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For philanthropy and social investment worldwide

HANDS IN SOLIDARITY



SPECIAL FEATURE **Solidarity – more in common?**

Guest editor
Stefan Schäfers

PLUS

Analysis: What happens to the rest of it? How foundations make investments

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Contents

Cover photo Hands in Solidarity, Hands of Freedom mural on the side of the United Electrical Workers building on West Monroe Street at Ashland Avenue in Chicago, Illinois.



Guest editor
Stefan Schäfers

Special feature Solidarity – more in common?

P30



COY FERRELL

P30



Overview

30 Solidarity and philanthropy

What is solidarity and what can philanthropy do to strengthen it? asks guest editor Stefan Schäfers

34 Attitudes to solidarity in the European Union Thomas Raines of Chatham House reports on a new survey into attitudes to solidarity in ten EU countries

37 What is solidarity? Practitioner perspectives Representatives from across the world of philanthropy describe what solidarity means to them

40 Countering the demagogues What is the role of philanthropy associations in times of political populism? Perspectives from the US, Canada, Brazil and UK

P40



P44



Framing solidarity

44 Interview Brendan Cox talks to Charles Keidan about public reaction to Jo Cox's murder, setting up a foundation and the couple's belief in community

50 Messages that work Communication can shape more effective approaches to migration and refugee protection, writes Martin O'Brien

52 Philanthropic solidarity: now more than ever In the face of today's threats we are witnessing some of the most powerful organizing and widespread mobilization in American history, argues Jason Franklin

Difficult issues and challenges: the limits of solidarity

54 The power of open dialogue: how to keep Europe talking Chiara Rosselli, Elizabeth Phocas and Verena Ringer on finding the tools to understand each other better

P56



56 Refugees welcome: Germany can do it! How civil society mobilized to help refugees arriving in Germany, by Bettina Windau

57 The story of Ghayat and Biggi . . . and all the others Axel Halling reports on the work of German community foundations in welcoming newcomers

P58



58 Keeping the 'open society' open The increasing polarization of our societies is playing into the hands of right-wing populists, writes Janis Emmanouilidis

59 Unaccompanied, but not alone Michael Diedring reports on EPIM's work with unaccompanied minors

60 'With', not 'to': the meaning of solidarity in an age of austerity Solidarity enables philanthropy to move beyond benevolence to identifying with those who need our support, writes Madeleine Clarke

Last word

61 The sharing economy can build new forms of solidarity Cities are already being seen as platforms for real sharing, reports Neal Gorenflo



Letters

- 4** Views on December's special feature on philanthropy scholarship from Michael Liffman and Juliet Valdinger, plus a response to articles on the payout debate from Keiran Goddard of the UK's Association of Charitable Foundations

Global updates

- 7** 'Audacious humanitarians' spearhead campaign for world's first crowdfunded hospital
- 8** Centre for Effective Altruism launches pooled funds; New Global Perspectives on Philanthropy and Public Good series
- 9** PCP highlights state of individual giving in Pakistan
- 10** What's new at . . . Dasra, China Foundation Center, CIVICUS, EVPA, EFC, Council on Foundations, WINGS, Foundation Center and NEF

P10



Opinion and analysis

- 16 Interview** Mexican philanthropist Manuel Arango talks to Charles Keidan about the work of his foundation, and the values and vision that underlie his decades of service
- 20 Under the same roof but not (yet) in connubial bliss: philanthropy and global development** Bathylle Missika and Emilie Romon outline how philanthropy became more central to the SDGs

P16



P20



UN PHOTOS

P28



22 A new era for African philanthropy research

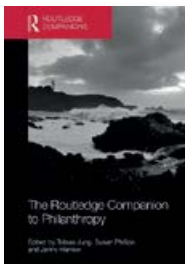
Gideon Boako writes on the context, contradictions and possibilities of philanthropy in Africa

23 Strategy for breakfast? Strategy and culture can sit down together, writes Rana Kotan of Turkey's Sabanci Foundation

24 What happens to the rest of it? Andrew Milner looks at how foundations make investments

28 Foundations have no need to fear minimum payouts They work in Australia, argues Krystian Seibert

29 Foundations should be more transparent but payouts are not the answer The careful stewardship of a foundation's endowment is the goose that keeps laying the golden egg, writes Paul Ramsbottom



Book reviews

62 *The Routledge Companion to Philanthropy* Edited by Tobias Jung, Susan D Phillips and Jenny Harrow. Reviewed by Juliet Valdinger

63 *Our Common Good* by John Nickson. Reviewed by Tessa Hibbert

Conference sketch

64 WINGSForum 2017, Mexico by Andrew Milner

P64



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More in common



‘We are far more united and have far more in common with each other than things that divide us.’

These were the words of Jo Cox in her maiden speech to the UK Parliament on 3 June 2015. On 16 June 2016, just over one year later, Cox was murdered on her way to a meeting in her constituency.

This cruel act of politically motivated violence was not just an affront to our common humanity but a defining moment of our times, just a week before the divisive referendum on Britain’s membership of the European Union and months before the election of Donald Trump.

While these events and ongoing war, bloodshed and poverty across the world continue to challenge our shared humanity, they have also showed common humanity burning brightest. No more so than in the actions of my friend and colleague Brendan Cox. He leads our special feature describing the outpouring of goodwill and his resolve to build more inclusive communities at home and abroad in the wake of his wife’s death.

A tempered version of Brendan’s remarkable optimism is reflected in our coverage, which looks at the different ways in which philanthropy is responding to the strains between people and states across Europe.

This includes a careful commitment to understanding the challenges through funding polling and gathering data on public attitudes, and bringing people together to find grounds for common action. In a powerful joint statement, foundation associations in the US, Canada, Brazil and the UK come together to write about what they have in common and how they are creating space for their members to navigate the issues of the day.

These issues range from integrating refugees in Germany, documented by Bettina Windau, to balancing the needs of newcomers with those of existing communities, some of whom feel left behind, and their way of life under threat, as noted by Janis Emmanouilidis.

Most of all, to maintain our shared humanity and common bonds, we must acknowledge that solidarity ‘is used in different contexts, by different people and for different reasons’ and our language of solidarity must adapt to these realities. This is the central theme of the issue, best articulated by our guest editor, the King Baudouin Foundation’s Stefan Schäfers.

This issue is dedicated to the family and friends of Jo Cox, and to all those who aspire to live up to philanthropy’s ideal – to love humanity – who continue to show that we have far more in common with each other than things that divide us.

CHARLES KEIDAN, Editor, Alliance

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In March, the *Alliance* special feature focused on philanthropy scholarship and practice. Here Michael Liffman and Juliet Valdinger respond to some of the issues raised. The same issue carried two articles continuing the debate on imposing

minimum payout levels on UK foundations. Below, Keiran Goddard of the UK Association of Charitable Foundations offers his reaction to the opinions voiced.

Welcoming the evolution of philanthropy studies

In an article in *Alliance* in September 2014 I lamented the paucity of courses on philanthropy at universities worldwide. How pleasing, therefore, to see a whole issue devoted to the recent growth in this field.

Quite properly, the contributions reveal both differences and commonalities, relating to the scope of philanthropy, the balance between research and teaching, and the themes to be emphasized. These contributions all clearly recognize how the scope of philanthropy now ranges across traditional and contemporary grantmaking, the wider voluntary sector, and the vast and expanding field now being reshaped by social entrepreneurs and impact investors.

The Graduate and Masters degrees in Philanthropy and Social Investment that have been offered in Australia by Swinburne University's Asia Pacific Centre for Philanthropy

Alliance welcomes letters. Please address them to the editor at charles@alliance-magazine.org



and Social Investment since 2002 initially focused, unapologetically, on grantmaking. The rationale was that social investment bears many similarities to commercial investment, and the fact that success in the former entails social as distinct from financial outcomes only adds to the range, complexity and importance of the skills required. Accordingly, as well as the obvious subjects on governance, tax and regulatory issues, and the like, students studied family and personal dynamics, social policy, ethics, and research and evaluative methodologies, and participated in real-world experiential grantmaking activities. It was for this reason, too, that the programme was housed in the university's business faculty, rather than a social science setting.

Now, important new ideas – most notably, impact assessment, and its offshoot, effective altruism – are challenging old ways of thinking, and hybrid forms of social investment are breaking down the sacred cows and longstanding dichotomies of the not-for-profit and for-profit sectors.

Happily, the upsurge of academic activity in the field appears to be canvassing these perspectives.

Michael Liffman

Adjunct associate professor, Centre for Social Impact, and founding director, Asia Pacific Centre for Social Investment and Philanthropy, Swinburne University, Melbourne, Australia.

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Shifting gears on philanthropy studies

Hallelujah! I rarely jump up and down with excitement when something is posted through my front door but indeed that is what happened when the March 2017 edition of *Alliance* arrived.

Having worked for charities, for funders and been in the academic throes of the philanthropy space for the last four years, I can say with absolute confidence that this edition (and *Alliance* in general) has boldly gone where not many publications nor people have gone before. Its global reach means that it is educating so many of us, not only to learn we have peers in other countries we didn't know existed, but that there are so many of us. The philanthropy platform is overspilling with opportunities.

Of course, there are challenges ahead that both Charles Keidan and Tracey Coule acknowledge and discuss, and I found the task of 'translation' that Tracey described as the most pertinent at hand. In all relationships, human-to-human, animal-to-animal, funder-to-fundee, social entrepreneur-to-investor, academic-to-practitioner, it is always the lack of clarity of needs, ambitions and expectations that lead to a bumpy pathway ahead. But it's a bumpy pathway not a cliff face ahead of us. Let's go ahead together in second gear rather than leaping straight into fourth with our silo-ed strategies, which will only hinder and disrupt the achievement of our shared ambitions.

Juliet Valdinger

Philanthropy consultant

Minimum spend debate should be rooted in evidence not emotion

In the last issue of *Alliance* Jake Hayman made a strident case in favour of a minimum payout percentage for UK foundations. There is much to admire about Jake's wish to derive maximum social benefit from foundation resources. However, the article contained a number of significant points of misinformation, omission and misunderstanding.

There is a fundamental mischaracterization of foundations as a sort of cabal of 'silent self-preservers'. In reality, endowments are an enduring source of support for civil society, requiring careful,



context-specific stewardship. This often involves difficult choices about balancing the needs of today with the needs of tomorrow, all within the framework of a regulatory regime that obliges trustees to use their endowment

See pages 28 and 29 for further articles on the foundations payout debate.



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The Center for Philanthropy Studies (CEPS) at the University of Basel is an interdisciplinary research and education institute of the Swiss Foundation System. Initiated by **SWISS FOUNDATIONS**
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and its income solely to advance their charitable aims.

More broadly, the comparison to the US is misleading. The US has no equivalent to the Charity Commission and there are much more expansive allowances around what counts as charitable spend, meaning a comparison of a say, a 4 per cent average UK payout vs the mandatory US rate of 5 per cent, is simply not comparing like with like. It is also worth noting that Canada has a mandatory payout rate of 3.5 per cent.

Perhaps most importantly, one of the key benefits of the foundation model is the ability to fund flexibly and also, in certain

cases, in perpetuity. There is also evidence showing the imposition of a mandatory spend rate in the US actually suppressed spend over the long term.

Considering foundation assets can only be used to serve an organization's charitable mission, the question remains as to why spending, for example, 4 per cent one year, and 6 per cent the next, dependent on context and need, is worthy of opprobrium, whereas bluntly enforcing a spend rate of 5 per cent year-on-year is held up as a panacea despite all evidence to the contrary.

Keiran Goddard

Head of external affairs, Association of Charitable Foundations (ACF)

Correction

In the March 2017 edition of *Alliance*, we published an article which stated that the UK's City Bridge Trust had assets of £1,031,900,000 ('The inexcusable absence of foundation minimum payouts', Jake Hayman, pp 18–19). This figure derives from the Association of Charitable Foundation's *Giving Trends 2015* report, which was repeated by the article's author and, ultimately, by *Alliance*.

The City of London Corporation, which manages the charitable funder, City Bridge Trust, has written to point out that this is not correct, stating:

'City Bridge Trust holds no assets... [it] is the funding

arm of Bridge House Estates. In 1995 a scheme was agreed by the Charity Commission which enabled Bridge House Estates to use surplus income, after meeting its primary responsibilities for the maintenance of five London bridges, for charitable purposes via City Bridge Trust, benefiting the inhabitants of Greater London. This currently amounts to around £20 million per year.'

According to its most recent annual report, Bridge House Estates' assets are £1,034.6 million

We would like to thank the City of London Corporation for drawing our attention to the discrepancy.

Updates from *Alliance*

THE SEPTEMBER ISSUE WILL HAVE A SPECIAL FEATURE ON DIVERSITY

Who leads philanthropic foundations? Do those working in philanthropy – foundation boards and staff, wealth advisers, thought leaders and consultants – reflect the communities they intend to serve? Is the gap between philanthropy's workforce and beneficiaries also present in countries where philanthropy is emerging? If so, does it hold back philanthropy's potential to be a force for good? *Alliance*'s September issue, guest edited by Sumitra Mishra and Angela Seay, explores philanthropy's diversity predicament and what should be done to change the status quo.

FUTURE ISSUES

- Philanthropy and the media
- Royal philanthropy

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ALLIANCE EXTRA



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Recently published: interviews with Thomas Paulsen (Körber Foundation, Germany) and Ewa Kulik-Bielińska

(Stefan Batory Foundation, Poland). Also coverage of annual conferences held by Council on Foundations in Dallas and Edge Funders Alliance in Barcelona, the *Alliance* breakfast club on bridging the divide between philanthropy scholars and practitioners, and *Alliance Audio* on whether foundations and donor advised funds should face minimum payouts.

Coming soon: *Alliance*'s new column The Philanthropy Thinker

‘Audacious humanitarians’ spearhead campaign for world’s first crowdfunded hospital

At the beginning of April, what’s described as the world’s first crowdfunded hospital opened in Aleppo, Syria. The opening is the culmination of a campaign, begun last year, and orchestrated by CanDo, which describes itself as a group of ‘audacious humanitarians transforming the health response in war-devastated communities’, and supported by partner organizations Across The Divide, Doctors Under Fire, Hand in Hand for Syria, Phoenix Foundation, The Syria Campaign and UOSSM.



