced to fold up its tent.

A Counter Coup

OIF, though titularly an independent organization, was the prototypical loyalist American ‘friends of’ organization in the first years of its existence. The Yesha Council was thus unchallenged in how it used the funds OIF raised from American Jews. However, after a few years of OIF’s founding, a group of American donors were becoming disgruntled with this arrangement. According to a former member of the Yesha Council sympathetic to this position, Americans were tiring of being, “dictated to” by the Yesha Council. “You can’t have people here [in Israel] giving orders to their supporters [abroad]. It just doesn’t work, because people don’t want to be [pushed around].” Thus, in a strikingly similar maneuver to the Yesha Council’s sidestepping of the ICDF a few years earlier, OIF’s American trustees decided to make their own bid for control of the organization, and cut the Yesha Council out of the picture. From the standpoint of one of OIF’s long-time trustees involved in this decision, “There came a time when we just wanted a little more control—a lot more control…. Our donors…have somewhat different priorities than people at the other end did. So we really had no alternative. We decided that we would make more decisions over here...that determined the use of the donations.”
In a dramatic turn, the resultant incarnation of OIF from that point forward vested control over allocations decisions *exclusively* with its American trustees. It believed that its American donors should be making the decisions about what work to do in Israel. Israelis on the ground would advise, but Americans would answer to no one but themselves. To keep its power consolidated in this way, OIF decided it would not retain a formal partner body in Israel. Instead, it would take requests from and make grants directly to a variety of municipalities, small NGOs, and charity collectives in the West Bank and Gaza Strip. It would vet funding requests and conduct necessary due diligence over already granted money, including a sometimes close line-item evaluation of the budgets of the grant recipients in Israel through the Israeli-based grants officer it would employ. Such hands-on management from afar by an organization governed exclusively by Americans is without equal amongst organizations in this study.

The Yesha Council was furious at the new power arrangement OIF instituted. One long-time representative of the Council described the move as the treachery of a small group of American “demagogues” who co-opted the Yesha Council’s ‘legitimate’ place as the representative voice of Yesha residents. But the move nonetheless left the Yesha Council powerless in raising money from American Jews. Unlike when it took on the ICDF a few years earlier, the Yesha Council no longer had the ability to directly appeal to the American Jewish donors, who by then, had been sufficiently convinced by American leaders of OIF’s merit—in large measure because top Israeli figures like Ariel Sharon had campaigned with OIF and helped it to build up a solid brand and reputation with American Jews sympathetic to the settlement project.

Eventually members of the Yesha Council set up a new support umbrella organization called American Friends of New Communities in Israel (AFNCI) as an alternative destination for
American Jewish giving to the Jews living in the West Bank and Gaza Strip. But by 2013, OIF remained deeply entrenched as the body of choice for American Jews supporting humanitarian work in Yesha, with AFNCI only collecting a fraction of what OIF brought in.\footnote{In 2011, even though AFNCI was already its 12\textsuperscript{th} year of existence, OIF raised almost six-times as much as AFNCI. According to their 2011 IRS form 990 documents, OIF raised $2.5 million to AFNCI’s $428,000. 990 forms were available via guidestar.org.}

**Case 2: Rabbis for Human Rights and Rabbis for Human Rights-North America**

In 2002, a group of American Rabbis interested in supporting human rights activism in Israel and inspired by the work of then Rabbis for Human Rights (RHR) Director, Arik Ascherman, decided to found an American organization in order to help raise funds for RHR. They called the organization Rabbis for Human Rights-North America (RHR-NA). RHR had never been a wealthy organization, nor one with a highly developed organizational infrastructure, due in part to the haphazard manner in which it conducted its fundraising in the U.S. RHR leaders would visit the U.S. a few times each year, conduct speaking engagements and meet with donors, and then direct those wanting to give to RHR to do so via NIF’s pass-through donor-advised giving option. Unlike most of the other NGOs in this study that had existed for as long as RHR had, RHR had never worked with its close American supporters to establish a ‘friends of’ organization in the U.S. Thus, when the opportunity arose for a ‘friends of’ organization to spring up without it having to do the legwork itself, leaders at RHR jumped at the opportunity to possibly bring in higher totals from the American Jewish community than it had ever done.

However, the founders of RHR-NA were not like the loyalist founders of most of the ‘friends of’ groups in this study. An RHR-NA board member explained that the founding members of the group had originally discussed the idea of creating a ‘friends of’ organization to
help RHR fundraise in the U.S., but ultimately decided they wanted to be active beyond just raising money. But unlike an organization like Americans for Peace Now that initiated unique American-based activities specifically geared to support Peace Now’s work in Israel, RHR-NA devised an agenda focused on human rights issues in the U.S. in addition to supporting RHR’s work in Israel.

Originally, the two groups had a good working relationship. Though RHR-NA called its own shots, RHR did have input in how the American group fundraised and branded itself, as well as how much of its budget it granted to RHR. From 2004-2005, RHR-NA granted 69% of the funds it raised to RHR. But as RHR-NA developed its other human rights work outside of Israel, the two began to diverge. RHR started to discover that this meant that its agent in the U.S.—which was essentially becoming the face and the mouthpiece of the Israeli organization to its current and potential U.S. donors—was operating with a different agenda, and, as it turned out, also different politics. Not only was RHR-NA using the RHR brand to build support for its portfolio of human rights work outside of Israel, but from RHR’s perspective, it was not even properly representing the positions of the Israeli NGO to American Jews. RHR considered the political perspective of RHR-NA’s leadership to be to the left of its own, which, as one RHR leader indicated, “cause[d] no small amount of tension.” For example, while RHR has proudly staked its claim in the Israeli organizational scene as both avowedly Zionist and a human rights organization, the leaders of RHR-NA certainly did not emphasize themselves as Zionists—and in the opinion of some at RHR, tried to stay away from using the term ‘Zionism’ altogether.

Furthermore, RHR-NA had almost completely taken over relationships with donors. The development director at RHR noted how her counterpart at RHR-NA shut them out of donor
“She left us out completely,” she explained. “She didn’t want me to have any contact with the donors.”

RHR found itself in the peculiar situation of being an Israeli NGO that had allowed for its ability to raise funds in the U.S. to be solely at the discretion of an independent group of Americans. It played out like this. According to the RHR-NA executive, twice each year, when Ascherman would visit the U.S. to meet with donors and raise money for RHR, RHR-NA would set up the meetings, and handle post-meeting contact with donors, directing those interested in giving to RHR to forward their gifts to RHR-NA. She explained that though technically, donors could designate that a larger portion of their funds be forwarded to RHR, RHR-NA would discourage this. The RHR leader believed that North American donors would have given directly to RHR, rather than to RHR-NA if Ascherman would have asked them to—even knowing that it would have meant foregoing their tax deduction. However, due to the nature of the agreement between the two organizations, RHR refrained from doing so. Thus, donors who may have been most interested in RHR, were essentially intercepted and re-directed by RHR-NA. It is likely that many donors—whose giving was intended principally or exclusively to support the work of RHR in Israel—had little or no idea that the details of the arrangement yielded such a small percentage of the funds they gave actually going to the Israeli counterpart organization.

RHR had very little leverage in the relationship. Unlike in the cases of most American support organizations for Israeli NGOs, the problem for RHR was that it neither chose the RHR-NA board members, nor had any of its own representation on the RHR-NA board, and was thus forced to live with whatever RHR-NA decided. According to Cerny and Mackinnon, ‘friends of’ organizations usually include, “several board members associated with the supported
organization. So RHR’s lack of voice within the RHR-NA board’s policy development process was rather exceptional. As a result, what was initially a lucrative financial arrangement for RHR, became gradually less so, as RHR-NA devoted more of its resources to work outside of Israel. The 69% of total raised funds that RHR-NA had originally been granting to RHR dropped to 42% in 2006-2007, 36% in 2008-2009, and 30% in 2010-2011. As a point of comparison, in 2010, when RHR-NA granted 30% of the funds it raised to RHR, American Friends of Ariel, Friends of Ateret Cohanim, and the Hebron Fund, for example passed on respectively 87%, 76%, and 71% of the funds they raised and to their counterpart Israeli NGOs. Though there were tense ongoing negotiations over allocations percentages between RHR and RHR-NA, RHR ultimately had little recourse. RHR-NA controlled the money, as well as the contact with donors.

It is little surprise that the relationship between the two organizations eventually collapsed. In January 2013, the groups issued a joint statement notifying that they were formally severing ties, arguing that the split was mutually beneficial for the two groups. A representative at RHR explained that the split was nowhere near as amiable as the official statement suggested. To minimize future confusion, RHR-NA changed its name to T’ruah. But, it still intends to work on human rights issues in Israel. It is unclear whether it will chiefly focus on mobilizing diaspora support for issues, or running its own programs in Israel. RHR meanwhile reverted to its pre-2002 method of trying to raise funds in the U.S. from afar and using NIF—as well as new pass-through, Israelgives—as its conduit. The long-term implications of the split to RHR are not clear. RHR is in the process of trying to extricate donors from T’ruah.

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630 Information obtained from IRS form 990 documents available via guidestar.org.
Donors are most likely confused. The amount of money RHR raises from Americans will almost certainly decline in the short-term, but what happens beyond that remains to be seen.

Factors Contributing to the ‘American Power Play’ Model

Among the case study NGOs, this ‘American Power Play’ model of relationship has not been common. In the two examples we saw in which Americans tried to take control of an organization, there were two common characteristics not seen in any of the other case study organizations. In each case, unlike in any of the other ‘friends of’ organizations in this study, RHR-NA and ICDF were started exclusively by American initiative and therefore originally placed Americans at the helm of their organizations that had not been hand-picked by Israelis—and as it turned out, were not supporters of the classic pattern of American deference. The Americans believed they had a right to be involved in deciding how American funds should be allocated in Israel. And when the Israelis gave them push-back, they were willing to cut them out of the relationship entirely.

In each case, the American ‘friends of’ organization initially used its relationship with the Israeli organization as a tool for establishing its own credibility. Once it came to be viewed by American Jews as the bearer of the legitimate brand and controlled the contacts with the donors, each organization was in a position to be able to wrest control from the Israeli partner, and the Israelis could do little to stop them. OIF took control of the whole operation; RHR-NA, as of 2013, just much of the donor base.

Perhaps RHR-NA and OIF are exactly the kinds of situations that David Ben-Gurion, Henry Montor, and Henry Morgenthau feared that Abba Hillel Silver would try to create with the Jewish Agency. Or that Chaim Weizmann feared that Louis Brandeis would do within the ZOA. In an era in which Israelis were considered by the masses of American Jews as the authoritative
voices over what should be done in Israel, there was no popular backlash, even when the most
notable American Zionist leaders of the day were excommunicated from the organizational
leadership structure—and in the case of Silver, in a humiliating fashion. But in a new
environment in which most American Jews believe they have greater rights vis a vis Israel,
groups like RHR-NA and OIF cannot be kicked aside, like in former times. Still, it is unlikely
that this kind of arrangement will become anything like the norm any time soon. While
American Jews feel more entitled to assert their say, likely, most do not feel that they should—or
would even want to—subsume the Israeli voices, as was done in these two cases.

Chapter Conclusion

This chapter has looked at changes in relationships between American Jews and the
Israeli organizations they support. We have seen that aspects of the relationships are substantially
different than they had been. They are structured differently with over 90% of American Jewish
giving to Israel happening outside of the traditional federation channel. American Jews have far
greater access to sources of information, as well as greater ability to designate their giving, and
most notably, a greater belief that they have the right to have a say over how the money they
donate to Israel is used. But the question this chapter was mainly concerned with is how the
power sharing dynamics within these relationships compares to power sharing in the ‘old
system’.

