

# Intergenerational Transmission of Philanthropic Values Among Wealthy Israeli Families: Research Findings and Insights

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*Interest in studying intergenerational transmission of philanthropic values has increased in recent years. However, the studies on this topic are limited in their scope. The goal of this paper is to expand our knowledge and present evidence from a research study that sheds light on the main themes, difficulties, and dilemmas associated with the process of intergenerational transmission of philanthropic values and behaviors. Before describing the findings of our research which is based on interviews with offspring of philanthropic families, we will present a review of past studies and the current state of knowledge. These studies are important and serve as the basis to the conceptual framework of the current research and to the formulation of the questions explored here.*

**Keywords:** intergenerational transmission, values, family, environment, discourse, anonymity, identity, cultural shock

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Schmid, H. (2022). Intergenerational transmission of philanthropic values among wealthy Israeli families: Research findings and insights. *Philanthropy & Education*, 6(1), 24–43. DOI10.2979/phileduc.6.1.02 • Copyright © Teachers College, Columbia University

## INTRODUCTION—THE CHANGING CONTEXT OF ISRAELI AND AMERICAN JEWISH PHILANTHROPY

**T**he past 30 years have witnessed major changes in traditional giving by wealthy Israeli philanthropists and by American Jews. Philanthropists in this article are defined as those who donate their private money to the public good including social, cultural, educational, religious and other causes to promote the human welfare of those in need. A person or a family who practices philanthropy, mainly contributing money, is defined as a philanthropist. The changes in the Israeli and American Jews' philanthropy are highly connected with the process of inter-generational transmission of philanthropic values which is the main interest of this paper.

Philanthropy is a time-honored value in Israeli society and tradition, and the concept of charity (*tzedakah*) is deeply rooted in the Jewish tradition. Israeli philanthropists are from families and social networks that emphasize ideological, moral, and emotional motives as well as motives aimed at promoting the well-being of disadvantaged populations. Israeli traditional philanthropy is based on the premise of charity, altruism, providing help to others, and contributing to national efforts (Haski-Leventhal & Kabalo, 2009).

The main change in recent years in the Israeli philanthropy is characterized by a shift from the "traditional philanthropy" to the "new philanthropy." Whereas traditional philanthropy was expressive showing empathy and care for others, supporting individuals by writing them a check, the new philanthropy is defined as a rational, strategic, and goal oriented philanthropy which aims to attain return on social investments. Donations are given to targeted and selected areas, such as children at risk, people with disabilities, educational initiatives, to mention few of them, and are derived from the strategic goals of the philanthropists (Shimoni, 2008; Silver, 2008).

Most of the new philanthropists in Israel are business people who made their fortune in the electronic and high-tech industries, and who perceive themselves as social investors in an effort to make a difference in the social, educational, cultural and political arenas. The new philanthropists are more involved in the projects and programs to which they contribute. They are trying to create an impact and implement second-order changes by introducing management techniques adopted from the business sector. New philanthropists demand more transparency and accountability from the beneficiaries based on metrics for assessing the attainment of measurable objectives, which are then a pre-condition for receiving more funds (Maclean et al., 2021).

Giving by American Jews is changing in ways that reflect both generational and political shifts (Freund, 2020; Shaul Bar Nissim, 2017). In the past American Jews mainly donated to communal and regional organizations that aggregated gifts and collectively distributed funds to Israeli nonprofits and causes. In the last decade giving is more fragmented and less centralized, with the development of "friends of" organizations, pass-throughs, and private foundations playing a larger

role. Donors are choosing a wider array of paths, including next generation donors who are keen to promote social justice values and place bigger emphasis in their giving on transparency, measurable impact, and direct contact with beneficiary organizations. The transition from traditionally giving a blank check to Israel to a phase where the donor maintains a strategy of examining and making choices based on their priorities. The younger generation is also prioritizing causes which look to them as more urgent than just giving to Israel. They donate to causes which speak to their values (Freund, 2020).

