



# Philanthropy and Civil Society in the Arab Community

**Motives • Characteristics • Challenges** 

**Information Paper** 

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# Qudra ("Capability" in Arabic)

The Arab Philanthropists Network was founded by a group of prominent philanthropic businessmen and women in Arab community to develop strategically focused professional philanthropy in the Arab community. The network's six founders, Walid Afifi, Aref Bashir, Rani Haj-Yahia, Reem Younis, Emad Younis, and Ibrahim Nasasra, recognized the power of connections, shared learning, and collaborations to bring about significant results in this field, as well as the responsibility they have in creating a community that shows mutual commitment and social cohesion through strategic and informed giving.

The idea underlying the establishment of Qudra is that **the existence of the network and its extensive activity leads to an increase in the scope of donations and their influence** in the face of the many different needs of the Arab community. The Network increases the sense of belonging and social cohesion of its members, who constitute today a groundbreaking group.

The network is a learning and teaching organization that promotes the field of Arab philanthropy through two focus activities: 1) Member engagement – networking and creating connections between donors while supporting the network members by sharing knowledge and providing advice and guidance for meaningful and strategic giving; 2) Knowledge and cooperation – producing new information on Arab philanthropy and developing professional work processes with nonprofit organizations and supported bodies, in cooperation with private, official, and local entities and institutions, and with other organizations in the local and international philanthropic eco-system.

Qudra is part of the Arab civil society. However, it recognizes its special responsibility and role in promoting other organizations of Arab civil society. The multi-sectoral approach underlying the establishment of the network has led business leaders to turn their attention to the third sector and promote a fruitful and profitable dialogue with the public sector. This approach is reflected in the recent active participation of the network with several initiatives that convenes government ministries, foundations, and civil society organizations, to promote the infrastructure of Arab civil society organizations, especially those that provide services, and their optimal connection to both donations and state funds.

Qudra is a unique and groundbreaking initiative in which prominent leaders in the business sector in the Arab community mobilize to harness their economic and business abilities, accumulated knowledge, and network of connections, to have an informed and strategic impact on the Arab community's situation; A community suffering from high poverty rates, exclusion, lack of opportunities for social and economic mobility, and other essential challenges.

Currently, the network has 31 Arab members, men and women. Ahmad Muhana serves as the network's executive director, he is a social activist and expert in social leadership development, community volunteering and giving. Muhana holds a B.A. in law and business administration and an M.A. in nonprofit management.





# The Aim of This Paper



This paper is produced as part of Qudra's comprehensive work plan to produce and increase access to information that Qudra has written in light of its activities as an organization representing an emerging influential sector. Two years since the establishment of Qudra - Arab Philanthropists network, new and up-to-date knowledge has emerged about giving in the Arab community and about Arab civil society. This new information can be used by philanthropists - whether local or international entities - government ministries, local authorities, and civil society organizations, in order to learn about the unique philanthropic and social needs of Arab civil society. It is Qudra's hope that this information will open the door to an in-depth and evolving conversation in which the voices of the network members will have a significant weight on the development of appropriate solutions to the complex problems facing the Arab community. The fruits of knowledge accumulated from Qudra's network, and its partners are transferred as gifts from the network members to the field of strategic giving and presented as an invitation to discuss these insights with individuals or institutions concerned with the development of Arab civil society and the civil society in Israel as a whole.

This paper is the first public product produced by the organization. It includes preliminary information on the two core topics its members are interested in: Arab philanthropy and Arab civil society in Israel.



# 1 || Arab Philanthropy in Israel

The field of institutionalized and strategic philanthropy in the Arab community in Israel is only in its infancy; consequently, there is very little information and official data about it. Meanwhile, traditional social giving in the Arab community – for religious and other reasons– is not new and has deep communal roots. Therefore, as part of constructing the field, Qudra began collecting the existing written sources in parallel with its efforts to develop new areas of knowledge.