We have seen throughout this chapter that in the contemporary philanthropic relationship
in our case study organizations, there is a significant divide between the power that American
Jews supposedly want to exercise, and what Israelis are prepared to let them do. For the most
part, the NGOs hold the cards in the relationship—closer knowledge of Israel, a platform and reputation that allows them to frame issues, and a proactive desire to use their power to stay one step ahead of a donor base it does not respect, and believes it can manipulate. This is the case in most direct giving scenarios. While individual donors do have the powers to choose organizations, designate gifts, and if need be, leave organizations, by the accounts of the stakeholders in our case study, it appears to be the rare donor that uses these levers to really exercise power, rather than playing into the hands of NGOs. Even in the age of the savvier philanthropic consumer, the trust the Americans have in the Israeli NGOs they affiliate with is reminiscent of relationships in the ‘old system’.

In ‘tailored federatedness’ arrangements, the average American donor may be even more in the dark. In the loyalist model, Israeli NGOs and their American support organizations are in cahoots to perpetuate Israeli control. In these cases, the top American leaders see this as a virtue. The rank-and-file donors to this group may not, but there is no telling that they necessarily have any more awareness of how little of an actual say they are having. Similarly in organizations falling into the ‘American power play’ mode, even though top leadership made the decision to dispense of their Israeli partners at some point, many American donors likely do not understand who really makes decisions about how money is spent. Do the American donors to OIF know that it is run by Americans and that all Israeli decision-makers have been kicked out? Do donors to RHR-NA know that the organization kept most of the money they donated to use for its domestic programs? Do they even know now that T’ruah does not pass any money at all on to Rabbis for Human Rights? Even in the attempted symbiosis model, most Americans supporting an organization like Peace Now, for example, probably have no sense that approximately 70% of
the dollars they donate to APN never make it to Israel. And likewise that for the money that does make it there, decision-making over how it is spent is completely under the discretion of Israelis.

The final chapter will reflect one more time on the current state of power sharing dynamics in our case study organizations. It will compare the extent to which some of the archetypal myths guiding relationships in the ‘old system’ resemble those in the case study NGOs. It will close with a look at the next frontier of power-sharing, examining how the rising trends of staffed Jewish family foundations as well as foreign funding for political and social change NGOs in Israel look to alter the power dynamics identified in the course of this study.
Chapter 6: Conclusion

This chapter will offer some closing thoughts on power sharing relationships between American Jewish donors and Israeli NGOs. The first section will return once more to the dissertation’s central questions, and offer some closing thoughts on what this study has told us about each. It will look collectively at the dissertation’s two main research questions: ‘How, why and into what did the ‘old system’ of the diaspora philanthropic relationships change?’ and ‘What do relationship structures and power dynamics between American Jews and Israeli institutional actors look like in the contemporary philanthropic environment?’ It will review the study’s main findings, and look at how they compare to literature on the evolution of the Israel-diaspora relationship, focusing on the extent to which the central motifs of the Israel-diaspora philanthropic relationship from the ‘old system’ compare with the ones apparent in this case study. The chapter will conclude with a look at two important rising trends in power sharing that for a variety of reasons fell outside of the main framework of this particular study. Yet, as each stands to play a significant role in shaping the direction of philanthropic power sharing relations between American Jews and Israelis in the immediate and longer-term futures, we would be remiss to not devote some attention to each. First, it will introduce the potentially relationship-altering dynamics that staffed American Jewish family foundations may bring to the broader field of American Jewish giving to Israel. Next, it will discuss the issue of foreign funding (both American Jewish and other) for social and political change-oriented NGOs in Israel that are working on significant, but contentious issues affecting the future of Israeli society.
Part 1: Discussion of the Two Central Research Questions

There is a satirical, but very telling scene from the classic 1964 Israeli film, Sallah Shabati. Several halutzim are planting trees in an area slated by the Jewish National Fund (JNF) to become a forest. While they are hoeing and digging, a man working for the JNF drives up the dirt path in a car, takes a sign out of the car reading “Simon Birnbaum Forest New York, NY,” and hammers it into the ground next to a newly planted tree. Just as he finishes, another car pulls up chauffeuring a wealthy American couple. The Americans, ill-dressed for the rugged terrain, get out of the car and awkwardly follow The JNF officer to the tree. The officer says in broken English, “Mrs. And Mr. Birnbaum. This is your forest!” The Americans look admiringly at the tree and all of the halutzim planting more like it, appear very pleased, snap some pictures, and then get back into their car and drive away. No sooner than they are out of sight, the JNF officer takes down the sign with the Birnbaum’s name on it, and hammers in a sign next to the same tree that says “Mrs. Pearl Sonnenschein Forest Detroit.” A moment later, the Sonnenscheins also drive up, are also greeted by the JNF officer welcoming them to ‘their’ forest in the same broken English, and are also pleased to be seeing what they are making possible through their generosity.632

Out of place in a foreign environment, the Americans are wholly dependent on the version of Israel the JNF executive shows them. The Americans in this scene are interested in seeing how the money they donated to help support the development of the new state is being spent. They likely had faith in the JNF to be a trustworthy, capable dispenser of their donations even before their visit to the field. But once they saw with their own eyes just how much of an impact their donations were making, that faith was permanently enshrined. The scene parodies

632 Sallah Shabati, Ephraim Kishon (1964; Israel: Sallah Company).
how easily the full trust of American donors could be secured during that era. The Israeli intermediary in this scene need only put on a convincing show for a short time, and as soon as the Americans were out of sight, he would be in the clear to do as he wished with the money they donated.

The Birnbaums and the Sonnenscheins can be understood as symbols of the typical American Jewish donors to Israel—understanding little, but still gladly handing money off to a centralized campaign. But they also can be understood as a larger metaphor for the UJA and the federation system, themselves. The environment of naiveté and unquestioning trust on display in this scene underscores the mood of what the Israel-diaspora philanthropic relationship was for decades. At both the individual and institutional levels, American Jews were relying on others to provide them with their picture of Israel. Most American Jews entrusted the UJA to be the sole recipient of their Israel-oriented giving. Likewise, through its exclusive relationships with the Jewish Agency, the UJA essentially trusted the Agency’s word on what the most important needs were and how donated funds were being used most effectively to impact them.

But as we have seen, starting in the 1980s, this all began to change quickly. Due to a variety of factors, the main ideas holding the ‘old system’ together (federatedness in American Jewish giving, statism in Israel, and automatic American Jewish institutional deference over the use of raised funds) all crumbled.

New Currents of Thought Yield a New Philanthropic System

The community’s adherence to federated Israel giving waned as more American Jews wondered whether the UJA was worthy of the trust they had long vested in it. Increasingly, donors became disenchanted with the UJA, as they questioned whether it had the best
information, made the best choices, and/or looked out for their best interest as donors. This was against the backdrop of a wider American move away from collective giving and towards direct giving. The result was American Jews shifting their Israel giving away from the UJA in huge numbers. The UJA’s market share of American Jewish funds donated to Israel dropped from roughly 80% in 1975 to roughly 10% by 2007.\textsuperscript{633}

Starting about a decade earlier, adherence to statism came under heavy fire in Israel. The government’s attitude began to favor free market enterprise and privatization over the traditional collectivist orientation and the welfare state. At the same time, the changing Israeli cultural comfort with extra-parliamentary protest allowed for the development of a new civil society. These factors made the environment ripe for the growth of Israeli NGOs. Between 1980 and 2005, the number of NGOs in Israel grew from 3,000 to 41,000.\textsuperscript{634}

Automatic American institutional deference also declined as increasing numbers of American Jews were no longer willing to quietly abide by the long-dominant ‘Weizmann philosophy’ of philanthropic relations, in which Israelis were the exclusive deciders of how best to use donated funds. More began to favor the alternative ‘Brandeis philosophy’ that held that American Jews should have a major say concerning the use of their donations. The Jewish Agency had little interest in allowing non-Israelis to have such a role, and consequently tried to maintain the old deference structure as long as it could through creative re-packaging of classic power dynamics. Eventually, this bubble burst with most American Jewish giving to Israeli

\textsuperscript{633} See page 94.
organizations happening outside of the traditional channels. By 2007, only 4-7% of total giving going to the Jewish Agency’s core budget.\textsuperscript{635}

**Remaining Vestiges of the ‘Old System’?**

In the wake of such wholesale changes in philosophies, and consequently institutional relationships, one might doubt that any significant vestiges from the ‘old system’ would still remain in the contemporary environment. Yet, this was not so with the NGOs in this case study. This study looked at how a group of NGOs in a contemporary environment interacted with the American Jews who supported them. As has been discussed, the analysis revealed that old relationship structures and in a number of ways, old relationship dynamics have substantially changed. American Jews have made use of many innovative giving structures to link up with cutting-edge Israeli NGOs working for very specific ideological agendas. In addition, American Jews are no longer willing to defer automatically to Israelis, as had long been the case, and in fact, for the most part, they demand to have some say in how funds are used. Not only do they choose to give to thousands of different NGOs—many small and obscure—but most donors designate their gifts to them. While this all appears much different than before, changes on the Israeli side have been much more cosmetic. Just as Israelis in the Jewish Agency had long been uncomfortable with sharing decision making, Israelis in most organizations in this case study were mostly unhappy yielding any control over real decision making over allocations to American donors. Yet, they also did understand that they could not behave like the Jewish Agency did in the old days. The era of Israeli organizations taking their American Jewish donors for granted or strong-arming them in any noticeable way had to be over. Likewise, they

\textsuperscript{635} See page 94.
understand that they have to be ready to demonstrate accountability if called on to do so by their donors—also a major shift from the ‘old system’. So even if the underlying sentiments amongst Israelis remain fairly consistent over who is most entitled to and most capable of making decisions, their modes of communicating and expressing themselves have to be much different.

But despite the major overhauls in donors’ outlook and behavior, and in NGOs’ tactical approaches, looking a little more deeply, we see in this case study that many of the core relationship dynamics that characterized the ‘old system’ are much more operative in the current environment than one might expect. This seems to contradict the triumphalist claim of a ‘new kind of partnership’ based on mutual respect and close collaboration that often accompanies discussions of changes in the American Jewish-Israeli philanthropic relationship. The next pages will pose the general question of the extent to which a new concept of partnership has emerged in the new environment. Is there a new partnership formula or is much of what is happening only the latest incarnation of old imbalanced patterns of power sharing, but shrouded in the language of partnership and mutual responsibility? This inquiry will be built around a look at four of the most important classic mythological motifs that helped explain the philanthropic relationships in the ‘old system’. It will compare them to the relationships the case study NGOs have with their American Jewish supporters.

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Israel as the Heim

Charles Liebman convincingly identified two predominant motifs that explained how American Jews regarded Israel from the time of its inception through when he wrote in the 1970s. The first is what he called, ‘Israel as the ‘heim’ (the Yiddish word for home). Liebman
explained that American Jews saw Israel as something of a quaint ‘old country’. Irrespective of whether American Jews ever had any intention of moving to Israel—or even visiting there, for that matter, it nonetheless held an eternally warm spot in their hearts.\(^6\) This manifested in Americans’ consistent willingness to open their wallets to support Israel, but never demanding the same kind of information or accountability that they did in their other giving. One scholar and veteran observer of the field corroborated this perspective. He noted that even by the turn of the 21\(^{st}\) century, many of the prominent lay leaders of the UJC could best be described as, “people of wealth and heart.” They brought, “their hearts to the issue [of Israel] more than their minds,” he explained.

