

## Half the truth that's fit to print

July 11, 2010

Gerald Steinberg, THE JERUSALEM POST

### Foreign money's influence on Israeli politics

Israel is a very porous country, in the sense that individuals and organizations, particularly with money, can easily gain influence. This is both a reflection of an open and lively democracy and a remnant of the early Zionist movement, when Jewish philanthropists from the Diaspora, such as the Rothschild and Montefiore families, had central roles and close links with political leaders.

In the 1950s and 1960s, David Ben-Gurion and his political machine continued to rely on external donors, including friendly socialist parties, for campaign financing. Following this lead, Menachem Begin and Herut were also supported by their backers.

Like other remnants of Zionist politics, foreign funding continues, with unexamined consequences.

In this context, the "exposé" of tax-exempt funding for right-wing organizations ("Tax-exempt funds aid settlements in West Bank," The New York Times, July 6) is not surprising. But the authors missed or erased half the story.

Based on NGO Monitor's extensive research, the scale of tax-exempt funding from the US for the other side of the spectrum probably exceeds the \$20 million average annually reportedly provided to support the settlement agenda. And, as in the case of groups targeted in the Times, radical left grantees push objectives that are also in direct opposition to US government policies.

NGO Monitor's research shows how numerous groups that receive tax-exempt donations promote violent demonization, boycotts (illegal under US law) and "one-state" policies that are equivalent to seeking the destruction of Israel. These include Electronic Intifada, ICAHD-US, Friends of Sabeel, the benignly named Middle East Children's Alliance and the Palestinian Right to Return Coalition.

The Free Gaza Movement, which sponsored the ships that included violent jihadists from the Turkish IHH organization, tells supporters to send tax-deductible donations through the American Educational Trust. And the International Solidarity Movement receives funding via directed donations to the AJ Muste Memorial Institute and the Middle East Children's Alliance, both of which have tax-exempt status. ISM members regularly violate Israeli law through violent "direct actions," including participation in the recent Free Gaza Flotilla.

Powerful Israeli left-wing groups that campaign against settlements also obtain funds in this way and use this money to lobby in the US against the policies of Israel's democratically elected governments. This category includes American Friends of Peace Now, B'Tselem and Ir Amim (which is active in promoting the Palestinian narrative on Jerusalem).

IN ADDITION, dozens of groups on the Israeli left, as well Palestinian counterparts, are funded by US-based mega-donors, such as George Soros's Open Society Institute, the New Israel Fund (\$31 million annual budget) and the Ford Foundation. OSI and Ford support Human Rights Watch, with a \$40 million annual budget, and a Middle East division that works to "turn Israel into a pariah state," to quote HRW founder Robert Bernstein. Similarly, US donations to London-based Amnesty International help to promote the double standards and political warfare targeting Israel, exploiting the moral foundation of human rights.

European governments and the EU add tens of millions of dollars annually, often without transparency, to many of these organizations. European money for Israeli opposition groups, such as B'Tselem, Ir Amim, Gisha, the Geneva Initiative, Breaking the Silence and many more, skew the balance and gives the left an advantage that it fails to get through the democratic process. And while the tax-exempt donations from the US are transparent, based on voluntary private decisions and spread across the ideological spectrum, European governments funnel tax revenues to a very narrow Israeli political position, often in secrecy and without due process or accountability.

In this context, partisan media reports on US tax exemptions for groups that support settlements become part of the Israeli ideological battles. The stakes are very high, and left-wing NGOs are seen as leading the campaign to isolate Israel using allegations of war crimes, as reflected in the Goldstone report on Gaza. Over half of the claims and references in Goldstone's indictment are attributed to 48 of the opposition NGOs, many of which are funded by European governments and tax-exempt donations from the US.

In response to growing criticism of these activities, left-wing NGOs and their supporters have launched attacks against ideological enemies. In July 2009, Gush Shalom circulated a confidential memo telling supporters that it "has been engaged recently in the planning, funding and implementation of a legal and public advocacy campaign aimed at blocking foreign funding of illegal settlement activity." And Akiva Eldar, a columnist for Haaretz and involved with NGOs on the left, sent NGO Monitor a series of emails presaging efforts to impair funding for pro-settlement NGOs.

Rather than more partisan reports targeting the "pro-settlement" side of the NGO battlefield, a wider analysis and debate on the unique influence of externally funded NGOs in Israel is long overdue. This question needs to be addressed by all sides in the framework of Israel's democratic process. Knesset legislation that fills in the missing gaps in transparency, particularly for secret European funding processes for political NGOs, would be an important first step.

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