

“What does the Government Want”?
New Philanthropy and Government in Israel:
A View from the Perceptive of New “Mega-Donors”
from the Business Sector

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This paper describes Israeli mega-donors' preferred division of labor between government and philanthropy. These are leading figures in the Israeli economic and philanthropic realms, defined as those donating between 1 million to 300 million dollars a year. The paper is based upon interviews conducted with fourteen members of that group between October 2006 and June 2007.

It appears that the members of this group demonstrate a shift from spontaneous, personal, romantic philanthropy based on charity to the poor, to a more business-like philanthropy characterized by the personal involvement of donors who perceive themselves as “investors” and not only as philanthropists. The concepts employed by the interviewees are imported mainly from the business sector, and they include measurable outcomes, transparency, and strategic work according to rules and regulations. The interviewees' prime projects, funded independently or in cooperation with other private (non-government) foundations, focus on community and education. These projects are aimed mainly at encouraging participants to develop civic responsibility and community involvement. The interviewees don't invest time or money on advocacy projects for social change or on ‘one-time’ projects such as feeding the hungry or directly transferring money to poor people. These business people see themselves as investors and not as philanthropists, and believe that their investment in education or community development – rather than simple direct charity – will create social “profit.”

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The interviewees' attitude toward the first sector, e.g., the government, is negative. This is reflected in the interviewees' dissatisfaction with the government's ability to supply basic welfare services, especially in the field of health and welfare. At the same time, despite their negative feelings towards the government, all the interviewees a) agree that it is in their interest to act in full cooperation with the government in their philanthropic ventures and b) believe (and in fact demand) that the government regulate the philanthropic arena in Israel. The paper concludes with some implications and applications of the desired division of responsibility for the future of philanthropy in Israel.