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# Philanthropic Giving Among American Jews:

Contributions to  
Federation, Jewish and  
Non-Jewish Causes

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## JEWISH PHILANTHROPY: QUESTIONS AND CONCERNS

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**JEWISH PHILANTHROPIC GIVING HOLDS A SPECIAL PLACE IN THE CONSCIOUSNESS OF AMERICAN JEWS.** Many Jews see themselves as highly philanthropic, a trait they regard as valued by their religious teachings, history, culture, and communities. Obviously, philanthropic giving is important in its own right. It is critical to the health of Jewish community life, and it is central to the mission of the Jewish Federation movement.

Understanding the prospects and challenges to Jewish philanthropic giving requires knowing about variations in contributions by major characteristics, that is, an answer to the seemingly straightforward question: who gives and how much? Using data from the National Jewish Population Survey 2000-01, this report examines how patterns of philanthropy among American Jews vary by region, Jewish affiliation, income and age.

Key findings from the analysis include:

- ▶ Jews living in the West are less likely to give to Federation than Jews residing in other regions of the country
- ▶ The association between Jewish institutional affiliations and contributions is stronger for Federation giving than for giving to other Jewish and non-Jewish causes
- ▶ People with higher household incomes give a greater proportion of their charitable dollars to Federation than those with lower incomes
- ▶ Those born after 1950, who are today middle-aged or younger, display a more significant drop-off in Federation giving than in contributions to other causes.

Of all these sources of variation, differences in charitable giving by age are the most policy-relevant. They are of critical importance for discerning signs of impending change in philanthropic tendencies. For many social

## METHODOLOGICAL NOTE

The National Jewish Population Survey 2000-01 is a nationally representative survey of the Jewish population living in the U.S. The survey was administered to a random sample of approximately 4500 Jews. Interviewing for NJPS took place from August 21, 2000 to August 30, 2001 and was conducted by telephone. The sample of telephone numbers called was selected by a computer through a Random Digit Dialing (RDD) procedure, thus permitting access to both listed and unlisted numbers in all 50 states and the District of Columbia. The margin of error when the entire sample is used for analysis is +/- 2%. The margin of error for subsamples is larger.

The NJPS questionnaire included over 300 questions on a wide variety of topics, including household characteristics, demographic subjects, health and social service needs, economic characteristics, and Jewish background, behavior and attitudes.

The NJPS questionnaire was divided into long-form and short-form versions. The long-form version was administered to respondents whose responses to selective early questions indicated stronger Jewish connections; these respondents represent 4.3 million Jews, or over 80% of all U.S. Jews. The short-form version, which omitted many questions on Jewish topics, was given to respondents whose answers on the same selective early questions indicated Jewish connections that are not as strong; they represent an additional 800,000 Jews.

The most important implication of this design decision is related to findings on Jewish connections. Descriptions of Jewish involvement and identity that are restricted to the more engaged Jewish population (4.3 million Jews) would, in many cases, be somewhat less strong if they had been collected from all respondents representing the entire Jewish population.

In this report, the following variables were asked of the more engaged population only: contributions to federation and memberships in synagogues, JCCs and other Jewish organizations (the membership questions were used to construct the variable on affiliation). Rather than limiting the analysis, this report assumes that those who were not asked these questions would have answered “no” to them.

For further methodological information, see the Methodological Appendix in *The National Jewish Population Survey 2000-01: Strength, Challenge and Diversity in the American Jewish Population, A United Jewish Communities Report* (available at [www.ujc.org/njps](http://www.ujc.org/njps).)

trends, the behavior of younger adults points to prospective changes in the population. For these and other readily apparent reasons, the analysis below ultimately focuses on the philanthropic behavior of younger adults, especially as they compare with their elders. More specifically, it addresses a widespread and long-standing concern among Jewish communal policy makers: will today’s younger Jewish adults continue to support Jewish-sponsored causes in general, and Federation campaigns in particular, with as much generosity as their parents and elders did?