CanDo’s founder and CEO, Dr Rola Hallam at the launch of the People’s Convoy.

The aim of the campaign was to raise money to rebuild the last children’s hospital in Aleppo that had been bombed out of action, an aim it more than fulfilled and in quick time – £246,505 (270 per cent of the fundraising target) was subscribed in 14 days, with over 4,800 donations, mostly from the UK and US. Money enough not only to rebuild the hospital, but to provide enough funding

for six months of running costs. In a very visible demonstration of philanthropy, the hospital equipment was shipped across Europe in the first months of this year by the self-styled People’s Convoy. Inspired by the public display of generosity and solidarity, the Independent Doctors Association (IDA) in Syria that had taken on the role of rebuilding the hospital, decided to name the facility Hope Hospital.

Hope Hospital is the first of its kind to be funded by people from all over the world, and is now treating the children of Aleppo.

‘After we saw the People’s Convoy, something rebuilt within ourselves,’ says Dr Hatem of IDA. ‘The hope returned to me when I realised that there are people thinking about us and supporting us.’

The hospital’s opening is not coming a moment too soon. It will serve Jarablus district (Northern Aleppo) community of 170,000, treating over 5,087 children each month, a number which is likely to grow as more communities become displaced from continued evacuations and news of the hospital spreads. @

For more information
www.candoaction.org



Centre for Effective Altruism launches pooled funds

The Centre for Effective Altruism (CEA) is trialling what it is calling Effective Altruism Funds. These are pooled funds that allow individual donors to split a donation across four funds, each supporting a different cause area – global health and development, animal welfare, long-term future, and the effective altruism community. The funds are managed by experts, including programme officers from organizations like the Open Philanthropy

Project, and allocated to the most promising giving opportunities in the particular area.

The funds, says CEA, offer a number of advantages: donations are guided by experts into investments that will maximize impact; they can be deployed more quickly than can big foundation funds; and the fact that they are pooled allows for a concentration of capital.

For more information

<https://app.effectivealtruism.org/funds>

New Global Perspectives on Philanthropy and Public Good series

The Centre for the Study of Philanthropy & Public Good at the University of St Andrew's in Scotland is to edit a new series of books on philanthropy under the general heading 'Global Perspectives on Philanthropy and Public Good', to be launched next year. Its focus, say the editors, will be international and interdisciplinary. A number of titles are already planned, which include participatory philanthropy, industrial foundations, and philanthropy and sustainability, though the editors are open to proposals for further volumes. The series will be published by University of Bristol's Policy Press.

For more information

Or to discuss a proposal, email editors@philanthropy.scot




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PCP highlights state of individual giving in Pakistan

How much do Pakistanis give and who do they give it to? Answers are to be found in a new report entitled *The State of Individual Philanthropy in Pakistan* produced by the Pakistan Centre for Philanthropy (PCP) and released in early 2017.

In 2014, the year on which the report's findings are based, Pakistanis gave Rs239.7 billion (\$2.28 billion). It's a figure that may surprise some – it is over three times more than the amount estimated in a previous study in 1998, which produced a figure of Rs70 billion. The comparison, it's fair to point out, is slightly misleading. Considered as a percentage of GDP (0.9 per cent), it is lower than the 1998 estimate (2.6 per cent of GDP).

Another striking aspect of the findings is how widespread the practice of individual giving is. Nearly 98 per cent of households in the survey reported either monetary, in-kind giving or giving of time. As the report notes in its executive summary, the study 'makes clearly evident the enormous potential for individual giving and social investing in Pakistan'. It also reveals some familiar elements – most giving goes to local individuals or faith-based organizations. Mistrust or sometimes simple ignorance prevent individuals giving to other forms of social organization – findings that have implications for both the sector itself and for future government policy towards it, as the report also notes.

The study draws on a sample of 10,000 households, focus group

discussions and interviews with relevant stakeholders across the four provinces of Punjab, Khyber Pakhtunkhwa (KP), Balochistan and Sindh. The most common forms of giving are non-Zakat financial and in-kind donations. Zakat donations account for about a third of the total monetary giving and, by assigning a monetary value to time given, an estimated 21 per cent comes from volunteering.

Individuals tend to give predominantly to individuals, and mostly to those who are seen as needy. When it comes to organizations, the principal beneficiaries are mosques and madrassas, especially those that are local. In order for secular institutions to receive donations, the majority of participants stressed the importance of trust and transparency. People prefer giving to organizations that have a record of success with visible outcomes and that encourage local involvement in decision-making.

According to the Pakistani government's 2015 economic survey, nearly 39 per cent of Pakistanis live in multi-dimensional poverty,

A research study on 'The State of Individual Philanthropy in Pakistan' was launched at National University of Science and Technology (NUST) by Pakistan Centre for Philanthropy in February. President of Pakistan Mr Mamnoon Hussain was the chief guest.

a percentage that rises in rural areas. Individual generosity therefore comprises an important supplement to state-run social programmes combatting poverty. However, most Pakistanis are unaware of both existing charitable organizations (a further possible reason why those near at hand are preferred) and of new policy initiatives to increase giving. The report argues that a campaign is needed to raise public awareness on both counts in order to maximize the potential benefits of individual philanthropy. It also adds a caution: the evidence suggests that individual giving to individuals provides an informal but critical social safety net for many. Any policy change that seeks to shift individual giving towards organizations should be wary of damaging that net. @

For more information
<http://pcp.org.pk/index.html>



DASRA

Dasra Philanthropy Week sees launch of new collaborative

Held between 27 February – 4 March 2017, the 8th Dasra Philanthropy Week (DPW) brought together over 400 leading development practitioners, experienced philanthropists and dynamic social entrepreneurs to exchange ideas, debate issues and spark collaborations to accelerate social change in India.

The week saw 41 leaders of India's top social organizations aim to expand their potential, and to deliver insights, vision and skills to increase the impact of their social enterprise through the completion of the Dasra Social Impact Leadership

Programme (DSILP) module.

A new outcome-led collaborative was launched. The 10to19:Dasra Adolescent Collaborative

is a partnership with the United States Agency for International Development (USAID) and the Kiawah Trust to empower five million adolescents across India by working directly to help girls to:

- ▶ stay in school
- ▶ delay their age at marriage
- ▶ improve awareness about gender-based violence, nutrition, menstrual hygiene, reproductive rights
- ▶ increase employment opportunities



- ▶ improve decision-making skills

Over 130 philanthropists, sector experts and social impact leaders, from across various sectors, gathered to engage, share and learn through curated panel discussions on how to make a more meaningful impact to solve social issues.

For more information

To know more about the Dasra Philanthropy Week 2017 and watch panel discussion videos visit www.dasraphilanthropyweek.org

CHINA FOUNDATION CENTER

China Charity Law promotes greater information disclosure

The social impact of the philanthropy sector in China has grown considerably in the past 10 years, with the number of foundations rising to over 5,000.

Today, 90 per cent of foundations publish their annual report, project and other information in accordance with the 2004 administration regulation requirement for foundations. This improvement in the transparency of Chinese foundations has increased public trust and attracted more attention to the sector.

The Charity Law of the People's Republic of China (China Charity Law) came into force on 1 September 2016. Designed to promote the culture of charity and standardize charitable activities, it is the first special law for the philanthropy sector and lifts transparency to a much higher level. All public charities must disclose information such



as activities in the past 12 years, and all public fundraising charities must disclose programme information every three months. The China Charity Law will open up a new landscape of charity information disclosure.

For more information

en.foundationcenter.org.cn

CIVICUS

What is the state of civic space in your country?

CIVICUS has developed a new tool to monitor fundamental freedoms in all UN member states. It shows some alarming trends.

Across the world, fundamental civic freedoms are being undermined and abused. In Hungary, the ruling party has sought to control international funding for civil society, while in the Philippines, the president has threatened to kill human rights activists. Several states in the US have proposed laws to weaken the right to peaceful protest.

According to the CIVICUS Monitor – the first-ever global tool to assess core civic rights, with an emphasis on examining freedom of association, assembly and speech – just 3 per cent of people live in countries where these rights are respected, protected and fulfilled. This means that there are almost six billion people living in 106 countries where there are serious violations of freedoms of expression, assembly, and association.

The most common violations of civic freedoms include detention of activists, use of excessive force against protesters, and attacks on journalists. In the majority of cases, the state is the perpetrator



of violations. These disturbing trends are apparent in both mature and young democracies.

The online tool's ratings are measured using qualitative and quantitative inputs, and it is powered by research partners across 20 countries.

For more information
www.civicus.org

EUROPEAN VENTURE PHILANTHROPY ASSOCIATION

Attracting social investment to Central & Eastern Europe

On March 27–28, 2017, in Warsaw, the Central & Eastern Europe Social Investment Taskforce held the first meeting of its Steering Group. This initiative spearheads a pioneer, collective effort to address the impediments to the advancement of the social investment industry in CEE.

Under the leadership of Ewa Konczal, CEE manager at the European Venture Philanthropy Association (EVPA), with Nicole Etchart and Roxana Damaschin-Tecu from NESsT, this meeting gathered 20 representatives from the social investor community, incubator programmes, and government from across the region, as well as the European Commission.



The CEE Taskforce will address the lack of early-stage investors and patient capital for the social investment sector. Through the representation of diverse stakeholders, it will stimulate ecosystem development by showcasing investment examples, sharing pipeline and deals, attracting investors to the region, and integrating CEE into the global social impact investing movement (under the auspices of the Global Social Impact

The first meeting of the CEE Social Investment Taskforce.

Investment Steering Group of the G8). In the next year, the CEE Taskforce will deliver a report on the state of social impact investing in CEE, as well as case studies of deals and investment opportunities in CEE for potential social investors.

For more information
www.evpa.eu.com

EUROPEAN FOUNDATION CENTRE

New EFC initiative to view institutional philanthropy in 3D

The EFC has launched the **Institutional Philanthropy Spectrum (IPS)**. Its aim is to better understand and document the characteristics, practices, role and relevance of institutional philanthropy in society.

The IPS serves as a framework to build systematic knowledge about the field of institutional philanthropy. It aims to help capture the diverse and evolving nature of the field as well as allowing the user to visualize, explain and possibly foresee practices and actions based on relations between different elements identified in the spectrum.

Institutional Philanthropy Spectrum – Beta2 - March 2017



The six variables investigated by the IPS are public good, resources, use of assets, self-governance, values & strategies, and relevance. It further examines these variables in detailed clusters to identify the unique features and practices of each institutional philanthropy actor. In short, the tool enables users to picture where they fit in the six variables and collectively across the spectrum.

The EFC will document the IPS by inviting its members and other

actors in the sector to provide feedback on the spectrum and/or contribute information through an online survey to be launched shortly. As the IPS is in development mode, contributors to it will be asked for feedback on the beta version, enabling the EFC to refine the tool and develop and share a deeper and more comprehensive understanding of the philanthropic sector.

For more information

Contact Emmanuelle Faure
efaure@efc.be

COUNCIL ON FOUNDATIONS AND FOUNDATION CENTER

Global giving by US community foundations

International grantmaking by community foundations in the US is becoming a more common practice for community foundations of varied sizes, geographies, and types. The Council on Foundations and Foundation Center published a new report in May 2016 that analyzed global grantmaking by the largest community foundations in the US.

The report shows that in 2014, 85 per cent of the largest community foundations made at least one grant internationally, compared to 67 per cent in 2002. The amount of global giving is also increasing, with global programme funding doubling between 2010 and

2014, and more than \$1.3 billion in documented international giving by US community foundations between 2002 and 2014.

The report includes analysis of grantmaking data and qualitative interviews highlighting how five community foundations are engaging internationally. Historically, US community foundations have been considered local, place-based institutions that serve as community anchors and leaders for local needs within a specific geography. This first-ever analysis of international grantmaking by the largest US community foundations shows a broader, more nuanced definition of 'community' for these institutions today.

The report also finds that most international giving is channelled

through US-based intermediary organizations. Additionally, there is little evidence of US community foundation engagement with their non-US peers. As US community foundations continue to increase their international grantmaking, there are unexplored opportunities to leverage the local leadership and expertise of community foundations around the world, as well as partner with other international grantmakers in the US to improve effectiveness and engage in discussions on key global issues.

The report also highlights current data gaps, which limit the sample sharing detailed grantmaking data and makes it hard to determine the exact country and even region of grant implementation.

For more information

www.cof.org

WINGS

4Cs assessment framework launched

Organizations serving philanthropy are often tasked with proving their worth to their board, funders, and other players in the field. Important services provided by these organizations are often immeasurable by traditional standards. How do you measure increased collaborations? New connections? What about influence on the field? How about the impact on philanthropy in a region? Do traditional assessment frameworks make sense?

For many of our members, the answer was 'no'. Over the course of the last 18 months, WINGS and DAFNE members have embarked on a peer-learning journey to assess the very basic question that many philanthropy infrastructure organizations have: how do we evaluate, then communicate, our impact?

The answer: the 4Cs – an assessment framework for organizations serving philanthropy. We can measure our impact on the field by assessing our capacity (building financial capacity), capability (building skills, knowledge and expertise), connection (building relationships), and credibility (building reputation, recognition, and influence).

The 4Cs comes in two parts. The 4Cs Framework is a written tool that can be used for strategic and activities planning, enhancing a theory of change, communicating worth to a board, and for other instances where an organization wants to assess its actions and measure them to outcomes. The Global Scale Rating tool is a PC-based tool that helps visualize the state of the field in a region and an organization's degree of influence on that field.



WINGS members learn about the 4Cs through members of the 4Cs peer-learning group at WINGSForum 2017 in Mexico City.

The 4Cs was officially launched at WINGSForum 2017 in Mexico City. In the coming months, WINGS and DAFNE will be working together to bring updated tools and communications around how to best engage with the 4Cs.

