From Resilience to Growth

A proposal to build lasting economic strength and an independent source of income for the Torah world — from within the chareidi community's own resources

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The challenge: The chareidi community faces two hard options: stay on a path where the community and the Torah world depend heavily on outside budgets and decisions — and remain exposed to pressure — or integrate into the general economy in ways that may strengthen its economic base, but at a heavy spiritual and social cost.

The opportunity: The community already has substantial resources — human capital, community networks, income, purchasing power, businesses, broad giving and strong institutions. But they operate largely in isolation, so they do not translate fully into growth or accumulate into capital and lasting sources of income.

The solution: Add to the decentralized system — without replacing it — an infrastructure that organizes, connects and accumulates: it identifies needs and opportunities, links people, businesses and resources. Businesses could pay to reach verified community demand, and part of the resulting net revenue would accumulate into capital that keeps generating income for the Torah world.

The path: The infrastructure rests on three assets — information, trust and execution capacity. In our initial survey of 200 chareidi respondents, trust emerged as the leading barrier to switching to a proposed bank supporting the Torah world — people want to see, not just hear — so we start where trust can be built: tangible, everyday value.

The first step: A first stage of about one year in a single community — not an experiment, but the beginning of the build — establishing the initial infrastructure, at an estimated cost of about NIS 600,000.

The horizon: Gradual expansion — a dedicated community technology system (a purpose-built device and a closed internal network), and later economic and financial services — so that the effort strengthens families and, alongside that, builds an independent source of income for the Torah world.

The request: Funding for the first stage — about NIS 600,000 — to lay the foundation of an infrastructure designed to generate income of its own.

1. An impossible equation — and a way out

The chareidi community is growing fast: it numbers about 1.3–1.45 million people today, and within some twenty years the number of chareidi men of working age is expected to double. From the perspective of Israeli policymakers, growth of this kind requires higher employment, productivity and income — so, through incentives and pressure, they keep presenting the same equation: if you want to prosper, integrate.

For the chareidi community this equation is nearly unsolvable. On the current path, growth is too slow to significantly reduce dependence on outside budgets, and the community and the Torah world remain exposed to outside decisions and pressure. On the other hand, deeper integration may strengthen families and the community's ability to fund its needs — but it may also exact a heavy spiritual and social price.

Are these really the only two options — or is there another way, one that stays faithful to our path and still prospers, and that uses economic strength built from within to reduce dependence on outside forces and build a more independent economic base for the Torah world? Does such a way actually exist?

2. The resilience system — its success and its limits

2.1 The resilience system — a strength under growing strain

Over the years the chareidi community has built a strong but decentralized economic and social system. The family carries the livelihood — especially women, whose employment rate rose from 68% in 2014 to 81% in 2025; parents help the next generation — in a study of chareidi home buyers, 81% received family help, averaging about 26% of the home's price; the community carries mutual aid and giving — about NIS 669 per household per month, nearly double the 2014 level; and institutions raise resources and sustain the education system and the Torah world.

This decentralization has been a source of strength: it spread the load and the risk, kept flexibility, and let each family adapt its livelihood to its needs, without every private change becoming a change in the path of the community as a whole. That is how the community has carried much of its own needs and, for years, deferred the integration equation.

But today the system must carry a far heavier load. Over the past decade, household earned income rose by about 70% — from about NIS 6,827 to about NIS 11,591 a month — and giving nearly doubled, and is now estimated at more than NIS 2 billion a year. Even so, in 2023 education and donations alone took nearly 14% of household consumption spending; home ownership fell from 69% to 66%; the share of owners carrying a mortgage rose from 58% to 66%; and 43% of chareidi parents aged 44–59 expect they will not be able to help their children buy a home as their own parents helped them.

2.2 Meeting today's needs without building tomorrow's assets

The resilience mechanisms keep working — but at the price of more work, more giving, more help and more fundraising, just to keep up with needs. For the Torah world the meaning is especially

clear: as long as funding rests on donations and ongoing fundraising, the same effort must be made again every year, and almost none of it becomes an asset that keeps producing income. By way of illustration only: had just 10% of ongoing giving been saved and invested over the years, the Torah world could today have a fund of billions of shekels generating income of its own.[1]

The same gap exists in the community's wider economic capital — purchasing power, businesses, assets, gemachs and giving. Together they represent great strength, but when they act separately only a little of it becomes accumulated capital. For scale: Israel's two largest banks earned about NIS 20 billion in 2025 alone, from activity built on concentrating and deploying capital, credit and economic activity at large scale.

2.3 The resources exist — the connections are missing

The limit is not only in accumulation, but also in utilization. The community has knowledge, networks, businesses and capital — but growth happens when resources connect to opportunities: people to employers and career paths, businesses to customers and markets, and capital to investment and expansion.

This shows in employment and business. A chareidi man with an academic degree earns about 60% of the wage of a non-chareidi Jewish man with a degree; and among those whose business is their main source of income, there is an income gap of about 54% between chareidim and non-chareidi Jews. Part of these gaps stems from choices the community wishes to preserve — but even within those boundaries, information, networks and the ability to identify demand, markets, career paths and sources of financing matter a great deal; in other words, the capacity that connects existing resources to opportunities.