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## MEASURES OF GIVING: FEDERATION, OTHER JEWISH AND NON-JEWISH CAUSES

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### THIS ANALYSIS EXPLORES THREE TYPES OF PHILANTHROPIC GIVING:

- ▶ Federation campaigns specifically
- ▶ Jewish causes other than Federation (or “Jewish causes” for short), and
- ▶ non-Jewish (that is, not Jewish-sponsored) causes.<sup>1</sup>

In each of these cases, the analysis examines two measures: the percent of all Jewish households giving \$100 or more in the year prior to the survey, and the average (or mean) contribution per household.<sup>2</sup> These measures come with three important caveats. First, giving to the three types of causes – Federation, other Jewish and non-Jewish – is not mutually exclusive. Respondents may have given to none, one, or any combination of two or three types of causes. Second, average contribution levels are sensitive to the way NJPS collected philanthropic data (see Appendix: Calculating Average Contribution Levels, p.22). As a result, they should be understood as good approximations rather than absolutely precise

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1. The NJPS questionnaire did not ask respondents the specific non-Federation Jewish and non-Jewish causes to which they made contributions.
  2. It is well known that some respondents misreport whether they make philanthropic contributions. This is due to what are called social desirability effects in survey interviewing, in which respondents answer affirmatively about socially accepted or desirable behaviors when they have not conformed to them. Because social desirability effects likely diminish when respondents are asked about higher giving levels, rather than a gift of any amount, this paper uses the \$100 giving level for analysis.

measures, and they are best used as a tool for comparing relative giving levels across other factors, such as age or region. Third, while Federation giving reflects charitable donations to a single cause, giving to other Jewish causes and non-Jewish causes includes contributions to one or more total causes. As a result, it is expected that measures of giving to other Jewish and non-Jewish causes will exceed measures of giving to Federation.

In addition to the measures just described, this analysis examines the “market share” devoted to Federation giving. One such measure computes the percentage of giving to Federation out of all giving to Jewish causes (both Federation and other Jewish causes), and a second computes the percentage of giving to Federation out of all contributions (Federation, other Jewish and non-Jewish)

As a final methodological note, this analysis treats the household rather than the individual as the unit of analysis (technically it uses household weights rather than respondent weights). In terms of question wording, the philanthropic measures, region and income refer to households. The age question refers to the respondent, but in most instances the age of other adults in the household approximates the respondent’s age.

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#### VARIATION BY REGION

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**THE UNITED STATES IS DIVIDED INTO FOUR MAJOR REGIONS: NORTHEAST<sup>3</sup>, MIDWEST<sup>4</sup>, SOUTH<sup>5</sup>, AND WEST<sup>6</sup>.** In examining philanthropic behavior by region, we need to recall that each region contains major concentrations of Jewish population in specific areas, such that these concentrations serve to heavily influence the character of giving

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3. Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and Vermont.

4. Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin.

5. Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia.

6. Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming.

**TABLE I.**

Philanthropic giving by region.

<b>Philanthropy</b>	<b>Northeast</b>	<b>Midwest</b>	<b>South</b>	<b>West</b>	<b>Total</b>
<b>Percent giving \$100 or more to</b>					
Federation	10%	14%	11%	6%	10%
Other Jewish causes	24	22	21	18	21
Non-Jewish causes	37	44	36	39	38
<b>Average donations to</b>					
Federation	\$90	\$106	\$105	\$62	\$88
Other Jewish causes	265	180	221	189	225
Non-Jewish causes	313	382	328	401	347
<b>Federation giving as a percentage of donations to</b>					
Jewish causes	13%	14%	14%	7%	12%
All causes	9	9	9	4	8

in each region. Thus, when we speak about the Northeast, we are speaking predominantly of Jews in the New York metropolitan area, followed by the Philadelphia and Boston regions. In the Midwest, the largest concentration is found in the Chicago area, with significant concentrations in such places as metropolitan Detroit and Cleveland, among others. The South finds large concentrations in Miami and southern Florida, followed by the Atlanta area. Most Jews in the West live in Southern California, followed in turn by the San Francisco Bay area.

Table 1 presents the results for philanthropic giving, measured in various ways, by region. The diverse indicators of philanthropic giving are listed down the left hand side and the regions are listed across the top. (All tables in this report are organized the same way, with region being replaced alternately by income, communal affiliation and age).

