

**Philanthropic Giving through Municipalities in Israel - an alternative or a
threat to the future of philanthropy**

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Background

Giving to municipalities in the United States dates back to the inception of modern philanthropy to the country as donations from individuals supported “public” institutions (Dubkin Hall, 1987). In Europe as well, the boundaries between philanthropy and local authorities were sometimes blurred as rulers and wealthy individuals have donated property for the public use of the municipality, built hospitals, handed out food, and set up different programs to assist the poor (Roberts, 1996). The evolution of nonprofit sector separate from the state and the legal distinction between the government and nonprofit sectors emerged clearly only in the twentieth century (Dobkin Hall, 1987).

When modern philanthropy is discussed it is diverged between giving to Individuals and giving to organizations. While the first is characterized as an older “out of date” form of charity, the main one is vis-à-vis civil society institutions (NPO’s and the like) as providing the financial infrastructure needed to convert civil society’s initiatives and ideas into social programs and organizations (Frumkin, 2006 pp. 374). The “pre-modern” arena of giving through municipalities still exists yet was hardly studied (Irvin & Carr, 2005). The work on the subject has focused mostly on the question why private philanthropy to government entities occurs and what

goods and services it funds yet another question should be asked - what can we learn from this arena on giving to government agencies and about the functions such giving fulfils.

Israel is an interesting laboratory to examine such relationship of giving between philanthropy and government from several reasons- First, the country's philanthropic culture is unique. On the one hand, it is one of the largest in the Western world. According to the John Hopkins Comparative Nonprofit Sector Project, philanthropy accounted for 1.34% of the GDP in Israel in 2003, second only to the United States (with 1.85% of the GDP)¹. On the other hand, Israel is the largest importer of foreign giving among the developed countries. Israel is one of the largest international receivers of grants from American foundations² and British ones, and the only one from a developed economy (Pharoah, Brophy & Ross, 2001:593 In Anheier & Daly, 2004). In the last decade, we have witnessed a shift in domestic philanthropy in Israel, with a steady stream of donations within the Israeli public rising steadily on both the corporate and individual levels (Silber 2007). Yet, even today philanthropic giving from outside Israel serves as the main funder of nonprofits in Israel (Central Bureau of Statistics, 2010).

Second, due to the historical role of nonprofits and philanthropy in Israel, the boundaries between sectors are vague, and were described in previous works as "fuzzy" (Young, 2000). As the share of labor and distinct roles of the sectors are still

¹ Johns Hopkins Comparative Nonprofit Sector Project. Retrieved June 2, 2007 from <http://www.jhu.edu/~cnp/research/compdata.html>

² http://foundationcenter.org/findfunders/statistics/gs_geo_int.html

being formulated, this leaves room for unique relationships between philanthropy and government. Without established pre-assumptions about the roles of the voluntary sectors, unique patterns can arise and question the role of philanthropy in society.

Third, the country has drifted from a social democratic welfare regime to a more liberal societal set-up (Doron & Kramer, 1991). Due to this process developed a new capitalistic culture of wealth and giving as described above. In addition, the needs for philanthropic funding have changed as this shift manifested itself in a decrease of government expenses on welfare and a reduction of the extent of welfare services (Doron, 1999) as well as an increase in the number of families living under the poverty line (The National Insurance Institute, 2004). This had changed the environment of the main suppliers of social services in Israel- Municipal departments for social welfare.

Municipal departments of social welfare (MDSW) are run by local authorities under the supervision of the Ministry of Social Affairs. They are the main body that provides individual welfare to Israeli citizens. Individual welfare consists of the entirety of national welfare programs that are aimed at promoting the welfare of individuals and families (people who suffer from various physical, mental and psychological conditions, elderly citizens, youth at risk, beaten women, and children at risk) (Doron, 1999).

In the present, MDSWs put in substantial efforts to increase the amount of resources that are at their disposal in different manners (Katan, 2005). These manners

include: raising donations from foundations, mediating between applicants and other services and the institution, recruiting voluntary organizations and various philanthropic bodies that operate within the municipality. Philanthropy is one of the tools that departments of social welfare make use of in order to cope with the change in the extent and scope of the needs and the response they can offer.

In addition, the supply side to giving to municipalities has also raised its head. A research that attempted to examine the influence demand to donation on giving came up with interesting results. As opposed to other fields to which donations are made (culture, the arts, education, etc.), fields that are not influenced by these changes, welfare donations are influenced positively by a rise in the rate of poverty and the rate in which the government withdraws from the provision of services (Wolfe, 1999).

