

Chapter 6

THE IMPACT OF CHANGING ISSUES ON FEDERATIONS AND THEIR STRUCTURES

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Introduction

On the occasion of the century of the federation movement, let us look at the primary focus of the federation system twenty years ago when its power was at its peak, and compare the issues that preoccupied the federation movement then with those confronting federations today. This will provide a context to identify some of the more subtle issues at work in federations which guide or limit the governance process. It is my premise that federations have been excellent at responding to crises which have confronted Jews that were generated from outside of Jewish life. This crisis-oriented philosophy has permeated much of Jewish life and Jews' psyches.

On the other hand, I will try to demonstrate that the concerns which are internal to Jewish life have themselves been permeated with this crisis and siege mentality. Matters of a more subtle nature are not dealt with as successfully. Some of these will be reviewed to demonstrate how to help shift priorities and resources to deal with the matters that confront the Jewish

community and hence the federation movement today, such as representativeness and eliteness, community-building and fund-raising, and Jewish continuity as choice rather than destiny.

I

1980 marked the publication of *The Turbulent Decades*, a 2-volume, 1500 plus page review of Jewish communal service in America from 1958 to 1978.¹ Three of the informing moments which subsequently shaped the directions, priorities, and centrality of federations took place in that period. The Six-Day War of 1967, the Yom Kippur War of 1973, and the rise of the Soviet Jewry movement shortly thereafter can be seen retrospectively as pistons which stoked the engines of the period. Heroic fund-raising efforts, while in no way equal to the heroism of Israeli soldiers and Soviet Jewry, were conceived and channeled through federations during what some might call their halcyon days.

Developments in Jewish Communal Organizations

In his introduction to the book's section on community organization in the Jewish community, Charles Zibbell identified 14 trends which had evolved from 1958 to 1978.

1. There was an expansion in the number of federations, partly as a result of new population growth, but also due to an expansion of local UJA campaign structures that felt the need to organize more comprehensively into federations.

2. There was an increase in the number of professionally-directed federations. A number of federations had been operated as volunteer-directed, and many of them decided that with the growth of their fund-raising and expansion of their agenda, they needed professional staff.

3. There was growth in professional staffs of federations to the point where they now number one thousand. They serve as executives, assistants, social planners, fund-raisers, public relations specialists, community relations workers, women's division directors, etc.

4. There was a substantial increase in the level of central fund-raising, peaking in the war years in Israel. In 1958, federations in the U.S. and Canada raised \$125 million. By 1978, that amount had reached \$475 million.

5. At the same time as operating funds were growing through the annual campaigns, federations were expanding their development of endowment funds. Only a few communities in the 1950s sponsored endowment funds; by 1978, 60 communities were engaged in the development of endowment funds, and the amount of their holdings exceeded \$300 million.

6. Leadership development was another innovation inaugurated by federations. These programs involved the recruitment of younger people from professional and business ranks to take leadership positions in Jewish communal life — after periods of special training. This planned approach to leadership development has resulted in new cadres of leaders taking their role in Jewish communal services.

7. The pattern of financial allocations changed considerably over the period under review. Support of Jewish education increased to \$30 million annually with 40 percent of the amount budgeted for day schools. Allocations for care of the aged increased dramatically, especially for the support of community-based programs. At the same time there was an absolute and relative decline in support for Jewish hospitals, as they became part of the broader picture of public and third-party support systems.

8. At the same time as federations were raising additional funds, efforts were directed at increasing the use of governmental funds, especially from federal sources. The Council of Jewish Federations opened a Washington office devoted exclusively to this purpose and it reflected the increased interest in the increased dollars now being developed by communities for the support of programs that qualified for public funds.

9. There was growth in the support of college youth programs. This originated in the 1960s with the turbulence on campus, and the growth has continued with expanded support by federations for Hillel and other Jewish youth activity. Support was also provided for Jewish studies programs in colleges, which has spread to several hundred campuses.

10. There was increased interest in the programs encompassed in the field of community relations, with a great expansion in a number of local community relations committees under federation auspices. When the NJCRAC was established more than 30 years ago, there were only a dozen local community relations committees. Today, they exceed 100 in number, all of them either committees of federations or autonomous agencies funded by federations.

11. Through the reorganization of the Jewish Agency for Israel, it became possible for diaspora communities throughout the world to participate in helping to shape the policies and programs of the Agency.

12. The expansion of interest in the rescue of Soviet Jewry was followed by increased immigration to Israel. But as the years went on, substantial numbers of Soviet Jews opted to settle in the West, resulting in larger numbers coming to the United States and Canada for resettlement. Special programs were developed in order to help their adjustment to the new environment — both American and Jewish.

