**The role of philanthropic organizations in marginal groups: The Israeli case**

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This paper analyzes the unique role philanthropic activity plays in Israel, as it does in other neoliberal states, especially with respect to marginalized groups. We conducted qualitative research, with 23 leaders in philanthropic organizations interviewed representing a range of voices working with marginalized Jewish groups in Israel. The focus of our analysis was on the motivations and methods behind the creation of these philanthropic organizations and the environment surrounding them. We argue that our method of investigation may be useful for researching philanthropic organizations working with marginalized groups more broadly.

***Literature review***

Philanthropy plays a major role within marginal communities, especially in neoliberal countries. (Dodgson & Gann, 2020; Maurrasse, 2020). In welfare states, government may either further marginalize or empower such marginalized groups, meaning philanthropic organizations working within or with such communities may act according to or react against governmental policies toward aiding them. Existing scholarship emphasizes the perception that there has been a transformation in community development that “puts people first,” a common feature associated with volunteer aid. Gamzu & Motzafi-Heller (2016) investigated the daily encounters of volunteers with members of their multiply marginalized host communities in southern Israel and have exposed the complex social reality of what it means to “develop” and “empower” a population routinely framed as disadvantaged and targeted for aid.

As governments have shifted from welfare to neoliberal state approaches, their involvement in running the public sector has decreased. The retreat of governments from such functions created a vacuum that non-profit and philanthropic “third-sector” organizations have filled. (Raddon, 2008; Eikenberry & Mirabella, 2018; MacLeavy, 2020; Alexander & Fernandez, 2021; Zimmer & Friese, 2008). mean, framedPhilanthropic organizations are a significant proportion of this third sector (Leat, 2015), are growing rapidly in most industrialized countries (Adam, 2004), and are finding new forms and meanings within civil society (Harrow & Jung, 2011; Fioramonti & Thümler, 2013).

When discussing philanthropy, one must draw a sharp distinction between it and charity. (Schultz, 2009; Tracy, Philips, & Haugh, 2005; Wright, 2001). Both charitable and philanthropic organizations exist within power-deprived marginal communities. (Reece, Hanlon, & Edwards, 2022; Carboni & Eikenberry, 2021; Valenzuela-Garcia, Lubbers, & Rice, 2019). Abrahamson has demonstrated how many US philanthropic organizations were reborn out of charity organizations particularly religion-based organizations. (Abrahamson, 2013). Spero (2014) claims that this was also the case in Russia, China, India, and Brazil. We claim that this also applies to Israel. In each case, wider society has refused to assist marginalized groups for a variety of reasons, obliging them to resort to philanthropy as a major tool, since charitable activities have not been not enough to support them. Schuyt (2013) claims that philanthropic organizations, though they emerged from charitable organizations, have had different goals as a social arrangement to meet needs.

This paper analyzes the impulse for philanthropy rather than its effect on society (Borenstein, 2009) and, though focusing on financial institutions, we deploy the social value of productive entrepreneurship theory proposed in Acs et al. (2013). Analyzing the role of philanthropic organizations regarding marginalized groups is vital, operating as they do on the outskirts of society, either by choice or by necessity (Cullen & Pretes, 2019). Marginalized groups, especially religious ones (Bratkowski & Regis, 2003), sometimes create philanthropic organizations in an attempt to maintain their voluntary separation from mainstream society (Tafoya, 2014) and often bring together financial, social, and political agendas in their formation (Fyall & Allard, 2017).

An individual’s social identity is derived from their self-conceived membership of a distinct social group or multiple groups. These groups often relate to social identities that reflect class, academic performance, gender, sexuality, religion, (dis)ability, and/or race (Drezner & Huehls, 2014). People belonging to marginalized groups may wish to maintain their sense of belonging or acculturate themselves to the dominant social norms, meaning there are two different types of such marginalized groups. The difference between these two types of group reflects different attitudes toward social inclusion and exclusion. Social inclusion refers to people and groups aiming to immerse themselves in the main social group (Lombe & Sherraden, 2008), while social exclusion refers to those who ‘lack effective participation in key activities or benefits of the society in which they live’ (Razer, Friedman, & Warshofsky, 2013: 1152). Marginalization is more than a state of being; it also encompasses feelings about that state of being. To be marginalized is to have a sense that one does not belong and, hence, to feel that one is neither a valued member of a community able to contribute to it nor able to access the range of services and opportunities open to others. One both is and feels excluded. For some, marginalization can be experienced as transient and context-related (Razer, et al., 2013), while social exclusion forms part of a person’s identity and lived experience. (Armstrong, Armstrong & Spandagou, 2011).

