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TOP NEWS IN BRIEF

FOCUS ON ISSUES

Next generation of philanthropists takes risks with innovative projects

By Julie Wiener

NEW YORK (JTA) — When a 30-something British financial investment manager took a few years off to study Jewish texts in Israel, he was struck by the differences between the financial and Jewish communal worlds.

“In the private sector, at the moment, committed young people with good ideas can find backing relatively easily, while in the Jewish world I see tremendous idealism and great creative thinking, but often tremendous obstacles to getting projects under way,” Nigel Savage said.

With funds from the Nash Family Foundation, Savage created Hazon, a fledgling New York-based organization that cultivates new Jewish projects, particularly ones that may have difficulty attracting funding from traditional sources.

Among the first projects: a cross-country bike ride to promote interest in Judaism and the environment, and a program to train female Torah scribes.

Savage wants Hazon, which means “vision” in Hebrew, to serve as a “venture-capital house for Jewish ideas.”

“Twenty-somethings with a great idea don’t walk into Goldman Sachs, which isn’t really organized to help them,” he explained. “They go into a venture-capital house which nurtures them along the beginnings of their project and then, as it were, hands them over to Goldman Sachs when they’re at a different stage of organizational development.”

It’s the Jewish version of the venture philanthropy trend that is shaping the American nonprofit scene. Applying the principles and techniques that have made Internet startups and other new companies so successful in recent years, a handful of foundations and young, affluent Jews are using money and know-how gained from the business world to create new Jewish initiatives.

They are particularly emphasizing empowering young people, whether as philanthropists, activists or beneficiaries of the new programs. And many are fine-tuning their ideas in discussions at Jewish Funders Network, an organization of more than 250 Jewish family foundations that will hold its 10th annual conference April 1-4.

Martin Kaminer, 33, a New Yorker and JFN board member who heads an Internet distance-learning company, is working with the Jewish Education Service of North America and the United Jewish Communities to create a Manhattan incubator for people starting new projects benefiting the Jewish community.

Similarly, Steven Spielberg’s Righteous Persons Foundation, the Nathan Cummings Foundation and the Walter and Elise Haas Foundation are joining forces to launch a national fellows program that will provide mentoring, support and \$30,000 stipends for eight “social entrepreneur” Jews in their 20s and 30s.

The new efforts are even changing the language of philanthropy. Donors are called “partners,” grants are “investments” and the goal is not charity, but “social return.” But the differences are more than semantic: The new philanthropists are emphasizing training and mentorship just as much as dollars. And they are not afraid to take risks.

“This is an experiment,” said Kaminer, describing his incubator project, which will provide office space, computers, mentoring and training workshops to six people for two-year stints. “By the time they emerge, some projects will be self-sufficient, some will be part of other organizations and some won’t work out.”

Brian Gaines, executive director of the “social entrepreneur” fellowship program

Hamis bombing plan thwarted

Israel and the Palestinian Authority discovered a Hamas plan to blow up a large apartment building in Jerusalem, in a similar style to attacks in Russia last year.

The discovery was made during a crackdown on Hamas in recent weeks. Among the dozens arrested are militants believed responsible for recent attacks in the Israeli cities of Netanya and Hadera. Police reached a breakthrough in the investigation when they arrested a Palestinian near Netanya as he was purchasing a yarmulka, apparently to be used as a disguise in a future attack.

Panel on Swiss banks disbands

An international panel that audited Swiss banks for dormant Holocaust-era accounts is disbanding. Late last year, the Volcker Commission issued a report recommending that Swiss banking officials publish more than 25,000 accounts that may be connected to Holocaust victims.

The Swiss officials, however, have not followed through on that recommendation or on several others made by the panel, headed by former U.S. Federal Reserve Chairman Paul Volcker.

Palestinian arrested in stabbing

A Palestinian from eastern Jerusalem stabbed and lightly wounded an Israeli in the fervently Orthodox Jerusalem neighborhood of Mea She’arim.

He tried to stab a second person but bystanders detained the attacker and handed him over to the police. The suspect had been arrested 14 years ago for a similar offense.

Chase owns up to helping Nazis

Chase Manhattan admitted that one of its predecessor banks helped Nazi Germany obtain U.S. dollars for German marks that may have come from the forced sale of Jewish assets.

Chase officials said it was one of several banks which participated in a program that enabled Germany to raise between \$25 million to \$35 million during the 1930s. Chase’s chairman, William Harrison Jr., said Tuesday, “We have a responsibility to make this information public and wish to express our sincere apologies to the Jewish community and to the American public.”

MIDEAST FOCUS

Levy issues 'blood' warning

Lebanon will pay "blood for blood" if Hezbollah launches rocket attacks on Kiryat Shmona or other northern Israeli communities, Israel's foreign minister warned.

"When Kiryat Shmona burns, the soil of Lebanon will burn," David Levy said during an angry Knesset speech.

Envoy faces war of words

U.S. Middle East envoy Dennis Ross encountered a war of words during the third day of his mission aimed at advancing Israeli-Palestinian talks. If the Palestinians "create a crisis over every issue," Israeli Foreign Minister David Levy said Wednesday, "it is impossible to achieve peace."

Palestinian officials meanwhile compared Israeli Prime Minister Ehud Barak to his hard-line predecessor, Benjamin Netanyahu.

Israeli singer dies at 42

Ofra Haza, an Israeli singer and international star who released 16 gold and platinum albums, died at 42. Haza recorded with American singer Paula Abdul and sang on the soundtrack from the movie "The Prince of Egypt." Haza died of massive organ failure, but further details were not released.

Hebrew e-mail to be launched

Microsoft soon plans to launch a Hebrew version of Hotmail, the popular Web-based e-mail service, according to the Israeli daily Ha'aretz.

The service will be developed together with Commtouch, a NASDAQ-listed Israeli e-mail service company. It will be part of the upcoming launch of the MSN Israel portal, being developed by Microsoft with Internet Zuhav, a leading Israeli Internet service provider. It will be the first Hebrew-language portal to be established by a major international Internet player.

and himself a former Ben & Jerry's franchise owner, echoed that approach.

"If even one out of the eight becomes the next Makor or the next great program that connects with people in some way, then I think we would have been successful," he said, referring to a recently opened Manhattan cultural center that serves unaffiliated young Jews and is funded primarily by mega-donor Michael Steinhardt.

"Some people may say at the end, 'My idea isn't going to work, but I'm going to take what I learned here and apply it to B'nai B'rith or some other existing organization and make a difference there,'" Gaines said. "It's about empowering people."

The venture philanthropy style differs dramatically from the more cautious and deliberative centralized Jewish federation approach of allocating campaign funds to established agencies and implementing new projects only after appointing task forces to study the situation.

"No committees were involved. This is not the result of a study calling for new organizations," said Kaminer of his incubator. "We're learning as we go along."

Nonetheless, many of the new projects enjoy close relationships with federations. The incubator falls under the auspices of UJC and JESNA, two national Jewish organizations funded primarily by the federation system, and Kaminer is hoping participants learn from — and are able to influence — their hosts.

"If you're in the incubator because you have an idea for a fantastic program about college-age kids, I want you to figure out who on the UJC floor controls the money for that and get their attention," he said.

A handful of federations are creating their own venture philanthropy groups.

In 1998 the United Jewish Appeal Federation of Greater Washington formed the Jewish Venture Philanthropy Fund, a group of 35 people — primarily local business executives in their 30s, 40s and 50s — who each invested \$10,000 toward new projects. The beneficiaries of the first funding cycle — in the areas of Jewish renaissance, social services and overseas needs — will be announced in the coming weeks. One of the founding partners, 38-year-old Melanie Sturm, described the funds raised as "risk capital" and the potential beneficiaries as "new and innovative projects that would be more risky but could have more impact" than programs funded through the federation.

"Younger people want to be more involved in directing their giving," explained Sturm, an investment banker who says she — and many of the other partners — are newcomers to the federation world. "We thought this would be a response to that and an interesting experiment."

Despite resistance from the "old guard," who were fearful that the effort would undermine the federation's annual campaign, Sturm said the project has attracted many people who had never made large gifts to federations before. As a safeguard of sorts, partners are required to contribute at least \$5,000 to the annual campaign in addition to the \$10,000 investment.

UJA-Federation of New York recently launched a similar venture philanthropy fund, and a number of federations around the country are talking about starting them.

But some worry that venture philanthropy's focus on what's new and different — while attractive to young donors — could endanger existing agencies whose services are essential, albeit not glamorous.

"Creating new programs is intriguing and it's interesting, but then somebody has to pay for turning on the lights in the synagogue and for hiring the professionals at the JCC," said Gary Tobin, the president of the San Francisco-based Institute for Jewish and Community Research and author of a recent study on Jewish family foundations.

Joel Carp, the senior vice president of Chicago's federation, agreed, but said that it is possible to persuade donors to support nuts-and-bolts services too.

"I suspect that for some people the thought of only participating in keeping Jewish communal services going — paying bills for stuff that's very basic — is not seen as dramatic or sexy," he said. "But I spend a lot of time taking donors and prospective donors to see the services we provide and it's extremely rare when you put donors in front of the people who we take care of that they're not deeply touched by what they see."

According to Washington's Sturm, venture philanthropy will not replace federation campaigns that "are the best at raising low-risk money for sustaining basic needs and services. Federations, if they are smart, will try to adapt and do both." □



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JEWISH WORLD

Senate debates school accounts

The U.S. Senate is debating legislation that would provide tax-free investment opportunities for people to use for education expenses.