In a series of articles written over three-and-a-half decades, Chaim Waxman traced the development of this phenomenon in the Jewish community. Waxman agreed with Liebman that American Jews did at one point definitely relate to Israel as their heim.\(^7\) However, he argued, as time passed, the level of their sentimentality eventually faded, and as it did, they came to see Israel as simply a political entity like any other.\(^8\) Thus the partial “family rules” that American Jews once applied to Israel were replaced with more rational, interest-driven rules.\(^9\) Their support for Israeli policy, and even Israel, itself, would no longer be automatic.

The trends we looked at of the migration from institutional deference and federatedness to direct giving and ‘tailored federatedness’ suggest that Waxman is correct—that an allegedly more rational, discerning generation of givers picks their own giving destinations based on their

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interests and *their* considerations—not a blind love for the ‘old country’. However, based on the overwhelming majority of opinions that we saw from commentators and stakeholders in the case study NGOs, American Jews do *not* appear to be giving principally from the place of information-driven, rational decision making that Waxman suggests. Though we do not have a comparison case to look at, it is likely that when it comes to their non-Jewish/non-Israel giving, typical donors are not as blasé with information as the interviewees described them as being in this case.

If this is true, Waxman’s case for Israel’s transformation away from the *heim* image in the minds of American Jewish donors appears over-stated. He is probably correct that the *heim* concept, “no longer has the effective power it once had,” in that many American Jews who care about Israel may not consciously think of it as their ‘*heim*’, but, the evidence in this case study does not support his conclusions that American Jews relate to Israel as a, “political entity…subject to the same, if not more, criticism as in any other state,” or that American Jews, “are pro-Israel for much the same reason that other Americans are.” Rather, their giving still appears to be driven, in large part, by their emotional connection with Israel.

‘Embattled’ vs. ‘Emergent’

Liebman’s other motif was what he called the ‘exodus image’. In it, the prototypical Israeli was understood as, “tough, hardheaded, courageous, and shrewd… something of a

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640 Ostrower’s study of wealthy donors seems to support this. She demonstrated that Jewish donors were much more hands-off with their gifts to federations than they were to any other causes they supported. Though her study was in 1995 and only of the wealthiest segment of the community, the fact that this trend existed then suggests that it probably still holds true to at least some degree in 2013, and that it applies to more than just the wealthy, since it is typically the wealthy that are most hands-on with their giving. (Francie Ostrower, *Why the Wealthy Give: The Culture of Elite Philanthropy* (Princeton, NJ: Princeton University Press, 1995), 55).

superman, albeit in an underdog’s clothing." He was on the front lines of a war slanted heavily against him, but continued to fight the good fight, and due to the rightness of his cause and his strength of character and mind, he was winning; but an uphill battle, nonetheless, still remained.

The UJA used this image of exodus—or what can perhaps better be termed, ‘embattled’ Israel as the basis of its fundraising narrative for decades. However, the UJA (and eventually its successor organizations, the UJC and the JFNA) came to reason that it was not so easy for donors to reconcile that a country with a growing first-world economy, among the world leaders in technological innovation, and for anyone visiting, replete with modern infrastructure and amenities, was the same country being sold as one in perpetual struggle. Its rapid absorption of one million immigrants from the former Soviet Union in a decade or two, further demonstrated that Israel was no longer struggling and overwrought. As long as there were no wars actively going on, Israel appeared to be standing strongly on its own. The UJA concluded that its chief paradigm for fostering engagement with American Jews, Project Renewal, which had been based on a needy Israel, thus no longer made much sense. Of course there were still poor neighborhoods in need with crumbling infrastructures, inadequate services, and at-risk youth, but

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642 Liebman, 200.

643 Wertheimer recounts that in part to maximize overseas allocations, the UJA presented an Israel in perpetual crisis and need. “Crisis campaigns had become a staple of UJA operations…Under the leadership of Herbert Friedman [UJA Executive Vice President from 1956 to 1969], the UJA routinely identified a dramatic situation and raised money to cope with the ‘special rescue, or survival, or special Emergency, or Emergency Rescue Fund’ of the year. In so doing, the UJA, “developed a persuasive rationale for absorbing so large a percentage of federated campaign funds.” (Jack Wertheimer, “Jewish Organizational Life in the United States Since 1945” American Jewish Year Book (New York, 1995), 16). Israel was fittingly presented in the 1970s as a perpetual target, as it was subject to one international attack after another (i.e. the war of attrition with Egypt, the attack at the Munich Olympics in 1972, the 1973 war, the 1975 United Nations resolution equating Zionism with racism, PLO terrorism throughout the decade). In the 1980s, the UJA largely focused its branding of Israel on the importance of refurbishing impoverished neighborhoods in Israel. Known as Project Renewal, this program argued that the defense-concerned state, of course, could not manage on its own, and thus needed the help of its brothers and sisters in the Diaspora..(See Charles Hoffman, Project Renewal: Community and Change in Israel (Jerusalem: Halberstadt Communications, 1986); Paul King, et. al., Project Renewal in Israel: Urban Revitalization Through Partnership (Lanham, MD: University Press of America, 1987); Frederick A. Lazin, Politics and Policy Implementation: Project Renewal in Israel (Albany: State University of New York Press, 1994)).
why was this something that the diaspora should foot the bill for? Should not a wealthy country address its own social service needs? The federation system’s answer to this disconnect was to re-brand how it presented Israel from ‘embattled’ to ‘emergent’. It would replace Project Renewal with a program called ‘Partnership 2000’. Partnership 2000 would not be based on social services and urban rehabilitation, but rather supporting the work of proactive community development and local training, civil society, and advocacy NGOs.\(^{644}\)

This strategy of branding Israel as ‘emergent’ has been used by many other organizations in addition to the UJA/UJC/JFNA. In it, Israel is no longer depicted as a charity case, but a rising power. Nonetheless, it is still in an emerging stage.

Though Israel may have achieved incredible accomplishments in recent years, the narrative goes, it was not easy for a state that was for so long, living a hand-to-mouth existence, to be able to fully stand on its own overnight—even when such a high portion of taxpayers’ money still went to support the country’s defense and deterrence needs in what remained a very hostile neighborhood.\(^{645}\) Therefore, as strong as Israel had become, it still stood to benefit greatly from support from foreign partners in order to help it get to the next level. This support might include the advice, expertise, or co-planning, from diaspora Jewish partners, but it would certainly also mean money.

Interestingly, this paradigm of Israel as emergent is almost nowhere to be found in how NGOs in this case study brand themselves. The classic image of Israel as the embattled hero, on


\(^{645}\) In the year 1997, for example, Israel ranked fourth in the world in military expenditures as a percentage of GDP. Its rate of 9.1% was more than four times the international median rate of 1.9%—and this in the midst of arguably Israel’s most peaceful time in its history to that point. (World Bank, “Military expenditure (% of GDP)” [http://data.worldbank.org/indicator/MS.MIL.XPND.GD.ZS](http://data.worldbank.org/indicator/MS.MIL.XPND.GD.ZS))
the other hand, appears all over the place with the settlement-oriented NGOs. Why might that be?

One fundraiser for an Israeli organization conducting exclusively educational work in a community in the territories, explained how he managed to double the size of his organization’s fundraising campaign in just a few years in the late 2000s, specifically because he heavily leaned on a portrayal of Israel as embattled. He explained that in his regular fundraising trips in the U.S., he always brings along a retired Israeli general. The presentations and meetings they have consist of 90% of the general sharing his impressions of Israel’s overall security situation, and only the last 10% having to do with anything directly relevant to the cause or organization for which they are fundraising. Yet, he claims, that his success in funding is due to this model. “When you have a street show [with a performer] and then he has his monkey with the hat…I’m the monkey. He [the general] draws all the attention, and I’m running around [collecting money].” It matters little to the donors that the problems the general is outlining are barely related to this NGO’s work. They are moved in some way by what he says, and they respond by giving money.

This is similarly the case with most NGOs in this study. They are working on a deeply divisive issue within Israeli society, offering a very particular vision of how best to address it. Regardless of where they fall on the issue, each presents its work as a race against time and, interestingly, each also bills itself as an underdog struggling against much bigger and better-funded adversaries. The work of each is presented as the last line of defense, that is upholding a certain vision of Israel, otherwise on the verge of falling apart: If there is one more eviction of Palestinians from the Sheikh Jarrah neighborhood of Jerusalem, or one more hill falling under Palestinian control near Gush Etzion, or one more missed opportunity for Jews to be able to buy
an apartment in the Muslim quarter of the Old City of Jerusalem from an otherwise willing Palestinian seller because there is not enough Jewish interest to make the financial investment, things will go down an irreversible course, leading to the destruction of the state or the collapse of the most pure, noble version of the Zionist ideal. Donors are given an image of a sinking ship that desperately needs their help plugging because the majority of Israelis have been tricked into believing that the ship is not really sinking. To these supporters over this issue, Israel is therefore not the emerging powerhouse it may be in other fields. It is truly still embattled. It is not clear whether each NGO actually believes that its work is really saving Israel/Israel’s soul or whether it only pitches itself that way because it sees that it is able to raise a lot of money by tapping into the existential concerns of supporters.

So while the motif of Israel as the emergent modern intellectual, economic, and technological powerhouse is on full display in how Israel is sold to many American Jewish donors, the exodus myth, at least within this case study’s NGOs, is also alive and well—both in how the Israelis present their situation, and based on how well the NGOs have performed in raising funds, likely also in the eyes of those donors that support it as well. In 2013, as in 1948 or 1967, the exodus image still resonates as donors gaze starry-eyed at the proverbial general and hand their money to the monkey.

**Rich Uncle**

The ‘Rich Uncle’ paradigm is constructed based on the themes of *heim* and exodus. In it, the wealthy community of diaspora Jews is cast as the wise, generous, and loving wealthy uncle who sends funds along to help his struggling little nephew make it through hard times. This was a classically propagated frame for how the relationship between Israel and diaspora Jews should
be understood. It famously came under criticism in the late 1990s from Israeli politician, Yossi Beilin. In his book, *His Brother’s Keeper: Israel and Diaspora Jewry in the Twenty-first Century*, Beilin asserted that the old paradigm for the American Jewish-Israeli philanthropic relationship was no longer appropriate. Railing against what he saw as a “facade of dependence” still existing in how Americans understood Israel perpetuated by the ‘Rich Uncle’ image, Beilin questioned why this was a healthy or productive way for the world’s two largest Jewish communities to interact when there were actually real problems facing them collectively that could best be addressed through real collaboration, rather than propagating the farcical theater play. He wondered how a real dialog could develop between someone rattling a cup and someone dropping coins into it?646

In this case study, there was a difference of opinion amongst interviewees on the extent to which the rich uncle frame of relating still existed. Most American donors interviewed considered the idea of America as the rich uncle as only a part of the past relationship—not still operative in any way. Most Israelis disagreed with this assessment. While none saw themselves as in need of a rich uncle, per se, they: (1) believed that Americans still clung to the notion that they were the rich uncle (whether or not they realized they were doing it), (2) cynically recognized how perpetuating the relationship benefited them, and as such, (3) did not go out of their way to dispel it.