2.4 What is missing: infrastructure that connects, organizes and accumulates

These limits point to the same gap. The chareidi system is very good at distributing responsibility, mobilizing effort and meeting needs; it is less built to see the whole picture, connect resources to opportunities and accumulate part of the value it creates.

So what is missing is not more work, more donations or more capital, but **an infrastructure that organizes the strengths that already exist** — not replacing the decentralized system, but adding to it the capacity to connect, organize and accumulate.

Such an infrastructure has two outcomes: it helps families and businesses make better use of the resources and opportunities they already have, and at the same time it allows part of the value created to remain in the system and gradually become a more independent source of income for the Torah world.

[1]Illustrative calculation: assuming annual giving grew from about NIS 0.9–1.1 billion in 2014 to about NIS 2.1 billion in 2025, setting aside 10% each year at a 4% annual return would yield a fund of about NIS 2.2–2.3 billion by 2025.

3. The model — information, trust and execution

Building such an infrastructure requires three assets: **information** — what people need, what resources exist and where demand lies; **trust** — people's willingness to use the system; and **execution capacity** — real experience turning connections into results.

Technology is the tool, not the goal. It brings together information and services that are scattered today, identifies needs and demand, and connects them; businesses could pay to reach verified community demand and provide relevant services, with part of the resulting net revenue retained for the benefit of the Torah world. As usage, information and trust accumulate, higher-value connections become possible, and the system can expand gradually from local areas into employment, business, housing and, later, capital. This is not a system meant to run people's lives; it gives individuals information, options and connections that are hard for a single person, business or institution to create alone.

4. Trust requires starting small

Of the three assets, trust is the main barrier at the outset. To test how much it holds things back, we surveyed 200 chareidi respondents. They were presented with the idea of a bank whose profits would go to the Torah world, on terms no worse than their current bank, with full transparency and the endorsement of rabbanim they know.

36% said, unprompted, that they want their economic power to serve the Torah world — yet only 28% expressed high willingness to switch. 80% raised reservations or conditions, mostly about trust;[2] the correlation between trust and willingness to switch was very strong (0.76). Even when half the respondents were presented with a hypothetical institution that had already operated for three years, kept its commitments and transferred tens of millions of shekels to the Torah world with full transparency, there was no meaningful difference in trust compared with a new body. In other words, a written track record is not enough; people want to know the system and see it working.

Hence the path: start where trust can be built without demanding it up front. In one community, a system will be set up that delivers tangible, everyday value — local services, rides, housing and community information — without users having to entrust it with money or significant assets.

5. From the first stage to an economic engine

The first stage is not an experiment before the start; it is the beginning of the build itself. Its purpose is to actually build information, trust and execution capacity — and to measure whether usage creates useful connections, repeat use, and a path to higher-value connections later on. The result is a foundation that the public knows, uses and sees working.

If the first stage establishes usage, trust and execution capacity, the same mechanism can expand gradually: first by deepening community activity and generating revenue from it that returns to

[2]Reasons were taken from open-ended answers and coded by theme; a respondent could raise more than one reason.

the community; then by examining a broader community technology system (a purpose-built device and a closed internal network); and only at an advanced stage — subject to professional, regulatory and rabbinic feasibility — by examining economic and financial services designed to build a permanent source of income for the Torah world.

To illustrate orders of magnitude only — not as a forecast or a promise — a preliminary model points to a theoretical potential of about NIS 10–15 million a year from expanding community activity, and about NIS 84 million a year from the technology system.

The effort works on two complementary tracks. In the indirect track, more opportunities, businesses and income strengthen families and increase their ability to carry community expenses and support Torah institutions. In the direct track, as the system itself generates revenue and accumulates capital, part of that value can become an asset producing permanent income for the Torah world — instead of starting from zero every year.

Growth, then, is not the goal but the engine. The goal is to turn a growing share of the economic strength the community already has into strength that supports families, reduces external dependence, and builds a stable source of income for the Torah world.

6. Not another year of operations — a foundation to build on

The question we opened with — can we stay faithful to our path and still build independent economic strength — has occupied me almost without pause since my father zt"l passed away some six years ago, and I have invested tens of thousands of shekels of my own in developing it.

The business leaders who have carried the burden of supporting Torah have done far more than write checks: they built systems, founded institutions and developed funding frameworks that allowed the Torah world to grow. The question is whether the time has come to direct some of that same capability toward building a new source of income, alongside the existing support systems — not because tzedakah has failed, but because our responsibility to the coming generations requires examining additional paths as well.

I am asking for funding of the first stage — about NIS 600,000 for one year in a single community. Rather than supporting ongoing activity, it builds infrastructure meant to keep creating value beyond the first year — the first step toward a sustainable source of income for the Torah world. I would welcome the chance to present the full plan, its budget and its assumptions — and to discuss how the first-stage funding could be structured.

This work is dedicated in part to the memory of my father zt"l, who devoted his life to the Torah world and the community. And if I have the determination to bring it to fruition — that, too, I received from him.