The change of both supply of and demand for philanthropic funding had led to a unique environment for fundraising- the local municipalities. The Israeli case therefore serves as a lab to examine such relationships in countries in which philanthropy is rather new and is not established in concrete perspective regarding its role in society and its relationships to government (such as the States and the UK). Israel serves as what Stake (1995)³ defines as “instrumental case study” – meaning to understand and provide insight to an unstudied phenomenon of philanthropy.

³ Stake, R. E. (1995). *The art of case study*. California: Sage Publications, Inc.

The aim of this paper is to investigate philanthropic giving to municipal Welfare departments as an example to giving through municipalities- what is the motivations of philanthropic actors to be engaged in such relationships, what are the modes for such giving and the effects to philanthropy and civil society. Conclusion will be drawn regarding giving through local authorities and municipalities in general and to developing philanthropic cultures specifically.

Literature review

The chapter will portray the major functions philanthropy plays in society and describe existing models to explain Philanthropy Government relationships. I will try to combine the two frameworks, connecting between the functions of philanthropy and its' relation to the government and to suggest an integrated model in order understand better the effects and implication of such relationships in general and to support an analysis of direct giving to local authorities.

Functions of philanthropy

Based on the literature, it is accepted that philanthropy has several major contribution to society. Some scholars have identified seven major functions of foundations (Anheier & Daly, 2006), from which on can entail the major functions for philanthropy in general: complementary, substitution, preservations of traditions and cultures, innovation, social and policy change and redistribution (p. 197). Others, focusing primarily on the US have limited the major and legitimate

functions to five- redistribution, social and political change, innovation and pluralism (Frumkin, 2006; Prewitt, 2004, 2006).

This focus on the functions of philanthropy drievs partly from the distinction between charity and modern philanthropy....to be continued

There are several mechanisms of modern philanthropy to achieve its' goals- different types of donors - individuals; corporations (may contribute money or products); direct giving or through different mediating institutions, mechanisms or entities. The purpose of these mechanisms can be (Frumkin, 2006 p. 23.)

- Assisting the selections of worthy recipients
- Shielding the donor from the public
- Making giving a more cost efficient activity for the donor.

As the nonprofit sector in different countries reflects social, religious, economic and cultural differences among countries (Salamon & Amheier, 1998) so one can conclude that philanthropy's roles can also differ dramatically from society to society.

Yet, unlike NPO's that serves wide variety of roles in society and runs different sets of relationships with government, philanthropy's most acknowledged role is funding civil societies around the globe. This funding was found to have crucial implications on nonprofits (and therefore on societies) (Beilfeld, GronbjergXXXX) in

maintaining NPO's voluntary nature versus other sources of income, such as generated income and the government.

Philanthropy can be practiced as well toward individuals, private organizations or the government. While the first is considered traditional as a form of charity, the second as innovative as the Gates foundation attempts to promote health and defeating poverty the last is considered a kind of taboo.

Why is giving through municipalities seems so strange and out of place? It can achieve different philanthropic goals as well as both sides has an independent interest. Despite the potential benefits, this questions the relationships with government and a deep rutted convention it shouldn't act directly with state agencies.

This convention is rutted in the question, "hat is the role on philanthropy as a voluntary funding mechanism in society and versus the government".

There are several frameworks to analyze Philanthropy - Government relationships- social-political, economic, value based and policy-entrepreneurs.

The first is based on the Esping-Anderson (1990) model of welfare regimes and the social origins model of civil society (Salamon & Anheier, 1998). This typology group different government' and philanthropy's responsibilities based on different "welfare regimes" (Anheier, 2001; Anheier & Daly, 2006):

In the social democratic model, foundations exist in a highly developed welfare state. As part of a well co- odinated relationship with the state, operating

foundations either complement or supplement state activities, although in absolute and relative terms their service-delivery contributions remain limited. In addition, large corporate foundations like provide a counterweight to hegemonic tendencies of the state and borderlines between foundations and large businesses are complex and fluid.

In the state-centered model (France) foundations are ultimately subservient to the state. Restrictive laws, complicated administrative procedures, and extensive oversight establish a relatively tight control regime for foundations. Foundations are few in numbers and do not play a significant role. Their grant-making activities are relatively minor, and as operating institutions they are dwarfed by the scale of state provision.