For more information

Contact Sarah at scampello@wingsweb.org

FOUNDATION CENTER

New portal for ocean conservation funding

Ocean conservationists and their supporters can now track funding for marine protection activities through a new online portal, FundingtheOcean.org. The site provides information for those grappling with an increasingly complex landscape in their work to improve the condition of the ocean and its inhabitants.

With funding support from six foundations, Foundation Center unveiled the portal in April. It offers free access to data on philanthropic, US federal, bi/multilateral aid grants, and crowdsourced information about grassroots marine conservation organizations, enabling users to see data on who is working on

ocean conservation around the world.

Current figures indicate that while the ocean covers 71 per cent of the earth's surface, less than 1 per cent of all philanthropic funding has gone to support it since 2009. 'This is a critical moment for the ocean,' said Bradford K. Smith, president of Foundation Center. 'The decisions we make now will shape the ocean's future, and the future of the lives and livelihoods of those that depend on it.'

Users of the site will be able to find funders, recipients and grants displayed by geographic area. This data can help spur collaboration and maximize conservation efforts. For example, users could potentially benchmark open data on marine protection funding to



help them learn from the successes and failures of their peers; identify new ideas and approaches; and increase access to and awareness of conservation efforts.

Eight case studies and a curated report collection featuring major conservation funders including the Walton Family Foundation and the Packard Foundation have also been created so that users can learn more about what's working and what we're learning about funding the ocean.

For more information

www.fundingtheocean.org

NETWORK OF EUROPEAN FOUNDATIONS

European Philanthropy Learning Initiative: Discovering Philanthropy, Discovering America

In an increasingly interconnected and interdependent world, the role of national governments as societal standard-bearers is changing, and civil society is both threatened by illiberalism and empowered to drive the changes essential to ensuring an equitable and sustainable future. Philanthropy and civic engagement have a fundamental role in ensuring the essential freedoms of citizens.

The Discovering Philanthropy, Discovering America initiative was launched by the European Philanthropy Learning Initiative to explore an essential

question, central to philanthropy – who is the steward of the common good? The first phase of the initiative is a Master level course at Sciences Po and a complementary lecture series with the Centre Français des Fondations, featuring US and European experts, intended to become a research and learning/teaching curriculum and dialogue involving US and European universities, academics and experts. The objectives of the courses, research and dialogue are to explore this issue through a multi-disciplinary approach to the role of philanthropy and civic engagement in the US and Europe and how it can be a catalyst for strengthening civil society and democracy for the future.

The current initiative began in 2009, with the founding of



Bruce Sievers from Stanford PACS (Philanthropy and Civil Society centre) at the *Discovering Philanthropy, Discovering America* lecture series for the French philanthropy community and Sciences Po students hosted by Sciences Po and the Centre Français des Fondations, a complementary activity to the course lectures part of the initiative.

the European Philanthropy Learning Initiative by European foundations through NEF to promote research and learning in the European philanthropy sector. The first phase of the initiative is funded by US foundations with European foundations joining in its second phase in the autumn of 2017.

For more information

judith.symonds@sciencespo.fr

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NEW FINDINGS FROM THE JOHNS HOPKINS CENTER FOR CIVIL SOCIETY STUDIES

Did you know . . .

Did you know that the third sector – including non-profit institutions, public-benefit-oriented cooperatives, mutual societies, social enterprises, and volunteering – constitutes the third largest workforce of all industries in European Union member states?

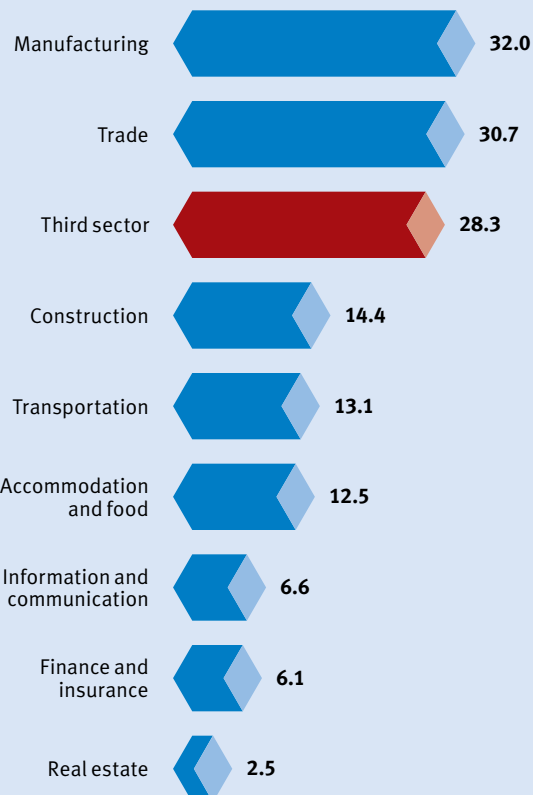
According to a recently released Working Paper from the Third Sector Impact Project (TSI) by Lester M. Salamon and S. Wojciech Sokolowski of the Johns Hopkins Center for Civil Society Studies, this sector engages over 28 million full-time equivalent (FTE) workers – nearly twice the number of people employed in construction, and over four times as many as those employed in the financial sector.

For more information

The TSI project, visit: thirdsectorimpact.eu

Source

Lester M. Salamon and S. Wojciech Sokolowski, 'The Size and Scope of the European Third Sector,' *TSI Working Paper No. 12*, Seventh Framework Programme (grant agreement 613034), European Union. Brussels: Third Sector Impact. Available at: <http://tinyurl.com/ThirdSectorEurope>



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Interview Manuel Arango

As the interview he gave to *Alliance* in 2004 illustrates, Mexican philanthropist Manuel Arango is a long-time champion of philanthropy and civil society. Thirty years ago, he founded the Mexican Centre for Philanthropy (CEMEFI) and he has been connected with philanthropy infrastructure body, WINGS, since the initial meeting in Oaxaca. It was at the recent WINGSForum in Mexico City that he spoke to Charles Keidan about CEMEFI and WINGS, but also about the work of his own foundation, the Manuel Arango Foundation, and the values and vision that underlie all his philanthropy.

Manuel Arango is founder of the Mexican Centre for Philanthropy (CEMEFI) and the Manuel Arango Foundation. Email via Nancy Pearson npearson@grupoconcord.com.mx

At the beginning of the WINGS conference you said that ultimately, how we think about philanthropy comes down to the values we hold. Can you elaborate on what you meant?

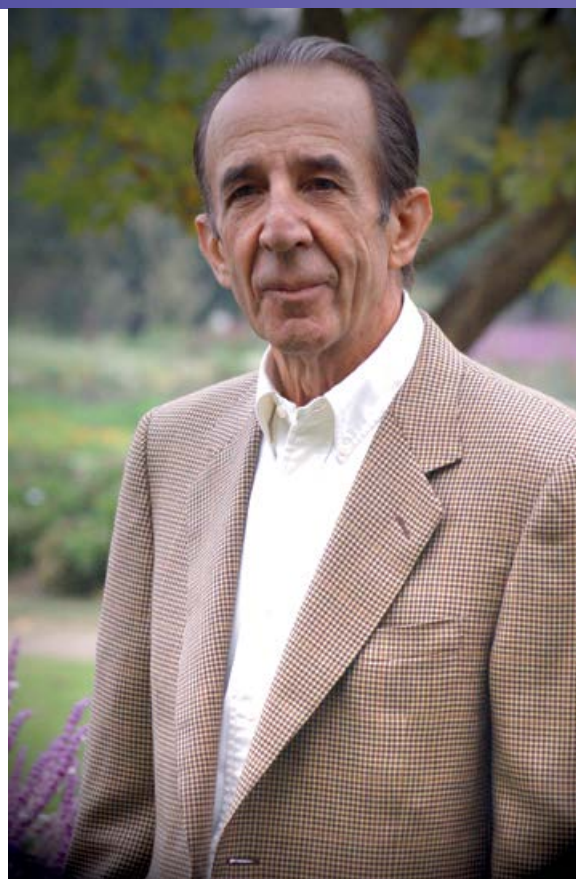
First, of all, for me philanthropy is a very extensive concept – it's civil society, non-profit organizations, and beyond. This was at the heart of our thinking when we started CEMEFI and a big part of it is the concept of people donating the most important thing in life which is their time, because that you cannot replenish. So for us the concept of philanthropy was to move Mexican citizens to adopt this view that we are all part of the environment in which we live, that we all must take care of that environment, natural and social.

How did you get involved in the first place?

I came through the door of the environment, the natural environment. I was worried about many environmental problems more than 40 years ago and I became a member of one of the oldest institutes, the Environmental Institute of Mexico. I realized that just as I was involved in the

For us the concept of philanthropy was to move Mexican citizens to adopt this view that we are all part of the environment in which we live, that we all must take care of that environment, natural and social.

environment, there were others involved in education, in health, in charity, in other issues – people giving their time, their talent, their effort, their money – so that became my passion and I got more involved in the sector. When we founded the Mexican Centre for Philanthropy, we tried to bring all that together, so I went from the very specific environmental task, which in itself is complex, to the world of



justice, philanthropy, charity, equality – everything. And that's where I am at this late stage in my life.

In the old days it was very easy for me to get up and speak because I was very passionate and I thought I knew what had to be done and how. Now it's the reverse. Now I see the young people and I sit there waiting for them to speak out and act. They are wise, and I imagine them thinking, what is this old guy going to tell us? But, going back to your initial question, I say let's go back to something very simple which was there at the very beginning: if we can really educate people with values, if we all feel that we are responsible for the world that we live in, whether you're in a business or university or you're a politician, we certainly would have a better world. So I'm going back to the essence of everything. Generosity, empathy, all these words make a good citizen and a good citizen makes a good country.

Are there enough good citizens among Mexico's wealthiest people contributing those values? Do you think they could and should be doing more?

Patience is another thing I've learned. At first, I was desperate because I thought that things could be accomplished at a much faster pace, and then you learn to be humble and to enjoy the small victories because things unfortunately take much longer than we would like. Yes, in Mexico we are a long



way from where we would like to be, but if you go back a few years we have advanced tremendously. In CEMEFI we have incrementally created programmes that have been very successful, like the Corporate Social Responsibility programme. At first, there was some resistance, but it put corporations on a learning curve of not just doing things for cosmetic reasons, to doing things really as part of the solution to problems and realizing that it was a win-win with employees, with clients, with the communities in which they operate, with society.

So is corporate behaviour much better in Mexico now than it was then?

I think that it is continually improving, little by little. For many years we promoted to companies the standard of designating 1 per cent of profits before tax to their own projects, their own foundations or to the social causes of their choice. We recently decided to create an award or recognition for those companies who publicly commit to the 1 per cent standard and said if we could get 50 corporations to participate, we'd

The Xochitla Parque Ecologica a project of the Manuel Arango Foundation, covers 70 hectares and aims to be self-sustainable.

At first, I was desperate because I thought that things could be accomplished at a much faster pace, and then you learn to be humble and to enjoy the small victories because things unfortunately take much longer than we would like.

launch it. Nearly 80 were recognized in the first year and the number continues to grow.

Money is really the easiest thing to contribute, but we wanted corporations to contribute talent, the talent of the individual. We have worked very much with governments because they don't realize the potential of the citizens willing to be part of the solution. We have struggled and we continue to struggle to get them to give incentives for non-profit organizations. I believe that the non-profit world is the balance between government and business. Those are two powerful entities. You cannot say that the role of the citizen is just to vote and that's it. Citizens have to be empowered.

You founded CEMEFI and you've seen the evolution of WINGS. How involved have you been in this process of trying to build a global philanthropy infrastructure?

The two main pillars in philanthropy are the grant-givers and the grant-seekers. The grant-givers are the ones who have the potential, with their money, to get ideas, projects started. The grant-seekers are the ones who have ideas, projects to provide services, but they don't have the resources. So if you are able to make these two areas grow and communicate, the more grant-givers you have and the more well-organized projects from the grant-seekers, things start to bloom. So I am very



proud to be at the WINGSForum seeing, not the number, but the quality of the people who are here. Behind some of those people are the Ford Foundation, the Mott Foundation – organizations that have been operating for years and have great experience. WINGS also helps to reproduce similar initiatives and projects. It's a growing sector and I think the day is coming when citizens will be empowered, and strengthened by their values; the sector can finally be the link between market forces and government. If capital and business drives the world, it's very serious because the more powerful you are, the more you can shape public policies. So we have to get involved not only in helping people, but in attacking the problems that cause poverty or crime, or other issues. We have to change that, so we have to be able to shape policy.

You have your own foundation, the Manuel Arango Foundation. What's involved in that and what do you do?

Outside of CEMEFI, I have my own personal projects and organizations that I have been funding through my foundation. One is on environmental education.