One fundraiser for a Beit Midrash in a settlement that raises money through a pass-through organization explained that her community is certainly affluent enough to afford its own Beit Midrash. Yet, she still chooses to raise much of her funds from American Jews—which she

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successfully does—because she knows that Americans still see themselves as rich uncle, and therefore, are willing to fund something like a Beit Midrash even in an affluent community. If they were looking at the relationship more honestly, she explained, they would realize they should not be paying for it. But nevertheless, she understands that based on how American Jews think about Israel, she can easily raise the funds she needs from them with far less effort than if she had to convince the residents of her own community to reach into their pockets to pay for the Beit Midrash, themselves.

One Israeli commentator on philanthropy made the point that that Americans may not want to be viewed as ‘rich uncle’, with all of the aloof and parochial connotations that go along with it. And so, language of ‘partnership’ had become a more palatable way for them to view their role—even if on some level they still viewed themselves as the rich uncle. He explained that many, “Israeli NGOs have fundraisers whose positions [are]… called things like ‘Coordinator of Partnerships’, but that is often only a euphemism for: ‘I need to raise money’.” “A real partnership,” he explained, “can only exist when each side can…see each other as equals that they each have responsibilities to the other and each has expectations from the other that are legitimate and fair.” It is not ‘partnership’, he continued, “when either side sees it as a front for taking advantage of the other.” So based on what a real ‘partnership’ would actually mean, he questioned whether either side really wanted a partnership. Instead, he believed they were much more comfortable with the familiar role-play.

An expectation has taken root amongst several of the Israeli groups that Americans who want to support Israel, really should still be that rich uncle even if Israel has, itself, become a rich nephew. One leader at an anti-settlement NGO explained that though his group’s work was supported in large part by likeminded American Jews, they ought to be giving more. “We get
some money for them,” he explained, “[but] actually not enough money…I think.” According to this organization’s 2012 tax documents, it received over 60% of its revenue from donations from Americans. It is striking then that an Israeli organization that receives so much of its money from Americans actually believes it should receive even more.

In a more poignant articulation of the same point, one fundraiser for a pro-settlement NGO exhibited an almost entitlement to receive money from American Jews to support his group’s work. But at the same time, he revealed a perspective that few other Israelis discussed. He was disgusted at what he regarded as the degradation that sometimes comes along with playing the role of poor nephew. “I’m not happy to go [to the U.S. for fundraising]. I think it’s disgusting that we have to go there at all in the first place. These people should be crawling here and begging to give us money.…” But, as he explained, many American Jews, “get a kick out of you coming to them and begging for their money.”

This kind of parochialism that he hinted at—likely inherent in an unequal power relationship like the Rich Uncle paradigm—was still operative in the minds of some of the American Jews interviewed, regardless of what they claimed about ‘partnership’ replacing the rich uncle model. One example of this was conveyed by an American fundraiser for a pro-settlement NGO. He explained that Israeli recipients of American donations through his organization need to show appreciation and respect for their benefactors abroad.

There’s a certain amount of training the Israelis [that we have to do]. We make it very very clear to our donors here that when they go there [if they have sponsored a project] an $18,000 or $25,000 project..., I want a dedication ceremony for them when they go. Not for them—even though some of them do need it. Not only for them. It’s for the Israeli counterparts. They need to show their thanks and gratitude for being given this project, whatever it is...It also sends a message to the kids of the community, that this is how we show respect. We don’t have anything coming to us. This is somebody’s hard-earned money that they’re
donating to a new playground for my children. My children are going to be there at that dedication ceremony saying thank you.

But perhaps from another perspective, as industrialized and affluent as Israel has become as a society, there are some causes in Israel—whether due to a slowly maturing culture of philanthropy amongst Israelis or a lack of resonance amongst the Israeli donor class—that need to, or at least see themselves as needing to, raise money in the Diaspora. In other words, regardless of Israel, writ large, certain causes may still need a rich uncle.

Overall, it was very clear in this case study that contrary to Beilin’s pronouncement, the uncle is not dead. Maybe he should be dead. But Israelis continue to propagate the image, and Americans, regardless of what they might say to the contrary, continue to take on—and perhaps enjoy—the traditional role.

Sallah Shabati

As we discussed extensively in chapter five, despite most Americans expressing an interest in having some say in how their donations are spent, the NGOs in this case study invest heavily in trying to neuter whatever power American Jews believe they have. Except in the very few cases of organizations attempting to create a symbiotic relationship between Israelis and American donors, most Israelis want to keep the old power sharing dynamics as alive as possible. From their perspective, if they can offer things that sound good on the surface, but do little to fundamentally change core relationship patterns (like the Jewish Agency did with the Reconstitution and Project Renewal), and they can get away with it, then why would they not?

But in an age in which the Americans in the relationship are asking for something more—whether that is a true voice in decision making or just the illusion of control and/or
psychic gratification they get from designating gifts—the old heavy-handed Israeli approach seems that it will no longer work, as more and more Americans, at least nominally, favor the ‘Brandeis philosophy’ of retaining control over the use of their donations. In addition, due to advances in availability of information and frequency of travel, American Jews are, in some ways, far more sophisticated customers than the Birnbaums and the Sonnenscheins. To see ‘their forest’ is not enough for most donors anymore.

Yet, despite all of this, it can perhaps be understood that many NGOs believe that they actually can continue to use similar smoke-and-mirrors type techniques like the JNF agent did in Sallah Shabati, so long as they do it with a more sophisticated presentation. One example of how this is being done in a way that satisfies the supposedly more discerning, demanding donor, but still allows the NGO the type of latitude that the JNF officer enjoys in Sallah Shabati can be seen with one anti-settlement NGO, that was considered as a candidate, but ultimately not included as part of the case study. This organization produces publications that have the appearance of being very high quality. Whether or not they are actually high quality reports is not even relevant. The heavy stock paper, attractive full-color covers, and heavily footnoted research give them the appearance of being impressive, authoritative documents. The NGO’s director of development noted that though some of her organization’s big donors visit, typically, the reports it provides them, “the only way that donors know what the organization is doing.” In this example, perhaps the glossy reports can fairly be seen as a modern-day equivalent of the certificates donors to the JNF used to get certifying ‘their’ tree. This is especially so if it is accurate that many or most donors do not even read the reports, as several interviewees contended.

Between positioning themselves as the new middleman and at times using slick representations (or mis-representations if need be), as we saw in detail in the last chapter, most
organizations in this case have few qualms about propagating the relationship parodied in Sallah Shabati. Even if everyone—Israelis and Americans—speak in the language of the ‘Brandeis philosophy’ of sharing decision making, the NGOs in this case study are happy to do what it takes on the surface in order to propagate the traditional power-sharing relationships of the ‘Weizmann philosophy’.

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If the argument put forth in this section—that images of *heim* and exodus, and relationship dynamics of rich uncle and Sallah Shabati remain prevalent in the contemporary era—is true on a broader scale, it suggests an interesting idea. Perhaps Americans actually exercised *more* authority as a collective before the direct giving trends we have discussed supplanted the ‘old system’. In this case study, we saw widely held opinions regarding American Jews as limited in their knowledge level and understanding of Israel. We also saw Israeli NGOs as having little confidence in American Jews’ ability to share decision making, and a desire on their part to cede as little real control as possible. If these beliefs are held on a wider scale, then American Jews may have considerably less control over their donations than they believe they do. While it is true that most individual donors in the ‘old system’ were voiceless—subject to the federation/UJA leadership—they at least collectively, had an advocate in the UJA/federations. Granted, that advocate did not exercise its voice much in its dealings with the Jewish Agency, though it increasingly did so from the 1980s on system-wide, and especially through certain individual federations that hired their own representatives in Israel to be discerning, critical advocates to oversee the Jewish Agency’s use of their funds. This now-cast-aside middleman, no matter how docile or bumbling or duplicitous or corrupt he may have been in the opinion of
donors eventually fleeing the centralized system, was theoretically an advocate for donors and their funds. But in the new direct philanthropy arrangements, there are only two agents in the relationship—the individual donors and the organizations they give to that are operating thousands of miles away. The same can be said in the ‘tailored federatedness’ relationships with loyalist American ‘friends of’ organizations—in which the alleged advocates on the American board of the ‘friends of’ mostly defer to the NGOs’ leaders in Israel. This seems to create a situation in which supposedly empowered donors giving directly are perhaps just as vulnerable as the Birnbaums or the Sonnenscheins—at the mercy of the narrative and proprietary decision making of the organizations they are supporting. Multiply that disempowered donor by thousands or tens of thousands or hundreds of thousands of similar disproportionate power sharing relationships between Israeli NGOs and individual American donors, and one is left to wonder whether the aggregate American power over the use of its funds in Israel has not increased, but actually declined. It would certainly be an ironic twist in an era in which the ‘Brandeis philosophy’ of philanthropic relations has finally come into prominence over the ‘Weizmann philosophy’. This will be an interesting concept to watch longer term and one that will warrant further research.

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We have seen in this section that despite dramatic changes in the structures and dynamics of the philanthropic relationship between American Jews and Israelis, some things in the old Israel-diaspora philanthropic relationship die hard. Although the new system hints at a theoretically transformed concept of partnership at play, a number of the oldest and most central
myths underlying the Israel-diaspora philanthropic relationship are fully operative in how the NGOs in this case and their donors relate with one another.

The final section of this dissertation looks briefly at two evolving trends, that if undeterred, have the potential to fundamentally alter the nature of the Israel-diaspora philanthropic relationship in the near-term in far more dramatic ways than have happened to date.

**Part 2: The Next Frontiers in the Developing Philanthropic Relationship**

The final section of this dissertation will move beyond the main lines of inquiry that have been the focus of the first five-and-a-half chapters. It will introduce two trends that have fallen outside of this study so far, but will almost certainly play important roles in the next stage of the development of philanthropic power sharing dynamics between American Jews and Israelis.

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The First Trend: Emergence of Staffed Jewish Family Foundations Making Direct Grants to Israeli NGOs

Chapter five’s discussion of power-sharing dynamics focused on the two modes of giving through which American Jews give to the case study NGOs: ‘direct giving’ and ‘tailored federatedness’. It did not address an important third mode of giving—direct grant making by Jewish family foundations. This mode has become a substantial force in domestic American
Jewish giving, and though presently small, appears to be on the rise in American Jewish giving to Israel. Direct grant making by Jewish family foundations was omitted from this study, because it has played almost no role in supporting the case study NGOs. Though Jewish family foundations do support some of the case study NGOs, they do so through ‘friends of’ organizations, pass-throughs, or ideological umbrellas. Nonetheless, since this mode of giving is on the rise more broadly, understanding how it fits into the power-sharing patterns we have looked at thus far deserves some discussion.

Background

Since the 1990s, there has been an accelerating rate of growth in the number of private Jewish family foundations established.\(^{647}\) Scholarship on this important trend is severely lacking to date, but it is probably fair to speculate that many foundations at this stage have been established to be little more than vehicles through which donors can better shelter their assets from taxes. However, a growing number are being used as actual direct giving vehicles and hiring professional staffs to vet possible grantees and monitor grantee progress.

Even so, when it comes to overseas grant making, very few at this point exercise their legal ability to give directly. In a preliminary search of Jewish family foundations, Fleisch and Sasson identified over 100 who gave directly in Israel,\(^ {648}\) but most still gave through other vehicles. That said, assuming that there are continued growth trends in the number of Jewish


family foundations established, the number that employ research and evaluation staff, and the
number who make their own grants in Israel, foundations stand to be an important factor that can
shift the balance of power-sharing within the Israel-diaspora philanthropic partnership beyond
where this study has argued that it stands.