Wertheimer (2018) in his report on Jewish giving relates to the main shifts in the realm of American Jewish philanthropy; this paragraph summarizes this report. Among these shifts he refers to the fact that the majority of Jewish grants are now directed to non-sectarian causes. New causes have captured the imagination of big givers, while some that previously were widely supported now receive considerable less funding. The big foundations prefer to support what they call engagement activities that bring the least involved Jews to episodic gatherings for a Jewish flavored-engagement in Jewish life. The older generation of Jewish funders donated to universities while nowadays grants are given to strengthen Jewish identity. Foundations became more professional and strategic and are run by strong boards. The second and third generations are reprioritizing, changing from the past commitments of the founders and setting new agendas. American Jewish philanthropy is going through a major shift from “expressive giving” which is designed to show support for a cause or institution to “instrumental giving” which is about achieving a social aim or addressing a systematic problem. The desire of the younger generation is to make a significant impact by forging strategic partnerships. Women have assumed new roles as funders and executives of foundations, in addition to an increase in the number of orthodox donors and the emerging roles of millennials who inherited vast sums of money and assume the responsibility for their parents’ foundations and donor advised funds. There has also been a shift from investment in the physical and material welfare of Jews to funding initiatives aimed at strengthening their identification with Jewish life and engagement with Jewish institutions and community life. Donations are given to new start-ups of all kinds and greater emphasis is given by funders on clear metrics to demonstrate how the programs they are funding are making a difference. Mission-aligned investing is the new trend while financial contributions to a Jewish cause is more common among older Jews from high-income households.

Analyzing the changes in the Israeli philanthropy and American Jewish philanthropy reveals some common shifts in their nature, activities, and structures. The main change relates to the transition from the first generation of founders to the second and third generations who are reprioritizing the aims, areas of interest, and the organizational structure of the entities that the founders established. The shift in structure both in Israeli philanthropy and American Jewish philanthropy from the decades when it was centralized is a process of becoming more decentralized, delegating authority to the professionals, and organizational units that are responsible for implementing the foundations’

policies and decisions (Gersick, 2004; Lungeanu & Ward, 2012). More structured communication patterns have been developed and coordination is done through a team approach. Administrative processes and procedures have been formalized and institutionalized (Nemon et al., 2015). The operations of the foundation are being run by appointed executive directors and controlled by strong boards of directors or trustees who assign the policies of the foundation and assess the performance of the administrative staff (Boesso et al., 2017). In both the U.S. and Israel the new philanthropists come from wealthy families as well as from the high-tech and electronics industries. In both places, a transition from expressive philanthropy to an instrumental, rational, and strategic form of philanthropy which attempts to imprint an impact and attain return on their social investment is taking place (Kania, Kramer, & Russell, 2014; Palus, 2017). In light of these changes the current paper presents and analyzes the intergeneration transmission of philanthropic values among high net-worth families in Israel who donate their money to the public good.

## WHAT HAVE WE LEARNED FROM THE CURRENT RESEARCH?

Intergenerational transmission includes purposeful and explicit as well as unconscious transmission of values, norms, attitudes, and behaviors that are specific to a family or that reflect socio-cultural, religious, and ethnically relevant practices and beliefs from one generation to the next. It can also include the provision of resources and services or assistance by one generation to another (Jorgensen & Salva, 2010). It refers to the transfer of economic or social status from one generation to the next via a variety of means, including inheritance of occupational status, educational attainment, earnings, and wealth (Einolf, 2018).

Intergenerational transmission has been explored on multiple levels, examining the transfer of genetic material, wealth, social status, consumer choices, social behavior, and trauma from older to younger generations (Okumura & Usui, 2015). The phenomenon of intergenerational transmission can refer to behavior patterns and values that are transmitted from one generation to the next. People who have experienced a certain behavior or pattern in their relationships with their parents tend to reconstruct it in their relationships with their own children (Heyman, 2004). The period of childhood largely shapes one's personality, values, and behaviors (Andolina et al., 2003). Childhood shapes one's world view and the way one experiences the world, as well as the way one forms relationships with others and with the surrounding environment. The behavior patterns that a person develops—whether they are considered positive or negative, desirable and acceptable, or undesirable and unacceptable—are often ingrained in one's personality, and it may be difficult to avoid repeating them (Andolina et al., 2003).

Socialization and social learning theories enhance our understanding of intergenerational transmission of pro-social behavior from parents to their children, which has major implications on the children's education (Bandura, 1977; Mustillo, Wilson, & Lynch, 2004). According to these theories, the main factors

that affect intergenerational transmission are the family and the environment in which people live, are educated, and function. Socialization and social learning theories focus on the role of the family in educating their offspring and in instilling pro-social and altruistic values as well as beliefs about socially desirable conduct in their children (Bandura, 1977; Janoski & Wilson, 1995).