In the corporatist model (Germany and Netherlands), foundations are by and large in some form of subsidiarity relation with the state. Operating foundations are part of the social welfare or educational system, and many combine grant-making and operative dimensions. Foundations are important as service-providers, and less so in terms of their overall financial contributions.

The liberal model (United-States and United-Kingdom), represented has a highly pronounced grant-making function, whereas operating foundations are less active as a whole. Boundaries with the state and the business community are relatively well established and unambiguous. Next to the social democratic model, the liberal foundation sector ranks high in terms of overall importance.

Foundations in the post-socialist model are primarily operating in nature, supported from outside funds, and part of a political, though highly complex and ambiguous agenda, of public sector reform in a region that prepares for the second major social and economic transition in as many decades.

Yet this typology is more a descriptive one about the types of foundations and philanthropic actors that can arise in different social-political settings. The typology doesn't give generalized statement or framework to understand, and investigate, the potential role of philanthropy in society and versus other sectors. It can be interpreted though that foundations have (and can have?) mostly cooperative relationships with the state- Complementary and supplementary. These are considered to be part of the roles foundation play in Europe yet it is actually a statement about the role they can play (Anheier & Daly, 2004).

An Economic framework is given by Young (Young, 2000, 2006) that suggest three types of relationships between nonprofits and government by which can be drawn a framework to understand philanthropy-government relationships. These three types are complementary, supplementary and adversarial.

Nonprofits as supplements to government is Based on Weisbrod (1977) work on government failure by which nonprofit organizations provide collective goods on a voluntary basis. As citizens have individual preferences about the levels, qualities, and types of public goods they desire and how much they are willing to pay for them. Governments decisions on the provision of public goods is based on citizens' preferences, and are constrained by considerations of the medium voter needs

while different groups can stay outside of the equation and their special needs might not be met. In this relationships nonprofits are a substitute to government in areas it doesn't act or its solutions aren't sufficient. **Nonprofits are therefore a solution to the problem of public goods provision**

As Nonprofits and government act as complements, nonprofits have a marginal role to the government. Differences in preferences of different groups that favor some differentiation of services will explain NPOs activity in areas the government is already active on. Based on economic assumptions of transactions-costs theory it's considered to be efficient for government to delegate delivery of services to nonprofits rather than to deliver them itself. In this relationship government and NPOs will cooperate in what Salamon (1995) has named "partnership in Public service". In such partnership or contractual relationship government finances public services and nonprofits deliver them.

When Nonprofits and government relationship are adversarial, nonprofits will act mainly in the form of advocacy activity. Advocacy and other promotional efforts may be successful in securing pilot funding from government to subjects not addressed by the state. Another strategy can be providing services that will prove itself and eventually receive the support of a majority and be undertaken by government. .

To conclude based on Young typology, philanthropy-government relationships can be understood in the same manner. On supplementary relationships philanthropy supports the programs and services that are not addressed by the official policy due to lack of resources, or replace the government as funder of projects. This funding can be as part of cooperation with the state or without yet it attempts to fill the gaps

left by government without challenging the state. In complementary relationships philanthropy addresses and complements activities funded by the state and is acting as a partner to the state in achieving social vision and addressing social needs. In adversarial relationship philanthropy will challenge the state in different ways- it may funds “demonstration projects”, Think-thanks and so on in order to promote political and policy change. In addition it may fund service delivery of services that challenge the existing policies.

As mentioned earlier only scant scholarly work had been done on actual direct giving to government or municipalities. One such treatment is of Young (2000) who mentioned the possibility of reversed relationships between Philanthropy and government in terms of financing and service delivery. On such relationships government is the recipient of private gifts for the purpose of carrying out public projects such as the care of public monuments. His theoretical explanation of such behavior based on the supplementary model for NPOs-government relationship: from the on hand Private parties raise funds for activities that would not be supported by public demand. On the other hand the donor find it more efficient (given the costs of private supply) to “contract” with government for their production rather than produce the goods themselves. Such revers relationships can occur where the projects represent marginal additions to public sector operations while private supply would have to start from scratch.