Jewish Israeli philanthropic ventures reflect the transition from pre-modern traditions to the new era of philanthropy (Calipha & Gidron, 2021; Katz & Greenspan, 2015). Berrebi and Yonah (2017) provides an in-depth survey of Israeli philanthropic activity. State-initiated privatization has enhanced non-profits organization activity in Israel (Krauz-Lahav & Kemp, 2020; Shiffer, 2018). This study concentrates on two Jewish marginal groups: Ultra-Orthodox Jews and immigrants.

Ultra-Orthodox Jewish organizations constitute much philanthropical marginal organizations in Israel. Many religious fundamentalists, (Almond et al., 2003) including ultra-orthodox Israelis known as *Haredim*, do not accept the state as a sovereign entity over them (Stadler et al., 2008) rather than God and religious law, and regard the nation-state as inimical and undermining of their unique way of life. The *Haredim* seek to insulate themselves, partly or entirely, from the influences of modernization and secularization.

When discussing immigrant marginal groups, we concentrate on immigrants from Ethiopia, as discussed in Baratz & Kalnisky (2017), and the Caucasus, as discussed in both Ellenbogen-Frankovitz et al. (2005) and Geist et al. (2021). Immigrants from the Caucasus are considered more marginalized than those from other former Soviet republics (Bram, 2006). These groups tend to cooperate in order to integrate as soon as possible into mainstream society, despite obstacles set by government and mainstream social groups, providing free services to newcomers (Binhas & Moskovich, 2015).

***Methodology***

Semi-structured in-depth qualitative interviews were employed to enables us to understand the formal and informal factors leading to marginal groups’ philanthropic organizations being set up, with the 23 participants — 17 ultra-orthodox Jewish and six immigrants interviewees — being asked how they viewed the process, along with their broader views, freely expressed, on philanthropic activity. The questions focused on their intentions in personal and collective motivations for creating philanthropic organizations, the organizational aims and how those had evolved, the people targeted by the activities, the community environment, interface with other organizations, and how the COVID-19 pandemic had affected operations.

The marginal groups were categorized into three types. The first are those “cultural enclave organizations” , to one degree or another,in which to and preserving and resistingMost of thesewereUgroups The second were “socially incorporating” organizations aiming to integrate into the social and cultural mainstream bodies. The third were those that were hybrids of both the above types.

***Findings***

*Cultural enclave organizations*

Two different social motivations were found: Coping with the needs of the group including livelihood and poverty; coping with specific needs within the group around health and sexism issues.

Two types of personal motive for establishing the organizations were found: Addressing needs in person; sustaining heritage. Most ultra-orthodox interviewees identified their initial intentions as providing solutions mostly in the form of economic aid: assisting families of a low financial funds; social and health issues, such as aiding people with kidney disease and creating awareness around the issue; and cultural issues around creating awareness of Jewish core values. The founders of these organizations also referred to their personal past experience as a motivating factor. For example, in relation to organization already mentioned that addresses kidney disease this was established by an entrepreneur who had personally encountered this issue. Another instigator identified the need to assist families with many children, based on his own experience. Sometimes the organizer was motivated to act by spiritual leaders or family predecessors.

Two types of organizational aim were identified: those who offered social welfare such as the provision of food, appliances, transportation, and clothing; and those who concentrated on specific issues, such as preventing community school dropping out, helping kidney failure patients, and preventing sexual violence.

The original people targeted by these organizations were either the whole marginalized community in a particular locality, or that community but nationwide, or subgroups of it, such as youth. Organizations that operated solely in the community engaged in charity, especially food provision, religious study, and welfare.