In Table 1, reading down the column marked Northeast shows that among Jews who reside in this region of the country, 10% gave \$100 or more to their Federation campaign, 24% gave \$100 or more to other Jewish causes, and 37% gave \$100 or more to non-Jewish causes. Reading further in the same column, the table shows that Northeast Jews gave, on average, \$90 to Federation, \$265 to other Jewish causes, and \$313 to non-Jewish causes. Recall that these averages include people who did not make a contribution; as a result, the average gift among contributors would be higher than these numbers. Finally, the last two entries in the same column show that among Jews in the Northeast, 13% of total contributions to Jewish causes (Federation and other Jewish causes combined) went to Federation, and 9% of total contributions to all causes (Federation, other Jewish and non-Jewish) went to Federation.

The findings suggest a distinctive pattern for the West, and relatively minor variations among the other three regions (Northeast, Midwest, and South). The Western region reports relatively low levels of giving to Federations. Just 6% of Western Jewish households donate \$100 or more to Federations, as compared with 10% for the whole country. The respective comparison in average levels of giving (including those not giving) is \$62 per Western Jewish household versus \$88 for the entire country. In the West, Federation giving constitutes 7% of giving to Jewish causes versus 12% throughout the United States. As a proportion of contributions to all causes (Federation, other Jewish and non-Jewish), Federation giving in the West reaches just 4%, half the national rate of 8%.

At the same time, the relative drop-off in giving to other Jewish causes among Western households is substantially less severe than giving to Federations. Jewish households in the West are also as likely as households in the rest of country to contribute \$100 or more to a non-Jewish cause, and the West is distinguished by relatively high levels of contributions to those non-Jewish causes (over \$400 per household, versus under \$350 in the country overall). Thus, the relative disengagement of Western Jewish households from Federation giving is not primarily a function of their lack of charitable disposition.

Notably, the West is marked by relatively low rates of Jewish communal affiliation (as noted in *The National Jewish Population Survey 2000-01: Strength, Challenge and Diversity in the American Jewish Population, A United Jewish Communities Report*, available at [www.ujc.org/njps](http://www.ujc.org/njps)). As the next section shows, communal affiliations play a major role in explaining the philanthropic patterns of American Jews.

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#### VARIATION BY JEWISH COMMUNAL AFFILIATION

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**TABLE 2 DEMONSTRATES THAT ALL THREE TYPES OF CHARITABLE GIVING INCREASE AS AFFILIATIONS (i.e., memberships) with Jewish communal institutions increase.** More involvement in Jewish institutional life – as indicated by affiliations with synagogues, Jewish community centers, and other Jewish organizations – signifies financial resources, social visibility, and connectedness to others who are involved in voluntary organizations. The table can be summarized this way: people who join, give; people who join Jewishly, give Jewishly.

The relationship (that is, the level of incline) between Jewish communal affiliation and giving is most modest for non-Jewish giving, substantially stronger for giving to all Jewish causes other than Federation giving, and stronger still for Federation giving. Another way of saying this is that of the three forms of philanthropy, Federation giving is most contingent upon Jewish communal affiliation.

By way of illustration, we examine average contribution per households. Average contributions to non-Jewish causes are \$317 for unaffiliated homes and rise to just under \$500 for homes with two or more Jewish institutional memberships. In contrast, giving to Jewish causes grows 20-fold, from \$36 to \$726, across the affiliation scale. In even sharper contrast, Federation giving leaps 35-fold, from \$10 among the unaffiliated to an average of \$354 for households with two or more affiliations.

**TABLE 2.**

Philanthropic giving by communal affiliations (memberships in synagogues, JCCs, other Jewish organizations).

