

ONE OF ISRAEL'S largest non-profit organizations (NPOs), the Jewish Agency, meets this week after a year of new top management by Mendel Kaplan and Simcha Dinitz. After years of backseat driving, the donors (Kaplan's people) have become more assertive over the use of their funds and the operation of the Jewish Agency. The WZO (World Zionist Organization) politicians (Dinitz's people) feel a bit kicked around by the donors and are still seeking ways to control Agency funds (\$360 million) and departments, sometimes attempting to mingle Agency funds with WZO projects and its budget of \$55 million.

Beyond this internal battling, this year the Agency departments, headed by WZO political appointees, have suffered financial cutbacks. These are due to lessened donor confidence caused by (1) the Agency's built-in politicization, (2) the donors' need for better accountability, (3) lack of programme fluidity and conceptualization, and (4) lack of more personalized, hands-on relationships. Whatever resolutions the Agency Assembly decides upon, this NPO will see constantly decreasing income unless it can meet these four criteria for future fundraising.

Due to income loss, some Agency departments have been forced to reassess their programmes and goals. Youth Aliya, still wailing over budget cuts (from \$80.7m. to \$66.5m.) has finally been forced to move towards evaluating the quality of residential care rather than the quantity of children served. It has a long way to go in solving the professional problems of personal services to children in care, staff-turnover, and parent-child relationships.

On the macro-policy level, the Jewish Agency and Youth Aliya have not even begun to look at the larger question of residential vs. community-based education for immigrant and disadvantaged children in Israel. What is the responsibility of government and what of Youth Aliya? Where can Youth Aliya play the catalytic role? How can it help shape new national and municipal policies, rather than perpetually providing direct service and "making Shabbat for itself"? Not surprisingly, the mandate of the 1989 Shapira Report on Youth Aliya commissioned by the Agency did not include these crucial macro, national-planning questions, perhaps because their very consideration is a threat to the department.

This case in point reflects the pattern of protecting vested interests of the Agency and WZO staff, with uninformed donors led down worn paths.

The controversy over the transfer of immigrant absorption to the government is a similar case, with both the Agency and WZO staff trying to

The Jewish Agency

Ad hoc repairs on a sleeping giant

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get this function returned to the Agency. If the vested interests were eliminated, the Agency could exert its full force to both help and pressure the government to get moving and take on its responsibility for absorbing and housing new citizens.

The Agency could work intensively with local municipalities and immigrant associations by providing them with significant start-up grants to help newcomers. It could loan the government funds for absorption. It could encourage and fund non-profit housing cooperatives for both rental and permanent housing. It could set up and capitalize interest-free loan funds to new immigrants and to low-income Israelis and needy Army veterans. With a little imagination, it could do some amazing things. The least imaginative and most regressive thing it could do would be to cave in to vested interests and restore absorption to the Agency.

ONE WELCOME but modest sunny side to Agency developments this past year has been the growth and development of the *Fund for Innovative and Creative Programmes*, established last year by the Board of Governors and the Budget and Finance Committee. Just over \$1m. has been granted to 13 Israeli non-profit, non-political associations for time-limited, accountable social projects. Paul Berger, Norman Lip-poff, Howard Weisband, and Nachman Rosenberg may be credited with an impressive start in establishing an professional Foundation grant-making function within the Agency.

The by-laws and procedures for grant applicants' eligibility, evaluation, and accountability are a pleasure to behold. Great care should be taken to keep these funds unpoliticized and out of the reach and influence of Agency department heads.

In time, follow-up field visits to grantees and other monitoring methods should be systematically implemented.

This new Fund should quickly be increased to \$30m., thus opening Agency resources to active involvement in hundreds of exciting, important NPO programmes in Israel. This will increase foreign donors' confidence and greatly change the Agency's image in Israel. It will provide immeasurable mobility of function and choice for donors, and allow a catalytic function for new programmes and expanded citizen-volunteer and self-help activity in Israel. It is also possible to twin federations with some of the Innovative Fund grantee organizations and programmes.

An additional "Fund" has been established to solve the problem of the religious streams. With the entrance of the Reform and Conservative movements into the WZO, they finally joined the Orthodox at the Jewish Agency table, and the Agency dutifully has begun funding their respective Israel programmes with UJA-Federation campaign money. Thus, in 1989-90, the fund for "Programmes Presented by the Religious Movements" granted \$1.6 million for Conservative Movement programmes, \$1.6 million for Reform movement, \$852,000 for the Orthodox (Zionist) organizations, and \$25,000 for the Reconstructionists. Altogether, \$4.1 million, four times the sum allotted to the non-religious NPOs, went to religious, mostly non-political-party service organizations.

It was clearly worthwhile for the religious streams to join the WZO and the Agency. The Reform and Conservative movements especially will probably receive larger permanent "grants," as they press their claim for kickbacks in Israel on funds contributed to the campaign abroad by their congregants. The Agency prefers to see these grants as part of the Innovative Fund, but they are really a separate Fund for the Religious Movements.

Perhaps one day it will be possible to combine the \$4.1 million into the Innovative Fund and review all the religious movements' projects solely on merit, without any predetermined guaranteed allocation to the various streams.

Congratulations are due to the donor camp for finally forcing the phasing out, by 1990-91, of an Agency travesty, the "Constructive Fund." For many years this "Fund" provided political payoffs to programmes of the political parties (e.g. NRP Enterprises, the Hakam Confederation of United Zionism, the Tel Hai Fund, Poalei Agudat Yisrael Nahliel Society, the World Union of Mapam, and the Zionist Labour Movement), which in 1988-89 still received a total of \$1.5m. of Agency (UJA-Federation) money. These allocations are a travesty of

zedaka and a fraudulent use of donor charity.

DESPITE SOME cosmetic changes, the Jewish Agency must undergo serious conceptual rethinking of its future role in Israeli society and the radical restructuring needed for this role. *Ad hoc* repairs and superficial housecleaning at the Agency will not be enough.

The donor/fundraisers must sooner or later unilaterally and calmly divest themselves of the WZO political partners in the Agency and take total control over policy, spending, and organization of the New Agency. This New Agency should be able to deal directly with the Israeli government and its ministers, as well as with many Israeli NPO partners. It has no need for the WZO political swamp and payoffs and haggling to buy partnership with off-Broadway political leaders.

The Agency should also cease providing direct services in aliya and absorption, education, and settlement. Instead, it should be contracting out with Israeli organizations in both the NPO and the for-profit sectors to provide a spectrum of services on a *contractual competitive basis*. Youth Aliya, for example, could apply as a separate NPO for a three-year, renewable contract for special child care work, but it would cease to live on annual guaranteed income from the Agency and the Federation appeals. New contracts and renewals would be based on past track record, proposal and budget presentation, and credentials of applicants. Twinning with federations could be a feature built into contracts.

The New Agency could hire Israeli consultants to assess current and projected needs in contemporary Israeli society and could initiate important new projects. It could issue public tenders for these projects, large and small. Government agencies would be delighted to work together with the Agency to launch or promote new projects and the Agency could move fluidly in and out of projects as necessary. It could serve as a facilitator for private charity and investment capital in housing, education, health and welfare.

The most frustrating thing for many of us veteran Israeli professionals is the awesome gap between the cumbersome politicized *golem* that the Jewish Agency is today and the really powerful social service force it could be.

Lacking this kind of change, more donors may choose to cop out of the fundraising effort, pay only token dues to "the Campaign," or express their personal relationship with Israel through greatly increased direct, private philanthropy.

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