According to these theories, parents play a major role in educating and socializing their offspring to adopt norms of behavior and values that characterize their way of life (Adriani & Sonderegger, 2009; Janoski & Wilson, 1995). Parents are perceived as the main agents of socialization and education of their children, a process which involves rational, emotional, and behavioral aspects (Clary & Miller, 1985). Family values and parents' education inspire the empathy, compassion, generosity, forgiveness, and altruism of family members (Shaver et al., 2016). Relationships in the nuclear family are characterized by intimacy and informality. They are built on trust, sensitivity, empathy, and understanding, and the impact of parents is especially critical when their offspring are very young (Grusec & Davidov, 2007, 2010). Parents serve as children's role models (Andolina et al., 2003). Parents who donate money to charitable organizations are likely to have children who also donate to charitable organizations (Bekkers & Wiepking, 2011; Britt, 2016). Parents who are wealthy, generous, and religiously observant have a stronger impact on their children's giving than non-religiously observant parents (Herzog & Mitchell, 2016). Studies also show a connection between parents' volunteering and their children's participation in volunteering (Bekkers, 2007; Mustillo, Wilson, & Lynch, 2004; Quaranta & Dotti-Sani, 2016). The higher the parents' income, the greater the influence they had on their children's volunteering (Deb, Okten, & Osili, 2010). Also, affluent, educated parents tend to have highly educated children who, in turn, are more likely to volunteer (Mustillo, Wilson, & Lynch, 2004). These studies have revealed that people's political attitudes and behavior are largely affected by their parents' political ideology and values. Findings show that individuals whose parents engaged in civic activities such as participating in public protest or submitting a petition to a government agency showed higher levels of civic participation among their offspring (Cicogani et al., 2012; Cornejo et al., 2021; Quintellier & Hooghe, 2018). Specifically, research has found that children of parents who volunteered and children of parents who were more active in voluntary associations have higher levels of education and generalized social trust, stronger altruistic values, feel more responsible for society as a whole, and are more interested in politics (Matthews, Hempel, & Howell, 2010; Osili, Clark, & Bergdoll, 2016).

Family discourse that includes parents and their children exchanging experiences and views also affects intergenerational transmission. Exposing one's offspring to dilemmas that the family deals with strengthens the process of instilling the values and educating the children towards altruistic and pro-social behavior. The impact of parents on their children can be direct and indirect (Bekkers, 2007). Direct impact is reflected in open discussions between parents and their children about the importance and value of giving and volunteering. Indirect impact is

rooted in the unique culture and the family tradition of giving and volunteering. Exposure of the members of the younger generation to social, political, economic, ethical, ideological, and cultural values and norms in the family affects their pro-social behavior (Okumura & Usui, 2015).

In recent years, evidence of the centrality of the grandparents' role in educating their grandchildren and instilling their values has also been discovered (Attar-Schwartz & Buchanan, 2018). Grandparents have been found to be key figures in shaping the identity and personality of their grandchildren, and are sometimes even more influential than parents—particularly in light of changes occurring in many families (Attar-Schwartz, 2015). These changes include increased life expectancy, changes in the traditional family structure, and a high rate of divorce and remarriage among parents, as well as the parents' investment in their professional career which may entail long hours of absence from the home (Attar-Schwartz & Buchanan, 2018). Researchers have also reported that children have a more open relationship with their grandparents, receive more emotional support from their grandparents than they do from their parents, and learn from their grandparents' life experiences (Attar-Schwartz & Buchanan, 2018).

The role of the environment in which wealthy families and their offspring live has also been found as an important factor that affects the younger generation's behavior. Research shows that when children grow up in a social context (including social groups, school, voluntary organizations, and youth movements) that promotes volunteering, they will be more likely to volunteer (Wilson & Musick, 1998). It was also found that youth participation in voluntary and civil society organizations promotes the formation of pro-social values, enhances skills, and creates social bonds with active citizens (Albanesi, Cicognati, & Zani, 2007).

As children grow to adulthood, their parents' impact is reduced and the individual's personality is affected more by other factors in the social, cultural, and educational environment. Formal educational institutions (schools), informal educational institutions (youth movements, volunteer organizations), civil society organizations (advocacy organizations, social change organizations), and the peer group as well as the media, all influence the socialization process (McDougle et al., 2017). Special programs for children and adults which intend to increase awareness of civic activities and social involvement have been implemented in schools and youth movements where children spend a great deal of their time.

Research has also shown that engaging in pro-social behavior as an adolescent and college-aged adult increases the likelihood of financial giving to a nonprofit organization later in life (Drezner, 2010). Students' involvement in a group that encourages forms of philanthropy (monetary, volunteering, service) influences their socialization and ultimately increases their pro-social behaviors. Experience in contributing during school years has a significant positive effect on future giving patterns (Drezner, 2010).