#### a. Motives of Giving in the Arab Community



Within the Arab community, one of the significant motives for philanthropy and giving is religious. Studies show that in Israel, the rate of charity increases as the level of religiosity increases. Among Arabs (Christians and Muslims), there was a higher rate of charity among the very religious compared to others. According to Islam, which is the religion of the vast majority of Arabs in Israel (82.9%)², charity ("Zakat") is a religious duty and one of the five fundamental pillars of religion. According to the Quran, every Muslim must give Zakat – a mandatory charity – once a year. The Quran emphasizes the importance of this fundamental commandment in creating solidarity between the rich and poor and elevating the person who spends most of his life in material matters, to a higher spiritual level. The fulfillment of the charity duty guarantees prosperity and wealth.

Christianity also encourages believers to pursue charity as an essential pillar of Christian worship. The New Testament promotes voluntary charity and shows the benefits thereof to the recipient and the giver. According to the Christian Scriptures, giving charity with the correct motive is required if one wants his/her prayer to be acceptable by God, who values those who generously help the needy and considers himself indebted to them. According to this belief, the New Testament teaches that God rewards the giver.

In the current period, the religious imperative for giving charity is typically seen as a **one-time mobilization** to help a person or group in distress. This pattern of behavior is usually organized by various charitable organizations, which operate within the framework of religious movements. However, according to the findings of a new study that examines how religious concepts are expressed in the Arab philanthropy that has emerged in Israel in recent years,<sup>3</sup> the gradual development of structured and institutionalized giving can be seen among people in business and wealthy families in the Arab community, some of whom attribute their institutionalized philanthropy to religious imperative.

האוברסיטה העברית בירושכים. 2 חדאד חאג' יחיא, נ' ח'לאילה, מ' רודניצקי, א' ופרג'ון, ב' (2021). שנתון החברה הערבית בישראל. המשרד לשוויון חברתי, המרכז הישראלי לבאודרגיים

<sup>3</sup> מוהנא, א', קמר, נ' (2002). כיצד תפיסות דתיות באות לידי ביטוי בפילנתרופיה הערבית בישראל, בית הספר לעבודה סוציאלית ולרווחה חברתית, האוניברסיטה הערבית (טרם פורסם).





The Arab community in Israel is a minority (about 21% of the population). Hence, it has unique characteristics. Most members of the Arab sector in Israel live in peripheral Arab localities ranked in socioeconomically low clusters.<sup>4</sup> The Arab minority suffers from inequality and large gaps relative to the Jewish community, with regard to employment, education, housing, and infrastructure, which create significant gaps in opportunities, poverty, and quality of life.5 These gaps stem in part from inherent inequality in government funding and therefore create a space that encourages community giving, volunteering, civil society action, and philanthropic organizations that strive to increase equality and develop society. Indeed, it appears that the motive for many of the new Arab philanthropists' actions aims at advancing the Arab community in Israel, and developing its education, employment opportunities, etc.<sup>7</sup>

In addition to the large gaps that provoke action, a significant trend observed during the past two decades has been the formation of a growing and increasingly more vital Arab middle class8 that includes successful businessmen and women. Although historically, Arab community in Israel is traditional and locally focused, it is also open to global and Western influences. These influences have accelerated the formation of a new generation of Arab businesspeople involved in the Israeli and global economy. They are also affected by an evolving dialogue with Jewish philanthropy in Israel and worldwide. Among the members of this group, there is increased awareness of their ability to mobilize institutionalized and strategic philanthropy to leverage their economic and business capabilities to promote social change. Thus, a more institutionalized and strategic philanthropic giving of Arab people in business has begun to emerge, a trend that started even before the establishment of Qudra and has intensified dramatically since its inception.



In addition to the development of the Arab community and the fulfillment of the charity duty to the needy, the study also revealed9 clear advantages to philanthropy for the philanthropists themselves. From a mental perspective, philanthropy grants donors a sense of satisfaction, and provides them with an additional avenue of self-realization. Philanthropy also reinforces the donors' sense of belonging to the society in which they live and to which they donate. This is an essential aspect for successful businessmen and women who come from and live within a disempowered community.

<sup>4</sup> חדאד חאג' יחיא, נ. (2017). החברה הערבית בישראל תמונת מצב חברתית-כלכלית ומבט לעתיד. המשרד לשוויון חברתי, המכון הישראלי

**<sup>5</sup>** אשקר, א' ואלמוג-בר, מ' (2022). נתינה בקרב מיעוט בעת משבר: תרומה והתנדבות בחברה הערבית בישראל במשבר הקורונה. המכון לחקר החברה האזרחית והפילנתרופיה בישראל.