13. As the dispersal of Jewish populations into the suburban and exurban areas continued, a number of federations began to develop outreach programs. This led to the development of inter-federation cooperation in regional and statewide arenas, whereby several federations banded together in order to handle joint services to specific populations. This was especially true in the area of service to college youth, aged, and in community relations.

14. The expansion of the organized communal agenda to include concern for cultural activities, youth programs, and the quality of Jewish life brought about tensions between synagogues and federations. As a result, programs were developed to explore how these two key institutions in American Jewish life could work together more cooperatively, in order to husband scarce Jewish resources and meet the needs of the Jewish community more effectively.

Zibbell concluded as a result that “as one looks towards the year 2000, it is unequivocally clear that events outside of the Jewish community will have a greater impact than those from within.” He went on to identify a number of trends that he thought would continue to develop by the end of the century:

1. An expanding Jewish resource base for central fund-raising that will approach a billion dollars annually and endowment funds aggregating a billion dollars.

2. A continuing shift in resource allocations to the point where a majority of local funds will be used for programs designed to enhance Jewish commitment, Jewish culture, Jewish education, etc.

3. Closer coordination of programs of federations and synagogues, including the use of synagogues as vehicles for delivery of communal services.

4. Greater centralization in local community organization with the federation-Agency system covering the broad basic communal agenda.

5. The development of conglomerates of communities working together in regional arrangements on major communal programs.

6. A closer working relationship between North American Jewry and Israel in the area of educational and cultural exchange, as well as a greater interchange of professional staffs.²

Zibbell was correct about a number of trends. However, anyone who engages in "futurism" is subject to the 20/20 vision of hindsight. In that spirit, I will examine some of his "predictions."

Fiscal Resource Development

No one anticipated the cruel impact of the economy's gyrations on Jewish life. More importantly, in retrospect, no one predicted the changing nature of priorities of Jewish giving, even as the resources of Jewish super-rich grew exponentially in the 1970s and 1980s.

In 1992 I demonstrated that if one removed the emergency or second line campaign from federation income and factored for inflation, the real number of dollars being contributed was actually shrinking.³ I pointed out that in real dollars the \$336 million campaign of 1971, which grew to \$800 million in 1991, actually decreased (except for the 1990 Exodus campaign). When factored for inflation, the \$800 million of 1991 represented only \$250 million in 1971 dollars. I also demonstrated the degree to

which the wealth of the Jewish mega-rich had grown in that same period of time. An update on federation campaigns through 1994 gives little comfort to the downward plunge in federation giving. By all accounts, flat or shrinking campaigns continue to be the norm.⁴

Zibbell underestimated the degree to which community foundations would grow. Their assets now exceed \$3 billion. Almost totally unexpected was the growth of privately held Jewish foundations, whose combined assets exceed those of the federation foundations.

The privately held foundations, outside of those that are federation-managed or controlled, play a unique role in Jewish life. It has been estimated that about one-third of their money is spent on Jewish causes. Some have focused their attention on concerns which are endemic to Jewish life such as leadership development (the Mandel and Wexner Foundations being but two examples), while others have zeroed in on Jewish identity-enhancing or Jewish education as matters of prime concern (the Guss and CRB-Charles Bronfman Foundations are two such). While no comprehensive analysis has yet been published, based upon my review in 1992, it seems reasonable to assume that these foundations control in excess of \$4 billion.⁵

The paid directors of these foundations, together with their funders, help shape the federation agenda because they offer opportunities for funding experimental and new programs that seek to respond to the changing agenda of concern for American Jewry, in general, and federations, in particular.

Shift in Resource Allocation

Zibbell's prediction of resource reallocation proved true, partly as he envisioned and partly in an unanticipated way which has proven to be the savior of local human services. The amount of money being allocated to Israel showed a precipitous drop. In 1994, the United Israel Appeal transferred \$140 million to Israel (including over \$42 million in U.S. government grants). By 1995 this figure had dropped to \$95 million, of which \$39 million was from the U.S. government. The results from the

regular annual campaign show a drop of over \$12 million in the amount transferred to Israel (see Table 6.1).⁶

Table 6.2 shows the trend of the annual campaigns from 1988 to 1994. In 1988, \$742.4 million was raised plus \$12.9 million for Project Renewal and the Israel Education Fund. 1990 saw the peak of the response to Operation Exodus when a total of \$1.154 billion was raised, of which \$739.7 million was from the annual campaign. The sense of urgency and emergency had subsided by 1994 with the total amount raised from all sources declining to below the 1988 level, without factoring for inflation. Preliminary 1995 figures show the possibility of a slight increase, but if inflation were factored in, the results would be at best 10-12 percent below the 1988 figures.⁷ Of the dollars which remained in local communities, an increasing percentage of federation dollars has indeed been transferred to programs and services intended to enhance Jewish commitment (now labeled "Jewish continuity" in most places).