This framework is consistent with Irvin and Carr’s findings (2005). The scholars found that gifts to the local authority usually arrive from the donor without an

appeal or request made by the local authority and without any policy on behalf of the local authority regarding these donations. Since such donations are usually sporadic and unpredictable they become a minor and unstable source of funding to the local authority (Irvin & Carr, 2005). These funding tends to focus on funding buildings, recreation and vacation facilities. The gifts are designed to certain projects as there is a low level of trust of the donor in the level of execution of the local authority.

Research Model

Philanthropy's Functions	Pluralism	-	-	-
	Political change	-	-	-
	Social change	-	?	?
	Innovation	-	+	+
	Redistribution	-	+	+
Government-Philanthropy relationships	Adversary	Supplementary	Complementary	

Combining the two frameworks- Young Typology for government – philanthropy relationships as well as philanthropy’s main functions (Frumkin XXXX; Prewit, XXXX) sheds light on the implication to philanthropy for such relationships.

The Present Study

The current study adds to existing literature in two dimensions- first it adds qualitative empirical data on giving to municipalities, a field mostly ignored by scholars second and foremost it locates and investigate this unique pattern of giving within a combined framework of the role of philanthropy in society and its relationships to the government. The paper is based on case studies of two local municipalities in Israel, Yavne and Yokneam, examining the relationship between the municipal welfare department and philanthropic foundations, private donors and business. The study focused on the giving to the MDSW during 2006, and studied the relationships from both sides, the department and philanthropy yet this paper focuses on the philanthropic side of the equation. The main goals of the article are twofold:

First, To describe giving to local municipalities in Israel and to frame Philanthropy's Motivations for such giving, The evolving forms of the relationships, the type of projects funded and their financial scope. Second, and more important, to understand the implications of such relationships on philanthropy in general and in developing philanthropic cultures in specific.

Methodology

The research was carried out as a "instrumental case study" in two different municipalities in Israel during 2006 and focused on departments of social welfare (DSW). These departments are run by local authorities under the supervision of the Ministry of Social Affairs. The term "local authority" encompasses all types of local

authorities in Israel including local councils, regional councils and municipalities. According to data provided by the Ministry of Social Affairs there are 251 departments of social welfare operating in Israel (Levy, 2008) out 264 local councils.

The Two DSW were chosen based on a preliminary survey made by the author (Rudich, 2005). Following the survey, small to medium local councils were chosen. This enabled a comprehensive survey of the entirety of connections maintained by the departments of social welfare with philanthropic bodies in the town. The two towns that belong to the same social-economical cluster and this enable to control the socio-demographic variables of the town (Israeli Central Bureau of Statistics, 2001). Details concerning the participating towns appear in table A.

Table A: A description of the towns participating in the research

Local council	No. of inhabitants	Socio-Economic Rating	Socio-Economic Cluster
Yavne	32,000	140+	6
Yokneam	18,500	140+	6

The Data collection consists of face to face interviews with the mayors, heads of the DSW, social workers working in the DSW and representatives of the donors (private, institutional and corporate). The donors were contacted based on information given by the former interviewees. Some of the Interviews with the different donors were

face to face, yet some were conducted over the phone at the interviewee's request. these were transcribed during conversation. Altogether, fifteen interviews were conducted with donors- eight in Yavneane and seven in Yokneam, another thirteen interviews were made with the DSW representatives and the Mayors. Fieldwork took place between February 2007 and November 2007 and was delayed due to the exclusion of one town from the sample, as the head of the department refused to continue with the research and the need to locate and find Yokneam to participate in the research.

The analysis of the interviews was carried out using qualitative content analysis methods,

Findings (to do)

1. Short description of the two case studies (differences...)

Table B: Scoop Of philanthropic activity with the DSW in both municipalities

Town	Number of Ties	Foundations	Private Donors	Business Donors
Yavne	8	75%	25%	-
Yokneam	17	41%	18%	41%

In both municipalities there are philanthropic relationships between the DSW and philanthropic donors (institutional and private)- foundations, private and business donors. Yet, the municipalities differ conspicuously in the number philanthropic ties as well as in the type of donors. While in Yavne the DSW maintains only 8 ties with donors, none of which with business donors, In Yoknem 17 philanthropic relationships with all three types of donors.

