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Israeli immigrants helped with interest-free loans

SUSAN JACOBS

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NEW YORK — Helping needy immigrants settle in Israel has become Eliezer Jaffe's life work.

"Life is simply one big loan," said Jaffe, the chairman of the Israel Free Loan Association. "However, we have to pay interest on it. We have to give it back. The question is: What interest did we pay?"

Jaffe, who immigrated to Israel from Cleveland in 1960, created the association in

1990 to provide financial assistance to some of the thousands of Ethiopian Jews who were arriving in Israel at the time.

Operating on the Maimonidean principle that the highest level of charity is to help someone become independent, the association has grown substantially. Its loan coffer grew from \$20,000 in 1990 to \$6.5 million.

The association grants interest-free loans of up to \$15,000 to recent immigrants. The loans must be repaid, in monthly increments, within one to three years depending on the case. Only 3 percent of Russian immigrants

and 12 percent of Ethiopian immigrants fail to repay in the allotted time, said Jaffe.

"We'd like to be able to help anyone who comes into the office," Jaffe said in a recent interview while visiting New York.

All of the association's funding comes from private American and Israeli donations — not from the Israeli government or the Jewish Agency for Israel.

Approximately 150 loans are allocated each month. Ethiopian immigrants have used the funds to move from trailers the Israeli government provided as temporary

housing into permanent housing. Russian immigrants have turned to the loan association for small business loans and help with medical expenses.

Israeli families with disabled children and large families are also eligible for loans.

Jaffe, who also is a professor at Hebrew University's School of Social Welfare, wrote a book in 1982 called "Giving Wisely: The Israel Guide to Nonprofit and Volunteer Services in Israel." In it he listed 300 nonprofit organizations in Israel that donors could contribute to directly.