

Benjamin Gidron, Michal Bar, and Hagai Katz, *The Israeli Third Sector: Between Welfare State and Civil Society*, Kluwer Academic/Plenum Publishers, New York, 2004, 216 pp., references, glossary, index, \$44.00.

The last decade has seen a proliferation of scholarly publications dedicated to the analysis of the nonprofit or third sector in different countries around the world.

Much of the research behind a number of these publications has been conducted through The Johns Hopkins Comparative Nonprofit Sector Project, an initiative set up in 1990 to promote the international comparative analysis of nonprofit sectors in selected countries. The volume under review here is authored by an Israeli research team associated with the Johns Hopkins project and represents the first comprehensive English-language study of the third sector in Israel. (An equivalent Hebrew version of this volume was published in Israel in 2003 offering a first exposure to the concept of the “third sector” to the Israeli reader.) Its publication is consistent with the increasing interest, both within Israeli academia and the wider Israeli public, in the study of nonprofit nongovernmental organizations.

The book explores the historical, economic, socio-political, and cultural factors that shape and construct the Israeli third sector under the changing circumstances of the nation’s welfare state regime. Gidron, Bar, and Katz state their wish to take their readers on a tour of Israeli associational life while anchoring their empirical data in “two major concepts that are very much in the public limelight worldwide – namely, the welfare state and civil society” (p. vii).

In the first of seven chapters, the authors set out their theoretical orientation, which posits the concepts “third sector” and “civil society” as “two sides of the same coin” (pp. 27–28). Accordingly, throughout the book, they offer a perceptive review of the emerging Israeli third sector, within the context of the welfare state, through both lenses. This double-sided orientation brings both economic and socio-political perspectives to bear on the analysis of nonprofit organizations, thus allowing for a discussion that is much richer and more nuanced than is typical of much of the literature on the voluntary sector which often opts for only one perspective or the other.

Chapter 2 presents a quantitative profile of the Israeli third sector, including, but not limited to, measurements describing its share in the economy and labor force, its funding sources, and its volume of activity in various fields of social life. Notably, the profile suggests that despite the presence of a strongly centralized government, the share of the Israeli third sector in the country’s labor force is significant. It puts Israel (9.3%) in fourth place, almost double the 22-country average (4.8%) measured in the Johns Hopkins project and ahead of the US (7.8%) and the UK (6.2%), both of which are considered to have relatively large nonprofit sectors. As the profile indicates, most third sector activity in Israel is concentrated in fields of service provision such as education, health, and welfare where nonprofits act as government sub-contractors, and thus are being funded mostly by public money.

The legal and policy frameworks of the Israeli third sector are the subjects of Chapter 3. Here, the authors carefully unveil the haphazard evolution that has characterized the setting of government policy towards the sector and that has limited the understanding of its role in society. They argue that while freedom of association is ensured by Israeli law, the state employs firm “supervisory mechanisms” (p. 58) and a biased financial support system through which the government favors

“those organizations that provide welfare services and ignores other functions of the third sector, particularly the development of civil society” (p. 70).

It is in Chapters 5 and 6 that the strength of the authors' dual-sided theoretical approach is most evident. In these chapters, two very different types of organizations are detailed and described. Chapter 5 explores the third sector as the backbone of the welfare regime in Israel. The image is one of large-scale, but not very numerous, not-for-profit service providers, such as hospitals and universities that enjoy full government funding and produce the lion's share of the economic activity of the sector. Chapter 6, on the other hand, portrays the “vibrant, independent, and diverse” (p. 154) fragment of civil society organizations that play a role in the third sector. This fragment is comprised of smaller, but numerous organizations that advocate for social change and of many politically neutral self-help organizations acting as providers of services to their own constituent members. An interesting discussion is presented at the end of this chapter on the contribution and viability of civil society organizations to Israeli society, and on the complex relations that these organizations have developed with government authorities.

Interestingly, the authors conclude that no single theoretical approach can genuinely account for the development of the sector in Israel. “In general,” they write, “the Israeli third sector does not appear to correspond with any of the predominant economic theories on the third sector organizations” (p. 167). Neither do they perceive the “social origin theory” developed by Salamon and Anheier to tally fully with the Israeli case. The reason for this incompatibility, they claim, lies in the social and historical developments that led to the creation of the Israeli third sector in the first place. The initial development of the sector outside the current territorial boundaries of Israel, the roots of the sector in Jewish traditions, the mixing between state and religion in Israel, trends of privatization, and unresolved contemporary conflicts (such as the Israeli–Palestinian conflict, and Israel–Jewish Diaspora relations) have all “significantly impacted the Israeli third sector.” Thus, they add, “it is necessary to adopt a dynamic approach to social origins theory when examining Israeli society” (p. 169). These socio-political, cultural, and historical developments are complex and are explored in Chapter 4 of the book, which is the most informative chapter for readers with an interest in the third sector from a socio-political perspective.

In conclusion, Gidron, Bar, and Katz have produced an articulate text that is of definite importance for scholars with an interest in Israeli society in addition to readers attracted to third sector literature and the applicability of third sector theories to cases around the world. Much work is still to be done to further unveil the third sector in Israel. However, *The Israeli Third Sector* is an excellent starting point in this process.

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