This section will lay out some effects a growing foundation sector stands to have over
power sharing dynamics. It will reference the experience the case study NGOs have had in their
work with other staffed direct grant making foundations from overseas (including non-
denominational international foundations and European government-linked foundations).

A New Frontier in Power Sharing?

In many ways, staffed foundations resemble direct giving. Both donors giving directly
and foundations pick their own grantees, can designate their gifts, and reserve the right to pull
their funding if dissatisfied. Implicit in this is that the donors in both giving modes believe they
are entitled to some say in how their donations are used. However, the two modes of giving also
differ significantly. As was argued in chapter five, donors giving directly are often very
dependent on the progress reports and overall contextualizations of events provided by the
NGOs, themselves. In this way, we said that NGOs position themselves as ‘new middlemen’ and
seek to win and cement donor confidence in playing this role. Staffed foundations, however,
have the resources to take on the functions of research and evaluation, and thus have much less
need for NGOs to be ‘new middlemen’ for them. This essentially strips the Israeli NGOs of
much of the power they have been able to maintain in direct giving arrangements (at least in our
case study) vis a vis their donors. Because of their knowledge and attentiveness to what is really
happening, not to mention the relatively larger size of the grants they give, staffed foundations
have greater leverage to demand accountability than most individual donors giving directly. NGOs thus have to work much harder to actually present compelling cases to foundations as to why they should continue to fund them. NGOs have to show genuine evidence of their performance. They cannot retain foundations as supporters based heavily on clever packaging, as they are able to do with many individual donors. Theoretically, this should level the playing field between NGOs and donors in that it forces honest relationships and real accountability. The direct giving revolution supposedly did these things, but as was argued, it was much overblown.

A Realization of the Brandeis Vision of Power Sharing?

The issues that the growth of staffed Jewish family foundations raises to possible donor-NGO power sharing go beyond what we saw in our case study. For one, when faced with more powerful, focused, and informed donor entities than ever before, how, if at all, will NGOs be able to retain the degree of power that if the case study is any indication of the larger field, they have been able to keep in many direct giving and ‘tailored federatedness’ relationships? This new relationship entity could put unprecedented power into the hands of donors. As table three shows, the decline of federatedness and the direct giving ‘revolution’ allowed donors to pick destination organizations and earmark within them. But as argued in chapter five, the increase in power this afforded them is exaggerated, at least, in many cases. Staffed foundations, on the other hand, give donors independent evaluative eyes and ears on the ground that can provide reliably accurate information on what the NGOs are doing.
Donors Pick The Organizations They Fund | Donors Pick The Projects Within The Organizations to Fund | Donors Are Able to Dependably Receive Accurate Information on the Organizations and Status Reports on Their Funding
---|---|---
Federatedness in the ‘Old System’ | --- | --- | ---
Tailored Federatedness | Yes | --- | ---
Direct Giving | Yes | Yes | ---
Staffed Foundations | Yes | Yes | Yes

Table 3: Degrees of donor control for each giving mode. Shaded areas typically represent power vacuums within each NGO’s attempt to assume the role of middleman.

The nature of the power sharing relationship will typically depend on two factors: how much power the foundation demands and how much the NGO is willing to yield. To explore some likely bounds of these factors, the remainder of this section will look at how some of the case study NGOs have grappled with this issue to date when receiving funds from international non-denominational foundations and European government-linked foundations.

Does this new division of responsibilities and its resultant tipping of the scales of power sharing suggest that the Brandeis ideal for American Jewish giving to Israel is on the verge of finally materializing in a significant way? Or, on the other hand, by picking projects to bankroll, demanding regular reports, and making use of their financial leverage to push opinions or influence decisions with some NGOs, there is the potential for the re-emergence of the kind of power dynamic not seen between diaspora Jews and Israelis since the days of Baron Edmund de Rothschild’s funding of early Zionist colonies in Palestine in the late 19th century, in which the
donor—not the NGO—is making many of the important budgetary, and consequently operational decisions? The Israeli collective memory of the traumatic experience with Rothschild is still potent enough that the idea of donors setting agendas from abroad would be deeply distasteful to Israelis. Still, staffed Jewish family foundations would be in a position to demand this type of relationship more than at any time since Rothschild. The two questions that are unclear at this point are: (1) Would they want to—i.e. how much power are foundations likely to demand? –and– (2) If faced with ambitious foundations, how will NGOs keep them from over-stepping lines in power sharing and maintain more of a Brandeis vision of power-sharing relations than a Rothschild vision? How much will NGOs be willing to yield in the name of securing crucial funding?

To get a sense of how these dynamics might manifest, let us look at how similar power sharing relationships have been negotiated between the case study NGOs and some of the foundations that provide them funding.

**Increased Demands for Accountability**

One new factor that has definitely entered the relationship equation for NGOs receiving direct grants from foundations typically is that foundations require regular, detailed accounting of expenditures and activities for the NGOs they fund. As many staffed foundations run their giving operations like they might run a business, it makes sense that they would demand that their grantees demonstrate accountability over use of funds and progress towards goals along the way. But from the perspective of NGOs, this requires that they devote often significant amounts of their limited time and manpower resources to cater to their donors’ requests.

An executive at one of the anti-settlement NGOs reported that its foundation donors were ‘very hands-on’, demanding an ‘exact accounting’ of their activity, even requiring the
organization ‘to ask permission to move money from budget line to budget line.’ Another explained that the foundation donors to her NGO required so much reporting that it had to maintain a full time staff member exclusively devoted to preparing reports for them.

A foundation director for a major American Jewish foundation that has increased its Israel operations substantially over the last several years—but who does not give to any of the case study NGOs—explained that compared to typical donors, foundations, “expect other things. They want access.” This includes access to NGO leadership who can provide them with on-demand accountability regarding the NGOs’ goals, strategic expenditure decisions, and progress. Simply put, he explained, foundations, “expect agendas to be met and dealt with,” and will typically be very vocal when their demands are not being met in a way that satisfies them.

Though many foundations may not expect the same resource-intensive report preparation as others, the fact that NGOs may be subject to these kinds of demands from donors, at all, is a new element in their relationship. For entities used to having a free hand, this is a significant change. However, the more significant tension in power sharing is over issues of agenda setting.

Demanding Foundations and NGO Responses

The two central factors determining whether relationships will more closely resemble the Brandeis philosophy of philanthropic relations or a neo-Rothschild stance is what the desires of the foundation are and what NGOs are willing to tolerate in the name of seeking grants.

Some foundations are happy to be hands-off and allow NGOs to determine how best to use general funds. Others are very exacting. NGOs may feel at the mercy of such donors, but do always retain the right to turn down donations if they do not like the kind of relationship a
foundation is demanding. Granted, for a cash-strapped NGO, this could come at a major cost.

One donor put it this way:

I really don’t have… dictatorial powers… If I came in and demanded certain things, they would probably say, ‘Thank you. Take your business elsewhere.’ … Nobody’s going to prostitute themselves and take quote-end-quote ‘orders’ or ‘demands’ from some rich American. [Instead, they will say,] ‘Don’t tell me where to spend the money. Here’s what we need it for. Here’s how much we need. Here’s where it’s going. Do you like it? Fine. If you don’t, thank you, and we’ll approach someone else.’

His perspective, while important, does not reflect the full spectrum of opinions held by foundation or NGO actors. What he says is true in cases of certain types of NGOs and foundations. However, there are donors who want more control in dictating terms than he seems to, and Israeli NGOs in dire enough straits to turn to what he calls “prostitution”.

Interviewees from NGOs who have had relationships with foreign foundations expressed a variety of opinions on this issue. The development director of one of the larger NGOs in this study noted that her organization has established itself as a wealthy and diversified enough organization that it is not subject to directives from any of its funders. “[We] don’t feel one iota of influence from donors,” she said, explaining that her NGO peddles its products and whoever is interested can support them, and whoever does not like what it offers can feel free to spend its money elsewhere. But at the same time, she recognized that her organization was in a privileged position in this regard, as most NGOs could not so confidently tune out the agendas and ideas of their prospective donors.

One example of how this conflict can manifest with financially less well-off organizations was recounted by an executive committee member of one of the newer NGOs in this study. He explained that early in his NGO’s existence, it, “received a grant from a European foundation which started bringing up all kinds of strange requirements.” The foundation tried to
push the NGO into some activities that fell beyond its agenda, creating a conundrum for the organization. On the one hand, he explained, it knew how devastating it could be to its financial well-being to refuse to do what the donor had asked. “You know that if you won’t get the grant, there won’t be enough money for your paycheck,” he explained. But on the other hand, by accepting the grant, it would have affected what his NGO, “could and could not say.” Ultimately, the NGO gave the foundation the choice to either drop its requirements or take back its money. The foundation held firm, and the NGO gave up the grant. “We’re paying prices for this decision,” he explained, because as an organization, there is less we can do.” However, in reflecting on the larger CSO sector in Israel, he explained, “we don’t work like that… [but] it’s clear that many organizations in Israel today portray the symptoms of having gone through that process in a negative way.”

One large Jewish foundation director acknowledged how hard this scenario can be for many organizations. “When a foundation or a group of philanthropists come and say that we’re willing to fund ‘this’ on the condition that you then do ‘this’—it’s hard for them to resist.” If a foundation wants power and NGOs are willing to accept their terms, they can theoretically put themselves in the position of doing the bidding of the donor. The question is whether cash-strapped NGOs are equipped to withstand foundations that are actually trying to drive agendas in Israel. It is only in cases like this when organizations are making themselves subject to the donor imposing strong conditions or agendas that modern Rothschildism is a danger.

In situations in which a foundation comes with a pre-conceived idea of what it would like to have done and then funds the best ‘agent’ NGO to carry out the project, which party is the one more responsible for bringing that agenda to life? For example, the development director for one of the anti-settlement organizations that receives funding from a number of European
foundations, described the process by which some NGOs first become funded by European foundations. Thousands of projects in Israel compete for European Union (EU) grants, she explained, and the foundations give grants based on their evaluations of who they think can deliver the most effective work and outcomes. In a case like this, the question emerges as to whether NGOs ultimately win the grants by presenting their own agendas and appealing to the general goals/values of the foundation grant -or- whether NGOs wishing to win the grant try to secure the greatest likelihood that they receive it by specifically designing projects that execute what they believe will most align with the donor’s desire. To put it simply, are funders laying out agendas and organizations just competing for who will carry them out? This will be an important issue for further research to address.

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The issue of power-sharing in an era in which staffed Jewish family foundations become a more significant player looms as an important development in the evolution of the philanthropic power-sharing relationship between American Jews and Israelis. There is certainly the danger that some relationships might resemble a Rothschild-like power arrangement, but each relationship between NGOs and foundations will have to negotiate this arrangement, themselves. Whether or not individual relationships will more closely mirror Brandeis’s or Rothschild’s vision of power sharing is therefore not clear. One thing is certain, however: the long-dominant Weizmann vision of philanthropic partnership, that as argued, is still operative in many contemporary relationships between Israeli NGOs and American Jewish donors does not appear to have any place in these new philanthropic arrangements. There is much important and exciting research that will need to be done on this topic, as the field of staffed Jewish family
foundations making grants directly in Israel continues to grow. Some of the most important research questions will include: (1) Where on the Brandeis-Rothschild continuum of power sharing are most relationships between NGOs and foundations typically falling? (2) How large a segment of the field will foundations be? (3) To what extent and in what ways will this new giving culture influence rank and file giving culture? All said, as more staffed foundations are created and play a bigger role in overall American Jewish giving to Israeli NGOs, they collectively stand to truly revolutionize power-sharing relationships between Israelis and American Jewish donors.