Andreoni, J., Payne, A. A., Smith, J., & Karp, D. (2016). Diversity and donations: The effect of religious and ethnic diversity on charitable giving. Journal of Economic Behavior & Organization, 128, 47-58.

**<sup>7</sup>** מוהנא, א. וקמר נ. (2022).



#### b. Characteristics of Arab Philanthropy

As noted, strategic giving in the Arab community is still in its infancy and is exceptional. Still, the roots of Arab philanthropy are deeply embedded in the values of community, religion, and tradition. Therefore, philanthropy in the Arab community has **combined characteristics of traditional and strategic giving:** traditional giving is the act of giving between a person and his counterpart whose purpose is to help a person or a family in distress, usually on a one-time or occasional basis. This charity is typically undocumented and unreported and does not pretend to meet performance indicators or generate long-term social change. On the other hand, <u>strategic giving</u> is usually organizational and long-term, in which the donor contributes to an organization that promotes a social goal that the donor identifies with, which aims to bring about change while defining goals, and examining the charity's effectiveness, based on collaborations among donors, or between donors and other institutions.

## **Local Contribution**

The Arab community is characterized by locality, which is significant for the individual's sense of identity and social perceptions. For the most part, although recent changes have been noticeable in this regard, Arab citizens of Israel have lived all their lives in the same locality (or in that of their spouse) and within the same community that constitutes a secondary point of reference after their family affiliation. This characteristic also naturally affects traditional and strategic charity; hence the charity is often primarily invested in developing the community in which the donor lives and supporting the organizations that operate there. Donors are interested in seeing positive results of their donations in a relatively short term. Finally, they wish to donate to those who can be trusted to use the money for good purposes, and this is easier to do with people who are known to them.

## **Contributions in times of crisis**

Donations in times of crisis are prevalent in the Arab community and are more common than organizational-strategic giving, both in scope and objectives. These donations are driven by social initiatives, usually organized by associations and religious movements, to address social needs in times of crisis. Arab donors, who usually see themselves as an integral part of the Palestinian people and the Arab nation, often choose to express their solidarity with their people and their nation through charity in times of crisis, such as helping Syrian refugees or mobilizing on behalf of the residents of Gaza, as well as, for example, massive mobilization to support the weak and needy in Arab society during the Covid-19 pandemic.



## Intergenerational transfer

The new philanthropists in the Arab community who run their charities in rational, balanced ways, with professionally determined goals for donations and interested in measurable achievements, see themselves as following in the footsteps of their parents and grandparents.<sup>12</sup> As the first generation of strategic donors, continuity means that their charity fulfills human or traditional values that they absorbed from their family members in childhood.

## **Areas of giving**

Education within the Arab community is the main area of giving to which the new philanthropists contribute. The Arab minority perceives education as the most effective tool for social mobility and developing competence in society. Another accepted area of giving is religious institutions, and many of the donations in Arab society are intended to support mosques and churches. Arab philanthropy is sensitive to the hardships of the near Arab world and supports regions such as the West Bank and Gaza and other issues such as the Syrian refugees.

## A limited field that is at its beginning

Despite considerable achievements in recent years, organized Arab philanthropy is still young, its scope of giving is modest (especially in relation to the scope of giving by Jewish philanthropists in Israel and around the world), and it is still forging its path and learning the desired modes of action that express its unique identity. The creation of Qudra is one of the products of this search.



#### c. Challenges Facing Arab Philanthropy

Qudra Network was established to recognize the significant challenges facing Arab philanthropy in Israel since philanthropy as a tool for social change is a field with many challenges, even more so, the philanthropy of a minority group. Apart from the inherent difficulties of the field, such as power relations, dependencies, legitimacy, responsibility, and transparency, the experience of the Qudra network shows that organized Arab philanthropy also faces unique challenges:



#### **Proportions and Power**

The great challenge for Arab philanthropy is that it deals with inverse systems of power relations. On the one hand, Arab philanthropy was created within the disempowered Arab society, and it must act on its behalf. However, society's needs and challenges are enormous compared to the economic capabilities of Arab donors, which sometimes creates excessive expectations. On the other hand, in the philanthropic field, Jewish donors in Israel and around the world also have huge expectations of Arab philanthropy that are disproportionate to the scope of its donations, which are significantly smaller. The added value of the Qudra network is its aspiration to harness the great interest that Arab donors in the network generate for local and international philanthropy to harness additional and new donors to the advancement of Arab society, regardless of the significant challenges lying ahead.