What Zibbell did not foresee was the degree to which resourceful local agencies would find ways to garner ever increasing government support to underwrite their services. This accomplishment has avoided a real battle in the local allocation process in the tri-cornered boxing match for funds now taking place, with Israel and overseas in one corner, human services in another, and those services devoted to Jewish continuity in the third.

In 1995, the Jewish community received a report compiled by CJF which has had stunning repercussions.⁸ Preliminary data from 59 cities on levels of government support that the Jewish federation system has become dependent upon are startling. Tables 6.3 and 6.4 are drawn from the report. Incomplete data show over \$500 million being distributed to Jewish agencies in the federation system, exclusive of hospitals, nursing homes, and homes for the aged.

In reviewing the data, Diana Aviv, the Washington office Director of CJF, estimated that when all data are in and non-federated services are added (such as B'nai B'rith and synagogue-sponsored housing), the total preliminary estimate of \$3.67 billion in government support would easily exceed \$4 billion; and that the \$532 million amount listed for human services, exclusive of hospitals, old age homes and nursing care,

Table 6.1
SOURCES OF FUNDS

	1994	1995
United Jewish Appeal:		
Annual Campaign	\$80,627,408	\$70,642,408
Operation Exodus	14,243,616	13,674,296
Israel Education Fund	2,765,944	3,055,271
Project Renewal	<u>3,214,907</u>	<u>1,274,160</u>
Total Income from UJA	\$100,851,875	\$88,645,919
U.S. Gov't Grant	<u>42,418,000</u>	<u>39,812,000</u>
TOTAL RECEIPTS	\$143,269,875	\$128,457,919
FUNDS MADE AVAILABLE TO JEWISH AGENCY		
Disbursements on behalf of UIA budgetary allocations:		
Annual Campaign	82,219,520	56,920,162
Less: UIA Debt Service	(4,464,063)	(17,532,969)
CJF Loan Prog-legal exp.	<u>(43,917)</u>	<u>(36,288)</u>
	\$77,711,541	\$39,350,965
Operation Exodus	14,243,589	11,737,400
U.S. Gov't Grant	42,418,000	39,812,000
Israel Education Fund	2,504,342	2,754,431
Project Renewal	<u>3,235,905</u>	<u>1,294,640</u>
TOTAL FUNDS MADE AVAILABLE TO JEWISH AGENCY	\$140,113,377	\$94,949,436

Table 6.2

UNITED JEWISH APPEAL - CAMPAIGN HISTORY
(\$ in millions)

	1994	1993	1992	1991	1990	1989	1988
Total Campaigns	\$752.9	\$825.5	\$908.2	\$1,028.2	\$1,154.6	\$818.2	\$755.3
Annual Campaign	727.8	724.6	733.9	739.7	767.6	759.1	742.4
Operation Exodus	19.9	87.7	184.1	279.4	332.8	-	-
Project Renewal	2.0	6.6	4.4	2.7	3.9	3.8	5.2
Israel Education Fund	3.2	6.6	5.6	8.4	8.2	3.2	7.7
Other Campaigns	-	-	-	-	52.1	52.1	-

Table 6.3

USE OF GOVERNMENT FUNDS FOR 59 COMMUNITIES

Total Government Funding for 45 Communities (federal, state & local)	\$3.67 Billion
Total Government Funding (without hospitals)	\$1.08 Billion
Total Government Funding for Human Services (without hospitals & nursing homes)	\$532 Million
Total Government Funding for UJA-Federation, NY	\$2.45 Billion

would exceed \$600 million. This report did not examine subsidies to Jewish schools in the way of textbook, bus, or food aid, which is available in many states. While no estimate is available, the point here is how dependent the Jewish community has become on government funding — all of which is now subject to serious scrutiny and budget recisions.

Synagogue-Federation Cooperation

Closer cooperation between synagogues and federations is taking place, especially since the publication of the 1990 data on intermarriage. In this instance then, while the trend is increasingly apparent, the motivation was enhanced and accelerated by fear of the consequences to American Jewry's future from the implications of a 52 percent intermarriage rate.