Studies have also revealed that the culture in which children are raised influences the transmission of values that affect pro-social behavior (Binder, 2020). Differences have been found in the behavior of individuals from different

cultures, e.g., cultures that support collectivism and social solidarity and those that advocate individual success and personal achievement (Fletcher et al., 2000). Differences have also been found with regard to the development of children and adolescents in traditional and conservative societies versus those who are raised in societies that adopt liberal and modern behavior patterns (Grusec & Hastings, 2008). Social psychologists contend that pro-social behavior, giving or voluntary actions that are carried out to benefit others, can be learned through direct reinforcement, observation, and discourse.

A summary of the main themes which emerge from existing research shows the impact of two main sources of pro-social behavior among offspring of philanthropic families. The first is the parents' personal attributes and the values they represent, as well as their social status and level of education. Parents were found to be role models for their offspring which, in turn, learn from their parents. The second source is the environment and the community in which they live and gain experience in including both formal and informal organizations (school, voluntary organizations, youth movements, community service organizations). These, in turn, have an impact and may instill pro-social values and shape the behavior of offspring with regard to volunteering and giving for the benefit of the collective. Both of these settings—the family and the environment—complement each other, although the family's impact was found to be stronger than the environment's impact on the pro-social behavior of offspring (Andolina et al., 2003).

Based on the state of current knowledge, I sought to examine the following questions:

1. To what extent do family values, level of education, and a tradition of giving affect the philanthropic behavior of the children when they reach adulthood?
2. To what extent do environmental factors such as social, political, cultural, religious, and other factors affect their philanthropic behavior?
3. To what extent does family discourse on giving and volunteering have an impact on intergenerational transmission?
4. To what extent are the parents' and their offspring's motives for giving similar or different?
5. To what extent does intergenerational transmission shape the philanthropic identity of the offspring?

## METHODOLOGY

To respond to these questions, we conducted interviews using semi-structured questionnaires with 43 Israelis who were defined as philanthropists, the first-generation offspring of wealthy families who traditionally donate money to public causes. They represented 43 families, one interviewee for each family. The gender breakdown was 56% men and 44% women; ages 40–60

years; 84% of them defined themselves as secular and 16% as religious Jews. Arab philanthropists were not included in the research population because of lack of access to their information. All participants held academic degrees. The interviewees were second and third generation in their families regarding significant philanthropic giving to social, educational, health, religious, and cultural purposes. Most of the participants were involved in the family businesses and active in the family foundation's decisions and operations, donating money to social, educational, cultural, and other initiatives. A few of them worked in different jobs, such as lecturing in colleges or working for a local authority. Yet, they are members of the board of trustees of the family foundation. Some of them have been involved in the family foundation for many years while others for only 6–8 years. No formal information was found regarding the extent of their giving. Informal data is published from time to time about the extent of giving of the family's foundation but not specifically related to the offspring's giving.

The interviews were conducted in 2018 and the data were analyzed in 2019–2020. The interviewees collaborated graciously with the interviewers and the interview itself lasted between 90 minutes and four hours although it was planned and scheduled for an hour. The analysis itself was carried on the basis of qualitative thematic content analysis, which was used to identify key issues and arguments that emerged in the interviews.

## FINDINGS

### The Younger Generation's Perceptions of their Parents' Philanthropic Activity

One main finding was that the parents' generation influenced the adoption of the values of giving by their children. The personal attributes and personality of grandfathers and fathers were especially notable, as most of the interviewees reported that their grandfather and father were significant role models for them influencing their pro-social behavior. The grandfather was portrayed as a generous person who was in charge of the family's business and giving. "He always seemed to me as one who made the decisions in the family," said one of the interviewees and "always used to write checks to those who turned to him with a request without carefully examining the recipient's needs." The grandfathers' and fathers' behavior tended to be described as patronizing. "My father dealt with the system, with organization and instrumentalism. He was goal oriented and focused on improving society as well as giving back to society and the country. He dealt with the big things."

In contrast, the grandmothers and mothers were depicted as fulfilling an emotional role, as being empathetic, and as sympathizing with disadvantaged and needy people. "My mother was emotional," as one of the interviewees said and another one added "my father always said that he learned about the need to give from my mother . . . My mother gave. She was the most influential."



Some differences were found between the perceptions of male and female offspring regarding their parents' philanthropic activity. The women interviewed reported that their parents and grandparents engaged in a higher level of philanthropic activity than what the men reported. In addition, the women reported that their parents and grandparents had a greater impact on their willingness to give than did the men—even though the men reported a higher level of participation in family decision making regarding different areas of giving.