Orthodox Jewish groups support the education savings accounts.

They say the accounts allow parents to provide the best education for their children, but many other Jewish organizations see the accounts as a first step toward vouchers and taking money away from public schools.

ADL to Yahoo!: Remove racists

The Anti-Defamation League called on Yahoo! to remove dozens of racist and anti-Semitic clubs it says the Internet portal is hosting online.

The ADL claims that by hosting the clubs, some of which are listed under easily identifiable names such as White Pride and Racism, Yahoo! is violating its own rules.

New Burger King boycott sought

A leading Palestinian official urged an Arab boycott of the Burger King chain for failing to keep its promise to close a restaurant in a West Bank Jewish settlement.

"The Arab League should intervene" to launch the new boycott, Faisal Hussein said Wednesday in Cairo.

Burger King officials said last August they would close a restaurant in the West Bank settlement of Ma'aleh Adumim after Arab and Islamic groups protested.

Anti-Zionist comments protested

Fifty-eight members of the U.S. Congress sent a letter to U.S. Ambassador to the United Nations Richard Holbrooke expressing their concern over anti-Zionist remarks made at a recent United Nations committee meeting.

Lebanese and Syrian representatives equated Zionism with racism at the meeting, when the committee reviewed a change in representative status at the United Nations for Hadassah, the Women's Zionist Organization of America.

Jewish museum plans unveiled

San Francisco's Jewish Museum unveiled the architectural plan for its new facility.

The design was created by architect Daniel Liebeskind, best known for designing the Jewish Museum in Berlin.

The new facility, slated to open in 2002 in a renovated power station, will include a large lobby dominated by metal letters that form the word "chai," Hebrew for "life."

Turkish leader: No peace without Palestinian rights

By Douglas Davis

LONDON (JTA) — The leader of Israel's closest regional ally is warning the Jewish state that a stable Middle East depends on progress in peace talks with Syria and the Palestinians.

Interviewed over the weekend by the semiofficial Cairo daily Al-Ahram, Turkish President Suleiman Demirel warned Israeli Prime Minister Ehud Barak that "he can't withstand the responsibility of causing the failure of the peace process."

Turkey, he said, is cooperating closely with Egypt in order to advance the peace process. It is also encouraging both the Israelis and the Palestinians to work for an agreement.

"The essence of the Middle East peace process is the Palestinian-Israeli dispute and addressing this dispute must have priority. But its settlement cannot be at the expense of the Israeli-Syrian track.

"The Israeli government must deal with both these issues in tandem. I believe that the birth of a new, peaceful Middle East will be of benefit to all.

"There can be no permanent peace and no stability if the Palestine question is not settled fairly, taking into consideration the rightful aspirations of the Palestinian people," he said.

Turkey also supports the talks between Israel and Syria, Demirel said, adding that he expects both sides to overcome their "difficulties and move forward."

Demirel said Turkey wanted good relations and enhanced cooperation with Syria, although he conceded that "our relations with it are still limited."

A long-running dispute between Syria and Turkey — which centers on Turkey's control of the flow of water from the Euphrates River to Syria — has been exacerbated by the increasingly close military ties that have developed between Turkey and Israel over the past several years.

Israel and Turkey conduct joint military exercises and use each others' air bases and air space for military training. □

Pope can't come to Ur, so Ur comes to the pope

By Ruth E. Gruber

ROME (JTA) — Barred by politics from making the trip in person, Pope John Paul II this week took part in a multimedia virtual pilgrimage to Ur, the ancient town in Iraq revered as the birthplace of the patriarch Abraham.

The 79-year-old pope had wanted to visit Ur as part of a series of pilgrimages to biblical sites this year to mark the beginning of Christianity's third millennium.

He was scheduled to leave Thursday for Egypt, where he will visit Mount Sinai.

Next month the pontiff plans to travel to Israel, Jordan and Palestinian areas.

Plans for the trip to Ur fell through in December, when Iraqi officials said they could not ensure security or adequately organize the visit due to continuing U.N. sanctions.

Since the 1991 Persian Gulf War, allied warplanes have been patrolling no-fly zones in northern and southern Iraq. The country is under U.N. sanctions for having invaded Kuwait.

The pope says his millennium pilgrimages are spiritual in nature, and have no political significance.

On Wednesday, before 7,000 followers, dozens of cardinals and hundreds of bishops, the pope presided over a ceremony that included readings from the Bible and a film of Ur's desert ruins.

He sat on a red throne on a stage in a Vatican audience hall.

Torches and two oak trees, plus a big boulder representing the stone on which Abraham nearly sacrificed Isaac, set the scene. □

NEWS ANALYSIS

'Bibi' Barak? Lack of progress prompts predecessor comparison*By David Landau*

JERUSALEM (JTA) — Prime Minister Ehud Barak is trying to sound conciliatory, but a growing number of Palestinian officials see only intransigence and are beginning to compare him to his predecessor, Benjamin Netanyahu.