Table 6.4

GOVERNMENT FUNDING BY FIELD OF SERVICE

Field of Service	Total Government Funding	Government Funding as Percentage of Annual Budget
Jewish Hospitals	\$2.58 Billion	55%
Jewish Nursing Homes	\$550 Million	76
Jewish Family Service Agencies	\$134 Million	61
Jewish Vocational Service	\$135 Million	77
JCCs	\$13 Million	5
Other	\$245 Million	63

Centralization

The trend toward centralization is hard to quantify. Viewed impressionistically, federations have become increasingly sophisticated in their research and planning skills. However, their inability to adequately fund local services has resulted in strains in the system. In a number of cities, agencies are engaging in increasingly sophisticated fund-raising efforts, in many instances in the form of companies or services on a for-profit basis. This drive to what has come to be called "entrepreneur" fund-raising was almost non-existent twenty years ago. The federation's ability to be a centralizing force when it is increasingly a lesser source of fund-raising is, at the least, a question in need of further exploration. Far fewer federations seem to insist on being "the" central address for Jewish life, given the extent of its complexities and perplexities.

The clustering of communities has worked out well and efficiently at certain levels. Major communities in heavily populated areas of the country have frequently established a jointly sponsored presence at state capitals acting on behalf of the shared interests of the various communities.

Years of indifference marked synagogue-federation relations prior to World War II. They were followed by three decades of competition. However, in the 1970s, after the synagogues had passed through a decade of retreat and the federations were at the peak of their power, the two sides began to explore avenues of cooperation. Since then, there has been a great increase in cooperation between synagogues and federations, further accelerated by the publication of the 1990 National Jewish Population Study data on intermarriage.

Federation funding of synagogue activities defined to be of community interest (often determined by the interests of major federation contributors who are also active in the synagogues) began in a very modest way in the 1970s and accelerated in subsequent years. After 1990, such funding began to be built into federation budgets in the form of Jewish continuity programs.

Inter-Community Cooperation

A number of mergers have taken place among smaller federations. Even more important are the permutations of confederated relationships that have continued to evolve for joint missions to Israel, services to the elderly, funding for Hillel and other campus services, and continent-wide hot lines. Federations in several states have joined together to cooperate in funding the Hillel foundations serving the non-metropolitan campuses in their states. In others, they have joined together to establish lobbies in the state capital and even in Washington, D.C. Regional arrangements in states and, in some cases, across state borders have also been established.

The dispersal of Jews in America has proved to be much more accelerated and extensive than anyone conceived in the 1970s. The consequences of the demographic shift has proved vexing to federations and their service agencies, profoundly affecting the ability to deliver quality services in a timely fashion to where Jews now live. The synagogues often become the first and in many instances the only physical manifestation of a Jewish presence in what is now called exurbia.⁸ All of this is a reflection of the new dispersal of Jews beyond central cities and suburbs of the earlier postwar period.

This development has been overlooked for its long-range implications. It is especially important to note that as federations celebrate their 100th anniversary, they may be evolving into a more hybrid model of federalism and confederalism. This power-sharing arrangement recognizes that Jewish life cannot be easily described or proscribed in geographic terms. As more power devolves to the states, federations are gearing up to increased levels of activity in the state capitals. This can only be done effectively if federations cooperate and plan strategies which will involve all the federations in a given state. Further, federations have come to realize they must help the network of agencies they serve gain maximum access to government funding when it is appropriate to do so. These realities will undoubtedly result in even more joint approaches to state legislatures and executive offices throughout the land.

The dispersal of Jews in America further emphasizes these confederated approaches. The Western region office of CJP has

embarked on a special strategic planning process especially focused on the issues facing Jewish communities in the West. This recognition of the physical dispersal of Jews in the West, together with the challenges born of serving such a geographically scattered community, is belated but still important to act upon.

Up to 15 years ago, Jews were only found in some 500 of the more than 5,000 counties in the United States. It is likely that today they are in about 1,000 of those counties. A circuit rabbi in northern California is an example of one innovative response (apparently first begun decades ago in the Carolinas).

Relations between North America Jewry and Israel

Totally unpredictable by anyone, even as it was prayerfully wished for by everyone, was the beginning manifestation of the "peace dividend" in the Middle East in general and in Israel in particular.⁹ This development, with its far-reaching and yet to be achieved or appreciated consequences, has already radically redefined the nature of Israel-diaspora relations, especially as it affects American Jewry. The number of countries recognizing Israel has doubled, Israel's gross domestic product has doubled to over \$80 billion in the last seven years, and its per capita income is now the 13th highest in the world, outstripping many European countries.¹⁰ As previously noted, this has also affected the sources and amounts of money assigned to Israel by the federations. The downward trend of allocations has been accelerated as problems among Jews in America have increased and Israel has become more prosperous.