### The Family's Culture of Giving

An important finding for understanding the process of intergenerational transmission of philanthropic values is closely related to the family's culture of giving. The interviewees' statements indicated that in their families, a culture of giving was perceived as ingrained in the parents' and grandparents' generation. The interviewees stated that giving time and money was part of the family's culture. As one interviewee indicated:

I feel that giving is ingrained in me . . . it's part of my DNA, it's a tradition that became part of my DNA.

In this context, another interviewee stated:

I can say that you live in a family that behaves like this until at some point you realize it's called philanthropy.

Another interviewee mentioned:

We never talked. It was all in the atmosphere . . . of course, values and ethics . . . We didn't talk about philanthropy. It was a way of life.

And then there was an interviewee who said:

It has always been a part of my family. I think it was something that was built into our life style. My family has always been giving, and it's something inheritable that we've always done. The family mentality of giving to others is based on the family's life and on universal values such as empathy, respect for others, understanding and honoring others, volunteering, doing good, love, appreciation, and helping others.

### The Impact of Family Discourse on Giving Among their Offspring

We explored the level of discourse in both the nuclear family and the extended family about the significance of giving and volunteering. The main findings revealed a low level of discourse. Most interviewees indicated that they had not witnessed their parents engaging in discourse on philanthropy, nor had they engaged in discourse on philanthropy and volunteering with their own partners or with their children. One of the interviewees stated:

My father once told me that when he married my mother they agreed: "You don't intervene in my affairs and I don't intervene in household affairs. So I don't believe they had any discussions about philanthropy."

The interviewees also did not recall this kind of discourse during extended family get-togethers and events, or during weekend gatherings and special events. One of the interviewees stated:

I think it [philanthropy] should come from actions and not from discussions.

Another interviewee said:

It's hard for me to say that I remember any discussions about philanthropy.

### The Impact of the Environment on the Younger Generations' Philanthropic Giving

The interviewees' statements indicated that they perceived their social and educational environment as having had limited impact on giving, volunteering, and activities on behalf of society and the public. This was true regarding the formal education system (school), informal education (youth movements), and nonprofit organizations (volunteer organizations).

According to the interviewees, the impact of these systems on philanthropic-altruistic behavior was perceived as minimal or nonexistent. The interviewees reported that there were hardly any programs in the school system or in the informal organizations as community centers or youth movement that emphasized the importance of contributing to others. In addition, they did not recall any serious discourse about the importance of giving and participating in social initiatives. As one of the interviewees stated:

There was no discourse about philanthropy. It was a topic that we concealed and didn't talk about with friends, in the youth movement, or at school. There was no attempt to educate for philanthropy.

And others added:

"We don't remember any specific program in my class that mentioned the importance of giving to others."

### Motives, Areas, and Channels of Giving

Analysis of the interviews with the offspring clearly showed that their main motives for giving were consistent with those of their parents. For the most part, these were social motives such as giving back to society, helping needy and disadvantaged people, people with disabilities, children and youth at risk, educational initiatives, art and culture, and sports. Intrinsic rewards were also found to be important motives for both the parents and their offspring (as reported by them), reflected in feelings of satisfaction derived from giving and helping others as one of the offspring stated, "I'm more rewarded than the recipient." The less important motives reported by both parents and their offspring were: business motives aimed at increasing the family's business and profits, tax considerations, social status, and a critical family event (such as death or illness of a family member). "My aim is to support people in need that the government isn't responding to their needs.

Tax consideration is important but it is not my prime incentive to contribute to the promotion of the individuals' well-being where the government fails to do so," stated more than one of the interviewees.

In addition, it was found in this study that most of the interviewees chose to donate to similar areas as their parents (welfare and educational causes) as well as using the same channels of giving (direct giving to nonprofit organizations, establishing a family foundation). "I have to rethink and reassess the aims and goals of the family's foundation before I make any decisions about my priorities and preferences," said one of the offspring that became involved in their family business and philanthropic initiatives. Others stated that "this is the legacy of my parents and their commitment to people in need and in this stage of my life I don't want to make any change."