Philanthropy	Unaffiliated (No memberships)	One membership	Two or more memberships	Total
<b>Percent giving \$100 or more to</b>				
Federation	2%	12%	33%	10%
Other Jewish causes	6	31	58	21
Non-Jewish causes	33	41	50	38
<b>Average donations to</b>				
Federation	\$10	\$72	\$354	\$88
Other Jewish causes	36	309	726	225
Non-Jewish causes	317	304	492	347
<b>Federation giving as a percentage of donations to</b>				
Jewish causes	5%	17%	28%	12%
All causes	3	11	19	8

As Jewish affiliations increase, the proportion of contributions going to Federations rises as well. Among the unaffiliated, just 5% of Jewish giving goes to Federation. The figure rises to 17% among those with one affiliation, and to 28% among those with two or more memberships in Jewish communal institutions. As a proportion of giving to all causes, the Federation share rises from 3% to 11% to 19% with increasing levels of communal affiliation. In the transition from a low level of affiliation to a higher level of affiliation, giving to Jewish causes increases and giving to Federation specifically increases even more.

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**VARIATION BY INCOME**


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AS MIGHT BE EXPECTED, AND FOR OBVIOUS REASONS, MEASURES OF CHARITABLE GIVING RISE WITH HOUSEHOLD income (see Table 3). However, of the three causes, giving to Federation bears a distinctive relationship with income. In particular, far more than giving to non-Jewish and other Jewish causes, Federation giving sharply increases among the most affluent Jewish households.

**TABLE 3.**

Philanthropic giving by household income.

Philanthropy	Less Than \$25,00	\$25,000- \$50,000	\$50,000- \$100,000	\$100,000- \$150,000	\$150,000 and more	Total
<b>Percent giving \$100 or more to</b>						
Federation	2%	7%	8%	13%	27%	9%
Other Jewish causes	7	17	20	33	42	20
Non-Jewish causes	12	30	43	58	74	38
<b>Average donations to</b>						
Federation	\$24	\$26	\$54	\$110	\$440	\$83
Other Jewish causes	50	121	183	419	763	222
Non-Jewish causes	57	173	340	677	1285	366
<b>Federation giving as a percentage of donations to</b>						
Jewish causes	7%	11%	11%	14%	20%	11%
All causes	5	7	6	6	11	7

The point can be demonstrated by comparisons between those earning \$100,000-150,000 (we call these the “less affluent”) and those earning \$150,000 or more (the “more affluent”). Not surprisingly, in comparing the less affluent with the more affluent, giving in mean dollars to other Jewish causes and to non-Jewish causes almost doubles. In contrast, giving to Federation quadruples. It moves from \$110 among households earning \$100,000-150,000 to \$440 among those earning \$150,000 or more. (To repeat, these averages include non-givers, that is, those making no contribution; the average gift among actual contributors is higher). As a proportion of Jewish giving, contributions to Federation amount to 14% among the less affluent and 20% among the more affluent. As a proportion of giving to all causes, Federation giving rises from 6% to 11% in moving from the less affluent to the more affluent group. Wealthier people devote a greater proportion of their charitable giving to Federation.

In short, Federation giving, more than giving to other causes, Jewish or otherwise, is concentrated among the most affluent Jews. This circumstance undoubtedly reflects the understandable tendency of Federation fundraisers to focus limited resources of time and energy among those most capable of making significant gifts. It also reflects the highly affluent philanthropic communities and social networks that have been constructed around Federations. But, whatever its origins, more than other causes, Jewish or otherwise, communities of contributors to Jewish Federations are more widely composed of the affluent.<sup>7</sup>

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VARIATION BY AGE: THE FALLOFF IN FEDERATION GIVING AMONG THE YOUNG

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THE REPORT NOW TURNS TO EXAMINING THE RELATIONSHIP BETWEEN AGE AND PHILANTHROPIC GIVING, a subject that has great policy relevance for the Federation system. Table 4 shows that with respect to average contribution per household, giving to non-Jewish and

Jewish causes other than Federation achieve their highest levels among those 35-49 and 50-64 years old, running just under \$500 for non-Jewish giving and about \$300 for giving to Jewish causes other than Federation. The age contour for giving to these two sorts of causes follows an expected pattern, rising during the years of peak earning power and falling off in the older years, presumably after retirement for many. The percentage giving \$100 or more follows the same pattern for non-Jewish causes, rising to its highest point in the 35-49 and 50-64 year old groups and then declining again. In a slight variation, the percentage giving \$100 or more to Jewish causes rises in the 35-49 year age group and then remains flat across the remainder of the age spectrum.

**TABLE 4.**

Philanthropic giving by age.

Philanthropy	18-34	35-49	50-64	65-74	75+	Total
<b>Percent giving \$100 or more to</b>						
Federation	2%	9%	12%	14%	22%	10%
Other Jewish causes	13	24	25	24	27	21
Non-Jewish causes	24	49	49	35	29	38
<b>Average donations to</b>						
Federation	\$21	\$73	\$124	\$126	\$187	\$89
Other Jewish causes	131	279	310	198	201	225
Non-Jewish causes	184	481	488	336	202	349
<b>Federation giving as a percentage of donations to</b>						
Jewish causes	4%	9%	14%	21%	28%	12%
All causes	2	5	8	14	19	8

7. For example, 29% of contributors to Federation at the \$100+ level are from households with incomes at or above \$150,000, compared to 18% of contributors to other Jewish causes and 19% of contributors to non-Jewish causes.

In contrast with the general pattern of rising and falling levels of giving over the age spectrum, contributions to Federation display a very different pattern. All measures of Federation giving are higher for older than for younger Jews. This generalization applies to the proportion of households making a gift of \$100 or more, the average contribution per household, the proportion of Jewish giving devoted to Federations and the proportion of all gifts devoted to Federations. We may, for example, compare those age 65-74 with those 35-49. The former contribute \$126 per household to Federation as compared with \$73 for the younger group. The Federation market share among all Jewish causes is more than double among those 65-74 compared to those 35-49 (21% versus 9%), and the Federation market share among all charitable giving is almost triple in the older group than in the younger group (14% versus 5%).

These results certainly suggest that Federation giving, unique among the three causes under examination, declines precipitously among younger Jews. In other words, the lower levels of giving to Federation among younger Jews are exceptional. They cannot be explained by less generosity overall, or by a weakening inclination to contribute to other Jewish causes. To gain a more focused perspective on the matter, we turn to an examination of Jews who are both affluent and affiliated, a prime target constituency for Federation fundraising.

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**AGE VARIATIONS AMONG THE AFFLUENT AND AFFILIATED:  
FURTHER EVIDENCE OF FALLOFF**

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**AS THE FOREGOING ANALYSIS HAS DEMONSTRATED, THE AFFLUENT AND THOSE WHO ARE AFFILIATED WITH JEWISH COMMUNAL INSTITUTIONS** give more often and give more dollars to Federation campaigns. In addition, the age-related findings suggest a particular decline in Federation giving among younger households. To bring this potentially critical finding into sharper relief, the analysis below focuses upon a select group of respondents who share these characteristics:

- ▶ They are affiliated in some way, that is, they belong to synagogues, JCCs, or other Jewish organizations
- ▶ Their household incomes exceed \$150,000 annually or they have total financial assets of \$500,000 or more.

Instead of examining the proportions making contributions of \$100 or more, we shift the level to those giving \$500 or more to Federation, other Jewish and non-Jewish causes, a level of giving more appropriate for analyzing this affluent and affiliated sub-sample.<sup>8</sup> In addition, we have combined all respondents 65 and over into one category in order to have enough cases to analyze.

Table 5 displays the philanthropic behavior of this select constituency. Giving to non-Jewish causes (whether measured by the proportion making contributions of at least \$500 or the average level of giving) is highest among those ages 50-64, many of whom would be at their peak earning power, and then drops off among those 65 and older. Moreover, those 35-49 give more generously to non-Jewish causes than those 65 and over.

Giving to Jewish causes other than Federation follows a similar pattern, reaching a peak among those 50-64, and with those 35-49 giving more on average than those 65 and over (with roughly equal percentages of those 35-49 and 65 and older giving \$500 or more). However, in the case of Jewish causes, there is a greater discrepancy in giving between those 35-49 and those 50-64 than in the case of non-Jewish causes. For example, 32% of those 35-49 give to Jewish causes compared to 49% of those 50-64; the difference between the age groups is only 40% vs. 45% for non-Jewish giving.

In contrast to non-Jewish and other Jewish causes, the patterns for Federation giving show a decline in each measure of Federation giving among each progressively younger age group. This is the same pattern as among all Jews seen in Table 4. In other words, even among those most

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8. Setting the minimum level higher than \$500 would not provide enough cases for analysis. For example, for each cause there are fewer than 45 cases of so-called mega-donors, those contributing more than \$10,000.



**TABLE 5.**

Philanthropic giving by age among affluent and affiliated.

<b>Philanthropy</b>	<b>18-34</b>	<b>35-49</b>	<b>50-64</b>	<b>65+</b>	<b>Total</b>
<b>Percent giving \$500 or more to</b>					
Federation	9%	12%	23%	28%	18%
Other Jewish causes	30	32	49	35	37
Non-Jewish causes	28	40	45	33	38
<b>Average donations to</b>					
Federation	\$299	\$343	\$754	\$828	\$569
Other Jewish causes	705	1059	1522	928	1115
Non-Jewish causes	501	1081	1150	1018	1002
<b>Federation giving as a percentage of donations to</b>					
Jewish causes	22%	25%	28%	42%	29%
All causes	12	14	17	28	18

likely to give – this select group of affluent and affiliated Jews – people age 50-64 and therefore presumably at the height of their income generation give less than their elders, and those 35-49 give much less than the oldest group. Indeed, the differences between those 65 and over and those 35-49 are particularly striking. More than twice as many of those in the older group gave \$500 or more to Federations than in the younger group (28% versus 12%). On average, people in the older group give two and a half times as much money to Federation campaigns as people in the younger group (\$828 versus \$343). In terms of market share, Federations command over 40% of all giving to Jewish causes and 28% of giving to all causes among those in the older group. In contrast, Federations receive 25% of all giving to Jewish causes and 14% of all giving among those 35-49.

Between these two groups stand those age 50-64, whose giving patterns, like their age, straddle the middle ground between those older and younger than them. Among this middle group, however, the proportion of contributions given to Federation out of Jewish and all causes is closer to the younger than older group, suggesting that relative disengagement from Federation giving starts in this age group and then increases even more in younger cohorts.

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#### UNDERSTANDING THE AGE GAP IN FEDERATION GIVING

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Generally, age-related differences in any social phenomenon can be attributed to either of two causes:

- Life-cycle (maturation), or
- Birth cohort (birth group)

Life cycle effects occur because people change in similar ways as they age. At younger ages, people tend to have certain characteristics and to behave in certain ways; when they become older, they tend to take on characteristics and behaviors associated with those in more mature stages of life. To take an example from Jewish life, many young people do not belong to synagogues. However, when they age and start families of their own, they become much more likely to affiliate with a congregation. In other words, life-cycle effects are evident because people's characteristics and behaviors change in a consistent manner as they age.

In contrast, birth cohort effects are more enduring. In this explanation, younger age groups are fundamentally different than older ones, and as the younger groups age, they do not take on the characteristics of older groups. Social scientists, for example, sometimes attribute changes in the American political landscape to the replacement of older birth cohorts with their younger counterparts who are fundamentally different than them, resulting in a liberalizing trend through the late 1960s and a conservatizing trend since then.

Is the age-related decline in Federation giving a life-cycle effect (one likely to recede as younger Jews grow older) or a birth cohort effect (one likely to endure and eventually bring about a decline in total Federation giving, if unchecked)? Cross-sectional data like NJPS cannot answer this question definitively, but the evidence in this study points to a birth cohort explanation. To begin, the decline in younger people's giving is far more pronounced for Federation giving than giving to other Jewish and to non-Jewish causes. In addition, analyses of the 1990 NJPS suggest that the major drop-off in Federation giving corresponds with those born before and after 1950. In other words, over the decade between NJPS 1990 and NJPS 2000-01, those born after 1950 did not change their giving patterns to resemble those born before 1950; this is consistent with a birth cohort rather than a life-cycle explanation. Repeated evidence from these diverse sources strengthens confidence in our substantive inference that the age-related decline in Federation giving is a birth cohort effect.