Table E: The philanthropic bodies' motivations for the existence of philanthropic relationships with welfare departments (percent)

	Answering unmet needs	Internal motives					Utilitarian motives		
		A desire to give/ values of giving	Satisfaction from giving	Belonging to the community	Religious motives (tithing)	Social responsibility ideology	The departments' unique knowledge	Access for material resources	Connection with the local authorities as a condition to realize goals
Yavne	100	100	62.5	-	50	-	62.5	50	62.5
Yokneam	50	83	50	50	50	33	67	16.7	33

Similar to departments that place a heavy emphasis on the need for donations, a large part of the philanthropic bodies mentioned the existence of a need as a motive to contribute to the department (100% in Neve Rakefet and 50% in Maale Erez). Furthermore, philanthropic bodies referred to miscellaneous internal motives - values such as giving (100% in Neve Rakefet and 83% in Maale Erez), a feeling of satisfaction (62.5% in Neve Rakefet and 50% in Maale Erez), social responsibility ideology (33% at Maale Erez) as well as religious motives (50% of all ties).

Utilitarian motives were also mentioned when the main benefit is the knowledge the department has (62.5% in Neve Rakefet and 67% in Maale Erez), the need for material resources (50% in Neve Rakefet as opposed to 16.7% in Maale Erez) and a connection with the local authorities as a condition to realize goals (62.5% in Neve Rakefet and 33% in Maale Erez). The heavy emphasis that is put on utilitarian motives among philanthropic bodies in Neve Rakefet might be related to the relatively large number of voluntary associations that maintain connections with the department.

Even though a number of researchers address the relatively low levels of trust of different philanthropic bodies (especially private donors and for-profit organizations) towards the government and the a low level of willingness to maintain such connections with municipal bodies (Schmid & Meinhard, 2001; Market Watch, 2003; Irvin & Carr, 2005), it was found that philanthropic bodies do maintain connections with departments of social welfare in both towns. Departments of social welfare maintain philanthropic relationships with all philanthropic elements depicted in the literature - private donors, philanthropic foundations and voluntary associations as well as business organizations.

In both towns the size and characteristics of the philanthropic arena are different. In Neve Rakefet only 18 philanthropic relationships with all kinds of philanthropic bodies were found while 22 philanthropic relationships were found in Maale Erez. In spite of the expectation to find connections with business organizations, only one such connection was found in one of the two settlements, namely Maale Erez (32% out of the entire philanthropic activity in the town), while in Neve Rakefet the department does not maintain philanthropic relationships with businesses at all. The fact that philanthropic relationships whose existence was highly doubted in the literature (Schmid & Meinhard, 2001; Irvin & Carr, 2005) i.e. with private donors and business organizations, can be accounted for by the role interpersonal relationships play and the early acquaintance that took place prior to the establishment of the connections.

It is hard to quantify the extent of the overall resources directed at services since volunteering hours are not documented as well as the use of existing equipment and numbers are based upon estimates and not facts. It is also difficult to find out the ratio between the department's resources and resources that arrive from philanthropic bodies. Nonetheless, we can see that the extent of financial aid in Maale Erez is higher than Neve Rakefet and this is despite the fact that Maale Erez is a smaller town (the population in Neve Rakefet is 43% bigger than in Maale Erez).

It seems that in spite of the fact that departments use the term "innovation" to describe the use and the added value connections with philanthropic bodies have, in reality the majority of connections revolve around direct help to the different needs to the people who approach the department and there is genuine concentration upon innovative services - help in medical equipment, furniture, domestic equipment, clothing and financial aid.

According to claims made by the heads of the department this enables them to double (in Neve Rakefet) and even triple (in Maale Erez) the extent of material aid they provide.

While in Neve Rakefet philanthropic support in services is manifested as the provision of services by the department through philanthropic funding, in Maale Erez the support of philanthropic bodies to service is indeed aimed at innovation and providing an added value on top of existing services; there is emphasis on enriching and developing services provided by the department throughout equipment, voluntary activities and extra budgets. One connection that focuses upon detached youth even provides an innovative frame of reference to deal with this issue.

It is interesting to see that the donation patterns by private donors are different than the ones outlined by Irvin & Carr (Irvin & Carr, 2005). That is to say, donations are less aimed at funding buildings, culture and holidays and they resemble more public donations (Shai et. al. 1999) of material goods to the needy and the poor. These are money donations defined by Shai et. al. as large (more than 1500 NIS). Contrary to Irvin and Carr's claim, in a large number of the cases the donor does not define the specific goals of the donation and leaves plenty of room for the department's discretion.