### Concealment, Hiding, and Anonymity in the Behavior of the Younger Generation

Almost all of the interviewees indicated that they advocated action far from the public eye, downplaying the family's capital and property, and concealing and camouflaging their wealth to the extent possible. Examples of this behavior included stories from their childhood about avoidance of extravagant and extroverted activity that is ostentatious and incurs public anger (preventing children from taking too many trips abroad, rolling up a rug and hiding it from visitors, not having a television or hiding it from visitors, avoidance of flying business or first class, educating the children not to behave ostentatiously or stand out too much). Most of the interviewees believed that things done far from the public eye are blessed, and for that reason they avoided overt publicity. For example, this behavior is described well by a member of the second generation:

I think that in a certain sense I was embarrassed by the money, by the bourgeois status that I knew I had. There was a Persian rug we got for our wedding, which was rolled up under the cupboard so that people wouldn't see it. Who needs a rug?

In this context, another second generation member stated:

Of my friends, I was the only one who traveled abroad the least until I was 18. We were the last family to bring home a color television and all kinds of bourgeois symbols . . . I avoided buying a large luxury car.

There were other indications of maintaining anonymity and concealing that they belong to wealthy families such as:

When I was studying for my BA degree, I didn't tell anyone [about belonging to a philanthropic family]. No one knew. It was really fun—I was anonymous. The minute I mention that I come from a wealthy philanthropic family it arouses all of the stereotypes you have to deal with. If no one knows you, they don't approach you.

Another interviewee said:

I was in a youth movement. I felt embarrassed by my capitalist parents. My friends didn't know anything; people didn't know that I'm connected to a wealthy family. We operate under water. We're outside of the radar. I'm really not into exposing things to others.

In this context, there were two more examples that support our findings as reported here. The first example related to a second-generation member of a wealthy philanthropic family. In his everyday life, he was employed as a social worker at one of the social services. At that time, he was also on the board of a family foundation that met periodically in London. At the end of his work week, he would fly to board meetings in London, and on Sundays he would return to work as usual. None of his colleagues knew that he was a philanthropist who continued this role in his family tradition.

The second example related to a woman who concealed that she was from a wealthy family with a long tradition of giving. Her private chauffeur would drive her to youth group meetings, but she would ask to be dropped off several blocks away in order to conceal the fact that she was driven in the family car when others had used public transportation.

### The Younger Generation's Philanthropic Identity

The findings of the current study clearly show the difficulties that the younger generation had in shaping and crystallizing their personal philanthropic identity. They describe how their limited exposure to the family's philanthropy made it harder for them to identify themselves as philanthropists or to identify their vision and sense of mission as such. "The lack of family discourse on philanthropy and giving did not expose me to the meaning and impact philanthropy has," stated one of the interviewees.

The majority of the interviewees avoided defining themselves as philanthropists. Although they were consistent with their parents' motives for giving and preferred areas of giving, they did not identify in this stage of their life as philanthropists as one of them said "I even don't understand the meaning of being a philanthropist." "I invest my money in social and educational initiatives and programs but don't see my donations as a philanthropic act," said another interviewee. Another one added "I even don't understand fully the meaning of the term philanthropy although I'm a member of a wealthy family." On the other hand there were those who considered their philanthropy as a type of voluntarism, where they worked with special populations or initiated new services and educational programs. "In my role as a faculty member in the college I contributed anonymously to scholarships and grants given to students that cannot afford the high tuition. No one of the students and the faculty members knew about my contribution," one of the interviewees who was a senior faculty member told us. Others presented themselves as teachers,

social workers (see examples above), lawyers, and other positions except for presenting themselves as philanthropists. Most of them hid their connection to a wealthy philanthropic family.

### The Younger Generation's Personal and Cultural Shock

Our interviewees perceived their entry into the world of philanthropy as both a personal and a cultural shock. One of the interviewees expressed this as, "I was not prepared to get into my family's businesses." All of the interviewees described how confused they felt when they were encouraged by the family to join the realm of philanthropy and assume shared responsibility for the complexities involved in running the family's foundation. "I was never involved in the family's businesses," said one of the interviewees. Another stated, "No one invited us to the family foundation meetings." And, "I've never been a part of the decision making process in the family's philanthropy," added another one. These offspring expressed the heavy burden they felt when they were asked to be involved in the management of the family's foundation. "I was not aware of the family foundation's policies and was not prepared for the role the family asked me to fulfill," was a statement that was heard from many of the interviewees. They felt ambivalent about their family's philanthropic enterprise, which simultaneously attracted and repelled them from being involved in the family's decisions about donating money to different causes. Some of them reported that in the initial stage of their new role they were confused, and they sought help and support from other family members. "I needed the good advice from other family members who already had some experience in the family foundation," said an interviewee. Some of them even postponed their decision to enter the family's philanthropy and waited until they felt mature and better prepared to assume responsibility. "I agreed to join the meetings of the board when I felt more comfortable and prepared to be a member of such an important and prestigious organ of the family's foundation," admitted one of the interviewees.