Meeting this week with U.S. Middle East peace envoy Dennis Ross, Barak offered to be flexible in an effort to restart the suspended Israeli-Palestinian talks.

Barak said he is willing to reconsider Israeli maps detailing the next withdrawal — from 6.1 percent of the West Bank.

But at the same time, he made it clear that he would not include villages near Jerusalem — a key Palestinian demand.

Barak also suggested May as a new target date for reaching agreement on a framework for a final Israeli-Palestinian peace accord.

The original deadline, Feb. 13, came and went with little progress achieved on the host of difficult issues involved in a final peace agreement, including the status of Jerusalem, Jewish settlements, Palestinian refugees and final borders.

Israeli sources say Barak's new flexibility may include the much-delayed opening of a northern safe-passage route between the West Bank and Gaza Strip.

Until now, there has been only a southern route for Palestinians traveling between the two areas.

But is this enough to resolve the crisis affecting relations between Israel and the Palestinian Authority and effectively paralyzing their negotiations?

Palestinian spokesmen were quick to say that it was not nearly enough. And the always reticent Ross seemed more tight-lipped than ever after his meeting with the premier.

"There is a lot of work to be done," Ross said after a meeting with Israeli Foreign Minister David Levy this week.

The Palestinians say Barak's announcement of the new May deadline is typical of his high-handed approach.

He did not inform them ahead of time that he was going to go public with this date, they say, even though they had been unenthusiastic about the original February deadline.

Moreover, say Palestinian officials, they now believe more strongly that the entire idea of a framework agreement should be quietly buried while the two sides concentrate on reaching a final peace accord by September.

Arafat has repeatedly stated in recent days that he will make a unilateral declaration of independence this year if the two sides cannot reach an accord then.

In addition to their criticism of the Israeli leader's attitude, some Palestinians and others in the Arab world are now speaking openly about what they see as Barak's flawed credibility.

Comparisons of Barak to Netanyahu, who was repeatedly pilloried by the Arab world as unreliable, appear not only in the Arabic media but in diplomatic conversations.

Egyptian President Hosni Mubarak is said to have told Arafat when they met last week that he no longer believes Barak when the Israeli leader reiterates his commitment and dedication to the peace process.

Meanwhile Israel's opposition Likud Party is echoing Arab criticisms of Barak.

On Tuesday, the Likud Party issued a statement insisting that the Israeli premier's new deadline was both unwise and untrustworthy.

Neither the public nor foreign leaders believe him, the statement said.

Observers say Barak's standing is not yet as bad as Likud officials would portray it.

But they warn against glibly dismissing the Palestinians' criticisms.

The leadership of the Palestinian Authority, they say, is both deeply offended by its treatment at Barak's hands and disturbed at what it sees as the Israeli leader's clear preference to make progress on the Syria-Lebanon track.

More ominously, Israeli military and intelligence experts are warning the government that a new round of Palestinian popular unrest and violence could easily break out after Pope John Paul II visits the Holy Land next month.

These experts say the Palestinian leadership, eager not to be accused of spoiling the pontiff's pilgrimage, is determined to curb political tensions before the visit occurs.

But after that, say the Israeli experts, violence may spread across the entire West Bank.

The question then will be not only whether Arafat and his government are capable of controlling and curbing the violence, but whether they want to.

Arafat's repeated statements about a unilateral declaration of independence are likely seen in the Israeli intelligence community as preparing the Palestinian public for a possible return to a full frontal struggle against Israel.

An accord signed by Arafat and the pope earlier this month in Rome gave graphic illustration of the Palestinian Authority's quasi-sovereign standing and its ability to conduct independent diplomacy — much to Israel's chagrin.

When the pope joined Arafat in criticizing unilateral actions in Jerusalem — implicitly by Israel — the Palestinian leader got some satisfaction in the face of ongoing Israeli building and settlement expansion in and around Jerusalem.

In part in reaction to that development, and in part as a step to embarrass the government, Likud legislator Yehoshua Matza this week proposed a bill that would enshrine in law the present municipal boundaries of Jerusalem.

Votes from 80 of the Knesset's 120 members would be needed to change those boundaries, but the leaders of three parties that belong to Barak's governing coalition — the National Religious Party, Shas and the Center Party — have said they will support the bill.

If passed, it could throw the Israeli-Palestinian negotiations into a deep freeze.

Despite the current climate, officials in Barak's circle are exuding confidence.

Once the talks with Syria get back on track and reach a quick agreement, they say, everything else will fall into place.

They hint that despite the public suspension of the negotiations with Damascus, talks are continuing informally or through third party intermediaries.

They also say they expect a return to the negotiating table within weeks.