II

This review sets a context for better appreciating the buffeting that federations have taken in recent times. I believe that these developments highlight the paradoxes and dilemmas which face federations as they try "to reinvent" themselves for the next half decade or so. Federations throughout the country are confronting the need for a kind of triage as they plan to reinvent and

reorder their priorities. It is clear that demands for dollars in all three areas will grow in the period ahead. The intersection of the fiscal ramifications from equally important yet vying demands for dollars highlights the need for pro-active planning in the most creative and innovative ways possible. This planning and priority-setting focus underlines the dilemmas as they affect fund-raising.

Consider the following: givers over the age of 60 tend to favor Israel as the object of their giving. Over the next decade, Israel's needs are likely to diminish. It is not certain that the same amount of dollars and degree of interest will be transferred by those givers to either local human services programs or to agencies and programs emphasizing what are now labeled "Jewish continuity" oriented services.

The immediately visible fall-out in any given city of any sharp shrinkage in services to the elderly, the poor, single parents, or children at risk will prove a powerful tool in forcing people to fight for an increased percentage of shrinking services. Local homeless would be seen; poor, single parents would be heard from; elderly parents would affect those who allocate funds.

It seems likely that those in leadership roles in federations will be subject to enormous pressure if the safety net now provided primarily by government funding is removed. The people who would be affected are not an abstraction. They will be the friends of friends, the relatives of relatives, the flesh of flesh, and not abstract statistics.

The middle class young who are affiliated will continue their inevitable and legitimate pressure to have the community help underwrite the Jewish-intensive experiences which they find stretching so many of them financially. (While I made the case for Jewish wealth, it is concentrated in relatively few hands and federation leaders often seem to forget that 77 percent of Jews earn less than \$75,000 annually.)

Unfortunately, these people who are most at risk are often not as visible and vocal as one might expect. They are not in the federation board and committee rooms. Yet while the wage earners of the post-World War II generation may not be in the board and committee meetings, they are the group most likely to be affiliated and making use of Jewish services, the federation

system, and synagogues. They are the ones who feel the pressure of the cost of Jewish affiliation.

These affiliated “boomers” actually spend a much higher percentage of their income in support of synagogues, camps, centers, and schools than do the favored few who are the foundation for Jewish fund-raising in the United States. Federations are thus caught in the web of intersecting trends, issues, and pressures. Much of this resonates with what is happening to federal, state, county, and local governments as they face the pressures and expectations of their constituents. Voting numbers are down even as affiliation rates are down within the Jewish community. Alienation is endemic.¹¹

The obvious difference is that governments still possess taxation powers, however unpopular they may be with the citizenry. Federations, grounded as they are in a system of voluntary affiliation and given the federation responsibilities, are caught in paradoxes and dilemmas regarding how to respond.

The strategic plans of the two largest federations in the United States — New York, and Los Angeles — highlight the difficulty.¹² They recognize the need to raise more money than has been raised these past few years by instituting new and focused marketing efforts geared to the giving elite of American Jewry. Simultaneously, concern is voiced about the need for federations to undertake heroic efforts in outreach by engaging in community-building efforts and opportunities without expecting new donors as a result, at least within the first few years of engagement.

This is the heart of the governing issue which informs all that has been reviewed here. How can a voluntary system which cannot continue without the serious fiscal support of wealthy Jews also attract those without great wealth and offer them opportunities for engagement and fulfillment in Jewish community life?

Teller, following Elon and Elazar, has pointed out that federations face two models in evolving their governance mechanisms. One is premised on viewing the community as a partnership of people and the other sees community as a corporation.¹³ He cites Jewish sources to demonstrate that both models existed in time past. The corporate model thus views community as a

separate entity with its own corporate identity. According to Teller, this view sanctions the right of the leadership to act out of "good business sense and not out of a commitment to consensus and covenant."

In Teller's view, the modern federation which uses this model makes decisions which protect the system even when community readiness to support positions originally are not apparent. He cites as an example the massive move to help Soviet Jewry before Jews in general saw the need.

(This particular example is not the most appropriate, in my opinion, for it was non-federation based organizations such as the Union of Councils for Soviet Jewry which acted outside of the federation system to place the issue on the Jewish public agenda. In the process they goaded the "organized Jewish community" into action. I have argued that most major developments in Jewish life were initiated by individuals with idiosyncratic visions which later gained acceptance within the community. Brandeis University and Abram Sachar, the Brandeis Bardin Institute and Shlomo Bardin, the Simon Wiesenthal Center and Museum of Tolerance and Marvin Hier are but three examples.)