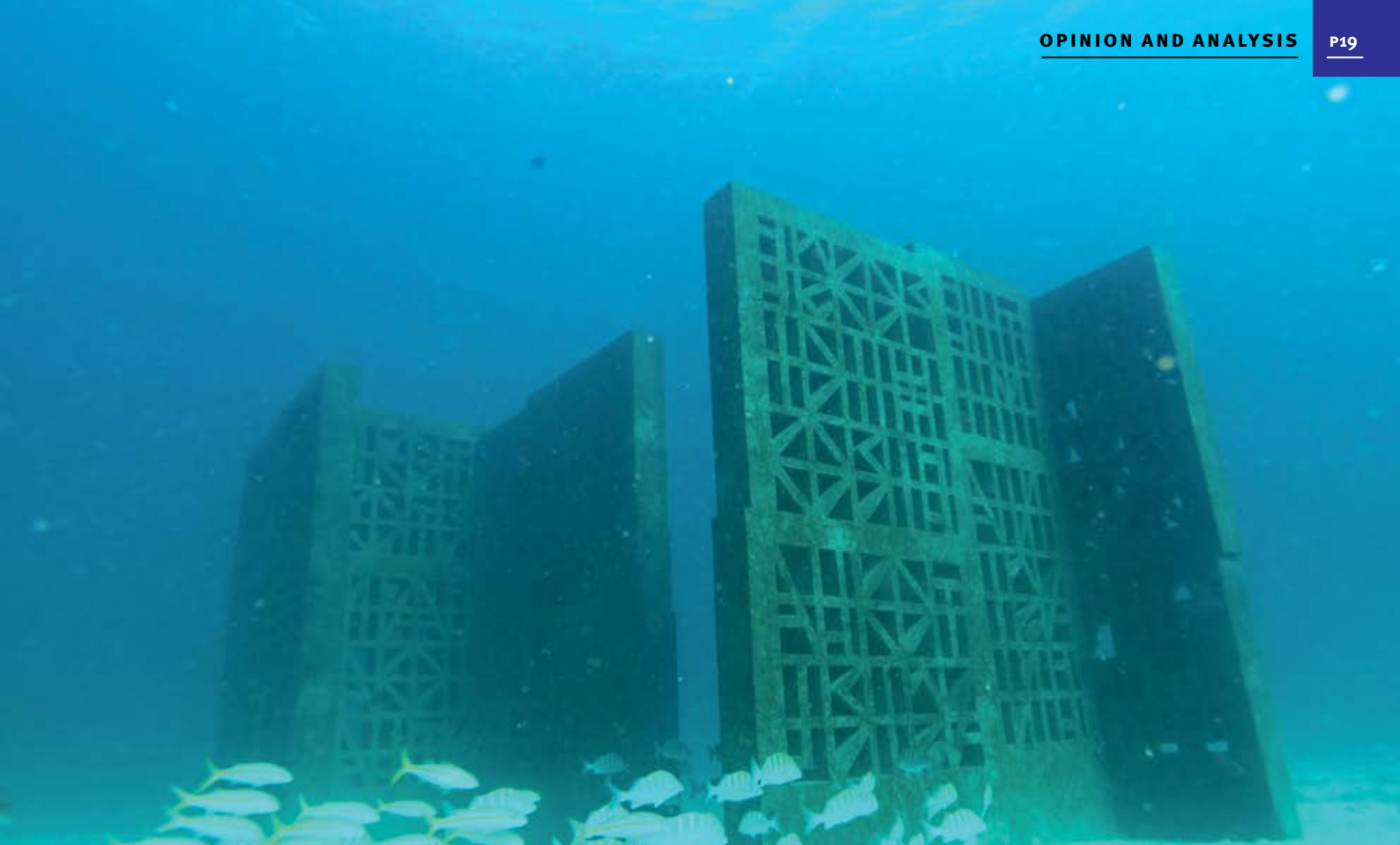
I think the day is coming when citizens will be empowered, and strengthened by their values; the sector can finally be the link between market forces and government.

The Manuel Arango Foundation managed, with the help of the government, international and local foundations and donors, to buy Espiritu Santo Island in the Sea of Cortez and donate it to the nation to be conserved in perpetuity.

We publish books, hold conferences, etc. But we also have an organization that consists of a 70-hectare park on the outskirts of Mexico City that we use to educate schoolkids, among other things. It's a public park, but you pay an entry fee and for food, with all income generated going toward reaching self-sustainability. For more than 20 years, it hasn't achieved that goal, but now we are beginning to see for the first time that we're reaching it. Of course it's going to take a long time, because even if you have the money, you cannot have a beautiful park immediately, you have to plant trees, grow everything. We also provide diverse environmental education programmes, as well as special events for the public and meeting rooms and gardens for corporate activities.

What's the name of the park?

It's a Nahuatl name, Xochitla with an X, which means 'the place where there are flowers'. We had a contest when we started the project and that was the winning entry.



The commemorative sculpture is made up of 14 different screens on the sea bed, full of sea life.

For the last 30 years, we have also run a very important annual awards programme called the Premios Compartir. We present awards in five areas; to an individual for his or her social leadership; to an exemplary volunteer programme; and to outstanding organizations in the areas of community development, social care and public involvement in social issues. When we started the awards, there were 15 people in the room, now they are celebrated in a theatre with more than 700 people in attendance. The award is very important, not so much for the money, but because it's like a seal of approval. If you have the award, the chances are you will be able to raise more money.

But one of the things that we are most proud of is an island of 10,000 hectares in the Sea of Cortez. It's a jewel, it's beautiful, pristine, not developed. It was communal land, but some years ago, the law changed in Mexico and the sale of the island was

We were so worried it was going to be destroyed so, after seven years of very hard work, we managed, with the help of the government, international and local foundations and donors, to buy the land.

authorized. We were so worried it was going to be destroyed so, after seven years of very hard work, we managed, with the help of the government, international and local foundations and donors, to buy the land from the 36 people who owned it and we then donated the island to the Mexican nation for its conservation in perpetuity.

You know, the Sea of Cortez is called the aquarium of the world, it's a very beautiful place. One last thing on that story, I took a friend of ours there, a well-known sculptor. I told her the history and said we'd thought of creating a sculpture for the island to give credit and commemorate all the people that helped us, but we decided, it's pristine, where are we going to place a sculpture? Six months later she wrote to me and said she'd had an idea and she'd do the sculpture – and install it on the sea bed. So we have these 14 magnificent screens that make up the sculpture, each screen weighing approximately three tonnes, all different, put exactly on the site she selected at the bottom of the sea. And they're full of sea life, so it's art and marine life combined. You should go and see them. Are you a diver?

No.

Well, it's not very deep! @

Under the same roof, but not (yet) in connubial bliss: philanthropy and global development

Bathylle Missika and Emilie Romon

While policymakers and philanthropists both support sustainable development and social justice, prior to the Sustainable Development Goals (SDGs), they had been doing so on parallel tracks. Now the SDGs are part of philanthropy's shared language. The vast majority of foundations know what the SDGs are, without necessarily using or aligning with them. Such familiarity with a global United Nations concept could not have been taken for granted ten years ago. What has changed?



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Emilie Romon is netFWD co-ordinator, OECD Development Centre. Email emilie.romon@oecd.org

First of all, it is difficult, laborious and costly to follow the many ramifications of the global development agenda. Governments, including donor agencies, usually have policy sections entirely dedicated to keeping track of and participating in these discussions; so do international civil society organizations in order to advocate for their issues. Yet foundations tend to prefer allocating their resources to their programmes. Most of them have no dedicated staff, which means extremely busy people – CEOs or senior advisers – represent their organizations in policy debates.

Moreover, the public sector – from development agencies to line ministries in OECD and non-OECD countries – and philanthropists are not natural partners. They have different working cultures and timelines, and each speaks their own jargon, leading to what Michael Green calls ‘a degree of misunderstanding . . . and a tendency to try to keep each other at arm's length’.¹

Next, what each community considers to be ‘development’ is dramatically different. Take support for indigenous art. Many foundations support the arts, particularly art from tribal communities. Support for these communities and their crafts contributes to their livelihoods, and to the whole community. But support for the arts, such as partnering and funding exhibitions of tribal art, is not counted as Official Development Assistance (ODA), although many philanthropies consider it central to their missions. Given these foundational differences (no pun intended),

convergence on a common agenda such as the original Millennium Development Goals (MDGs) was neither natural nor actively pursued.

Finally, in 2000, when the Millennium Declaration was endorsed and the MDGs consequently adopted, foundations were not consulted. No wonder they did not take an excessive interest in the MDGs. The UN Foundation, however, was the exception. It committed to helping achieve these new goals and developed a degree of coherence and linkage between its agenda and the MDGs.

So, how did philanthropists suddenly become interested in the SDGs?

First, foundations got involved beforehand in discussions on the role of philanthropy in the post-2015 setting, though neither extensively nor comprehensively. A handful such as the Rockefeller Foundation, Ford Foundation, UN Foundation and the Bill and Melinda Gates Foundation proactively started a conversation about philanthropy's role in the SDGs as early as 2013 by organizing consultations and events on the margins of the UN's Open Working Group on the SDGs. This back-channel diplomacy was necessary because philanthropy was still not among the so-called Major Groups consulted formally by the UN during the elaboration of the SDGs. These were drawn up by sector and included: Women, Children and Youth; Indigenous Peoples; Non-Governmental Organizations; Local Authorities; Workers and Trade Unions; Business and Industry; Scientific and Technological Community; Farmers.

Second, several organizations intensively lobbied for philanthropy's seat at the table, including the Network of Foundations Working for Development (netFWD) at the OECD Development Centre. Indeed, advocating for philanthropy to be recognized as a meaningful development partner lies at the core of netFWD's mission. For example, netFWD, together with the United Nations Development Programme (UNDP), contributed to drafting the paragraph on philanthropy in the Addis Ababa Action Agenda outcome document, and identified philanthropy champions among UN member states, such as the Netherlands. In addition, netFWD and others organized side events during major intergovernmental conferences, such as ‘Rethinking Philanthropy's Contribution to the Financing for Development Agenda and Beyond’ in Addis Ababa on the importance of philanthropy for the 2030 Agenda.

Women sell mango and sweet potato jam at the food processing shop in Bantantinting, Senegal.



UN PHOTOS

Third, slowly but surely, the SDGs are percolating through the philanthropic ecosystem. As a framework for collaboration, they provide an opportunity for greater convergence of interests. Using the three-tiered approach recently presented in *Alliance*, some foundations are SDG flagbearers (inner circle) that seek to align their priorities and programmes with the global agenda, and a growing number are catalysts (middle circle), who think of innovative and measurable approaches to some of the SDGs. For instance, the Stars Foundation created the 'With and for Girls Collective' together with partners, such as the Nike Foundation, Mama Cash, Plan UK International, and the Global Fund for Children, to empower adolescent girls around the world and help achieve SDG5 on gender equality.

However, this rather encouraging picture should not hide the unfinished business.

For one thing, implementation. Historically, foundations have been advocates for development and social justice. Yet, they can be more than that and can truly help implement the SDGs. Foundations, by their nature, can test innovative models, experiment and identify projects that could be scaled up to help achieve SDG targets. Unfortunately, they have limited financial means.

As the preliminary results of a new OECD survey² show, the philanthropic sector represents about 1.4 per cent

Historically, foundations have been advocates for development and social justice. Yet, they can be more than that and can truly help implement the SDGs.

Knowing who funds what and where would avoid duplication of work and optimize financial resources for development.

of total flows that support development. Therefore, foundations must carefully select how they spend their money and energy, based on their comparative advantages and an efficient division of labour with other development actors.

In an era of openness and more effective measurement, foundations should make monitoring and evaluation a must. Some foundations assess their impact thoroughly, including through the use of Randomized Control Trials; others take a lighter approach. What matters is that they ask themselves how and where their action would be most effective in achieving the SDGs when making allocation decisions. Keeping impact in mind also involves being transparent. Knowing who funds what and where would avoid duplication of work and optimize financial resources for development. Although available data do not reach this level of detail, the SDGs can be a means towards this important quest for transparency and accountability.

Finally, the rest of the development world needs to respect philanthropy's prerogative to act not only within the SDGs, but also outside them. Just because philanthropy has become a bigger figure in the sustainable development arena than it used to be at the time of the MDGs, that does not mean that all foundations have embraced the SDGs or that this is all they care about. Diversity and original projects are critical to challenging the status quo, which is what philanthropy has always been good at. @

1 Michael Green (2013) *Philanthropy and Official Development Assistance: A clash of civilisations?* <https://tinyurl.com/Green-Clash>

2 <https://tinyurl.com/oecd-Dac-Survey>

A new era for African philanthropy research

Gideon Boako

Academics with an interest in the African philanthropy landscape will gather at the International Society for Third Sector Research (ISTR) conference in Accra, Ghana from 21–24 June. It is a gathering that is overdue. One of the big questions on the agenda will be how to disaggregate the roles of philanthropy and civil society in the continent's development.



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Kliptown, Soweto, Johannesburg. Africa is growing in terms of the size of its population, its demographic transitions and its wealth, but the continent is also becoming increasingly unequal.

Africa is growing in terms of the size of its population, its demographic transitions and its wealth, but the continent is also becoming increasingly unequal. What is more disturbing is that the growth that is celebrated is, for the most part, the cause of that inequality. Civil society groups and community giving both explain much of Africa's development but, contrary to the view that philanthropy and civil society are part of one undifferentiated idea, the drivers and logics of these gilded concepts are more complex.

Two decades ago, the 'discovery' of civil society was heralded as the key to a renaissance Africa and was expected to reconstitute the state and to contribute to development and democratization. This expectation was based on a hypothesis that civil society could provide the missing key, at both theoretical and policy levels, to sustained political reform, could validate states and governments, and viable state-society and state-economy relationships, and prevent the kind of political decay that had undermined African development in the past.

While giving and philanthropy have been practised on the African continent from antiquity, not only does the topic remain underexplored, but also understanding its complex dynamics presents a challenge. African philanthropy lags behind its global counterparts in terms of knowledge, data, infrastructure, human resources and research. With Africa suffering great disparities of wealth, issues of growth and poverty remain critical to development. Unravelling the complex dynamics of giving, as well as the nexuses between civil society and philanthropy, should be on the priority list of governments and organizations. Despite this need, while many stakeholders are brought increasingly into international development processes, philanthropy stands apart, despite the scale, ambition and potential of philanthropy's contributions to international development.

The conjoining of civil society and philanthropy automatically invokes an eclectic mix of research questions. For example: how can civil society organizations promote a culture of giving? Does charitable giving boost or enervate the civic impulse? How and under what conditions do agents traverse the civic and philanthropic terrains, and what forms of collaborations are possible between the two? What are the proper limits of collaboration between the state and charities, and who gets to draw them? Last but not least, how have the histories of civil society and philanthropic organizations been entangled in Africa, and what are the possibilities for the transformation of the non-governmental space on the continent?

These questions will form both the background and foreground to the 2017 ISTR Africa regional network conference. Papers and keynote addresses will be given by authorities on civil society and philanthropy. They will explore how both concepts shape and are shaped by institutions and individuals locally, internationally and globally. This spatial dimension is important, as are papers that challenge the consensus around the 'goodness' of charity, or take us to the so-called dark side of philanthropy, with critical detours at the intersection of international aid and donor dependence.