The Second Trend: The Boundaries of Legitimacy for Non-Israeli Donors Giving to Israeli Social and Political Change NGOs

The other emerging trend that looks likely to re-define the parameters of the power-sharing conversation concerns the issue of foreign funders partnering with often controversial social and political change NGOs in Israel in order to impact debates over some of the most sensitive issues facing the state. Although this issue has received considerable publicity in Israel since the late 2000s, and has yielded contentious debates in the Knesset over how to regulate it, it was not included within the body of this dissertation’s discussion of power sharing because this issue was not one of the central trademarks of the philanthropic relationship between American Jews and Israelis during the era under study. However, as it is a growing trend and may indeed at some point be a central trademark of the relationship, it does warrant some discussion. In addition, as the chief battleground over the issue of foreign funding of NGOs to this point, has been in relation to human rights NGOs, including several of the anti-settlement NGOs examined in this dissertation, this subject was of great interest to most interviewees. This

649 Most notably, an organization called Im Tirtzu has led both inflammatory publicity campaigns and intensive behind-the-scenes Knesset lobbying.
presented an opportunity to take a muddied, challenging, and partisan-driven issue and parse out its underlying questions and main schools of thought held by those in the field. This issue has great implications for the trajectory of the philanthropic relationship between Israelis and their overseas partners—including American Jews.  

Background to the Issue

As we discussed in chapter three, the last two decades have witnessed a rapid development of civil society organizations (CSOs) in Israel. As activist NGOs engaged in community empowerment and advocacy, CSOs often do work that critiques the establishment and/or introduces new societal visions or policies. Through these activities, CSOs have become increasingly prominent, impactful forces challenging the social and political establishment in Israel. However, without adequate sources of domestic funding available in Israel, CSOs have turned elsewhere for financial support. Fortunately for them, there are many non-Israeli individuals and organizations interested in supporting various causes in Israel who are only too happy to help. Overseas supporters mainly come from three groups: Diaspora Jews, European governments and government-linked organizations, and American Evangelical Christians. Donors from each of these groups fund Israeli NGOs for a variety of reasons—some pragmatic, some ideological—but most share in common that they select the organizations they fund based on who they believe will help enhance or bring to fruition their own visions for how they would like to see Israeli society progress on a given issue. In other words, most donations coming into Israel are not charity in the traditional sense, but come with some additional agenda.

650 It arguably also looms very important in regards to the development of some of the central components defining Israeli society in the 21st century, including changing conceptions of citizenship, state sovereignty, civil society, and democracy. While these are all important issues to examine, they are clearly beyond the scope of this discussion.

651 See page 104.
652 See page 105-106
Throughout this study, power sharing in the diaspora philanthropic relationship has principally been defined as who gets to decide how the money that Americans donate is spent in Israel. The growth of American Jewish foundations, as we just saw, presents an advanced version of power sharing dynamics with a more potentially more powerful and ambitious player on the American side than ever before. Nonetheless, it is still essentially the same classic issue between foreign donors and Israeli actors over agenda setting. However, this new form of relationship, featuring wealthy overseas actors pairing with like-minded Israeli activists from the ideological margins of Israeli society takes the question about who should wield influence in Israeli society into a whole new realm.

Compared to other formulations we have looked at thus far, the power sharing tension in this model is less about donors and activists jockeying with one another for power and influence in a given relationship—in fact, they are often in alignment on what needs to be done. The bigger tension in this model, rather, is what happens when a social/political change NGO without much popular support is so well-funded by foreign donors that its voice becomes amplified within the Israeli discourse to a volume well out of proportion with the tiny popular mandate it holds? In these cases, the financial power of foreign funders—American Jews and other non-Israelis—appears to be elevating fringe positions to a place de facto influence by giving financial muscle to the otherwise ineffectual. One can see this situation as not especially dissimilar from a foreign entity arming rebels in the guerilla warfare of ideas. But in a society, in which perhaps more than others, ideas are not just ideas, and actually do seem to hold the ability to influence the destiny of the state’s character and security, to what degree should such a situation be considered ‘appropriate’? Are these partnerships between tiny ideological activist NGOs in Israel and financially powerful non-Israelis a way for non-Israelis to advance social and political change
agendas that can have sway in Israel, based on their own values and priorities, and not necessarily in line with what the Israeli public wants or needs.\textsuperscript{653}

In a sense, this question is the next stage of the power sharing issue discussed throughout this study. Arguably, by enabling marginal positions to get onto the social/political change agenda, diaspora Jews and other non-Israeli are having more influence in the power constellation than non-Israelis have ever had—and in the opinion of many in Israel—than they ever should.

In light of these developments, questions have emerged over what should be done. Should philanthropists be allowed to create this kind of influence over politicized issues through financially enabling certain ideas to come to fruition that would not and maybe could not have otherwise done so? One school of thought, articulated by a handful of advocacy NGOs and like-minded legislators, has called the legitimacy of foreign funding of CSOs into question. They contend that through funding CSOs, foreign bodies can and indeed do gain inappropriate influence over sensitive social and political issues in Israel. This opinion has been reflected in a series of bills proposed in the Knesset that call for funding limitations and increased monitoring of foreign-supported CSOs, all aimed at curtailing ‘foreign meddling’. Though to date, only one bill has passed into law, the positions inherent in the proposed legislation are gaining currency in Israeli public opinion and policy conversations.

Opponents of this perspective see the involvement of non-Israeli supporters a completely legitimate practice that has long happened throughout many arenas of Israeli society, as well as other societies throughout the world.

\textsuperscript{653} There are interesting parallels between the language used by those critiquing funders of social/political change NGOs in Israel and those criticizing New Israel Fund in the United States during the 1980s. Critiques of NIF argued that it was subverting democracy by empowering extremist groups well beyond their popular support in Israel. (See Jack Wertheimer, “Breaking the Taboo: Critics of Israel and the American Jewish Establishment,” in Allon Gal, ed., Envisioning Israel: The Changing Ideals and Images of North American Jews. (Detroit: Wayne State University Press, 1996)).
This section will shed light on the debate over how and under what conditions different camps in Israel consider non-Israeli giving to Israeli NGOs to be ‘appropriate’ or ‘legitimate’. There is a second question about how Israel should regulate funding that is inappropriate, but this goes to deeper policy questions than this study is concerned with. So rather than assessing opinions regarding what should be done, this section only looks at opinions on what types of giving are regarded as inappropriate, and to a lesser extent, whether interviewees believe that something should be done to regulate such giving. The various opinions that came out of the interviews on what types of giving are and are not appropriate are centered around four main questions. This section will introduce each of the four, in an attempt to illustrate how stakeholders evaluate the conditions under which foreign giving is appropriate in this latest incarnation of power-sharing relations.

Question #1: Does the Giving Have a Social/Humanitarian or Political Agenda?

The first question evaluates the appropriateness of foreign giving based on whether it supports social/humanitarian work or political work. There was consensus amongst interviewees that giving for social or humanitarian work is totally acceptable, and near consensus that funding of political activities is deeply problematic. But before any policy can be created which could address this issue in a consistent fashion, the definition of what constitutes ‘political’ activity would need to be clarified. And as interviews revealed, defining ‘political’ in this context looks to be a challenging endeavor.

Both American and Israeli tax law have clearly defined policies that consider ‘political’ giving outside of the realm of their otherwise broad conceptions of charitable giving. American law defines ‘political’ giving as giving that either supports excessive lobbying or election
campaigns for political candidates. Israeli law has an even smaller definition of what it considers to be ‘political’. The only giving that is considered ‘political’ is giving to NGOs who are running their own candidates for office. Short of that, neither considers the work NGO’s do to be as ‘political’. There is evidence that in a changing environment in which activist civil society organizations are becoming effective vehicles for policy change that Israeli law is beginning to grapple with the idea that ‘political’ may need to be understood more broadly. However, the fact that the tax authorities, the government bodies that have perhaps been the longest and most deeply engaged on this issue, have struggled to formulate a definition of ‘political’ beyond only the most obviously ‘political’ activities hints at how hard it would be for any government agency to do so.

This dissertation’s case exemplifies just how difficult it is to define ‘political’ activity, especially in regards to a contentious issue. To illustrate this, the next pages will present the various viewpoints amongst interviewees in regards to what NGO activity over settlement should and should not be considered ‘political’.

How NGOs in This Case Define ‘Political’ Activity

Most interviewees understood the definition of ‘political’ activity more broadly than Israeli tax law, believing that many NGOs’ work was ‘political’. However, each regarded the work of its adversary organizations as ‘political’, but its own activities as social or humanitarian work.

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655 Gidron, et. al., offer an example of a group conducting an advocacy campaign for Israel to create a constitution, noting that this work was recently defined as political, making them ineligible for tax-exemption.
Most interviewees from anti-settlement organizations regarded support for the expansion or vitality of settlements as ‘political’—even if that support was purely humanitarian aid to support for civilians living within settlements. One leader at an anti-settlement NGO clarified this position, noting that any foreign giving that “strengthens [settlements]... in any way,” was, “beyond the pale” of what could be considered ‘humanitarian’. Therefore, though foreign giving for humanitarian, health, or educational purposes within Israel was completely appropriate, she argued, similar programs that benefited individual Israelis or settlement communities beyond the Green Line, was not.

Conversely, those working for pro-settlement NGOs argued that humanitarian work over the Green Line was just that—humanitarian. Not ‘political’. For example, a fundraiser for one of the pro-settlement NGOs explained that his organization considered its work (supporting the social, cultural, and educational projects to enhance the lives of the people living in its community) to be “strictly apolitical.” He criticized the commonly-stated perspective that everything in the West Bank is ‘political’.

The standard perspective is: ‘Oh, the so-called West Bank. Everything there is political.’ But as far as the people here living, it isn’t…What we consider a basic community component of everyday life… For some reason, others have attached a political agenda to it…. Those people not only don’t care about the residents of [settlement x], but would as soon throw the residents of [settlement x] to the dogs.

He did not understand how anyone could regard services that helped normal people to lead normal lives as ‘political’.

Most interviewees held the opposite view regarding human rights work. The anti-settlement organizations, many of whose mission statements are focused on protecting human rights, do not consider their own work as ‘political’. They believe the upholding of human rights

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656 The name of the settlement is intentionally omitted.
supersedes the national considerations and policies of any state—Israel included. Since NGOs advocating for basic humanitarian rights anywhere are operating in a realm outside of ‘politics’, they argue that anyone should have the right to support the work of a human rights NGO, regardless of where it is or where they came from.

Along these lines, a fundraiser for one of the anti-settlement NGOs argued that while it would be inappropriate in almost any other case for foreigners to inject financial resources into another society in order “to influence policies,” this does not apply in cases in which there are human rights abuses. If in a given country, “women are getting raped at night,” she argued, and the country is not doing enough to stop it, of course foreign funders can and should get involved in funding NGOs in that country to try to stop it—even if, and maybe especially if, such abuses are being promoted by that country’s government. The same she feels is true regarding human rights abuses in the West Bank. Helping to protect the human rights of Palestinians there is equally a valid endeavor no matter what Israel’s policies are regarding the West Bank.

