

repair the world. Jews were equally guided by the obligatory mitzvot of *ma'aser ani* and *peah* — the tithing and leaving for the poor from ones' farm yields and, by extension, income.

Throughout the ages, philanthropists — like all members of the Jewish community — were held accountable to the *kehillah*, the Jewish communal infrastructure. Even in the post-War American Jewish community, where large-scale assimilation occurred, there remained until relatively recently significant barriers to large-scale charitable giving outside the community. Now, because we give wherever we choose, we are rethinking our philanthropic priorities. Our recent focus on separateness and uniqueness is fading.

Jewish philanthropists — including the so-called “mega-donors” — are today engaging in personal dialogue about how they define the communities to which they belong and how they are obligated to these communities. They are asking themselves how to create personal philanthropic strategies that reflect their sense of obligation and community. These fundamental choices about community and obligation are debated not only by the philanthropist but also by Jewish communal leaders who critique how donors give away their money.

Philanthropists are asking themselves: How do I define my community? Does community include my family, neighborhood, or synagogue? The country where I live? World Jewry? Do I see myself as a global citizen?

Then they ask: What is my obligation to these communities? Is my obligation defined by traditional Jewish sources and guidance? Is it informed by contemporary western values and my understanding of the social contract that binds our nation and our political values? Do I have an obligation to those who are responsible for my wealth?

These major donors are also exploring how they might use their vast philanthropic dollars to shape and transform priorities and agendas in the communities they fund. Recognizing their power, they ask themselves: To what extent are we accountable to the communities we care about? How and when should we consider the opinions of others when we set personal philanthropic priorities?

The Jewish communal world has questions to ask as well: Do we have claim to a portion of the personal wealth of any self-identified Jew? How do we evaluate the expenditures of private philanthropists? Can we understand the desire of a mega-donor to leave a profound legacy that serves the greater interest of society? Do we respect the added value that donors bring to organizations through their intelligence and experience, their passions and choices? Will we respect these motivators and help them achieve realistic goals? Can we accept that they are seeking to work with us in the communal interest and not for their own benefit? Can we find ways to address the power dynamic that is created between funder and grantee in an honest and constructive way?

Our challenge is to put forward questions that explore how the philanthropist and community each define and establish identities that reflect a changing Jewish community. Do we have the maturity as a community to allow such a process to unwind? Will we engage in honest dialogue on complicated matters of self-examination? Will we respect the changing nature of individual affiliation and allow funders to ask these questions and find their answers in their own time and at their own pace?

Jeremy Burton is Executive Director of Amos: The National Jewish Partnership for Social Justice. Until recently, he was Associate Executive Director of the Jewish Funders Network.

The Challenge of the New Philanthropy

Lisa Farber Miller

As Jeremy Burton suggests, it is a new day for Jewish philanthropy. The dramatic change from communal giving to highly individualized philanthropy, and from centralized, federation-driven planning to donors setting their

own agenda is a radical departure from the past. Some find this change confusing and in conflict with *tzedakah*. Others see it as the fuel for a Jewish renaissance. New leadership models and donor services need to be created in the Jewish commu-



nity to capitalize on emerging trends and the increasingly independent nature of the new philanthropists.

There is a quiet revolution going on beneath the radar screen of giving. Mr. Burton mentions the highly visible mega-donor philanthropists wielding international influence. There are, however, thousands of new family foundations seeding projects to create impact on the local level. According to the Jewish Funders Network, a national member organization of Jewish foundations, two years ago the Foundation Center listed 3,000 family foundations giving to Jewish causes. Today there are 5,000 — a growth rate of nearly 70 percent. Estimates now show that grants from family foundations eclipse the total amount allocated by the United Jewish Communities (UJC) nationally, and the combined asset base of family foundations outstrips federation endowment assets by more than \$4 billion.

Another hidden trend is the increase in donor-advised funds and supporting organizations within community foundations. Philanthropic funds directed by donors in the UJC system grew by \$1 billion, or 124 percent, over the past ten years. Assets of supporting organizations within federation endowments increased at a torrid pace — from \$255 million in 1987 to \$1.8 billion by 1998.

All these Jewish family foundations give grants to a plethora of causes, some 50 percent of them non-Jewish. Outside the Jewish community, this personally driven giving is embraced and celebrated as a refreshing new source of leadership. Inside the Jewish community, most institutions have been slow to adopt a donor-centered model and instead focus on obligatory giving and funding community needs.

New services for Jewish donors are needed. Federations could emulate community foundation practices by providing neutral, unbiased assistance, focusing first and foremost on the donors' needs — helping them to connect their interests with good causes.

Armchair givers content with supporting charities by writing checks and attending board meet-

ings and social events are ceding their seats to venture philanthropists. This shift from charity to philanthropy, from passively writing a check to becoming an involved, activist, change-agent, is shaking things up in the nonprofit world. Venture philanthropists are willing to make an investment of time, expertise, and money, and take risks. In return, they want the organization they invest in to become self-sustaining and show increased organizational capacity — and results. This business-like demand for accountability can conflict with the traditional values of tzedakah — the pursuit of justice and accountability to the community.

Some progressive federations have responded to venture philanthropists by creating social venture partner funds, enabling donors to pool their funds, focus on what they care about, and invest their time and assets in new Jewish ventures. Jewish organizations now need to learn how to partner with donors who bring with them values and skills from their business experiences — skills that can enhance institutions and help them attract Jews with different life experiences.

Terms like leverage and strategic philanthropy are now more prevalent in philanthropic circles. Writer and foundation expert Mark R. Kramer, writing in *Foundation News & Commentary*, says that true strategic philanthropy must answer the question: "Which of the many important problems is the one that our foundation can make the greatest contribution toward solving?" More Jewish funders are using this kind of focus and intensity for their philanthropy — they are interested in repairing the world strategically through systemic change efforts.

Unfortunately, tzedakah sometimes conflicts with strategic philanthropy. Communal giving is anonymous and addresses overall community needs, whereas, the "new philanthropist" comes with a focused agenda seeking an active role. The diversity of donors' interests also challenges efforts to create communal priorities.

Bethamie Horowitz, in her study *Connections and Journeys*, found that "For the first time, we see evidence of a more pliable, personalized Jewish identity, which

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for many has more to do with personal meaning and expression than with communal expression." Trends in philanthropy — the growth of family foundations, the emergence of venture and strategic philanthropy — are reflections of Horowitz's findings. No one knows for certain where these personalized Jewish journeys will lead, but we do know that an exciting diversity of philanthropists with new resources and ideas will be there along the way, and Jewish institutions must find ways to work with and learn from them.

Lisa Farber Miller is Senior Program Officer for Jewish Life at Rose Community Foundation, Denver, Colorado. RCF works to enhance the quality of life of the Greater Denver community and concentrates its resources in five program areas: Aging, Child and Family Development, Education, Health, and Jewish Life. Farber Miller also serves on the Jewish Funders Network Board of Directors.

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