However, they found that being a part of a wealthy family gave them economic and financial security, being independent from others due to the capital the family has. "I don't worry about my future since I'm a member of a wealthy and rich family," declared many of the interviewees. Being independent enabled them to live a more comfortable lifestyle and enjoy personal comfort. "No doubt that having a capital enables me flexibility in making choices regarding my private life and as a member of a wealthy family," said one of the interviewees.

### DISCUSSION

As described above in the literature review, studies have shown that intergenerational transmission is expressed by the transmitting, instilling, and educating the second and third generation of families to adopt pro-social behavior. Various factors affect this behavior. There are those who argue that the nuclear family has the strongest impact on their children. In contrast, others have argued that the

environment, including formal and informal institutions, is a major source of education and has an impact on the pro-social and altruistic behavior of individuals. According to this perspective, individuals are a reflection of their environment, and their interaction with their environment affects their values, attitudes, and behaviors. The findings of our study provide clear evidence that offspring from high-net-worth families perceived their parents and grandparents as having the strongest impact on shaping their pro-social and philanthropic behavior. They portrayed their grandparents as very influential role models, as is consistent with the results of studies that highlight grandparents' impact on their grandchildren's lives (Attar-Schwartz & Buchanan, 2018).

The family's distinctive culture and climate of giving was perceived by the offspring as one of the main factors that influenced their pro-social behavior. Although the discourse in the family on philanthropy was limited in its scope, the offspring experienced the spirit and the tradition of the family's giving, which had a major influence on them. The climate of giving and being supportive and empathetic to others which they described as expressed in the mothers' behavior made a strong impression on the offspring, although they were not involved in the family businesses. "It was there, you could feel it in the air and you cannot ignore it" as one of the offspring expressed. There was no need to talk about it because giving was a dominant value in the family. One can learn more from the parents' actions and activities than one can learn from talking about giving. That is, actions spoke louder than words. In this context, one of the interviewees said, "When my father talks about giving I don't understand him very well. When he takes actions (makes donations), I understand him well."

Although the family's climate of giving made a strong impression on the offspring, the findings of the study indicate that their identity as philanthropists was not so clear to them. This, at least in the first steps they took towards joining the family's philanthropic activities. Based on the interviews, the offspring were not involved in the family's foundation decisions and did not perceive themselves as philanthropists. They felt that their philanthropic identity was not shaped or crystalized enough to allow them to define themselves as philanthropists, at least in the first steps they made in inheriting some share of the family's capital. In addition, the fact that the offspring concealed themselves from the public eye indicates that on the one hand they were to some extent modest but on the other hand they were not ready to expose their capital to the public since they expected this would cause individuals and nonprofit organizations to apply to them asking for grants and financial support. Moreover, studies have shown that the public in Israel is alienated from wealthy families who are in the business of philanthropy. The public generally refers to their contributions as political acts that are intended to promote their interests, attain governmental support, and gain some concessions (Schmid, 2008; *Committed to Give*, 2017). This might also contribute to the reason why the offspring of wealthy families avoid exposing themselves to the public.

The lack of a clear understanding of the offspring's identity resulted at least in two major phenomena. The first one is that they continue in the first stages of their philanthropic activities to employ the same techniques and venues of giving as their parents and grandparents (direct giving, giving through the family foundation). In addition, their motives for giving and areas of giving were reported as similar to those of their parents and grandparents. These were social motives and the motive of giving back to society, as well as the intrinsic motive of deriving satisfaction from giving and helping others. The findings also show that the offspring attributed less importance to business motives and tax considerations. This is consistent with the results of other studies, which have shown that tax considerations are not among the important motives that encourage wealthy philanthropists to make contributions (Benshalom, 2008). The younger generation also continued to donate to nearly the same areas as their parents without making any major changes in the foundation's priorities. They kept the family's tradition and commitment to the traditional long-standing beneficiaries. Secondly, the offspring felt a heavy burden while entering the institutions of the family's foundation. They did not feel well prepared, educated, oriented, or socialized to take over responsibilities of the foundation's operations. One reason for that is the dominance of the grandfather and father in making decisions and running the foundation's operations. As founders of the foundation they concentrated most of the authority and exhibited a one man/woman show and hardly shared the process with others, namely the younger generation. The second reason is rooted in the younger generation's ambivalent behavior and hesitation to take over responsibilities because they felt some kind of a heavy burden, feeling that they did not have the experience and skills to assume responsibility and jump into the family's foundation. It appeared to them a too-big assignment that they were not trained or prepared to cope with. These findings are crucial in the process of transmitting philanthropic values and responsibilities to the offspring and emphasize the need to prepare the parents on the one hand and the offspring on the other hand for a gradual takeover of the authority and responsibilities to continue the family's tradition of giving. Although Israeli philanthropy has been changing in the last decades, as described above, moving from the "traditional" one to the "new" one and witnessing the entry of younger wealthy people who made their fortune in the high-tech and electronic industries, and who perceived themselves as social investors, the offspring of wealthy families in this study did not feel confident in their identity as philanthropists or social investors.

