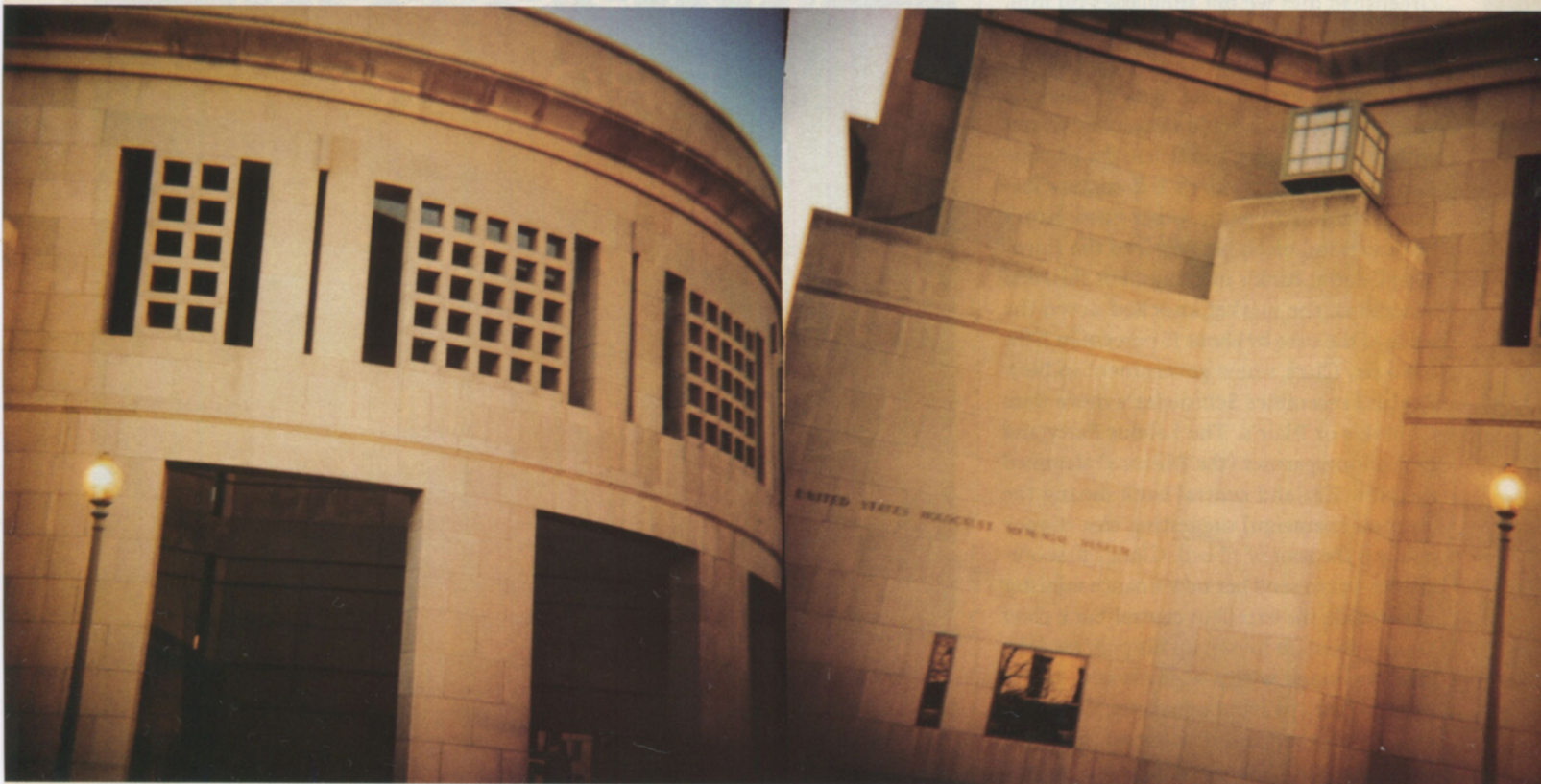


## BENEFACTOR

# Volatile Elements

THE HIGH EMOTIONS THAT INSPIRED THE U.S. HOLOCAUST MEMORIAL

MUSEUM HAVE ALMOST TORN ITS COUNCIL APART **BY JOHN SEDGWICK**



**R**ULE NUMBER ONE FOR FIRST-time philanthropists: Follow your passion. The loyal alum should be encouraged to serve on the board of his old school and the wealthy cancer survivor to start a foundation to promote medical research. But they should also heed rule number two: Beware where that passion might lead. For passion is highly combustible. It's the equivalent of plutonium for nonprofits, and they must handle it carefully or risk being blown sky-high.