This conference will delve into the context, contradictions and possibilities of civil society and philanthropy in Africa. No single analytical or disciplinary field can offer all the insights on these matters, of course. Mainstream sociology and anthropology are now lonely queens, but they have to be engaged – without being embraced – if the social sciences can reach the corridors of power to rebuke and rebuild. @



NAGARJUN KANDUKURU

Strategy for breakfast?

Rana Kotan

‘Culture eats strategy for breakfast.’ This remark by Peter Drucker is quoted by people who see culture at the heart of all successful institutions. The values of the organization and the way employees collaborate and communicate with each other are all embedded in the internal culture. And they’re hard to change. Strategy on the other hand, demands change. Moreover, the external environment in which the organization operates also plays a significant role. In Turkey, it’s a pretty tough one at the moment. So how would the Sabanci Foundation’s new strategy cope with these challenges?



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Alignment of strategy with the internal culture

In 2007, the Sabanci Foundation which until that point had been focused on traditional philanthropy – building schools and institutions, providing scholarships and supporting arts and culture – added a strategic element to its traditional philanthropy, tackling social issues through grantmaking.

Strategic philanthropy was a major change for a Turkish family foundation. Our work was dedicated to fighting discrimination against women, youth and people with disabilities and ensuring their equal participation in social life. The most important outcome of this approach was the empowerment of those who face the problem and know the solution better than anyone else. We focused our efforts on awareness-raising, developing models, empowerment of activists, supporting grassroots development and advocacy for policy change and implementation. We collaborated with different stakeholders, including European foundations, with whom we exchanged experiences in conferences and seminars, and issued publications on gender and disability.

At the same time, traditional philanthropy, which takes its roots from our core value of ‘sharing’,

continued, with our institutions, scholarships and awards, as well as our arts and culture programme, which makes arts and music widely accessible.

These two elements have largely worked independently of each other, but after nearly ten years of experimenting with two different work streams and approaches, our new overarching goal of ‘creating long-lasting impact’ has brought us to a point of connection and synergy. We decided to bring both teams together. We developed cross-cutting projects such as the short film competition which is essentially an art project, but aims to create awareness of social problems at the same time. We work with hybrid teams, which increases our motivation and impact. This new approach also creates an internal learning culture and improves the work climate.

The external environment

All this is taking place against a turbulent background. After the failed coup attempt last July, the Turkish government declared a state of emergency. Turkish society is increasingly polarized, and against a background of growing tension and financial instability, the president is attempting to concentrate greater power into his hands. Under the circumstances, where security is the number one priority, civic space is shrinking more than ever.

Implementing our strategy amid these realities . . .

We believe that during this extraordinary period, philanthropy becomes even more crucial and should embrace the role of creating a more equal country more than ever. At the Sabanci Foundation, our vision is to achieve a country where all people enjoy their rights equally. We see our main role as bringing people together and ‘building bridges’ across divides. We maintain our neutral but inclusive approach and try to build stronger ties with our partners. We are committed to cultivating civil society and taking an active role in addressing social issues.

With our new strategy, we will focus on embracing our core values of love for humanity, sharing, sincerity and pioneering to create long-lasting impact, while carefully monitoring the dynamics of the internal and external culture. I believe it is possible that strategy and culture sit down to breakfast together. It looks hard, but a well-known Turkish writer and poet, Sait Faik Abasiyanik has the recipe: ‘Beauty will save the world, everything starts with loving the human being.’ @

SABANCI FOUNDATION AT A GLANCE

Founded In 1974 by the Sabanci family, which is also the founder of Sabanci Group, one of Turkey’s leading conglomerates

Mission To contribute to education, culture and social development and make a difference in the lives of individuals

Annual expenditure €23 million (2016)

Staff 23

What happens to the rest of it? How foundations make investments

Andrew Milner

Low-risk investment companies that channel a small percentage of their assets into philanthropy – that's how Clara Miller, president of the Heron Foundation described foundations in an interview with *Alliance* a year ago. It's on that 'small percentage' that the spotlight generally falls. What happens to the rest of it? How are those investments made and in what, and – perhaps the most obvious question of all – shouldn't 'more of them be made to serve foundations' ultimate purpose?



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This article deals with foundations with investable assets, so many corporate foundations, for example, lie outside its scope. The same goes for countries like India where there are strict rules governing foundation investments and where the sector is young and, as Amitabh Behar of the National Foundation for India observes, 'has little experience in terms of making full investment policies but I am sure the question will confront us soon'.

It also excludes programme-related investments. Though the distinctions may be hard to maintain in practice, what we are concerned with is what are variously called environmental, social and governance (ESG) investment and social investment, impact investment and mission-related investment (MRI).

How do foundations make investments?

For most, it's likely to be a mix of internal and external expertise. THE VELUX FOUNDATIONS in Denmark, for instance, do 'some direct investments in-house but predominantly work with a number of investment managers who do investments on our behalf', says Anders Lyngaa Kristoffersen. Similarly, the UK's Joseph Rowntree Charitable Trust's investment policy statement notes that the trust employs 'the services of an independent investment adviser and an independent

performance measuring agency', but 'we also ensure that individuals with relevant expertise serve on our Investment Committee'.

Behind closed doors

Generally speaking, foundations are coy about their investments. According to a recent article in

Non-Profit Chronicles, only two of the ten largest US foundations – the MacArthur Foundation and the WK Kellogg Foundation – publish investment returns on their websites. The article posits that the reason may be indifferent financial performance, since the combined – and costly – expertise of their advisers both internal and external, 'delivers investment returns that lag behind market indexes'.

There may be other, deeper reasons too. In 2015, the UK's *Guardian* newspaper ran a story headed, 'Revealed: the Gates Foundation's \$1.4 billion in fossil fuel investments', alleging that the foundation held investments in some of the world's biggest – and most notorious – fossil fuel companies, including BP, Anadarko Petroleum, and the Brazilian mining company, Vale. The foundation 'declined to comment on fossil fuel divestment and said all investment decisions were taken by a separate entity, the Asset Trust, which . . . never makes public comments'. Yet, in their 2015 annual letter, Bill and Melinda Gates said: 'The long-term threat [of climate change] is so serious that the world needs to move much more aggressively – right now – to develop energy sources that are cheaper, can deliver on demand, and emit zero carbon dioxide.'

Contrast this with the remark made by Clara Miller in the *Alliance* interview last year: 'For us at Heron, it was a logical step to make an investment policy statement that basically said if a foundation is making money on the very things that are undermining its success, it's in breach of its fiduciary duty of obedience to mission.'

It's tempting to conclude that those who are most open about the matter are those who feel confident of public approbation.

Investment screening

How many foundations screen investments either negatively (not investing in companies with, for instance, questionable employment practices, or whose products are deleterious to human wellbeing) or positively (investing in companies whose products, for instance, increase human welfare or who use fair employment practices)?

At a minimum, most will screen investments for what Chris Varco of Cambridge Associates calls 'the traditional negative exclusions' like tobacco or weapons. 'We conduct both negative and positive screening of all relevant publicly-listed investments,' says Anders Lyngaa Kristoffersen. The King Baudouin Foundation (KBF) in Belgium applies 'a best in class approach . . . combined with some exclusion criteria, based on the exclusion list of the Norwegian Pension

'[The sector] has little experience in terms of making full investment policies but I am sure the question will confront us soon.'

Amitabh Behar, National Foundation for India

Can foundations thrive outside Clara Miller's terrarium? (See her paper *Building a foundation for the 21st century* – <http://tinyurl.com/miller-terrarium>)



CHONGYAO CHEN



SONNY ABESAMIS

Fund and controversial weapons', says Jan Vander Elst. 'The Norwegian Pension Fund's list combines both product-based and behaviour-based exclusions. The former includes the tobacco and coal sector,' though the fund does not exclude oil since its basis is revenues from Norway's petroleum industry.

The practice is by no means universal, though. Carola Carazzone of Assifero in Italy, around three-quarters of whose 100 members have investable assets, calculates that roughly half of them undertake some form of screening – 'mainly negative screening'. Last year, Assifero 'adopted a Charter of Accountability Principles which requests this and also mission-related investments in order to pull the practice further among our members'.

And screens have their limits. 'With an endowment invested almost entirely in funds assembled by outside managers, screens are a less effective tool,' a spokesperson for the Ford Foundation told us.

Moreover, there are times when foundations will ignore popular sentiment when making investments. The Körber Foundation in Germany, for example, makes no bones about continuing to invest in tobacco because that's where its money came from in the first place. Founder Kurt Körber 'earned most of his money from a machine that could produce filter cigarettes . . . we don't have a problem with tobacco', said Thomas Paulsen in a recent interview with *Alliance*.

The fossil fuels debate

At other times, moral and financial considerations will overlap, as the fossil fuels debate illustrates. Ellen Dorsey of the Wallace Global Fund has said

'The King Baudouin Foundation applies 'a best in class approach . . . combined with some exclusion criteria, based on the exclusion list of the Norwegian Pension Fund and controversial weapons.'
Jan Vander Elst, THE VELUX FOUNDATIONS

'Around three-quarters of [our] 100 members have investable assets, and . . . roughly half of them undertake some form of screening – mainly negative screening.'
Carola Carazzone, Assifero

categorically: 'If you own fossil fuels, you own climate change.' It's a view that's finding more and more favour. At the time of writing, the Divest Invest Pledge founded by Wallace had 140 signatories including THE VELUX FOUNDATIONS. Moreover, as well as their moral reputation, investors in the area might lose their money, too. Chris Varco notes: 'There's clearly a potential negative risk in owning fossil fuel companies that may be worth zero . . . it's hard to argue with the fact that if we are to meet the two degrees warming targets, we need to keep 80 per cent of known fossil fuels in the ground.'

The next great innovation for advancing social good

But exclusions and divestment aside, how far are foundations' invested assets used to generate returns that in themselves will either advance their own missions or contribute to the general good?

Famously, the Heron Foundation is devoting all of its assets to impact investing. Few have gone this far yet. Signatories of the Divest Invest Pledge are invited to devote a portion of their portfolio 'at least 5 per cent' to 'climate solutions like clean energy, sustainable agriculture . . .' THE VELUX FOUNDATIONS' aim is that 10 per cent of their 'tied up assets are made up of impact investments by 2020 in addition to the company group's very substantial investments in solutions that create a more environmentally sustainable world', says Anders Lyngaa Kristoffersen. Why? 'With our limited economic resources, THE VELUX FOUNDATIONS want to contribute to a more environmentally sustainable world as much as we can and if possible we would like to inspire others to follow suit.'

'Mission-related investments allow [The King Baudouin Foundation] to fulfill its mission in a different way,' says Jan Vander Elst. He adds: 'One of the advantages . . . is that you have another mindset, you are obliged to have a different look at the projects as the assessment is not only on the social impact but also on the finance. Moreover, you can carry some

projects further compared to only using grants.' So far, KBF has taken a 'case by case approach' rather than assigning a definite proportion of its assets to mission-related investment.

In 2015, the Treebeard Trust in the UK began using 20 per cent of its assets for social investment.

'Large enough to be material,' says the trust's Barnaby Wiener who is also a champion of Big Society Capital's *Get Informed*: Social investment for Boards campaign, 'but not so large as to transform the risk profile of our portfolio. At the time we were conscious that we were stepping into unknown territory, so we wanted to give ourselves a chance to take stock, and we also anticipated that it would take several years to get to 20 per cent.' In fact, it's happened much quicker than expected and Treebeard's new target 'is to have 50 per cent of our assets invested for impact'.

Into all this comes Ford's latest announcement that it will devote \$1 billion – a twelfth of its endowment – over the next 10 years to impact investment. 'We are making this commitment because we believe mission-related investments have the potential to become the next great innovation for advancing social good,' says Ford president Darren Walker. It is also consciously setting an example. 'As one of the major institutional investors, the Ford Foundation hopes to encourage other foundations, endowments, pension funds, family offices etc to join the growing impact investing movement,' a spokesperson for the foundation told us.

And the field has space for it. Despite its apparent merits and despite the contributions of the foundations mentioned above, impact investing or mission-related investing is still a minority occupation. Chris Varco says that Cambridge Associates' most recent annual survey showed that 'about 150 (10 per cent) of our clients are meaningfully integrating mission-related investing in their investment process', while Carola Carazzone estimates that 'less than 10 per cent' of Assifero's members are practising mission-related investing. Against this, it's fair to point out that the members of ACRI, the other main Italian grantmakers'

'It's hard to argue with the fact that if we are to meet the two degrees warming targets, we need to keep 80 per cent of known fossil fuels in the ground.'

Chris Varco, Cambridge Associates

'Impact investments . . . represent an emerging investment area so few managers have long-standing experiences in the field and hence finding good investment opportunities can be hard and resource-demanding.'

Anders Lyngaa Kristofferson

'Foundations are more than happy to invest in MRI when there are market opportunities that match their investment screening criteria.'

Giorgio Righetti, ACRI

association, devote 10 per cent of their investments to mission-related investing, according to director general Giorgio Righetti. ACRI's members tend to have more assets since they include the Italian banking foundations.

So why isn't it more widespread?

Why isn't everyone doing it? Are foundations worried that their returns will suffer and that the amount of money available for grantmaking – where they traditionally see their main virtue – would therefore be smaller? This argument is becoming less and less cogent. Chris Varco notes 'a growing body of evidence to suggest that taking a sustainable lens that aligns with the missions of many of our foundations can add alpha [the excess return of a fund over the return of a benchmark index]. You could look at the returns of some very well-known sustainable investment funds that would back that up.' Similarly the Joseph Rowntree Charitable Trust's experience over the last 30 years 'underpins our belief that we do not necessarily need to sacrifice financial returns to invest ethically or responsibly'.

'Is there a risk that our impact investments fail to deliver the desired returns?' asks Barnaby Wiener. 'Of course – but the same is true for all our investments. And looking at current valuations in the public markets, I actually think our impact investments stack up very well indeed.'