A number of interviewees from anti-settlement NGOs made the point that no Israelis considered human rights abuses in any other country as ‘political’. Yet, when it comes to human rights abuses in the West Bank, they argued, supporters of settlement have gone on the offensive to convince the Israeli public that the human rights NGOs are not advocates for the vulnerable and disenfranchised, as they claim, but rather partisan interlocutors looking to harm Israel.

Most counterparts at the pro-settlement NGOs believed the opposite to be true. By and large, they criticized much of the purportedly ‘human rights work’ being carried out in Israel and the territories as essentially ‘political’ activity. The human rights NGOs, they argued, cynically manipulate human rights-oriented language in order to give them cover for their ‘political’ activity. This view of human rights NGOs has been prominently advanced by Gerald Steinberg,
founder and director of the NGO watchdog organization, NGO Monitor. Since the early 2000s, Steinberg has led a crusade in Israel against what he considers NGOs that abuse their labels as ‘humanitarian organizations’ in the name of advancing impactful, and often controversial, ‘political’ agendas. These organizations raise tens of millions of dollars from abroad that are directly responsible for empowering a fringe ‘political’ agenda of the far left wing of Israelis. The process, he contends, therefore has to be understood for what it is—non-Israeli entities interfering in the internal politics of Israel.

So we see that amongst the interviewees there was nothing close to consensus on what classifies an organization’s work as ‘political’. The term is subjective. Drawing a line on what is and what is not ‘political’ is therefore a very difficult task, and as the following example illustrates can lead to peculiar and arbitrary lines.

The UIA’s Definition of What Giving Over the Green Line is Humanitarian vs. Political

In the midst of the violence of the Second Intifada, American Jews donated $364 million to the UJC’s emergency campaign to help support Israel. They directed $13 million to the Jewish Agency’s ‘Fund for the Victims of Terror’ to help the many Israeli civilians who had been affected by terror attacks. When this money started to be distributed amongst Israeli victims of terror, the United Israel Appeal (UIA) insisted that per its longstanding policy of not allowing charitable funds to be spent over the Green Line, such funds could only be used to support those victims of terror living within the Green Line, not those in settlements. When American Jews caught wind of this, they were furious. They demanded the UIA change its position because, as they saw it, it was completely unacceptable that certain Israelis who were suffering as the result

of terror attacks would be ineligible from receiving funds that had been donated specifically to help people in their situations.\footnote{Daniel Allen (former Executive Vice Chairman and Assistant Executive Vice Chairman of the United Israel Appeal, 1988-2000) interview held by phone, 5 April, 2012; Barbara Promislow (Director, UIA Israel Office, Jewish Federations of North America), interview held in her office Jerusalem, Israel, 4 July, 2010. Max Kleinman (Executive Vice President, United Jewish Communities of Metrowest NJ), interview held in his office Whippany, New Jersey, 8 December, 2010; Amir Shacham (Director, Israel Operations, United Jewish Communities of Metrowest New Jersey), interview held in his office Jerusalem, Israel, 29 June, 2010.}

As we saw in chapter three, as an avowedly apolitical body, the UIA refrained from taking a stand on the Green Line issue for years, specifically because it regarded the settlement debate to be ‘political’. But now, it could no longer avoid the issue, because doing so in the environment of the Second Intifada would be regarded by many as itself taking a political stance. And so in 2002, the UIA bowed to pressure and finally revised its position on the issue. Since it had long recognized the issue of giving over the Green Line as ‘political’, by drawing a new line as to what types of giving it would allow, the UIA was making a new statement as to what it considered ‘political’; because it remained iron-clad in its determination to be apolitical, therefore anything it allowed it was essentially calling ‘non-political’ giving and likewise, what it disallowed, it was calling ‘political’ giving. Its new policy allowed for humanitarian and certain security-related assistance to communities beyond the Green Line. However, it stipulated that money could only be spent on “programs”, but not “structures.”\footnote{Promislow interview.} The thought was that programs service people, and not political stances, one way or the other. But structures—even temporary ones—suggest permanent Jewish presence. Were it to allow for support of structures, the UIA believed it would be taking a stand on a contested, and hence, political issue.

In essence, the UIA’s attempt to find a line between ‘political’ and ‘non-political’ giving yielded a rather bizarre policy. For example, the UIA allowed for medical treatment for victims
of terror attacks living in settlements, but it would not allow any funding for the construction of more adequate fencing that theoretically could have prevented the injuries in the first place and could prevent a repeated attack. In a sense, the UIA was essentially calling helping Jews to not get attacked as political, but helping to assist them afterwards as apolitical. We see here that even when an institution draws what it feels are fairly clear and reasonable lines for defining ‘political’ (i.e. programs versus structures), such a task is very difficult.

**Question #2: Are the Ideas Being Funded Genuinely Israeli or Are They Imported ‘Foreign’ Ideas?**

One school of thought held by interviewees affiliated with both anti-settlement and pro-settlement NGOs argued that it was appropriate for foreign donations to empower the social/political change work of grassroots actors in Israel, as long as they were not simply executing foreign-defined or initiated interests. In other words, Israelis could not just be doing the bidding or implementing the ideas of a foreign body. Rather, some ‘native’ Israeli interests had to be defining the agendas and executing the work.

Throughout this dissertation, it has been possible to identify the ‘Israeli’ interest as opposed to the ‘American’ interest in many given situations, especially when there was tension between the two. But when the Israeli and the American (or other non-Israeli) actors supporting a certain issue are in accord about what the problem is and what needs to be done to address it, what makes the ideas they are collectively promoting sufficiently ‘Israeli’ in the eyes of Israeli society? How large a constituency of Israeli supporters does an idea need to have in order for it to be considered ‘Israeli’?

Most interviewees indicated that ideas did not have to be supported by the majority of Israelis in order to be legitimate destinations for foreign giving. Non-Israeli funding for projects
supported by a minority of Israelis was certainly appropriate. This was not surprising, as all interviewees were involved in organizations advocating for positions supported by only a minority of Israelis. A fundraiser for one of the anti-settlement organizations argued that the majority is often not an indicator of what’s in Israel’s best interest. In her view, for an issue like the one addressed by her organization—human rights for Palestinians in the territories—most Israelis did not have a clear enough picture of the reality on the ground in the West Bank to be able to develop an informed opinion on the work of her organization. She believed most would support her organization’s work if they knew, but because so few did, it was incumbent on her group to lead on the issue, even though her group represented only a slim minority of the Israeli population. Therefore, if it took funding from non-Israelis to help them push forward their work, she explained, then so be it because their work in in the best interest of all Israelis.

Some supporters of pro-settlement NGOs held a similar position. One non-Israeli philanthropist who supported pro-settlement NGOs explained that his group intentionally seeks out small, unknown, often fringe groups led by visionaries who recognized problems others did and were willing to push a confused Israeli society into making better decisions for itself. He described activists involved in these groups as:

Young folks who realize that the Israeli government is not doing its job… They are people who want to solve local problems by themselves without waiting for the federal government to do something.

While most argued that for an endeavor to be truly legitimate, there needed to be some Israeli grassroots—even a small one—pushing for the issue. One Israeli professional at a funding organization that supports several of the NGOs in this study took a more marginal position, noting that in the contemporary organizational field—both domestically and internationally—groups need not necessarily even have a grassroots base for them to be legitimate. There are “lots of sophisticated, professional organizations [that] don’t have any constituency,” she said, arguing
that it was completely appropriate for her organization to help organizations like these to achieve their goals in Israel irrespective of the amount of grassroots support they may or may not have. One person with a good idea is enough from her perspective to warrant her organization’s funding.

This issue was echoed by an activist formerly affiliated with one of the NGOs in the case study, but who now does work on the settlement issue on his own. To secure necessary funding for his work, he registered himself as an NGO and then successfully won grants from European governments and consulates.

If it weren’t for them [European funders], I wouldn’t be able to do my work. What I’m doing is an Israeli patriotic effort. Nobody tells me what to do. Nobody. These people support my work because they believe in me, and I do not accept money from them to do their bidding. They know that. I would not accept any money from anybody who dictates an agenda.

To this one activist, what he was doing could not be any more ‘Israeli’, even though he was only one person who was only able to have his work be impactful because he was funded by non-Israelis.

In sum, this too is a hard issue to define. Even if there is agreement that foreign funding should only go to support actual ‘Israeli’ efforts, how many Israelis working on an issue would it take to qualify the effort as ‘Israeli’? Would one Israeli be enough? If not, how many would be enough? This example illustrates that even if Israeli policy were to attempt to regulate foreign giving based on the ‘native authenticity’ of an Israeli NGO, it would be a very difficult task. In a transnational era in which concepts like citizenry and state sovereignty are more fluid than in previous times, what is ‘native’ versus ‘foreign’ may be less clear than ever.
Question #3: Does the Giving Undermine Israel’s Safety?

One issue that seems to resonate popularly is that foreign giving to organizations that served to undermine the physical security of Israel and Israelis was deeply problematic and probably needed to be regulated. But like with the previous questions, this too is difficult to define. Leaders of B’tselem and Ateret Cohanim, for example, each see their own work as crucial to Israel’s soul and survival, while they regard the work of the other as incredibly damaging to Israel.

A field worker for one of the pro-settlement NGOs argued that there is a clear connection between money supporting anti-settlement NGOs and the safety of individual Israeli citizens. He explained that when groups like Yesh Din, B’tselem, or Rabbis for Human Rights successfully advocate to change the law or law enforcement practices in the West Bank as they do, the apparatus protecting the physical safety of Israeli citizens in the West Bank is weakened. Without receiving money from abroad, he continued, these NGOs would not be able to have the kind of traction they have been able to have. He therefore believed that the litmus test of which types of NGOs should be allowed to receive money from abroad should be the following: organizations should not be allowed to receive overseas contributions, “when money [that] comes in causes [Israeli] people to die.”

On the other hand, the head of one of the anti-settlement NGOs made the case that it was the settlements, not human rights advocacy, that was endangering the lives of all Israelis. If her organization and others like it, failed to advocate for rights for Palestinians living in the West Bank, she argued, “then we [Israelis] would be—all of us would be... finished in no time—morally, and I think also physically.” Though she supported unlimited foreign philanthropy, she believed that if any money was endangering Israel, it was the Diaspora Jewish and Evangelical Christian money that was helping to perpetuate the settlement project.
Another take on this issue is whether through their work NGOs and funders were actually *trying* to undermine Israel’s security. A former director of a pro-settlement NGO made the case that the anti-settlement NGOs “want to destroy the state.” By opposing settlement, they were not only diminishing Israel’s ability to defend itself, but actually opposing the main contemporary expression of the Zionist idea. She asserted that the work of these groups should thus be viewed as comparable to how international terrorist networks might try to weaken a state. Their mode of activities might be different, but their intent is not so dissimilar. They both attack the vulnerable underbelly of a naïve state blinded by its omnipresent commitment to democracy, even when this runs counter to its own interests. Why should Israel tolerate groups embodying anti-Zionist ideas that are only able to carry out their agendas because of foreign funding, she asked, arguing that America certainly would not tolerate Al Qaeda funding politically-oriented civil society organizations in the U.S.