The United States Holocaust Memorial Museum, in Washington, D.C., has recently felt the tremors that such high emotions can create. Hampered by a large and unwieldy governing structure, the museum has been unable to contain the colliding passions of the strong personalities that

have been attracted to the cause. A war has broken out between the chairman and his former director. And an examination by outside management experts has revealed "governance, management, and administration problems at all levels of the organization," according to the press release issued by the examiners.

The Holocaust Memorial Museum's experience illustrates a common danger all nonprofits need to be wary of: allowing internal politics to overwhelm the needs of the charitable venture, thereby jeopardizing its effectiveness and tarnishing its image.

You wouldn't know the place was troubled to go there. Opened in 1993, the Holocaust museum has been praised as the most distinguished history museum of our

day. Its design evokes the concentration camps themselves, with its hulking exterior, harsh industrial fixtures, guard-tower-like turrets, and Kafkaesque walkways. Yet, despite the powerfully effective architecture, the exhibit's most striking characteristic is its scholarly coolness in the face of unspeakable tragedy. It's like a tearjerker film without a sound track.

The emotionalism that has been so conscientiously drained from the exhibit halls, however, is fully evident in the council that serves as the museum's board of trustees. Its 79-year-old chairman, Miles Lerman, fought in the Jewish underground in Po-

**INTERACTIVE EXHIBIT: THE HOLOCAUST MEMORIAL MUSEUM'S DESIGN HAS SUBTLE REFERENCES TO THE NAZI CONCENTRATION CAMPS.**

land during World War II. His mother, sister, brother-in-law, and several nephews and nieces died in the camps. In conversation, Lerman is genial and expansive, but when the topic turns to his experience in those years, a tone of shocked outrage takes over his voice and ends all discussion. "I came back from the war to a community that had had eight or nine thousand Jews. I found 11 alive. Eleven." With these words, he goes to a place where no one can follow.

This is not unique to Lerman. The council's vice-chairperson, Ruth B. Mandel, was, as an infant, on the *St. Louis*, a ship filled with Jewish émigrés. The *St. Louis* left Germany in 1939 bound for Havana—only to have the Cuban government refuse to honor the emigrants' visas. When the American government would not intervene, the ship was forced to return to Europe. Mandel and her family survived, but most of the other passengers died in the camps.

Other board members have their harrowing stories to tell as well. Several years ago, shortly before the movie *Schindler's List* came out, the board addressed the question of whether to posthumously give Oskar Schindler a medal. One board member expressed outrage at the prospect of giving an award to anyone associated with the Nazis. Another board member then declared that, if it weren't for Schindler, he wouldn't be alive. He himself had been on the list. The medal was awarded and accepted by Schindler's widow.

Such powerful connections to the institution played a crucial role in the beginning, as a handful of early visionaries wrestled with mind-boggling conceptual issues, heavy politics, and a huge government bureaucracy to erect the museum. Lerman himself conducted the negotiations with the Polish government to secure for the new museum a railroad car of the kind that carried Jews to their death at Treblinka and 4,000 pairs of shoes left behind by victims of the camps—artifacts that, when placed on display, bring home the terror of the Holocaust as few things can.