Another deterrent may be inexperience. Jan Vander Elst notes that it's 'not always easy to assess the MRI . . . to analyse a deal, to do a due diligence', while 'having a sufficient pipeline of (possible) deals could be a hurdle'. Giorgio Righetti of ACRI also raises the deal-flow question: 'Foundations are more than happy to invest in MRI when there are market opportunities that match their investment screening criteria.'

Anders Lyngaa Kristofferson also notes that 'impact investments . . . represent an emerging investment area so few managers have long-standing experiences in the field and hence finding good investment opportunities can be hard and resource-demanding'.

Attitude

It may simply be habits of thought that are slow to change. 'I think sometimes people are focusing on traditional negative exclusions and how that may have impeded their returns,' says Chris Varco, 'rather than looking at the positive of mission-related investing.'

Barnaby Wiener, too, believes 'mindset' to be a big obstacle. 'This notion that profit and purpose cannot

co-exist runs pretty deep.’ Carola Carazzone says much the same, as does Matthias Fiedler, chair of ethical investment at Edge Funders: ‘The main reason in my view, is that many foundations don’t see their capital as a lever for change. The only see it as a vehicle to generate returns.’

Data, push and pull, and the Ford motor

‘But it’s changing,’ believes Barnaby Wiener, ‘and it will continue to change – because it has to. Solving complex social and environmental problems requires capital and innovation.’

‘When we’re talking about the main endowments of foundations,’ says Chris Varco, ‘I think there is a growing realization that there are opportunities for taking extra-financial considerations in your investments.’ One of the reasons for this realization is improved data: ‘There’s only been decent ESG and sustainability data as a tool for investing in public equities over the last five years.’ What will make it grow faster, he believes, is ‘an expanded opportunity set, which is happening all the time. There’s a big opportunity set in emerging markets as it grows and as managers start to build up a track record of strong performance . . . and the underlying economics of sustainability will improve.’

As well as the ‘pull’ of increasing opportunity, what he calls ‘the tail risk’ of non-MRIs is growing. ‘In this interconnected world, there’s a growing risk of not doing things in an appropriate manner . . . Look at the Rana Plaza incident in Bangladesh and the subsequent exposé about the supply chains of cheap textiles for western companies. The licence of companies to

‘It’s changing, and will continue to change – because it has to. Solving complex social and environmental problems requires capital and innovation.’

Barnaby Wiener,
Treebeard Trust

‘If you own fossil fuels, you own climate change.’

Ellen Dorsey,
Wallace Global Fund

operate is increasingly being governed by ESG behaviour.’ Finally, Ford’s commitment – the largest so far by a foundation to MRI – will be significant not just for the amount of money it represents, but because of the influence it is likely to have on other foundations.

So bit-by-bit the conditions are beginning to favour impact investing, with the weight of public expectation behind, the lure of better returns and more known market quantities in front. ‘Slowly but surely,’ as Matthias Fiedler puts it. What else would help to speed it up?

The ‘open-plan’ foundation?

Perhaps mindset is the key. It’s interesting to note that both Treebeard and Heron are not just dividing their assets differently, they are really pioneering a new approach to running a foundation, in which every use of assets is a form of investment (grants are investments where the return is purely social), and all investments have a social impact (positive or negative). The implications of this are considerable. Instead of being assigned to separate pots, all foundation income and expenditure runs along a continuum. Investment and programme staff rub shoulders in a sort of ‘open plan’ concept.

Why wouldn’t foundations use their investable assets in ways that produce social good or further their own missions? Or both? The obstacles are being progressively removed, and the motives are compelling. And as Ellen Dorsey remarked on accepting the Brave Philanthropy Award on behalf of the signatories of the Divest Invest Pledge in Bogota last year: ‘We receive charitable tax status because we serve the social good, and our investments should as well. Philanthropy isn’t just any investor.’ From the outside, it looks like a no-brainer. When you have a hammer handy, why would you knock in a nail with the heel of your shoe? @

Alliance would like to thank the following for contributing to this article:



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ACRI, Italy



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fonde, and Big
Society Capital

Foundations have no need to fear minimum payouts

Krystian Seibert

I have observed with interest the debate playing out in *Alliance* magazine on whether UK foundations should have a minimum payout.

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The debate is an important one because it relates directly to the *legitimacy* of philanthropy. Philanthropy's legitimacy is derived from the community – it depends on whether it's accepted and supported by the community. It cannot be taken for granted, but must be cultivated. Philanthropy's legitimacy will depend on a variety of factors, including how it engages with charities and end-users, as well as how open and transparent it is.

Foundation payouts are also a source of philanthropy's legitimacy. Foundations are established to benefit the community, by providing support to charities so that they can further their purposes. This is recognised and supported by government through the provision of various tax concessions. In return, there is an understandable expectation from both the community and government that foundations will provide regular and ongoing support for charities.

Such giving is a major source of philanthropy's legitimacy and is one reason why a minimum foundation payout is desirable. It says to the community that no matter what happens, whether the financial markets are going up or down, philanthropy will not be missing in action – its support for the community will not go below a certain level.

One objection to minimum foundation payouts is that they could impact upon the independence of foundations. As stated by Cathy Pharoah in her article for *Alliance* magazine in December: 'Foundations' asset

base guarantees their independence and capacity to move into the spaces where state policy fails, and provides future-proofing for investment in change and progress.' Pharoah is right but I think this is more an argument for setting a minimum payout at a reasonable rate, rather than not having one at all.

In Australia, there are foundations to which donations are tax deductible (referred to as private and public ancillary funds) and ones to which they aren't (referred to as private or public charitable trusts). Private and public ancillary funds have a minimum payout of 5 and 4 per cent of their net assets respectively per year. Private and public charitable trusts have no minimum payout.

So, in Australia you have a choice. If you want a tax deduction, then you'll also be subject to a minimum payout. But if you don't need or want a tax deduction, then you won't. It's a sensible and flexible approach which Philanthropy Australia, as the lead body for philanthropy, supports.

Last year, the Australian government proposed reducing the minimum payout for private and public ancillary funds. After careful consideration, and extensive consultation with our members, we decided to oppose the change and set out our position in a detailed submission to government.

A minimum payout needs to be set at a level that balances the expectation that foundations will provide regular and ongoing support for charities with the need to maintain the real value of assets over time.

While there are always some ups and downs as financial market conditions vary, modelling showed that a private ancillary fund set up in 2006 with a \$1 million donation invested in a balanced portfolio would have assets of \$1.2 million in 2015 after meeting its minimum payout obligations (and that period includes the global financial crisis!).

Ultimately the Australian government accepted our position and did not lower the minimum payout. We continue to monitor the level of the minimum payout, to ensure it is appropriate.

Every nation is different, with varying taxation arrangements and philanthropic sector characteristics – so it's not my position to say what should or shouldn't happen in the UK. But minimum payouts for foundations are an important part of the regulatory framework for philanthropy in Australia, helping to maintain and support the legitimacy of philanthropy within the community. @

Should foundations cash in on endowments now?



Foundations should be more transparent but payouts are not the answer

Paul Ramsbottom

The issue of mandatory payout for UK foundations is re-emerging as a hot topic of debate. The suggestion of enforcing a blanket minimum payout (generally drawing from North American models and arbitrarily taking 5 per cent as the norm) is widely rejected by British foundations. The motivations behind this rejection are too often poorly understood and proponents of mandatory payout sometimes retreat into rather crude analysis.



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Jake Hayman, for example, speaks darkly of tax avoidance and forces of conservatism. In an *Alliance* podcast, he caricatured foundations as ‘invested in porn, arms, tobacco . . . making annual donations to private schools’. Of course, every sector needs provocateurs. The challenge comes if shriller voices prevail and legislation is introduced that actively damages philanthropy.

Some fundamental points are often misconstrued in debates about payouts. Most of all, it’s worth re-stating that there is no tax incentive to maintain an endowment once a foundation has been established. In addition, foundation endowments are not passive treasure chests to be raided at whim. The careful stewardship of a foundation’s endowment is the goose that keeps laying the golden egg.

Let me take The Wolfson Foundation as an example. Working with our Investment Committee we set an investment target of inflation plus 4 per cent. By any investment standard, this is an exacting long-term target for a medium-risk portfolio. Spending anything above 4 per cent of our endowment makes little sense if we anticipate being around for the long term. We would be borrowing against our own future. In exceptional circumstances, we may choose to spend more. In 2011–12, for example, we allocated 6.8 per cent of our endowment. But to force the foundation – by law – to spend excessively today without regard for tomorrow seems curiously perverse.

There are also elements about the debate on payouts that seem strangely out of date given that endowments are increasingly being used thoughtfully for social

investment. And, in all of the discussion around the tax breaks surrounding foundations, there is rarely recognition that giving through a foundation affords no greater benefits than individual or corporate giving directly to a charity. In the UK, the introduction of gift aid in 1997 and the rise of donor advised funds mean that new (and less transparent) giving vehicles are supplanting foundations. It is perhaps no surprise that the golden age of establishing foundations is behind us. Very few foundations of significant scale are currently being set up. This is regrettable as, however imperfect, foundations have the potential to be the highest form of philanthropy – forced by charity law to be transparent (at least to some extent) and with collective decision-making embedded within their structure. The lack of new foundations, rather than a raid on existing ones, should be the real issue here.

Thus the debate needs to widen out to focus on two key issues: longevity and transparency.

The issues of the current generation are indeed significant. But they are not unparalleled and we should not force all foundations – even over a long period – to spend down their endowment. One of the reasonable complaints about public spending, even in a mature democracy, is the focus on the short term and the next electoral cycle. One of the key advantages – and privileges – of foundations is that they can take an inter-generational view. This unusual privilege should not be undermined lightly.

Secondly, there is a strong argument for foundations to be transparent. Our foundation’s expenditure policy is laid out in considerable detail in our statutory accounts – as it should be. We have signed up to 360Giving, which documents foundation grants. We use social media to break down traditional boundaries and we commission independent, anonymized surveys of our applicants and partners. It is in our self-interest to articulate our principles, policies and strategy.

So, while I find much common ground with those outside the foundation sector, wanting clear justifications for our spend ratios, I do worry that we are missing a fundamental point. We need a serious debate not about payouts but about why so few foundations are currently being set up. Are philanthropists being scared off by talk of regulations and ever greater transparency? What can be done to encourage more – and more effective – foundations? Imposing a mandatory payout is not the answer to this most pressing of questions. @

Solidarity and philanthropy

Stefan Schäfers

Gender solidarity, intergenerational solidarity, solidarity with the poor and excluded, solidarity with refugees, solidarity with victims of terror, solidarity with the politically suppressed, solidarity with countries in crisis . . . solidarity is a widely used term in our societies.



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It is used in different contexts, by different people and for different reasons. A definition of what solidarity actually means is, however, not that easy. As Barbara Prainsack, a researcher on the subject states: 'Solidarity is an elusive concept. Compared with how relevant many scholars consider it for the functioning of society, relatively few books and papers are dedicated to this concept explicitly; moreover, many of us struggle to define it. These two issues are connected. Some of the most fundamental concepts in our lives, such as health, love or happiness, suffer from similar problems of definition. Because they matter to everyone, they must be open enough to accommodate a large range of experiences, feelings, and practices; yet at the same time they need to be specific and firm enough, as concepts, to serve as points of reference to justify or explain actions.'¹

Let's try defining solidarity with an official two-folded definition. Solidarity is:

- ▶ A willingness to give psychological and material support when another person is in a difficult position or needs affection.
- ▶ A bond of unity between individuals, united around a common goal or against a common enemy.

Expressions or acts of solidarity against a common enemy or around a common goal are happening on a daily basis, including by foundations. For example, when civil society organizations were under attack in Hungary, several foundations created a fund to support them – not only in material terms but also as a statement towards government that we act in solidarity with Hungarian civil society. Another example is when the Joseph Rowntree Charitable Trust (JRCT) was attacked by the British Charity Commission and the media for supporting an NGO that was (falsely) accused of supporting Islamic terrorism. Many

European foundations stood up and drafted a statement of solidarity with JRCT.

To understand better what philanthropy practitioners mean by the term, *Alliance* asked a dozen of them for short statements (see page 37). What does not surprise is that the answers are quite varied.

There seem to be two camps: on the one hand people who see solidarity as an act of altruistic support for people in need. On the other, there are people who see solidarity in a rather utilitarian way, more like an insurance model: 'I support others in need because I expect that others will help me in return when I am in need.' Social protection systems in most of our societies are built on this principle and are often seen as institutionalized solidarity. Beyond institutionalized solidarity there is the large number of individual donors, philanthropists and volunteers who through their activities are a key pillar of solidarity in society.

Foundations stand somewhere between institutionalized and individual solidarity. With their financial means and organizational power they have the capacity and flexibility to go beyond the classical forms of solidarity and search for new ground – something this article and *Alliance* special feature will analyse further.

Solidarity – insurance or moral stick?

If we see solidarity like an insurance model, what happens when someone requests solidarity from outside this mutually supportive group, for example, migrants entering western societies in search of a better life? We all know the reactions within societies: some welcome them with open arms as an act of solidarity as it doesn't matter to them where migrants are coming from or why. However, others refuse to show this solidarity, often because they fear their resources or way of life are under threat. This leads to the question: do the highly moralized and ideological debates that we face when it comes to migrants and refugees have different conceptions of solidarity at the heart? Could this also be true for other issues that lead to deeply divided reactions such as the euro crisis or extreme poverty in less developed parts of the world?

In these debates solidarity is often used as a moral stick to pressure others to help. That makes debates quickly become emotional: altruistically motivated people walking on high moral ground against supposed more egoistic utilitarians. In return, being accused of unethical behaviour angers the 'utilitarians', creating ugly conflicts and divisions in society. Perhaps this explains why the word *Gutmensch* (do-gooder) in Germany used for people showing solidarity for



COY FERRELL

refugees has almost become a swearword for those opposed to the massive arrival of refugees.

If this caricature is correct, it is important to accept that people define the term solidarity in different ways. Not seeing this leads to unfruitful debates and further divisions.