## Learning on the go

Because of the nature of organized Arab philanthropy as an emerging field, there is minimal experience in the field that be garnered for learning, especially when compared to the rich and well-documented history of Jewish and American Jewish philanthropy. Arab philanthropy learns from the experience of Jewish and other philanthropists in Israel and worldwide. Nevertheless, the needs it faces are unique in terms of being philanthropy of an Arab minority in a Jewish state and all the complexity that this entails, and in terms of its growth from a poor and disempowered society. Therefore, Arab philanthropy is a pioneer in the field and needs to learn on the go.



## **Building partnerships and trust**

Organized philanthropy aspires to have deep ties with the society in which it was created and for which it operates, and with relevant partners and stakeholders. Therefore, Arab philanthropy faces a significant challenge: dealing with the suspicion that arises from Arab society about the motives and legitimacy of Arab donors. At the same time, Arab society is a minority that suffers from inherent inequality and exclusion from most power centers in Israel. Moreover, it has a complex relationship with the government, characterized by mutual distrust. This challenge



poses two main tasks to Arab philanthropy: First, it must create a proper working relationship based on mutual trust with various actors (government ministries, business entities, local authorities, etc.). Second, it must find its place in contributing towards closing the gaps created by the neglect and the longstanding discrimination by the state.



### The weakness of Arab civil society

Civil society organizations are a significant lever of change in society in general and especially among minority groups. However, for various reasons, this social lever is not fully realized within the Arab community in favor of promoting socioeconomic goals (see the next section). Arab civil society organizations are few, weak, small, and local compared to Jewish society. Currently, Arab philanthropy is invested in organizations that promote the Arab community, i.e., Arab civil society organizations and/or joint national organizations. Therefore, the weakness of these organizations affects the ability of philanthropy to lead the changes that it wishes to promote. Qudra Network leverages its ties with Jewish philanthropy in Israel and abroad and with relevant government ministries to advance plans for developing Arab civil society.



# Promoting active volunteerism by donors and influential individuals in Arab society by serving on boards of directors of national and local organizations

Philanthropy maximizes the impact it seeks to achieve because of its connections in the boards of directors of organizations, foundations, and other entities. Unfortunately, however, there are relatively few Arab representatives on the boards of directors of civil society organizations, in the management of public organizations, and in different positions of influence. There are two reasons for this: On the one hand, there is a low awareness in Arab society of the advantages and impact that such positions have and a relatively low assessment of those who staff them. Whereas on the other hand, Jewish-led organizations exclude Arabs from such positions, even unconsciously.



# 2 | Arab Civil Society

#### a. Background

One of Qudra's action strategies is to make quality information, data, and insights accessible, believing that such information can lead to action and change. This chapter includes preliminary information on the nature and challenges of Arab civil society in Israel.

A professional and high-quality civil society is extremely important in any democratic regime, and even more so for minority groups, since strong organizations can pinpoint and raise awareness about the difficulties that the Arab community faces, offer solutions that are acceptable to it, and mediate between society and the majority, and between society and government institutions.

In recent years, due to political processes and the efforts of civil society organizations, including during the Covid-19 crisis, there has been a significant change in the state's attitude toward Arab civil society. In the spirit of the privatization policy of recent decades and the five-year plans led by governments in recent years,<sup>13</sup> governments rely to a large extent on external suppliers – both private companies and civil society organizations. These plans are based on the expectation that these suppliers will be able to work with local authorities and government ministries, operate programs, and make the best use of state resources. Difficulties implementing the various five-year plans have raised awareness of the challenges facing Arab organizations, especially service providers. Moreover, the state's and Arab society's handling of the Covid-19 pandemic has increasingly highlighted the difficulties Arab organizations face.