But now, almost seven years later, the brazen start-up has become a mature institution, and the passion of creative hot spurs has needed to give way to the cool-

headedness of managers. Letting go is not always easy. In particular, Lerman has had trouble handing over day-to-day control of an organization he may have come to think of as his baby. "Miles Lerman is a hero," says Elaine Heumann Gurian, a museum consultant and former deputy director of the Holocaust museum. "But that doesn't make him any easier to deal with." Lerman is aware of the difference between creators and managers, at least in theory. "The creator is the poet of thoughts, of concepts," he says grandly. However, it is clear that he sees the creation as the fun part, and the rest is hard

## THE HOLOCAUST'S PERVERSE LEGACY AT THE MUSEUM HAS BEEN TO MAGNIFY EVERY DECISION INTO A MATTER OF LIFE AND DEATH.

work. "Once it's built, you have to face the test of reality."

Ironically, reality struck first by delivering precisely what the museum staffers thought they had wanted most: huge, instant, overwhelming success: Two million visitors surged through the museum that first year, an average of 5,000 a day, just as they have since. Adding to the pressure has been the gradual fragmentation of the enterprise, largely because of the council's unworkable design. As a rule, the most effective boards consist of 25 members, tops; such boards are also self-perpetuating (meaning they select their own members) and have a narrow agenda—to oversee the institution's operation. The Holocaust council has an astounding 68 members, none of whom is selected by the council itself. Fifty-five of them are chosen by the president of the United States, ten others by the House and Senate. The president also selects the chairman of the council.

Most significant, by virtue of the original enabling legislation, the council is laded with responsibilities that go beyond the museum. Among other things, it directs the Committee on Conscience, which watches for the development of other genocidal campaigns around the world and

promotes Days of Remembrance to honor the memory of the victims lost in the Holocaust. Indeed, the official stationery refers to the museum only as a "project" of the council. It is but the tail of the dog.

The institutionalization of such extracurricular business has encouraged Lerman to venture into areas where few other museum chairmen would normally go—and where few of the customary controls obtain. Recently, for instance, Lerman has been involved in negotiations with the Polish government over the future use for one of the sites of the Auschwitz death camps. While it may seem appropriate for a

prominent member of the Jewish community to take this role, it is nearly impossible to do so as the official representative of a large and sprawling organization such as the Holocaust museum. In fast-moving negotiations, it has proved difficult for Lerman to keep the board fully informed and up-to-date, leaving him virtually an independent agent. Yet any flak he receives for his positions—such as a harsh ad taken out not long ago in the Jewish newspaper *The Forward*—inevitably smears the museum.

These structural problems might not have become such an issue if it weren't for the powder-keg nature of the museum itself. But a museum devoted to the Holocaust is always going to be the repository of heavy feelings, and those feelings will out.

Sure enough, all of these internal contradictions came to a head in 1998 in the tragicomic escapade that staffers now wearily refer to as "the Arafat matter." Hoping to jump-start the stalled Middle East peace process, two of the State Department's Middle East negotiators suggested to Lerman that it might be a good idea to invite Yasir Arafat to tour the museum. Normally, of course, such a suggestion would have to make its way through official channels. But the two had an inside track to Lerman:

## WHAT GIVES?

### HIDDEN RESERVES

Rich Americans may be less generous than the rest of the population, according to the San Francisco-based Newtithing Group. The organization, which helps individuals determine how much they can comfortably afford to donate, analyzed 1997 charitable contributions in the 50 states and the District of Columbia. Tax filers with adjusted gross incomes of at least \$200,000 gave away less—relative to their ability to give. In Utah, the most generous state, rich filers gave 68 percent of what Newtithing calculated they could afford; the average ratio was 75 percent for all tax filers in the state. Some wealthy states were ranked surprisingly low: California (28th) and New York (43rd).

### MIXED PROGNOSIS

Two of the world's highest-profile philanthropists, Ted Turner and Bill Gates, have teamed up to help eliminate polio by the end of 2000. Turner's United Nations Foundation, which he endowed with \$1 billion in 1998, recently made a \$28 million gift to the polio-eradication campaigns of the World Health Organization, Rotary International, and UNICEF. The Bill and Melinda Gates Foundation added \$50 million to the cause. Meanwhile, the UN Foundation announced last December that another epidemic, HIV and AIDS, now infects 8,500 children and young people each day.

