

Israel doesn't need charity anymore, it needs serious Jewish investment

written by Fleur Hassan Nahoum | 29.11.2025

When billionaire investor Bill Ackman put \$25 million into the Tel Aviv Stock Exchange 110 days into the Israel-Hamas War, Wall Street thought he was crazy. Today, that investment has returned over 100%. It illustrates a truth the Jewish institutional world has yet to grasp: In 2025, Israel doesn't need charity; it needs investors.

No longer a charity case

The numbers would astonish the founders of the modern Federation system. Israel's tech sector now contributes nearly 20% of the country's GDP, double the rate of America's. Since October 7, 2023, amid war on seven fronts, the Tel Aviv Stock Exchange has surged over 80% to all-time highs. Israeli start-ups raised over \$12 billion in 2024, a 31% increase from the previous year. Google recently acquired Israeli cybersecurity company Wiz for \$32b., one of the largest tech deals in history.

These are not the metrics of the struggling young nation that American Jews supported with their blue boxes. They are the performance indicators of a global economic powerhouse. Israel has 25 unicorn companies, world-leading capabilities in AI and quantum computing, and a per capita GDP of \$58,000, which is higher than Britain, Germany, and Canada.

Yet Jewish institutional capital in the US - Federations, community donor-advised funds, and private foundations - collectively manages tens of billions in assets. Almost none is invested in Israel.

The Gates Foundation's dirty secret

In 2007, the Los Angeles Times uncovered a troubling contradiction that should haunt every institutional investor. The Gates Foundation was donating \$218m. to

prevent polio and measles in the Niger Delta, while its endowment held \$423m. in oil companies poisoning the same children.

This wasn't malice. It was the unthinking default of institutional investing: maximize returns, ignore contradictions between mission and portfolio.

Are Jewish institutions making the same mistake, fighting antisemitism while investing in the infrastructure that funds it?

Qatar's investment in antisemitism

Between 1986 and 2024, Qatar, host of Hamas leadership, poured \$6.3b. into American universities. Cornell University alone received over \$1.95b. from Qatari foundations. Texas A&M received over \$1b. Georgetown received \$210m. Harvard accepted over \$8m. since 2020.

Broad global funds almost always include exposure to Qatar-linked multinationals. A Federation with a \$320m. endowment might hold \$5m. in Israel Bonds, \$35.7m. in common equity, \$84m. in hedge funds, and \$56.5m. in private equity, with the remainder typically in global equities and emerging markets, portfolios almost guaranteed to include ExxonMobil (a QatarEnergy joint venture), Shell (a Qatar liquefied natural gas partnership), and HSBC (Qatar banking operations).

Put yourself in the shoes of a Federation investment committee member or a family foundation trustee. Your \$100m. endowment includes global equities, emerging markets, and alternatives. Do you actually know what you own? You're spending millions fighting antisemitism with grants. Are you funding it with your portfolio?

What the smart money knows

In January 2024, with global investors fleeing and Israel's credit rating under pressure, Bill Ackman, who runs one of the most successful hedge funds, together with his wife, Neri Oxman, invested \$25m. for a nearly 5% stake in the Tel Aviv Stock Exchange. That investment has returned over 100%.

After October 7, when most foreign VCs reduced their Israel exposure, Sequoia Capital, perhaps the most successful venture capital in history, doubled it.

These aren't starry-eyed philanthropists. They're speaking the language of returns, not sentiment.

They're right. Israeli tech stocks delivered a 15.8% return in 2024, outperforming the NASDAQ 100's 9.4%. Israeli companies completed \$13.4b. in exits in 2024, a 78% surge from the previous year. Andreessen Horowitz invested in seven new Israeli start-ups in 2024, making it one of the most active foreign investors in Israel.

The uncomfortable truth: While Jewish institutions treat Israel as "impact investing" that might sacrifice returns, the world's most sophisticated investors are making fortunes. The point isn't that Jewish institutions should put their entire portfolio into Israeli assets. The point is that having zero allocation is a strategic failure and arguably a breach of fiduciary duty when Israeli assets are outperforming and mission-aligned.

The new Zionism

Bill Ackman articulated the underlying principle best: "I have always been a strong believer that while philanthropy can solve some problems, capitalism can solve many more."

The old Zionism was transactional: American Jews earned money in America and sent some to Israel as charity. That worked when Israel needed milk money and emergency relief. But Israel in 2025 doesn't need charity. It needs what every thriving economy needs: investment capital that believes in its future.

The new Zionism should be reciprocal: Diaspora Jews invest capital in Israel as a smart allocation, not charity. Instead of 1948 donations to plant trees and drain swamps, invest in Israeli companies and funds delivering competitive returns while building Israel's economic strength. Simultaneously, ensure portfolios exclude entities funding antisemitism, supporting the Boycott, Divestment, and Sanctions movement, or working against Jewish safety.

The questions are straightforward: What percentage of your endowment is invested in Israel? If it's zero, why? And do you know if your portfolio inadvertently funds those working against you?

The old Zionism was about sending checks. The new Zionism is about deploying capital - putting your money where your mission is. The opportunity is now. The returns are proven. The strategic imperative is clear. When it mattered most, where was your capital?

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