Philanthropic Foundations and Government:
Interrelations and Involvement in Social Policymaking in Israel

Michal Almog-Bar, Ester Zychlinski

Center for the Study of Philanthropy in Israel- Hebrew University, Jerusalem, Israel
Ariel University Center, Israel

For the past two decades, and especially since the mid 1990s, Israel, as a welfare state, has undergone continuous and significant change. The welfare state has become more limited and is being reshaped in line with the neo-liberal approach and the Third-Way Concept of developing public policy (Doron, 2007). This change enables – and even encourages – new players to enter the public-policy arena, among them business organizations and third-sector organizations, including philanthropic foundations.

At the same time, since the 1980s, social, political, and ideological processes have brought about the development and strengthening of civil society in Israel. One manifestation of this change is the development of new means and resources for Third-Sector organizations, most notably philanthropic foundations whose activities have greatly expanded (Gidron, Bar, & Katz, 2003).

While the relations between Third Sector organizations and the government received an impressive scholarly attention over the years (Coston, 1998; Najam, 2000; Proulx, Bourque, Savard, 2007; Young, 2000, 2006), the issue of the relations between philanthropic foundation and government has not yet received in Israel and elsewhere much scholarly attention (Eikenberry & Tech, 2006).

Frumkin, (2006) distinguishes between two types of relations between government and philanthropic foundations: reactive relations and proactive relations. The reactive type is based on the actions of the philanthropic foundations as a reaction to government policies or actions. The proactive type is based on the values and perceptions of the donors and on the importance of their autonomy as a base for the definition of their activities, and not as a reaction to actions or lack of actions by government.

To contribute to the knowledge about philanthropic foundations and government relations, the present research sought to examine relations, as they formed in the last decade, between foundations, donors, and philanthropic initiatives on the one hand and the Government of Israel on the other hand. In addition, the research sought to examine the involvement of the foundations and philanthropic initiatives in social policy-making in Israel. The study examined the effects of these relations on the functioning of the foundations and the government in Israel.

The main questions this study sought to examine were:

- What is the government's perception of the role of foundations in social policy making?
- What is the foundations' perception of their role in social policy making?
- What are the strategies and main modes of operation employed by foundations in the policy making process?
- What are the influences of the foundations' activities on social policy making in Israel?
- Bearing in mind these influences and effects, what are the relations between government and foundations?
In order to answer these questions the "Yaniv Initiative" a welfare philanthropic initiative was selected. The "Yaniv Initiative" was launched in 2003 by foundations and philanthropists who joined forces to advance the policy regarding at-risk children and youth in Israel. "Yaniv" asked for the cooperation of the Israeli Government, and committed itself to raise $250 million over five years, with the understanding that the government would match this amount. However, in November 2004, the foundations withdrew, following the government's decision not to recognize "Yaniv" as a national project.

The data in the study was collected using ten semi-structured interviews with people in key positions for determining the "Yaniv Initiative" policy, and using material that documented the process. The data collected was processed using qualitative research methodology.

Data analysis was derived from two main aspects:

- The foundation involvement and impact upon the policy making process.
- The relations between the two sectors.

The study reveals large gaps in the mutual perceptions regarding the roles of foundations and the government, and the legitimacy of their activity in policy-making processes. These gaps raised fears in both parties, and these fears, in turn, created conflicts that halted the process. Regarding the involvement of foundations in policy-making processes, it was revealed that the "Yaniv Initiative" attempted to establish a new form of philanthropic foundations involvement in policy-making, a form different from the standard Israeli pattern. Accordingly, the foundations would be directly involved in the policy-making processes, from the initiative stage and on through to policy formulating, and finally, policy implementation. The government's perception of the roles of foundations as enterprising entities that develop service programs and supply services for the government found it difficult to regard the foundations as legitimate players in formulating policies. The foundations themselves perceived their roles as active partners in formulating policy and directing it, but not determining policies.

The policy-making process was rife with differences of language and culture between the representatives of the foundations and the government. These differences were expressed, on the one hand, in an attempt on the part of the foundations to impose their approaches and their modus operandi, taken from the business world, on governmental processes. On the other hand, the government representatives failed to comprehend the modus operandi and the ways of thinking of the philanthropic foundations.

The study found that the main obstacle to developing partnership between government and philanthropic foundations was the differing ideological perceptions. The government and the philanthropic foundations did not see eye-to-eye when viewing the role of each other in the processes of policy making, and also lacked appreciation as to the functioning of each other.

The formal declarations and ceremonies stood in stark contrast to the actual relationships that formed between the participants. The formal declarations covered up the absence of the real relationship between the foundations and the government.

The research suggests that the main explanation for the difficulties in the work of the foundations in policy-making processes is the conceptual gaps between the foundation's and the government's perceptions in the policy-making processes. Therefore, philanthropic foundations that are interested in advancing national-level policy initiatives must recognize
these conceptual gaps and develop strategies that will enable them to deal with the difficulties these gaps impose.

References:


