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The Bible Offers A Financial Plan

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*This is the fast I have chosen —
Is it not to share your bread with
the hungry, to bring the homeless
poor into your houses, when you
see those who are naked, to cover
them, not to ignore your own flesh?
Isaiah 58:1-7*

Judaism reminds us what is expected of us during this time, as individuals and as a community. In the Haftarah we read on Yom Kippur, Isaiah declares that God wants the holiest day of the year to be a day of action, of liberation.

As our minds absorb the reality of our deteriorating economy, we may have the impulse to become defensive with our assets and withdraw from larger society. But the Isaiah teaching calls on us to care for those who are most in need.

While the government floods hundreds of billions of dollars into the institutions that caused this financial demise, limited government budgets will further suffer just as the need for public programs swells. The bailout just passed by the Congress will not solve the underlying problems in our economy.

I believe our primary goals are to stabilize the economy and protect taxpayers. This can be accomplished through investing in Wall Street in a way that taxpayers gain equity and public needs are served. Investment does not mean giving handouts. Investing with the intent of gaining a return coupled with regulations protects and furthers taxpayers' interests. Many felt it was essential to write a \$700 billion check to calm the markets, but to the degree the bailout was a blank check, it will ultimately serve to harm the economy, taxpayers, and the nation.

We must also focus on the other side of the lending equation, the borrowers. A comprehensive plan will include support for distressed homeowners. Renegotiating mortgages is desperately needed and is in everyone's best interest: the borrower, the

banks, and the government. New mortgages that homeowners can actually afford would bolster the economy by ending the flood of foreclosures, increasing housing prices, and therefore strengthening banks' mortgage portfolios.

Our economic crisis cannot be resolved through the financial sector alone. We need a public works jobs program that would rebuild our failing infrastructure and put disposable income in the hands of millions of Americans. Gainful employment is the only sustainable pillar in a real recovery strategy. By creating public works jobs the government helps rebuild the economy from the bottom up. Long term, we will also need accessible, quality education and training for youth and adults alike, a health care system that properly meets the needs of all, and strategies that emphasize environmental sustainability.

As we attempt to point our country in a new direction, funding advocacy efforts will be important to ensure that the government takes appropriate action for our shared interests. Jewish foundations have solutions at hand. It is an opportune time to invest in responsible financial institutions with a track record of reliable lending practices. Community Development Financial Institutions (CDFIs), which include community development banks, credit unions and loan funds, provide credit and financial services to underserved individuals. Responsibly and effectively, they make thousands of loans each year, which have great success in serving local economies.

CDFIs are similar to banks, but their mission is to serve, not to profit. Nevertheless, investments in CDFIs have fared well, seeing a minimal increase in defaults and offering a solid rate of return. Investments through CDFIs have numerous advantages for individuals and foundations. By investing with responsible lenders, investors get a good return on their investments while they also help low-income communities.

When making decisions on behalf of our foundations, we might benefit from the guidance of another wise leader, the biblical Joseph. Through him we learn that we need to use the bounty of profitable times in order to survive lean times. During times of scarcity, it is difficult to hold fast to the ethic of sharing our means. But it is during these periods, when the vulnerable members of our society are at greatest risk, that it is most important to use what we have. We must embrace this opportunity to share more broadly what might feel like our more limited prosperity.

Today, our Jewish philanthropic institutions can abide by this teaching through Joseph's plan. Philanthropies are the vehicles that have saved during the successful years and now must commit to spend. This is the time to streamline our budgets, cutting back on extras and excess, to spend more on the core needs of those on the margins, and to recommit to long-term solutions.

As foundations this is the very moment to resolve to give more. When the economy rebounds, and it will, we can restore our assets, but in these lean times an increase in pay-out or grant making can make all the difference for hard-hit groups. Scarce new dollars leverage large impact and save communities.

While the poor suffer disproportionately from inequities, all of us suffer when our community, country, and world fail to achieve what we otherwise might. A just society is in our own self-interest; our fates are tied together. If we truly wish to emerge victorious from this economic crisis, it is imperative we fund and support long-term solutions. In doing so, we too will benefit.

We must step up, not back, to ensure our security and prosperity beyond today. Even in these scary times, we can draw from our sacred text, marry it to sound economic policy, and enact a just Jewish philanthropic response to the challenges we face.

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