Elazar has pointed out that historically the Jewish community was grounded in a system of what he has come to call kinship and consent — namely, a sense of interrelatedness and interdependence between Jews which resulted in a constantly evolving system of voluntary governance.¹⁴

This was not necessarily grounded in an election process but in trust based upon a representational system. Those who led the Jewish community were there because Jews trusted them insofar as what they did on behalf of Jews was congruent with what those Jews needed and wanted from their communal institutions and leaders. Consensus was the desired norm. Today, Jews act as they wish, give if they feel like it, and thus present a new kind of Jew and new kind of Jewish reality.

The corporate structure functions best in those communities in which the federation professionals are able to exert strong control over their leadership. The professional develops the vision and then acts as a power broker to ensure the smooth passage of the vision through the committee structure of the federation. The power lies in the hands of the planners and

those who formulate the policies. Decision-making is centralized. The role of the board of directors and the committees is to implement the vision of the professionals and to provide a basis of community support. The lay people act as a corporate board of directors, reviewing and refining the decisions of the professionals. The partnership structure works best in agency settings and in those federations in which professionals take lay people seriously. Professionals and lay people formulate the vision in partnership and then move the vision together through the community planning structure.¹⁵

Teller closes his provocative article by posing the question of which of the two positions — the corporate or partnership models — will or should prevail. I would suggest that it is precisely the corporate model which cannot propel federations into the future, precisely because it cannot build community. If anything, the model alienates people and separates most Jews from the federation because of its total commitment to elitism.

III

The analog of the federation as a polity is helpful only to a point. Although nominally elected, federation boards are self-selected and thus by definition self-perpetuating. The only serious exception to this, to my knowledge, is the Los Angeles Jewish Federation's experiment in structuring its board to include open election of a part of it. Its experience is an instructive one.

Normally, in most communities, a nominating committee is named by the federation president after extensive consultation with the chief executive officer. The nominating committee thus has enormous power. Careful thought is given to how to balance membership on the board and this is often done by careful assessment of the gender, financial capacity, religious affiliation, and geographic location of candidates (this latter in larger federations). The usual criteria of readiness to serve, capacity to make sound decisions, and time to devote to service are often discussed. In many instances thought is also given to ideological

balance and the professional background of the potential member. Prior experiences and demonstration of responsibility and probity are discussed or implied in the process. Contested elections are not normative. The end result is that federation boards are often not seen as mirrors of those people the federation serves. In a system where nearly 60 percent of the money raised comes from less than 2 percent of the givers, it can hardly be otherwise.

Los Angeles, the second largest Jewish community in the world, tried over the past two decades to broaden the source of board members and diversify the methods of board selection.¹⁶ A formula was devised wherein a percentage of the board was nominated by the nominating committee; yet another percentage was appointed by the constituent agencies, those who tend to receive their primary funding from federations, such as Jewish Family Service, Jewish Community Centers, Hillel, etc. A third source of board membership was from the federation's regions, while yet another was from the umbrella organization of local organizations, e.g., synagogues, Hadassah, B'nai B'rith lodges, etc.

The last source was selection of a percentage of the board by popular election. Through a petition process, anyone could have his or her name entered on a ballot from which a certain number were elected. This ballot was published annually in the local Jewish paper which reaches about 20 percent of the Jewish population. (The paper, while privately owned, is mailed to all the known Jewish households in the Los Angeles area.)

This ambitious attempt to open the process of access to governance resulted in a large and diverse board. This board was as representative as one could achieve, given the constraints and realities of the federation. One of the great difficulties proved to be that many members never understood the functions of a federation. In many instances, they and others saw themselves as representatives of the organizations from which they came. As a result, they were gatekeepers for those organizations, with secondary loyalty and commitment to the federation itself.

The result was a board which could not govern; a board which many of the most influential avoided. As of this writing (Summer 1995), the system is being scrapped and new thinking

is evolving to develop a more manageable and streamlined system of governance.

The problem thus remains. Los Angeles' new attempts might be informative insofar as they continue to recognize the problem but try to resolve it in a way yet to be applied.¹⁷ The board itself will be smaller and all of its members will be cleared through the nominating committee, whether or not they are directly nominated by the committee itself. Thus agency representation is still considered desirable, but agencies will submit panels of names acceptable to them from which the nominating committee will choose. The same process is being considered regarding the other sources of membership such as the regions. Some formula will be maintained, but the size of the board and the nominating committee will be scaled down. The board, which would meet only six times a year rather than monthly, would become a true forum, inviting debate, option papers, and discussion of the major policy issues as a precursor to setting broad policy guidelines for a streamlined executive committee to administer and monitor. Expenditures of under \$250,000 would not be brought to the board, which would still approve the annual budget but not revisit it for micro tuning.