Donations made by businesses to departments of social welfare were found to be similar in their goals and objectives and the type of equipment directed at areas in which businesses contribute to voluntary associations "as part of the business organization's social responsibility." (Ben Tzuri, 2007). The majority of connections with businesses revolve around helping needy and weak populations; this research also found donations to children and youth, helping the elderly and the sick and food provision. Donations combine financial aid for specific purposes as help to individuals,

supporting services, material aid of special items as well as donation of volunteers (Drumwright et. al., 2004; Reichel et. al. 2000). There is also donation of equipment to the department according to the needs brought up by the department as well as participation in programs.

Aside from donations of philanthropic bodies to those who approach the department or the services provided by the department, it appears that connections also have an added value. Apart from the money, the inclusion of a philanthropic body can introduce new initiatives and new content to the department's or the local council's agenda. In Neve Rakefet there are two voluntary associations that were established in order to provide lobbying and advocacy in the council for needs that are not sufficiently met, recruit financial resources and volunteers to take of these needs and become the body responsible for this area in the town. The department in the town establishes organizations that deal with lobbying and advocacy vis-à-vis the community and the local council. Indeed, it is not clear what level of lobbying and advocacy these organizations can provide. Especially when the voluntary association introduces needs that the department considers as unacceptable. Research conducted by Schmid, Bar and Nirel (2008) found out that the level of lobbying and advocacy among organizations that also deal with the provision of services is very low. Nevertheless, the definition of the subject the voluntary association wishes to promote as important is valuable and indeed, in Neve Rakefet, the prisoners' voluntary association succeeded in achieving more funds for its cause. Even donors, businesses or foundations that offer new projects to the department (for example work for detached youth, dental clinic for children, coaching project for children at risk etc.) are able to come up with new content or

recruit resources for issues or areas that did not receive much attention in the budgetary plans of the department.

Connections with foundations and private donors do not show a difference or a digression from the donor-recipient relationships (Leat, 1995). Connections with foundations are characterized by applying to the foundation for help, an application that initiated by the department, while connections with private donors are characterized by a request made by the donor in which he expresses his/her desire to make a donation. The reward for the philanthropic body in such cases is related more to the internal motives for giving (satisfaction, pleasure, a religious motive etc.) or organizational motives (when it comes to foundations - donation made through public bodies, eligibility criteria and more).

Connections with philanthropic bodies and the kinds of help they provide

Even though a number of researchers address the relatively low levels of trust of different philanthropic bodies (especially private donors and for-profit organizations) towards the government and the a low level of willingness to maintain such connections with municipal bodies (Schmid & Meinhard, 2001; Market Watch, 2003; Irvin & Carr, 2005), it was found that philanthropic bodies do maintain connections with departments of social welfare in both towns. Departments of social welfare maintain philanthropic relationships with all philanthropic elements depicted in the literature - private donors, philanthropic foundations and voluntary associations as well as business organizations.

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When we examine the kind of help and the areas where it is directed we can see that there is a certain difference in the areas of activity according to the kind of the philanthropic body: foundations, private donors and business organizations. Similar to previous findings, connections with foundations cover almost the entire gamut of the welfare area: providing services to children and youth at risk, helping the needy with special needs, helping with food and medical equipment (Sharir, Heilburn & Lazar 2006; Doron & Gal, 2006). Foundations examined in the research do not provide financial aid and focus mainly on providing material aid (including lending equipment). Additionally, they also provide services or funding of services (especially in Neve Rakefet). In the absence of ties the department of social welfare would not have the basic resources to develop these services or areas as the head of the department in Neve Rakefet explains:

If it weren't for them we could not have provided something similar. When they started I could not fund something that was similar. And even if today I can fund some of the children I would not have enough funding for this entire project - maintenance, gardening etc. The overall cost is what I get from the ministry to deal with the entire children area.

Further contributions made by voluntary associations to the departments include their abilities to recruit resources or become a means to get funding for certain needs, being s

source for volunteers, an address for populations that do not desire to associate with departments of social welfare and legal defense in the local council in matters related to the people who approach the voluntary association. Findings regarding food supply provided by voluntary associations correspond to Levinson's research (2005).

Similar to other researches regarding foundations (Gidron et. al., 2006), foundations that maintain connections with the department usually fund projects and only in one case in Maale Erez the foundation also operates the project to which it donates the money. Foundations are involved in a variety of activities such as material aid for the needy or populations with special needs - the elderly, children or Ethiopian immigrants. Moreover, funding is directed at renovation and equipping of buildings used by the department and in one case, to fund personnel in Neve Rakefet.