Organizations applying for funds to government agencies were denied (4, January 24, 2021).

*Socially incorporating organizations*

One motive noted for these groups was to nurture young immigrants to obtain leadership of the community by empowering academic undergraduates and graduates and paying special attention to teenagers (14, February 19, 2021). Another was encouraging the ability to cope with prejudice toward the community, especially in the workplace, this while maintaining cultural and social identifies. No personal motives in these organizations were mentioned by the interviewees.

Here all interviewees focused on the general needs identified. Two major reasons stood out: The need to assist marginalized groups – especially young people – appear in two cases: assisting Ethiopian young academics placement in the labor market and supplying technological education enabling integration in the High-tech industry. The need to confront the social and cultural stigmatization of young Caucasus immigrants was also mentioned. One organization incorporated aiding marginal groups within its general vision of supporting the Galilee inhibitions.

*Hybrid Organizations*

Key aims identified were empowering adolescent dropouts and young members of the community, job placements for university graduates and for those entering hi-tech industries.

Disadvantaged potent (13, February 18, 2021) or youth (10, February 15, 2021) sectors within the marginal groups.

Existing organizations within the community engaged in cultural issues, not in communal development (16, February 22, 2021).

The organizations sprung out of existing governmental (14, February 19, 2021) or semi-governmental agencies (9, February 11, 2021). Government funding formed a minor percent of the budget (13, February 18, 2021), or a main percent (11, February 17, 2021); Hybrid Organizations aiming at social inclusion, while sustaining some social or cultural exclusiveness. Organizations seeking to integrate into mainstream society while conserving group uniqueness.

The social motives for establishing philanthropic organizations included Providing educational and economic assistance, supplying financial support to all members of the local settlement, and enhancing traditional Jewish values.

No personal motives for establishing this type of philanthropic organization were mentioned by the interviewees.

The intentions at time of establishing philanthropic organizations in marginal groups related to just three organizations: One was created since no parallel body existed; the second was initiated by the spiritual mentor of the founder; the third was established to support local avant-garde core groups efforts in non-ultra-orthodox settlements.

The aims of philanthropic organizations included enhancing financial skills, enhancing educational skills, and supporting groups that advance core values of Judaism.

Originals customers of philanthropic organizations were both newand potential members of the community.

The organizations’ communal environment: Existing organizations within the community engaged different subjects.

Interface with the organizations’ surrounding environment: Government and municipal funded part of the budget, resources, facilities, and funds came from the municipality.

[Place “Table 1: Philanthropic organizations’ objectives” here]

***Discussion***

Existing research focuses on groups facing marginalization by the governing bodies of society (Alexander & Fernandez, 2021). This narrative suggests that marginalized group’s organizations are formed in reaction to the discriminatory policies of the dominant social forces (Bram, 2006). We argue that, when analyzing marginal organizations, a deeper investigation of the creation of these institutions is needed. We offer here a new way of categorizing philanthropic organizations in marginal groups.

We identified three types of philanthropic organizations for marginalized groups: Organizations intending to preserve a cultural enclave; organizations intending to incorporate into cultural mainstream society; hybrid organizations intending at social inclusion, while sustaining some cultural uniqueness.

These philanthropic organizations are distinguished across six parameters:

1. Motives for establishing philanthropic organizations: Cultural enclave organizations look to preserve the relevant group and provide for the its immediate and specific needs. Organizations aiming to integrate into cultural mainstream society face two challenges in doing so: Nurturing young immigrants for leadership and coping with prejudice towards the community. Hybrid organizations combine providing immediate assistance with enhancing group values in the long run. Only cultural organizations’ initiators discussed their personal motives for involvement.
2. Intentions at time of establishing philanthropic organizations in marginal groups: Cultural enclave organizations seek to providing economic aid and/or cultural solutions . Assisting young members of the community and fostering the ability to cope with cultural and social prejudice is the intent of organizations aiming to incorporate into cultural mainstream society. Culture enclave organizations thus offer concrete solutions for essential needs while incorporating organizations deal with the long-term needs of group members and to legitimize the group. Hybrid organizations arose since no parallel body existed and were inspired by spiritual mentors.
3. Aims of philanthropic organizations at early stages: Cultural enclave organizations offer an overall package of assistance to group members by providing social welfare protections and by responding to specific issues such as health-related matters and sexism withspecific populations. Incorporating organizations engage with specific issues like empowering adolescent dropouts and the employment of university graduates, thus relating to subgroups. Thus, culture enclave organizations offer general and specific solutions to the entire group, while incorporating organizations of enhance group members enabling them to create a better future. Hybrid organizations enhance sustainability skills and advancing core values.
4. Original customers of philanthropic organizations: Cultural enclave organizations address the needs of community members nationally and locally. Incorporating organizations engage with community members, mainly disadvantaged populations and young people. Hybrid organizations target populations consisting of new and potential members of the group members that identify with their causes with specific needs.
5. Interface with the organizations’ communal environment: Prior to the establishment of cultural enclave organizations, charity organizations existed. This corresponds with the claim that philanthropic organizations appear as a rebirth of charity organizations in modern marginal societies (Abrahamson, 2013; Spero, 2014). Incorporating organizations and hybrid had no precedent within the communal environment.
6. Interface with the organizations’ surrounding environment: Cultural enclave organizations have no interaction with surrounding environment organizations. Incorporating and hybrid organizations had interactions with the surrounding environment, both on governmental, quasi-governmental, and municipal levels.

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***Table***

Table 1: Philanthropic organizations’ objectives in marginal groups.

|  |  |  |  |
| --- | --- | --- | --- |
| Types of organization | Cultural enclave organizations | Incorporating organizations | Hybrid organizations |
| Number of interviewees | 13/22 | 6/22 | 3/22 |
| Number of quotations\* | 25 | 21 | 14 |
| Features of philanthropic organizations | | | |
| Motives | Social motives:  Coping with the needs of the group  and with specific needs within the group.  Personal motives:  encountering in person and family heritage. | Social motives:  Nurturing young immigrants to obtain leadership.  Coping with prejudice towards the community.  Personal motives: none. | Social motives:  Providing aid.  Enhancing  Jewish values.  Personal motives: none. |
| Intentions at time of establishing | Providing economic aid and / or cultural solutions.  Personal experience. | Assisting young members of the community.  Coping with cultural and social prejudice. | No parallel body existed. Inspired by the spiritual mentor of the founder. |
| Aims | Providing a social welfare jacket.  Specific issues: health and sexism. | Specific issues:  Empowering the adolescent dropouts and employment of University graduates. | Specific issues:  enhancing sustainability skills and advancing core values of Judaism. |
| Originals customers | Marginal community members – nationwide including  local subgroups. | Marginal community members, mainly  disadvantaged populations, and young people. | New and needy members of the group and potential members outside the group, identifying with its causes. |
| Mapping the organizations’ communal environment. | Charity organizations. | Cultural issues Organizations | Organizations within the community engaged in different subjects. |
| Interface with the organizations’ surrounding environment | No interaction with surrounding environment organizations. | Governmental or quasi-governmental organizations agencies.  Government funding. | Government and municipal funding. |

\*The number of quotations in which this objective appeared in all the interviews. Note that there was some overlapping because some of the quotations were relevant to more than one primary objective.

***Appendix***

Interview information

|  |  |
| --- | --- |
| Date of interview | Number of interviewees |
| December 20, 2020 | 1 |
| January 7, 2021 | 2 |
| January 24, 2021 | 3 |
| January 24, 2021 | 4 |
| February 7, 2021 | 5 |
| February 10, 2021 | 6 |
| February 10, 2021 | 7 |
| February 11, 2021 | 8 |
| February 11, 2021 | 9 |
| February 15, 2021 | 10 |
| February 17, 2021 | 11 |
| February 18, 2021 | 12 |
| February 18, 2021 | 13 |
| February 19, 2021 | 14 |
| February 21, 2021 | 15 |
| February 22, 2021 | 16 |
| February 23, 2021 | 17 |
| February 23, 2021 | 18 |
| February 23, 2021 | 19 |
| February 24, 2021 | 20 |
| February 24, 2021 | 21 |
| February 24, 2021 | 22 |