It can be clearly noted that Arab civil society organizations suffer from many difficulties and weaknesses, a fact that causes double harm to Arab society: First, the civic leaders involved with these organizations find it difficult to express themselves, professionalize, and carry out their mission for the society from which they came and which they aspire to serve appropriately. Second, due to the weakness of the organizations, which stems from the need for more state support and ongoing budgetary discrimination, the organizations cannot grow and become professional enough to participate in state tenders and receive government budgets. As a result, the Arab community does not receive the services it is supposed to receive, or it receives services in a non-adjusted manner by stronger national organizations. However, they are often not sufficiently familiar with the unique needs of the Arab community.

The following are collected data that shed some light on the situation of Arab civil society organizations in Israel. The data were collected from documents written over the past two years as part of initiatives by the Inter-Sectoral Cooperation Unit in the Prime Minister's Office, the Authority for the Economic Development of the Minority Sector, various foundations, and civil society organizations:



Arab society constitutes about 21% of the total population in Israel. However, despite its many social and economic needs, the number of active Arab NGOs is only **7%** (1,200 Arab NGOs out of nearly 20,000 active in Israel).<sup>14</sup>





Of the nearly 875 government tenders operated in 2019 by civil society organizations, only 22 were operated by Arab organizations (less than 3%.)<sup>15</sup>



Of the total income of civil society organizations that provide social services in the welfare field, only 2% goes to Arab organizations.

#### b. Barriers

These figures paint a reasonably clear picture of the weakness of Arab civil society organizations. In the past two years, the Inter-Sectoral Cooperation Unit in the Prime Minister's Office, in cooperation with Mubadarat – Adina Shapira's Philanthropic Office, the Authority for Economic Development in the Minority Sector, the Foundations Forum, Civic Leadership, Qudra, and other various bodies, has led a multi-sectoral process aimed at examining ways to improve the situation of Arab NGOs and their interfaces with government ministries and local authorities. This study included an in-depth examination of the barriers and challenges facing Arab civil society organizations. The following are the main barriers found in the study:



## Incompatibility between the number and scope of activity of Arab civil society organizations and the needs of Arab society

As noted, the number of Arab-managed NGOs in Israeli civil society relative to the number of Jewish NGOs is very small. Therefore, it does not represent the proportions of the two societies. In the Arab society, there are many micro local associations that deal with the same area of expertise, as opposed to social areas in which there is almost no presence of associations from Arab society, <sup>16</sup> and there are almost no Arab nonprofit organizations that provide services on a national scale. Thus, the scope of the activities of the Arab NGOs does not enable them to provide proper solutions to the enormous social needs of Arab society.



#### Lack of funding sources

As noted, most Arab NGOs are relatively small and weak. Therefore, many of them depend on one financial source, significantly limiting their ability to be innovative and flexible. Arab Israeli NGOs suffer from significant difficulties in raising philanthropic funds due to internal professional difficulties and the lack of familiarity with philanthropy, resulting from a lack of access to Jewish philanthropy on the one hand and from the blocking of Arab global philanthropy on the other.





#### Low level of professionalism

Lack of professional knowledge required for effective management of social organizations, and a shortage of staff such as media managers, assessment managers, and fundraisers. After several years of activity that are considered successful, most Arab nonprofit organizations, even the veteran ones, reach a stage of stagnation so that their development stops or slows down in various organizational aspects such as budget size, the scope of activity, development, expansion of the professional staff, etc.



#### The difficulty of winning government tenders

This barrier has a variety of reasons. First, the Arab organizations do not meet the threshold conditions of government tenders, which often require a large activity budget and a nationwide scope of activity. Second, there is a lack of familiarity and mutual mistrust between the Arab NGOs and the government. Third, submitting bids for tenders involves cumbersome bureaucratic processes that are not accessible linguistically and culturally and are often above and beyond the capabilities of Arab NGOs



#### Difficulties in working with local authorities

The cooperation between Arab NGOs and Arab authorities is met with a combination of misunderstanding regarding the position of civil society in the authority's work and a lack of trust between the parties, which makes it very difficult to build a proper working relationship between them. In addition, within the context of the economic challenges of Arab local authorities, it is difficult for them to pay NGOs for their services or hire them in the first place, especially when nonprofits have funding difficulties.

In conclusion, Qudra Network invites anyone who has an interest in developing the field of strategic philanthropy within the Arab community, to reach out to us – <a href="mailto:info@qudra-apn.org">info@qudra-apn.org</a>