A leader at an anti-settlement NGO agreed with this notion that Israel was within its right to regulate foreign funding for anti-Zionist NGOs. But it was the pro-settlement NGOs that she believed were the supporters of anti-Zionism. By helping to advance settlement, they were playing a role in eliminating the possibility of an eventual two-state solution, leaving a *de jure* or at least a *de facto* binational state as the only remaining alternative. The creation of such a state, she argued, is against the ideas of Zionism. And thus, settlers are the ones that should be viewed as anti-Zionist, as their work unabated would eventually destroy the essential character of Israel.

Perhaps the best idea for trying to define the subjective question of what it meant to ‘undermine Israel’s security’ was offered by a founder of one of the apolitical pass-through organizations offered what was a unique idea amongst interviewees. He argued that it was the intentions of the actors that should be regarded as criteria for determining the appropriateness of
foreign funding. In other words, donors giving money to groups they hoped would weaken the state should be barred from doing so, while all hoping to support Israel’s best interest—however that might be defined—should be permitted. If funders see themselves as pro-Israel and pro-Zionist, he explained, it was okay for them to donate to whoever they wanted to. If they seek to overturn the Jewish character of the state, however, it was not appropriate for them to fund organizations they believe can aid in that process. “There is strong opinion that what they [notable American philanthropist and settlement supporter Irving Moskowitz and others like him] are doing might lead to the downfall of Israel, but I don’t think that anyone can say that they want to lead to the downfall of Israel...You take some of the guys that are funded by the New Israel Fund—these people would kick out all the Jews tomorrow.” Just like with the other points, the notion of what is harmful to Israel is difficult to define and seems to be subject to the ideological perspectives of whoever is defining it.

**Question #4: Which Donors Have a Right to a Say in Israel’s Future?**

As the debate on this issue has progressed, it has grown clear to some that the arguments for how to limit foreign giving that we have looked at—what is ‘political’, what is ‘genuinely Israeli’, and what is ‘harmful to Israel’—are all too subjective and difficult to define. Instead, the most vocal campaign for placing limits on foreign funding has focused not on what the money is supporting in Israel, but rather, who is giving it.

Perhaps the basis for this perspective is an updated take on the classic Weizmann philosophy of philanthropic power sharing, in which certain groups are privileged in the decision-making process over others based on who is perceived by Israelis as having the most right to have a say in Israel’s destiny. In the classic manifestation of this idea, as we saw, Israelis
privileged themselves over Diaspora Jews in deciding how to allocate donations from the Diaspora. But in a new era, the old debate has increasingly become a lost cause. Activist politically aware funders from all over the world can now make targeted donations to support Israeli social/ political change NGOs that dovetail with their own agendas, and actually have the ability to become impactful actors in the Israeli political arena. In other words, non-Israeli actors now have both the interest and the means to strategically allocate money in Israel. No one in Israel is advocating for stopping this process through a full cessation of all foreign donations to CSOs. On the one hand, it would probably be impossible to do this. But on the other, pragmatically speaking, why would anyone call for such a ban? Almost all CSOs benefit from at least some foreign money. No one wants to cut off their own funding sources.

The contemporary manifestation of the Weizmann philosophy, therefore, recognizes that non-Israelis are going to have an influence over some sensitive issues in Israel—that is no longer deniable. In light of this new reality, it asks what kind of non-Israelis should and should not be able to have such a say? Should certain groups of non-Israelis be preferenced over others in who is allowed to give? This has been the basis upon which advocates for limiting foreign funding have argued.

A number of interviewees—all affiliated with pro-settlement groups—indicated that amongst non-Israelis, diaspora Jews were the most entitled to give to whatever NGOs they wanted to. Some made this claim on the textual bases of Jews retaining rights as eternal members of Am Yisrael over Eretz Yisrael, especially Jerusalem. Others indicated that since Jews would all eventually make aliyah—be it before or upon the arrival of the messiah—they were entitled to have a say over issues in the place they would eventually live.
This group of interviewees likewise believed that the most problematic foreign funding supporting Israeli CSOs was clearly what came from European government-linked sources. One board member of a pro-settlement NGO that raises most of its funds from American Jews epitomized the attitude held by this group. He said of European-based funding of the politically-concerned causes it helps sustain, “I don’t think it’s appropriate…I find it inappropriate [that foreign governments] interfere in the decisions of Israelis.” As Europeans have garnered the reputation within Israel public culture as being amongst the biggest apologists and supporters of anti-Zionist and anti-Israeli voices, the idea of regulating funding from Europeans has caught on—manifesting most prominently in the spate of anti-NGO funding bills that have circulated in the Knesset since 2011. However, on closer look, it seems that this is a case based less on principle, and more on individual groups’ particular political agendas.

One director of an anti-settlement NGO not involved in this case study that receives almost all of its money from European funders recognized that those calling foreign funding inappropriate were doing so based on their own interests, not ideologies regarding foreign interference. To him, European NGOs were empowering his NGO to carry out its pro-Israeli effort without any interference. Though there was nothing tainted about the process, his opponents knew they could use it as an argument to shut his organization down, which in doing so, would advance their own cause.

If it is no longer possible to receive foreign money, they shut us down—which is exactly what they want to do. It’s that simple. Because the Jewish community and the private sector philanthropic organization will not be able to keep our [organizations afloat]… This is about shutting us down. I understand why.

Interviewees who shared this perspective typically pointed to the fact that the critique of foreign funding in Israel seemed to be targeted only at organizations receiving support from European governments and government-linked organizations (typically the left-leaning social and political
CSOs). While the right-leaning CSOs, who, themselves, often received foreign funding (such as philanthropy from American Evangelical Christian organizations) seemed to be exempted from the conversation.

What they consider to be a hypocritical perspective appears evident when looking at NGO Monitor, one of the most influential critics of the European funding of Israeli CSOs. Identifying itself as a non-partisan group, NGO Monitor argues that its biggest concern is the lack of transparency Israeli human rights NGOs have had in disclosing their funders—most of which are European-government linked funding bodies. These groups, NGO Monitor argues are, “self-declared ‘humanitarian NGOs’ … exploiting the label ‘universal human rights values’ to promote politically and ideologically motivated agendas.” NGO Monitor has undertaken a massive campaign of ‘naming and shaming’ which has played a significant role in raising the issue of foreign funding of NGOs in popular and policy circles in Israel.

However, it is difficult to believe that NGO Monitor’s mission is really the non-partisan campaign for transparency and disclosure that it claims if for no other reason than the complete lack of attention it plays to certain pro-settlement NGOs and their far lower standards of disclosure of their Evangelical Christian donors. The fact that these groups are also, “self-declared ‘humanitarian NGOs’… promot[ing] politically and ideologically motivated agendas,” suggests that they should also be garnering the attention of NGO Monitor. In an interview with Gerald Steinberg, I asked him about the claim that Evangelicals were the same type of ‘third party manipulator’ as European governments were being accused. He responded: “Do you have any idea [how much money Evangelical Christians are putting in to support pro-

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660 NGO Monitor’s mission statement (http://www.ngo-monitor.org/articles.php?type=about)
661 Ibid.
settlement organizations], cause I don’t…it’s huge money. Somebody’s putting a lot of money into these things.”

It is curious that NGO Monitor seems to be completely ignoring this side of the issue. If Steinberg, who has meticulously researched funding for dozens of human rights NGOs in Israel believes that Evangelical support for settlement is “huge money”, then why does he neither seem to know anything about its sources and destinations, nor is doing anything to change that? The fact that NGO Monitor has led the charge on the problematics of European-based funding of human rights organizations, and yet been silent on the corollary situation from other giving camps makes the organization’s claim of being non-partisan deeply suspect.

Opponents to the idea of preferencing one group over another took one of two perspectives. The first held by many from anti-settlement organizations was that money from any source was equally valid. As one executive explained, all overseas giving to Israel was ultimately a good thing. Anyone who cares for the state, she said, is doing it a service by trying to make it a better place.

The other perspective argued that heavy involvement by overseas parties has always been a part of both the Zionist movement and at every stage of Israeli history. Veteran communal scholar Gerald Bubis noted that in this way, Israel has allowed for a different tradition of outside involvement than elsewhere. Though it may have been indispensable at one point in the pre- and early state eras, Israel has continued to maintain a position that it encourages foreign giving, long after it required it for basic communal necessities. He argues that in all other countries, the government pays for institutions that philanthropy pays for in Israel. Therefore, it is no surprise that with the advent of CSOs calling for all kinds of societal improvement, that they attract supporters from abroad only too happy to give. Supporting social change is really just the next
step in the evolution of foreign supporters helping to pay for what they believe is crucial for
Israel’s maximum vitality/strength.  

Conclusion

The two issues discussed in this chapter speak to a growing reality—and perhaps also a
corresponding Israeli recognition—that non-Israeli donors are both able and interested in
exercising more power than American Jewish donors did both in the ‘old system’ and in the
contemporary environment. As these trends accelerate, Israelis will have to grapple with what its
leverage points are for maintaining/re-asserting control in philanthropic relationships. Or
conversely, they will need to accept that the ideas guiding classic notions of philanthropic
partnership will no longer be able to hold.

These issues go well beyond Israel’s case. There is growing transnational support for
social/political change CSOs in every country. Although, Israel arguably comes to this moment
from a unique background. Israel spent most of the 20th century as a developing country, and
relied heavily on foreign support. Yet much of this support came from a population willing to
defer to Israelis. Many other developing states relying heavily on foreign aid and charitable
funding from international bodies, all with their specific agendas, did not enjoy the type of
autonomy over the use of foreign funding that Israel did, and in many ways, still does over the
philanthropic funding it receives from the diaspora.

Another related issue that Israel will have to struggle with is its societal discomfort with
the role of civil society organizations. One commentator on the Israeli third sector astutely

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662 Gerald Bubis (Founding Director of the School of Jewish Communal Service and Alfred Gottschalk Professor Emeritus of Jewish Communal Studies at Hebrew Union College, Los Angeles), interview held by phone 12 March, 2010.
pointed out that Israelis are not used to seeing NGOs as instruments constituted specifically to create change. He noted:

Public culture [within Israel] with respect to not-for-profit organizations…sees a not-for-profit as something that provides services, generally as a welfare organization provides food to the needy…and not as a social change creating organization—an organization through I can create societal change.

Coming from a long history of favoring party politics over organized protest as the ‘proper’ way for expressing discontent, Israelis may still be getting used to seeing CSOs as fully legitimate actors, especially regarding sensitive issues.

Finally, as diaspora philanthropists continue to call for a greater say in the use of the funds they donate, will they achieve something closer to a partnership relationship with Israelis than they appear to have in the contemporary environment? As old notions of power sharing are eroded by the increase in foundation giving and funding of change NGOs in Israel, will Israelis be more amenable to yielding power to their diasporic partners than they ever have? Or conversely, will this only compel them to try and hold on more tightly to control the one source of overseas philanthropy they have the best chance to control? Will Israel’s increasing place as a wealthy nation yield a greater culture of domestic philanthropy that allows for decreased dependence on foreign donations to support the third sector, thus rendering these other questions somewhat moot? These will be important trends to monitor and can serve as future research questions in the next incarnations of a study on the structures and dynamics of power sharing in the philanthropic relationships between Israelis, American Jews, and other groups of overseas partners.
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Mohaned Anati (Field Researcher, Yesh Din), interview held while touring the group’s work in the West Bank, 9 August, 2011.
Dubby Arbel (CEO, Midot) interview held in a café, Tel Aviv, Israel, 27 July, 2010.
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Janet Aviad (Co-Founder and longtime leader, Peace Now), interview held in her office, Jerusalem, Israel, 1 June 2010.
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