### EARLY START

In Dallas, a group of Jewish students at the Solomon Schechter Academy celebrated their coming of age in a nontraditional way—by pooling their bar and bas mitzvah money to create the TGIF ("To Give in Friendship") fund. The kids have raised \$13,000 in two years; the money is used to support abused children, provide food for poor Russian families, and send disabled kids to summer camp. —Sara Austin

## BENEFACTOR

They were members of the council. And Lerman, by many accounts, had come to see himself as an international player. He agreed, not questioning the idea until he ran it by the museum's director, Walter Reich, who was bitterly opposed because he thought it would set a bad precedent to politicize the museum in this way. Lerman called the State Department to try to cancel the invitation, but it had already gone out. In desperation, Lerman told the State Department to retract it, which it reluctantly did. But this being Washington, word of Lerman's flip-flop leaked to *The Washington Post*. Embarrassed by the bad publicity, Lerman reversed course again and, despite opposition to a man who had been a historic enemy of the Jews, this time secured the blessing of the board and reissued the invitation. Arafat declined, saying he was too busy to attend.

That might have been the end of the affair, except that Reich resigned shortly thereafter. Lerman proceeded to give the impression that the blame for the whole fiasco should be passed to the director. Reich took that badly. An impressive array of supporters, such as former NBC newsman Marvin Kalb, retired Yale professor Geoffrey Hartman, and Elie Weisel, the council's first chairman, mobilized on Reich's behalf to decry his treatment.

The two parties, Lerman and Reich, engaged in such a holy war that all other mu-

seum-related developments had to be seen in its context. Thus, when Representative Ralph Regula, as the chair of the House appropriations subcommittee that oversees the museum's funding, dispatched the National Academy of Public Administration to investigate the operation of the museum, it seemed like a response to the Arafat matter, although some have speculated that Regula was looking for an excuse to cut the budget of an otherwise untouchable institution. A spokesman for Regula denied both charges. And when NAPA finally furnished its report late last summer, Reich wrote an op-ed piece in *The Washington Post*, claiming that the report vindicated him. The charges and counter-charges have done their damage. Now when Lerman is asked what obstacles the museum still faces, he lists only overcoming the onslaught of Reich.

If Lerman is ever to get past the Arafat-Reich disaster, however, he might start by recognizing his own role in the debacle. It was his board that chose Reich, after all. If Reich was indeed a poor administrator, the board—and Lerman—have only themselves to blame. And while Lerman now complains about Reich's performance, he also acknowledges that the man suited his

**THE MUSEUM AT WORK: MILES LERMAN (RIGHT) AND ROMAN HERZOG, PRESIDENT OF GERMANY, AT THE TOWER OF FACES IN 1997.**



purposes at the time by allowing Lerman to expand his role. "People have said that I've had to be both chairman and director," he says. "There were times when that was the case." This was obviously a mistake, and the NAPA report correctly slapped Lerman for it. "The role of the chair should be limited to the governance function," the report says. "Of particular importance is adherence to the distinction between the positions and roles of the chair of the Council and Museum director."

Beyond that, Lerman needs to make the council less of a one-man show. The Arafat matter might not have happened if Lerman had consulted his board before the invitation was issued, rather than after. To this end, the board has now instituted a "rapid-response team" of several key individuals who can be quickly mobilized to ward off the next crisis. And a 16-person executive committee will meet nine times a year (instead of the full council's twice a year), but since Lerman personally selects that committee, it is not certain just how effective it can be in restraining some of his impulses.

The NAPA report also recommended that the chairman work more closely with the White House in selecting candidates. Most of the appointments are blatantly political; more council members should be selected for their expertise and commitment to the museum itself. And they need to be rotated off the board after one or two terms. Currently, too many board members either don't attend meetings or are uninformed when they're there.

But the most important thing for the museum to do is take a deep breath. The Holocaust's perverse legacy at the museum has been to magnify every decision into a matter of life and death. Certainly, Lerman could cool things down by stepping back, lowering his profile, and governing more by consensus.

It will be far harder for the council to subdue its culture of contention, but it might start by taking a lesson from the museum's own serene exhibition style: It's fine to have emotion—just don't show any. ■

*John Sedgwick is a Worth contributing editor. His novel The Dark House will be published by HarperCollins in August.*

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