The executive committee in turn would become the managing entity on the volunteer side of the volunteer-staff system. Careful thought and checks and balances need to be formulated to assure the board that the nominating committee itself is not just the creation of the president. The focus of the central federation staff would be on major gifts, while the regions, while also engaging in fund-raising, would be charged with the primary responsibility to engage in community-building.

The federation will offer services to other organizations and institutions within the community if the organization so desires. These services will range from assistance in fund-raising to opportunities to take part in central purchasing, central insurance, bookkeeping, etc. The federation will also contract services with organizations, utilizing their strengths. Leadership development, cultural expertise, academic input, research resources, and the like could thus be utilized in conjunction with appropriate local institutions such as the University of Judaism, Brandeis Bardin Institute, the Skirball Cultural Center, Hebrew Union College, and the like.

This model, then, is an attempt to centralize the monitoring and execution of policy as ratified by a representative body selected by those in power. The focus of the system is to set priorities which respond to the need to expand fiscal resources at the center of the power polity, while delegating to the periphery — the regions — the community-building tasks and programs.

This restructuring attempts to respond to the problem posed above by melding the servicing of elites while simultaneously expanding outreach and centralizing policy formulation.

Yet another model outside of federation can be examined. A national organization with a strong network of regional and local chapters or groups recently undertook a comprehensive study and strategic planning process. The organization historically has been highly centralized. It responded to the problems raised by an aging membership whose agenda seemed different than that of its younger members by trying a highly decentralized approach in one of their regions. This experiment has eliminated a highly structured regional system, replacing it with one large regional organization with 20,000 members located in over 90 groups. A small board is in place for programming activities devoted to the groups, while bookkeeping, fund-raising, and program consultation will be developed on a centralized basis. The board was elected by representatives from the 90 groups who will gain a great deal of autonomy in this reorganization plan.

The intention seems to be identical with the Los Angeles Federation plan to have the group closest to the people develop and offer services which reflect the needs of its constituents, not the expectations of the organization. More activities focused upon attracting younger members will be emphasized in the groups, while major fund-raising efforts will remain centralized at the regional level.¹⁸ This reference to a non-federation organization underlines the endemic nature of the continuing challenge to organizations to maintain the balance of representativeness and responsiveness which the new Jewish realities require.

Historically, federations consolidate service responses after the need is demonstrated. The shift to more pro-active experimentation while energetically engaging in the triage that limited dollars calls for will sorely test a system that has been riding the

waves of crisis so successfully. Time is on the side of federations if it is used well. The move to "normalcy" in Jewish life has begun. The next decade will continue to demand heroic efforts to help those former Soviet Jews who wish to leave to do so. But the federations must begin to craft new messages which help those who wish to affiliate to respond to the grave issues such as the cost of serious Jewish experiences or the new ways of communicating with Jews which the computer revolution is bringing into focus.

Avraham Burg, the new chair of the Jewish Agency Executive, has touched upon these issues in his monograph presenting his platform.¹⁹ His advocacy of a worldwide open university, a Jewish service corps, and new modalities for educating Jews on an informal and formal level, tries trying to keep Israel in the center of these attempts to respond to the challenges within Jewish life. He and much of the Agency-federation are not unaware of the challenge.

The readiness of the wealthy to respond to these evolving and changing priorities is not yet apparent. It is also not yet clear whether or not the fight for limited dollars on the local level will end up in a more or less equitable division of funds between Jewish local concerns and needs and Israel-based needs and concerns.

A weaning and winnowing process has begun. Planners have started to evolve new priorities permeated with the expectation that funded services somehow contribute to enhancing Jewish identity and behavior. The paradox and dilemma remains, however. No local federation can turn its back on its own citizenry who are at risk. The very families buffeted with the costs of intensive Jewish experiences are the children of the elderly, the brothers and sisters of the single parent struggling to make ends meet

The present generation of wealthy Jews who are now themselves grandparents were for the most part products of the Depression, beneficiaries of the G.I. Bill, with memories seared by the Holocaust and America's inadequate response. It remains to be seen whether or not their children and those others in their 30s, 40s and early 50s have the empathy to respond to Jews who are in need. It is one thing to have lived a life of deprivation and, having become wealthy, to share this wealth with others. It is

another matter, when one has never experienced want, to find easy and predictable responses to Jews in need. An even more subtle challenge is helping a Jewish community to offer a broad gauged series of Jewish and human services which need not be heavily subsidized by the wealthy. Further, the case for helping Jews abroad at the expense of Jews in need in America is a flimsy one. More dialogue between Israeli and American Jewish leadership will help resolve these tensions.