What does this analysis mean for the interventions of philanthropy and foundations?

Martin O'Brien discusses the need for foundations to frame their work carefully when reaching out to 'non-progressive' parts of society (page 50). This bridging function can be an important role for foundations. Foundations can and do play this role already but they can do more. Even in highly emotional debates, like the refugee crisis, there is always common ground between the different 'camps'. A bridging of differences is often possible if a frame is used that resonates with all. Michael Diedring describes in his article (page 59) what European foundations are doing to help unaccompanied minors – a group that we need to invest

Residents in downtown Winchester, Virginia rally in support of a slate of progressive issues in solidarity with the Women's March on Washington.

into now to avoid problems in the future and one that can be of great benefit to our society. This 'investment' frame often convinces also 'utilitarians' as it resonates with their concept of solidarity.

The limits of solidarity

Solidarity is not endless or absolute. There are clearly limits. But when does solidarity end and who defines the boundaries?

It seems clear to me that there is no straightforward formula. It depends on how solidarity is defined by each of us. For many, solidarity ends when people not belonging to their own community demand it. Beyond that, scarce resources can limit acts of solidarity – especially when it comes to material support. Today's world of multiple crises requires constant acts of solidarity. But as resources are scarce, foundations like policymakers need to make tough decisions on who to support and who not to support. This can lead to conflicts between groups in need of solidarity. For example, some of the recent social conflicts



Максименко Александр © maksymenko.com.ua

in Greece have erupted where parts of the Greek population suffering under the economic crisis are requesting less attention for refugees and more for themselves. Clearly both have a claim on public and philanthropic resources and these resources must be used with great care. Populist movements thrive on the feeling of being left behind, of not seeing signs of solidarity for their own problems – just for the others. Janis Emmanouilidis reflects on these dilemmas in his article (page 58).

The relationship between solidarity and individual responsibility

Solidarity is not only limited by resources or group belonging. Solidarity sometimes needs to be stopped or reduced to avoid unintended consequences. We can see this, for example, in social protection systems where many argue that these can create dependencies, reduce individual initiative and take away responsibility for people's own lives. The debate around the reasons for intergenerational poverty is one example of potential dependencies. But this is also discussed in relation to development aid, the euro crisis, and support to refugees trying to integrate in

Barricade with the protesters at Hrushevskogo street on January 26, 2014 in Kiev, Ukraine. The anti-governmental protests turned into violent clashes.

Populist movements thrive on the feeling of being left behind, of not seeing signs of solidarity for their own problems – just for the others.

our society. For many, solidarity needs to end where initiative is discouraged – otherwise it becomes patronizing or counter-productive. The relationship between solidarity and individual responsibility is not easy to define. It depends on ideologies, and frequently causes political conflict. Thus, it requires a constant self-critical scrutiny. Foundations working on social issues – be it via direct services to vulnerable groups or via advocacy activities – need to confront these dilemmas when making funding decisions.

Returning solidarity/reciprocity

As solidarity is not a clearly defined or legally enforceable concept, it depends for many on trusting that oneself will be a recipient of solidarity if this is needed. But what happens when this solidarity is not returned? One special moment comes to mind. In March 2016 a group of foundations under the umbrella of the European Programme for Integration and Migration (EPIM) went to the Greek island of Lesbos to see what the local population and international NGOs had done to help refugees arriving on the island's shores. What saddened us all was that while the local population had shown a tremendous degree of solidarity towards refugees, no-one helped the islanders when tourists started to avoid the island as a consequence of the refugee arrival. Islanders who

largely depended economically on tourism were left alone. I was particularly proud that EPIM decided to support some local NGOs to show solidarity with the local population, even though this was beyond its mission. Solidarity that is not returned will disappear. Foundations can find these gaps and in so doing lead the way when others – including governments – fail. Philanthropy would add a lot of value if it looked beyond the obvious, taking advantage of its ability to think independently and act flexibly.

Conclusions: some thoughts for foundations

Solidarity doesn't mean the same to everyone. People define solidarity in different ways. If the term is used to put pressure on others, one should do so very carefully and not as a moral stick. Solidarity as a moral value can do harm as well as good. The language of

Syrian refugees strike in front of Budapest Keleti railway station.

solidarity should be used carefully and sparingly. Accepting that people look at solidarity from different perspectives might help to de-emotionalize debates. In times of populism, divided societies and polarization, foundations have a special responsibility to lead the way to reconnect people.

Language and framing matters a lot in this regard. As a philanthropic community, we need to get better at reaching out to those that have a different worldview. As the interview with Brendan Cox suggests (page 44), philanthropy needs to look for the common ground, especially in societies at risk of division. Let us not take sides but try to act as bridges, even if it means accepting views we do not share. Our task is to keep solidarity alive by adapting it to the world we live in. @

1 <http://tinyurl.com/Prainsack>

MSTYSLAV CHERNOV



Attitudes to solidarity in the European Union

Thomas Raines

Questions of solidarity go to the heart of the European project. While solidarity implies ties of support and sympathy across national boundaries, notions of EU solidarity have been under strain in recent years. In particular, the euro crisis created a divisive narrative between ‘creditor’ and ‘debtor’ states laced with moral fervour on both sides, while the refugee crisis generated radically different responses across the continent. Lingering tensions over the proper balance between solidarity and individual responsibility demonstrate some of the challenges of promoting the EU’s treaty objective of solidarity. These tensions are also reflected in the competing interpretations of solidarity at play in a union with very different levels of wealth and prosperity.



Thomas Raines is Europe programme manager at Chatham House. Email traines@chathamhouse.org

The UK’s EU referendum debate was a recent and striking example. Britain is a net contributor to the EU’s budget, and for a country whose commitment to European integration rested more on a calculation of costs and benefits than a sense of European identity or vocation, any net contribution became harder to defend. Simply put, solidarity was in short supply.

For these reasons, solidarity was one of the issues examined as part of a new project on attitudes to the future of Europe led by Chatham House. This project – supported by European foundations including the King Baudouin Foundation, the Mercator Foundation, the Robert Bosch Foundation and the ERSTE Foundation – seeks to examine the distance between the general public and those in positions of influence (in politics, the media, civil society and business) in their attitudes to European integration, and to compare these views to wider political perspectives and differing social experiences. Through this new dataset of public and ‘elite’ attitudes, we were able to examine how aspects of solidarity are viewed across ten* different EU member states.

Solidarity between states

First, we tested support for the assumption that the EU should be a redistributive union. We presented respondents in both groups with the statement: ‘In the European Union, richer member states should financially support poorer member states’, and asked how much respondents supported this claim. A total of 48 per cent of respondents across the ten-country

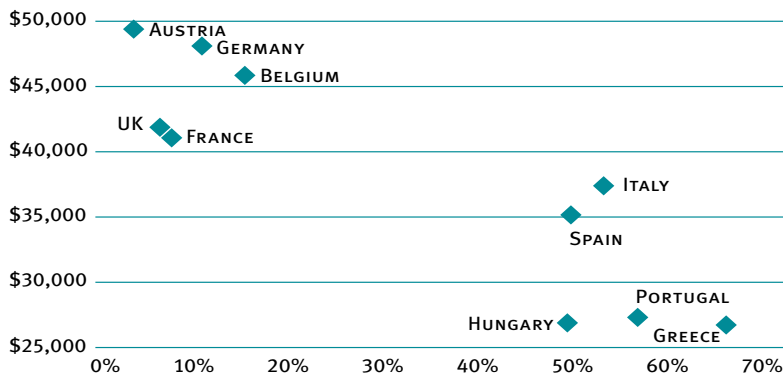
sample agree, while 20 per cent disagree (see Table 1). Even the countries in which support is lowest, including Germany and Austria where bailouts of struggling eurozone economies have been politically divisive, more respondents agree with the statement than disagree with it. Among elites, support is emphatic: 76 per cent agree, with just 13 per cent disagreeing. So among both the surveyed groups, support for a redistributive union, and the solidarity that it implies, is robust.

Table 1 ‘In the European Union, richer member states should financially support poorer member states’

	Total agree %	Neither agree nor disagree %	Total disagree %
Leaders total	76	10	13
EU total	48	32	20
Greece	72	21	7
Poland	64	28	7
Italy	63	28	10
Spain	62	26	12
Hungary	57	35	8
Belgium	40	35	25
Germany	38	35	27
Austria	37	29	33
France	36	35	28
UK	35	37	28

When looking at net support for redistribution among different European publics (ie the number of people who agree minus the number of those who disagree), the public sample splits coherently into two groups of five countries: strong supporters – Greece, Hungary, Italy, Spain and Poland – where net agreement is around or above 50 per cent, and a much more ambivalent group of five countries – Austria, Belgium, France, Germany and the UK – where net support stands between 4 per cent and 15 per cent. This reflects a general correlation to GDP per capita (see Figure 1) where the five wealthiest states surveyed have the five lowest levels of support. Unsurprisingly, this divide also maps on to budget contributions. Net contributors are in the ambivalent group, and net recipients are in the supportive group, with one exception. Italy is the outlier: a net contributor to the EU budget with relatively high GDP but very high levels of support for redistribution.

Figure 1 GDP per capita, Purchasing Power Parity (PPP – current international \$) and net support for redistributing wealth from richer countries to poorer countries within the EU



Source: World Bank (2016); Chatham House (2017)

Solidarity between citizens

The survey also sheds light on attitudes to different aspects of solidarity. We examined the extent to which individuals believe in self-reliance versus the expectation that the state should provide for people's welfare. This time, respondents were given the statement 'People should take responsibility to provide for themselves, rather than expect the state to provide for them'. A striking 63 per cent across the countries agree, with just 13 per cent disagreeing. The countries where the highest number strongly agree were Austria, Spain, France and the UK, while in Greece and Hungary people were more likely to disagree than the average.

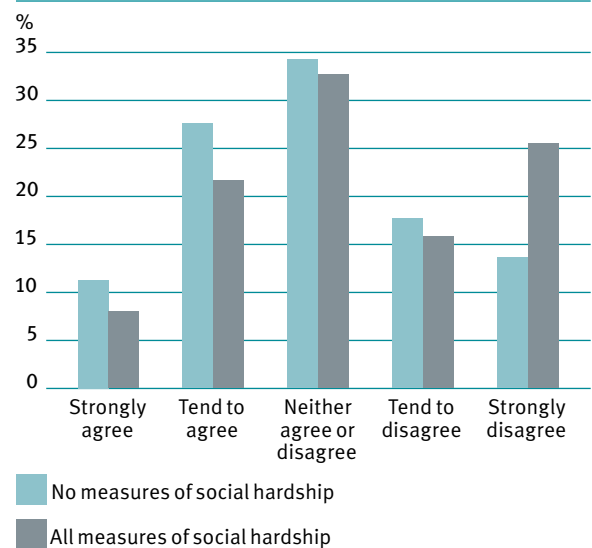
Table 2 'People should take responsibility to provide for themselves rather than expect the State to provide for them'

	Total agree %	Neither agree nor disagree %	Total disagree %
Leaders total	68	13	18
Public total	63	24	13
Austria (public)	76	14	9
Spain (public)	68	18	14
France (public)	67	24	9
Poland (public)	66	21	12
UK (public)	64	26	10
Germany (public)	60	26	14
Italy (public)	59	25	16
Belgium (public)	58	26	16
Greece (public)	47	25	28
Hungary (public)	44	37	18

As part of the survey, we also included measures of social hardship, to explore whether economic difficulties were correlated with wider political attitudes. Our three measures were to ask whether individuals had experienced any of the following in the last 12 months: gone without necessary medical treatment; been unable to pay for essentials; or had to share their residence with friends or family who were struggling financially. This allows us to identify groups who are struggling and whom policies that promote solidarity should support, and see how their views differ.

We compared this group's attitudes to the EU with those who have experienced none of the social hardship measures. When asked their views on the statement 'People like you have benefitted from EU membership', there is a relatively similar distribution between both sets, with the exception of those who strongly disagree. Among the social hardship group, the number who strongly disagree doubles to 25 per cent (see Figure 2). Given its prominent role in the euro crisis and refugee response, we also asked about Germany's role in the EU. In the hardship group, two and half times as many respondents feel strongly negative about Germany's role in the EU, than the no hardship group (20 per cent vs 8 per cent). But it is notable that beyond the spike in strong disagreement category the differences are modest; attitudes seem relatively resilient to social hardship effects.

Figure 2 'People like you have benefitted from EU membership'



Source: Chatham House (2017)

The future of European solidarity

In the long term, solidarity requires not just a budget that reflects it, but a public that believes in it. A lack

of solidarity among publics reduces the legitimacy of the EU institutions, impairing their ability to promote European responses to shared challenges. It also lowers the costs that publics will bear in pursuit of solutions and reforms, and fans the flames of populist politics. But overall, our data suggests a reservoir of support for a redistributive union, among both the

public and Europe's leaders. This attitude is held alongside a robust belief in self-reliance. These findings do not downplay the challenges of building a fairer, more cohesive European Union, but they underscore the belief that an EU marked by very different levels of income should still be one in which those with more support those with less. @



*METHODOLOGICAL NOTE

The Chatham House Europe Programme, with Kantar Public, surveyed nationally representative samples of the population aged 18 or over in Austria, Belgium, France, Germany, Greece, Hungary, Italy, Poland, Spain and the UK as part of the Contested Legitimacy in Europe project. Fieldwork was carried out online using quota sampling (age, gender and region) between 12 December 2016 and 11 January 2017. The total number of respondents was 10,195 (c. 1,000 per country). The 'elite' survey was conducted between 4 January 2017 and 17 February 2017 in these ten countries. The overall number of elites interviewed was 1,823 (between 160 to 200 per country). The elites interviewed were identified using four broad categories: elected officials, journalists covering politics, business leaders and civil society leaders. The survey was conducted via national research agencies predominantly by phone. In some countries, some interviews were conducted face-to-face or online. The broader results of the survey will be published by Chatham House in June 2017.