The second major factor that has the potential to influence the pro-social behavior of offspring is the environment where they live and function. In this context, the findings of our study clearly revealed that the impact of environmental factors on the philanthropic behavior of offspring were important, but not as important as that of the family. Education for giving and adoption of philanthropic values in formal educational institutions (schools) or informal educational institutions (youth movements) and nonprofit organizations (volunteer

organizations) was perceived as having had a relatively low impact on the younger generation.

Youth movements were experienced by the interviewees largely as “babysitters.” This perception was reported, despite the fact that youth movements in Israel, a well known and widespread part of youth activity in the country, are defined as informal educational organizations that enhance and promote social and national values. Youth movements educate their participants to identify with the declared ideology and democratic values of the country, to honor and appreciate human rights, different cultures, and religions as well as the opinions of the other. Youth movements encourage the youth to contribute to the community, empowering and encouraging them to volunteer to the community and national efforts and initiatives. Fifty percent of youth participants in Israel belong to high social economic status, thirty percent are from the medium level, and twenty percent from the lower class. Despite these important activities, the offspring in our study did not perceive their unique added value to strengthening their pro-social behavior. In addition, many of the activities of school programs, such as the “social commitment” program where youth are required to volunteer for the benefit of special populations, were perceived as having a limited impact on their pro-social behavior. This finding has major implications to the role of these institutions in socializing the youth to adopt pro-social behavior which unfortunately seem to not be effective enough in this sense.

In conclusion, not many studies have dealt with intergenerational transmission of philanthropic values and behavior. The findings of this research add knowledge and insights about major issues involved in the process of intergenerational transmission and education of offspring for pro-social behavior. The findings suggest that the family has a stronger impact than the environment on their offspring’s philanthropic behavior. As to the influence of the environmental institutions, more attention should be given to their influence on the pro-social behavior of children and youth since these organizations are potentially important factors in shaping the pro-social behavior of children and youth. However the offspring in our study reported low levels of influence by these organizations.

In addition, following the findings of the study which indicated the apprehension of the younger generation to assume leadership responsibilities in their family foundation, it seems that there is a strong need to pay more attention to preparation, socialization, and orientation of the offspring to prepare them to take over authority and responsibilities when joining the family foundation and its governance bodies (such as the board of directors or board of trustees). Grandparents and parents should expose their children to the complexities of the foundation. At the same time they should gradually transfer responsibilities to their offspring in decision making and setting priorities for the family’s foundation initiatives and contributions, thus allowing them to ease in to leadership. Allowing them to decide on new venues and strategies for the family foundation is a step towards transferring the authority to the next generation. It is not self-evident that being



raised in a wealthy family prepares one to continue the tradition of giving and charity. The younger generation family members found themselves faced with new situations and problems that they were not familiar with or prepared for, because they had not previously been involved enough in the family's philanthropic activities.

In the same vein, it can be argued that the founding generation also needs to be prepared for the intergenerational transition. We often witnessed the difficulty that founders have with enabling the next generation to take their position. Many of the founders have not changed their ways of running the philanthropic initiatives, which may have been appropriate for the initial stages of the family's philanthropic enterprise, but have not been adjusted to the new needs rising during later stages of the foundation's life cycle. The founding generation should be aware of these changes, and of the need to adjust themselves to the changing environments, partly by sharing responsibilities with their offspring.

Future studies on the intergenerational transmission of philanthropic values should explore these issues further. The question that should be asked is what should be done to prepare the younger generation for their role as philanthropists who are looking for new venues and opportunities while balancing loyalty to the family's values and traditions. Also, future studies should explore the differences in attitude of wealthy families' offspring towards intergenerational transmission. Interviewing more adult children from these families can provide us a broader and more comprehensive perspective on the processes discussed in this paper.

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