Conclusion

During the past two decades, federations have responded heroically to the crisis-induced problems of Jewish life. However, as the crisis mentality ebbs and the more subtle yet vexing and difficult problems of the Jewish community present themselves, it seems clear that federations have not been as successful in their responses. Planning efforts have tended to be re-active in nature and built upon the conventions that have worked well for the past century.

The nature of Jews' attitudes, values, and sense of communal involvement and responsibility is changing. Various responses to governance which continue to require serious engagement and commitment from the wealthy while engaging in community-building were reviewed. It is too early to conclude whether or not federations will be able to fulfill the community's needs to serve and engage the elite as well as the general public. Certainly what is clear is that federations cannot do this alone. Their new roles will call for much more coalition-building and outreach with the organizations and agencies that actually are serving and/or are otherwise in touch with Jews wherever they live.

The redefinition of priorities as they relate to Israel and community obligations to help underwrite human services and Jewish enhancement experiences will engage federations in a major way. There is as yet no evidence to indicate this transaction will take place in a way that will engage those not yet involved while simultaneously keeping the presently involved engaged in the future. Thus the stage is set for the crisis of normalcy for which Jews have prayed and worked for two

millennia. Our creativity as a people should help us craft the new, while drawing upon our peoples' verities to energize and focus our efforts to keep federations as significant in the next century as they proved to be this past century.

Notes

1. Graenum Berger, ed., *The Turbulent Decades*, 2 vols. (New York: Conference of Jewish Communal Service, 1982), pp. 460-461.
2. *Ibid.*, p. 462.
3. Gerald Bubis, "Jewish Dollars Drying Up?," *Moment* (December 1992):28-33, 62-63.
4. "CJF Campaign Results for 1994," CJF Campaign Planning Services, New York, June 1995.
5. Gerald Bubis, "Jewish Dollars Drying Up?," p. 33.
6. United Israel Appeal memorandum to UIA Board members, 10 July 1995.
7. United Jewish Appeal report distributed at the United Israel Appeal board of directors meeting, 14 September 1995, in New York.
8. Joan Strauss and Joy Ginsburg, "Government Funding for Human Services in the Jewish Community," (New York: CJF, August 1995), p. 71.
9. While countless articles have been devoted to this subject, I first wrote about the changing economic relations in 1977 in an article for the Jerusalem Center for Public Affairs, and then in 1983, "The Role of Diaspora Jewry in the Peace Process." See also "The Conference on Peace in the Middle East," *Zichron Yaakov*, Israel, December 1983, at the Israel-Diaspora Institute dialogue; "Economic Partnership and Future Trends in Philanthropy," Tel Aviv, January 1985; "Another Look at Diaspora-Israel Relations," *Jewish Spectator* (Fall 1992); "Fund Raising after Peace," *Jewish Spectator* (Winter 1993-94).
10. "The Israeli Economy — Re-inventing Israel" (Tel Aviv: Bank HaPoalim, Economics Dept., 1995).
11. Many have written about these developments. Gary Tobin in his book *The Future of the American Jewish Community* and his analysis of Western Jewry is as perceptive as any of a number of writers in discussing these phenomena. Daniel J. Elazar has

- explored this impact in the revised edition of *Community and Polity* (Philadelphia: Jewish Publication Society, 1995).
12. Strategic Planning Documents of New York Federation of Jewish Philanthropy and Los Angeles Jewish Federation Council, 1993 and 1995, respectively.
 13. Gerald Teller, "The Jewish Community — A Partnership or a Corporation?," *Journal of Jewish Communal Service*, Volume 71, No. 2/3 (Winter/Spring 1995). See also, Daniel J. Elazar, ed., *Kinship and Consent* (Lanham, Md: Jerusalem Center for Public Affairs and University Press of America, 1983).
 14. See Elazar's *Community and Polity*, *op. cit.* as the most comprehensive review and assessment of how Jewish life existed and exists within the framework of a political theory.
 15. Elazar, *Kinship and Consent*, p. 204.
 16. Los Angeles Jewish Federation Council by-laws, 1982.
 17. Strategic planning documents on governance, Los Angeles Jewish Federation Council, Summer 1995.
 18. Documents on file with the author.
 19. Avraham Burg, "Brit Am" (People's covenant), Jerusalem, 1995.