Cultural orientations driven Ethnic philanthropy:

An Example from an immigrant entrepreneur philanthropy in pre-state Jewish Palestine

**Abstract**

In light of the dominance of socio-economic perspectives non-business phenomena related immigrant entrepreneurship is hardly investigated. Thus, a little research has demonstrated an empirical and conceptual connection between immigrant entrepreneurs and ethnic centric philanthropic activity.

Accordingly, there is a sparse literature in regard to the social effects of philanthropic gift giving activity on ethnic minority communities. Studies on ethnic philanthropy suggest that co-ethnics gain access to social capital through volunteering and ethnic-centric philanthropy of entrepreneurs.

There are opposing arguments in the literature regarding the role of ethnic philanthropy in gaining social capital. On the one hand, ethnic philanthropy intensifies co-ethnic bonding social networks and thus fosters immigrant ethnic identity. On the other hand, ethnic philanthropy strives to accumulate bridging social capital which in turn promotes upward socio-economic mobility of co-ethnics into the mainstream.

Given the contradicting arguments found in the literature regarding the affinity between ethnic philanthropy and social capital, more integrated perspective based on additional diverse case studies is needed. Further, there is scholarly drought regarding the culture and identity process which are involved in an ethnic centric philanthropy of immigrant entrepreneurs.

Based on archival materials and interviews with key informants the article demonstrated an analysis of an ethnic-centric philanthropic initiative of a scholarship fund for Sephardic youth. The scholarship fund was founded and run by a Thessalonian Jewish immigrant, a bank's founder[[1]](#footnote-1), in the pre-state mandatory Jewish Palestine (1938-1945). The Thessalonian Jews were ethnically pertained to the Sephardic[[2]](#footnote-2)-Jewish community.

Compared to the literature on ethnic philanthropic related social capital, the paper demonstrated that the scholarship fund activity expressed two intertwined cultural orientations related ethnic philanthropy: inclusive and exclusion. Cultural orientations in the sense of the intertwined practices, justifications and interests which underlay the philanthropic activity. These two cultural orientations enabled both the bank's founder and the co-ethnic Sephardic Jews simultaneous access to bonding and bridging social networks and resources.

The inclusive driven ethnic philanthropy sought to provide co-ethnics with bridging social capital, and thus to promote upward socio-economic and political mobility of the Sephardic-Jewish community into the pan-Jewish minority community in the pre-state Jewish Palestine. Additionally, the inclusion driven ethnic philanthropy articulates identification with the political elite of the pan-Jewish minority, which the bank's owner and his Thessalonian fellows strive to be associated with. In this sense, the inclusion driven ethnic philanthropy was intended at contributing to the national-Zionist ethos formation.

However, the exclusion driven ethnic philanthropy sought to equip co-ethnics with bonding social capital, and thus to maintain and foster a particular identity and community cohesion of the Sephardic-Jewish immigrants. Thus, the exclusion driven ethnic philanthropy activity also aimed at maintaining and instilling the Sephardic-Jewish longstanding heritage in the following generations.

The cultural orientations of the bank's owner ethnic philanthropy were embedded in the convergence of a long standing tradition of charitable giving rooted in the Thessalonian Jewish community and the emergent Zionist ideology. The intertwined cultural orientations gave birth to a two-faced ethnically based identity in the context of the Jewish nation-building in Palestine - that is, an ethnic-national identity. Specifically, the embedded cultural orientations which undelay the bank's founder ethnic philanthropy contribute to the constitution of a particular Sephardic-Zionist identity.

1. The bank was called Palestine Discount Bank Ltd. at the time of its establishment in 1935. [↑](#footnote-ref-1)
2. The Sephardic-Jews were the descendants of Jews expelled from Spain (“Sepharad” in Hebrew) in 1492, who then resettled around the Mediterranean, in Italy, the Balkans, North Africa, Palestine, etc. The Ladino-speaking Sephardic Jews were culturally and linguistically distinct from their Ashkenazi counterparts, i.e., the mostly Yiddish-speaking Jews of Central and Eastern Europe. [↑](#footnote-ref-2)