In any event, these findings certainly point to relatively low levels of Federation giving among Jews under the age of 50 or 55 in 2000-01. From a policy perspective, the giving patterns of young (and now middle-aged) adults certainly demand attention and, possibly, new forms of intervention.

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#### POLICY IMPLICATIONS: MORE INREACH OR SOME OUTREACH?

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**THIS ANALYSIS HAS SKETCHED THE CONTOURS OF FEDERATION CONTRIBUTORS.** We have found that the following groups give more often and at higher levels to Federation campaigns:

- ▶ Those living **outside the West**
- ▶ Those who are **highly affiliated** with Jewish communal institutions
- ▶ Those who are **especially affluent**
- ▶ Those born **prior to 1950**, making them middle-aged and older today.

Giving to other Jewish causes and non-Jewish causes are also affected by region, affiliation, income and age, but Federations are impacted the most strongly. Jewish households in the West display a less severe decline in giving to other Jewish causes than in contributions to Federations, and they are just as likely as other households to give to non-Jewish causes. Federation giving is more contingent upon Jewish communal affiliation and income than giving to other Jewish or non-Jewish causes. Finally, Federation giving, in contrast to the other two causes, declines precipitously among younger Jews, especially those ages 35-49, and even among the most affluent younger Jews.

What are the major policymaking implications of these findings for the Federation system? To begin, policymaking implications are informed by the fact that fundraising, whether for Federations or other causes, is constrained by limited resources, including time and numbers of professional staff and voluntary leadership. Fundraisers must inevitably make difficult choices, focusing on some prospective contributors and paying less immediate attention to others. More specifically, given limited resources, fundraisers often have to find an appropriate balance between two paths:

- ▶ Focusing on the current primary market (a version of philanthropic “inreach”)
- ▶ Developing new sources of giving in multiple potential markets (philanthropic “outreach”)

Inreach promises the most efficient way to maximize immediate fundraising goals. Pressing needs for funding, and the normal demands of organizational life, tend to drive fundraisers to focus their efforts upon those most likely to give (inreach). In almost every Jewish community, the easiest and most likely contributors are indeed older, wealthier, and more Jewishly affiliated, as any fundraiser can readily attest. These are the people who have tended to contribute in the past and are most likely to give again, and they are fundraisers' key allies in helping to meet organizational goals.

However, concerns about the strength of financial resource development (FRD) among Federations over the long run suggest an outreach strategy that identifies potential new donor segments and strategies appropriate to them. Strategic development of new donors may involve one-on-one cultivation, small group or parlor sessions, or more mass-level appeals, depending on both potential giving levels and resource availability among Federation development professionals. It may also involve tailoring different messages to different kinds of donors according to generation, geography or affiliation.

A multiple-strategy approach may be particularly beneficial with respect to younger people, especially today's 35-49 year olds, who will inevitably replace their elders. One-on-one cultivation and small groups would tend to focus on potential donors who could give at higher levels and who may wish to make gifts through a variety of philanthropic arrangements, not only the annual campaign. Outreach efforts are warranted as well to those who are less affluent or less communally engaged, with the strategic objective being to build community by broadening the total base of donors and increasing overall communal affiliation through involvement in Federation. Messages about Israel may be particularly relevant to some demographic groups within the donor population, while concerns with social justice issues or poverty among Jews may resonate more with others.

In addition, strategies and techniques developed to cultivate new donors according to various philanthropic market segments can be applied to current donors who are capable of giving at higher levels, thereby tying the strategic and tactical work of philanthropic inreach and outreach more closely together. Endeavors to identify and cultivate current donors with higher giving potential may be combined with continued efforts to maintain a broad base of giving at more modest levels among other current contributors.

Focusing upon those outside the current circle of contributors may require a shift of energies and discipline in order to generate an increase

in total financial resource development over time. This analysis of the NJPS data, by highlighting the contours of the current donor constituency, serves to focus attention beyond that constituency and to suggest a rationale for alternative outreach strategies that can efficiently and productively balance potential giving levels among donors and resource availability among volunteer and professional fundraisers.





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