It is interesting to see that the donation patterns by private donors are different than the ones outlined by Irvin & Carr (Irvin & Carr, 2005). That is to say, donations are less aimed at funding buildings, culture and holidays and they resemble more public donations (Shai et. al. 1999) of material goods to the needy and the poor. These are money donations defined by Shai et. al. as large (more than 1500 NIS). Contrary to Irvin and Carr's claim, in a large number of the cases the donor does not define the specific goals of the donation and leaves plenty of room for the department's discretion.

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Aside from donations of philanthropic bodies to those who approach the department or the services provided by the department, it appears that connections also have an added value. Apart from the money, the inclusion of a philanthropic body can introduce new initiatives and new content to the department's or the local council's agenda. In Neve Rakefet there are two voluntary associations that were established in order to provide lobbying and advocacy in the council for needs that are not sufficiently met, recruit financial resources and volunteers to take of these needs and become the body responsible for this area in the town. The department in the town establishes organizations that deal with lobbying and advocacy vis-à-vis the community and the local council. Indeed, it is not clear what level of lobbying and advocacy these organizations can provide. Especially when the voluntary association introduces needs that the department considers as unacceptable. Research conducted by Schmid, Bar and Nirel (2008) found out that the level of lobbying and advocacy among organizations that also deal with the provision of services is very low. Nevertheless, the definition of the subject the voluntary association wishes to promote as important is valuable and indeed, in Neve Rakefet, the prisoners' voluntary association succeeded in achieving more funds for its cause. Even donors, businesses or foundations that offer new projects to the department (for example work for detached youth, dental clinic for children, coaching project for children at risk etc.) are able to come up with new

content or recruit resources for issues or areas that did not receive much attention in the budgetary plans of the department.

At the same time, in times of financial uncertainty, voluntary funding without contractual definitions as to the extent of the funding might lead to a dangerous situation in which the local authority provides funding for the services without paying attention to future resources. In that sense the aim of such projects is to "impregnate the state" (Shimoni, 2008).

Further contribution of the philanthropic relationships is depicted in Maale Erez as a "sense of partnership" with philanthropic bodies. De facto, the meaning of partnerships encompasses legitimization, positive feedback, approval and appreciation for the department's activities as the head of the department in Maale Erez states:

It is the cooperation. It's the things, the programs that provide not just money but also passion, you know. We have a partner. We are not just on our own here all the time with the same resources but with another mindset, a more business-oriented mindset which is not harmful in such situations...to my mind their cooperation is as equally important as their financial contribution.

A social worker in Maale Erez comments: "I am reminded of all the superlatives they gave us, and awareness, it is amazing, the acknowledgement of what we do here."

While normally the department is removed from the center of attention, philanthropic relationships acknowledge its contribution to the community, encourage and appreciate its activities. It appears that on top of legitimization to the contributing business (as described by Schmid & Meinhard, 2001), the benefit of the

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connections is also to the department that establishes connections with successful businesses and meeting people who are do not just need help.

Presenting the relevant findings for the discussion (without NPOs and without distinctions between towns).

Motives of donors

Modes- forms of relationships

Type of projects found and financial scope of giving

*Some examples

Discussion (to do)

Effects and Future of civil society

1. Philanthropy
 - a. Functions of philanthropy expressed is such giving
 - b. Effectiveness
 - c. efficiency
 - d. Less intimacy with the donor- Maimonides's' ladder (going up the ladder but only to a limited stage).
 - e. Philanthropy Vs. Charity
 - Where is the donor?
 - Reactive vs proactive
 - f. Responsibility towards the third sector/ civil society.
2. Civil society

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- a. Competition on funds
 - b. The state agenda overpowers
 - c. Less adversality.
 - d. Pluralism
 - e. Innovation
3. Future of civil society and philanthropy and the current policy toward philanthropy in Israel and it's implications to the state of the Israeli civil society (taxation, fields, income resources...). Immature philanthropy
- a. Focusing in Charity vs. other goals of philanthropy- innovation, change, pluralism
 - b. Low level of trust in NPOs (even smaller than in the government)
 - c. No unique identity and role towards Israeli society
 - d. No Justification for special types of funding organizations (legal structure for foundations).

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