Notions of EU solidarity have been under strain in recent years, as exemplified by the divisive UK referendum vote to leave the EU.

What is solidarity?

Practitioner perspectives

We asked a range of people from across the global philanthropy spectrum what solidarity meant to them. Here are their responses.

'As a society, we are entering a phase where it becomes obvious that we need to look at the common humanity that connects us. Another word for that is solidarity. Three thoughts: first, in history, societies that have relied on cooperation and mutual benefit have always done better than others – in the long term at least. Second, solidarity is not apolitical. Trump has been using the term often in his speeches. He feels solidarity with a very different crowd than (I assume) the average reader of *Alliance*, or the people going to the EFC's meeting in Warsaw. What I mean to say: we shouldn't think that everyone understands solidarity the same way we do. We should express what we mean in each case we use it. Finally, to me, solidarity is something that prompts action – a lot more than altruism or any of the other terms used.'



Felicitas von Peter
Active Philanthropy

'Ralf Dahrendorf suggests that a good society is composed of three characteristics: freedom, prosperity, and solidarity and, while it is possible to have two of these three, it is almost impossible to have all three simultaneously. In his book, *After 1989*, Dahrendorf suggests that in recent times we have sacrificed solidarity to pursue freedom and prosperity. Now, as the world reaps the whirlwind of this of this approach, solidarity – the ties that bind us – has become the top priority.'



Barry Knight
Centris

'Shared values uniting all classes and groups in society; an essential fairness in the way in which society is organized and its resources distributed; the strong helping the weak; the haves sharing willingly with the have-nots.'



John Healy
Alliance Publishing Trust

'Solidarity is a form of compassion and it is the ultimate driver for doing good in society in the Arab region and goes under the name of "takaful". It can take the form of supporting an individual, a family and/or a community. Normally it is a commitment that spans over time rather than being a one-off support, depending on the means, of course.'



Atallah Kuttub
SAANED

'My way to consider solidarity is based on the existence of ties in a society that bind people together as one. It represents a way to accept people as they are, to offer equal opportunity to all human beings for his/her self-development, and to serve them to fulfil their needs and hopes. Three different motivations: solidarity as a natural virtue of human beings, solidarity as religious value is presented in several creeds and denominations, solidarity as the expression of altruism.'



Marcos Kisil
Institute for the Development of Social Investment

'The word is overused and misused, much in the way the word partnership is. It can serve as a cover for not offering more tangible, substantive support as well as a way to appropriate communities' struggles.

'Yet without it, one can barely begin to build the trust that is increasingly necessary for the new fluid, horizontal forms that philanthropy must adopt if it is to achieve real change.

'For marginalized, oppressed and silenced groups just to have their histories, life experiences and perspectives recognized, and for those of us who are privileged to simply acknowledge, that fact must be the first step to any meaningful solidarity.

'Solidarity requires us to admit complicity in the systems that cause marginalization. It requires us to listen more than speak. And to defer to the judgement of those who live the exclusion, exploitation or discrimination we seek to redress.'



Ingrid Srinath

Centre for Social Impact and Philanthropy, Ashoka University, India

'The citizens of Europe show a strong interest in informal volunteer support for refugees across many countries. Where governments battle about social rights approaches and entitlements, citizens take a human rights approach and provide support. What reminds us of a new social movement is that a lot of this engagement remains informal.

'There remain a lot of open questions. Is this a new trend in civic engagement? What about the equally informal countertrend of nationalist engagement? As academics, we will look into clarification.'



Dr Volker Then

Centre for Social Investment, Heidelberg University

'Philanthropy is across nations, it is across borders, it's across nationalities. It brings people together, it fulfils this ideal of "I am because you are", and it fulfils the need for people to identify with others and want to give their time, so I think already it provides solidarity because there's no political or religious agenda. Human beings give, are generous by nature, and like to give in whatever forms. So I think philanthropy's agenda on solidarity is already established. There needs to be more solidarity on issues, more philanthropic solidarity on social investment causes, coming together, especially in the national context. If there could be solidarity among philanthropic organizations within Pakistan, to commit that this year we will spend every penny raised on providing education and getting children into schools, I think that would have a huge impact.'



Shazia Maqsood Amjad

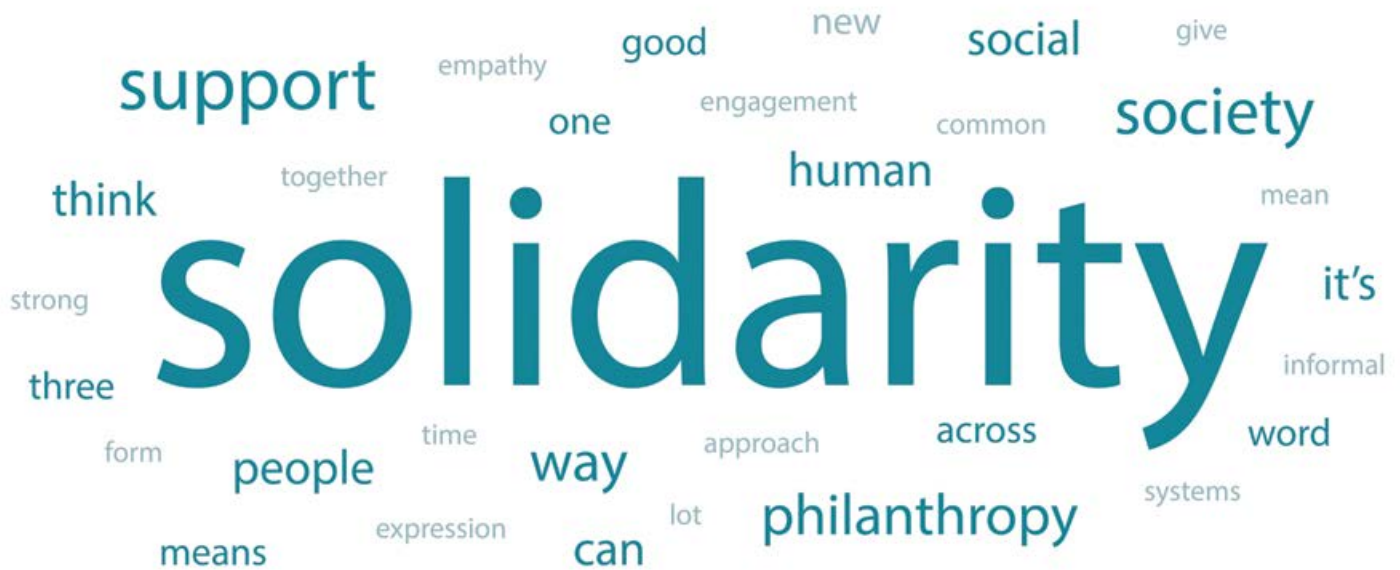
Pakistan Centre for Philanthropy

'In the context of my work at the Jacobs Foundation solidarity means to me to advocate for comprehensive social policies elevating the outreach and quality of basic public services (in our case, for example, in the field of early childhood education and care in Switzerland). This approach allows us to effectively tackle some of the most crucial challenges of the disadvantaged and marginalized families in our societies while at the same time improving the public services of a region at population-wide level. In that sense, solidarity means to be non-exclusive!



Sandro Giuliani

Jacobs Foundation



'In Mexico solidarity comes from empathy with others, those more vulnerable or who are living a difficult situation (disaster, migration, etc). In Mexico solidarity is very strong in every level of society, it is related to philanthropy and has to do with a commitment to building the common good and assuming responsibility for it.'



Lourdes Sanz
CEMEFI, Mexico Centre for
Philanthropy

'Solidarity is empathy. It drives integration and community building and is an expression of trust.'



Bheki Moyo
Southern Africa Trust

'Solidarity is how philanthropy stands and acts to support social justice movements and communities that are most marginalized and impacted by current economic and political systems. And to act in solidarity means following their lead, providing financial support not just when it's convenient or new or easy but also to provide the financial support when it's uncertain, when it's controversial, when it is quiet – because philanthropy is built on privilege and solidarity is using your privilege to support those that don't have it.'



Jason Franklin
Solidaire

'For me, solidarity is a universal expression of what it means to be a human in the positive and most holistic sense of the word. It is being in one family with such qualities as empathy, compassion and concern for the common good. In its true meaning (I have experienced in my life its distorted meaning during the communist period when solidarity was forced upon us as a caricature), it authentically and dialectically reaches beyond the artificial "us" and "them" dichotomy. It is not an emotional response to melodramatic calls for help, nor is it a pre-calculated rational attitude of the "selfish" gene. It is a deep realization that a man is not an isolated individual who cannot exist without the "other". It is a call that confronts us with what we can do to "be" with "the other", as opposed to "co-exist" with "the other".'



Boris Stečanský
Centre for Philanthropy,
Slovakia

Countering the demagogues

Vikki Spruill, Sara Lyons, Paula Fabiani and Keiran Goddard

From the shock of Brexit in the UK to the surprise election of President Trump in the US and the ensuing massive global mobilization of women's marches in early 2017, populist movements are achieving unexpected political success around the world. In this time of upheaval, philanthropy is exploring its response to rapidly changing national contexts.

MEXICO CITY DECLARATION FEBRUARY 24, 2017

We are a global forum of philanthropy support organizations, foundations, civil society representatives and responsible business leaders gathered in Mexico to advance human welfare through more effective philanthropy. We come from 44 countries and over 170 organizations worldwide. We can no longer assume that the shared values of our community – respect for cultural diversity and global collaboration, reducing human inequality, protecting the natural environment and promoting development – are gaining ground. Instead, we note with alarm that each of these aspirations is under threat from political events around the world.

At its heart, philanthropy means the love of humanity. As leaders, professionals and allies in the field of philanthropy, we condemn the rise of hate speech and the closing of civic space. We oppose these trends, whether in the form of attempts to vilify 'the other', spread misinformation, silence rights advocates, or use fear as a tool for manipulating public opinion. We commit ourselves to oppose these trends wherever we have influence. We will use the growing power of philanthropy to mobilize the social, intellectual and material resources of our global community and leverage those of our partners. And we call on all people of good will to do the same. Finally, we signal our support and solidarity with those who feel threatened by the rise of prejudice or national supremacy movements wherever they appear around the globe.

The infrastructure groups representing and leading foundations globally are working to redefine their roles and responsibilities amid intense political change, which can be especially challenging when foundations reflect growing political divisions and are themselves divided.

In the following pages, philanthropy infrastructure groups in the US, Canada, Brazil and the UK reflect on the impact of populist political movements in their countries and how their organizations are responding. Across diverse political contexts, these associations collectively see four main roles for philanthropy associations globally:

- ▶ Convening conversations to help bridge political divides.
- ▶ Leading philanthropy to strengthen democratic processes and institutions, such as investigative journalism.
- ▶ Promoting the critical role of philanthropy and cultures of giving, especially as political changes threaten to reduce the enabling environment for philanthropy and civil society.
- ▶ Retaining global connections as leaders promote a new nationalism.

In Mexico City earlier this year, philanthropy support organizations, foundations, civil society representatives and responsible business leaders from 44 countries gathered at the WINGSForum. In the Mexico City Declaration of 24 February (left), they condemned the rise of hate speech and the closing of civil society across the world. They committed themselves to opposing these trends and to using the power of philanthropy to mobilize the social, intellectual and material resources of our global community and leverage partnerships, and called on others, as we do here, to do the same. The reflections offered here developed out of a panel at the WINGSForum on the same topic.



VIKKI SPRUILL

United States

The 2016 US presidential election launched our country into uncertain and challenging times. The result surprised most, including many in philanthropy, leaving our sector and much of the country divided ideologically. Our sector has been challenged to discuss coming together in a way that reflects shared values, while embracing the diversity of political opinion. As philanthropic support organizations, we have the responsibility to provide opportunities and venues for these conversations, especially when they are difficult.

Among foundations, post-election responses have varied. Some want to fight and resist; others want to build bridges to better understand voices not heard in the election. And still others are optimistic about the election's outcome. Where I do see emerging consensus is in the desire to protect American democracy by strengthening civic engagement, protecting voting rights and funding investigative media and journalism. That common purpose gives me hope.

Political differences aside, the American charitable sector is vulnerable in this new era. Government funding of social services will likely decrease and

philanthropic resources cannot fill projected reductions. At the Council on Foundations, we are working to protect philanthropy and charitable giving during comprehensive national tax reform by better explaining the important role that philanthropy plays in advancing social change. I firmly believe that our strongest defence is offence: we must be prepared to explain the value of philanthropy and all that it makes possible, both in the US and abroad.

Philanthropy has an important voice and plays an important role as a stabilizing force. We must continue to amplify our accomplishments and the lessons we've learned during previous turbulent times. As associations, we should put into practice different approaches philanthropy has historically supported, like racial healing and deliberative dialogue, in order to bridge divides. Today, philanthropy can both help to create a social compact for our country and build greater trust and understanding among those who are under-represented. ▶



Vikki Spruill is president and CEO, Council on Foundations. Email spruv@cof.org

SARA LYONS

Canada

At this point it is probably fair to say that in Canada, the 'populist dam' has not broken. Yet.

Canada has progress to make with respect to equality, inclusion and justice, for example with respect to indigenous people, but on the whole the state is still mostly seen as an effective, legitimate and fair intermediary between individuals, groups, needs and freedoms. This is supported by a variety of factors including fairly robust social programmes and only moderate (by international standards) income inequality.

Philanthropic organizations and networks in Canada are turning their attention towards a significant opportunity to push back against the loss of social cohesion and populism by, for example:

- ▶ Supporting strong and values-based journalism.
- ▶ Using our financial and leadership capital to support citizen engagement, economic inclusion, and modernization of capitalism and labour.
- ▶ Advancing conversations about pluralism, racial justice, and better social policy.
- ▶ Building trust in institutions while holding them accountable to democratic values and citizen experience.
- ▶ Examining ourselves as elites and our role in maintaining unwanted status quos.

In early 2016, Canada welcomed over 25,000 refugees from Syria. The community foundation network partnered with the corporate sector and government to rapidly deliver around \$5.5 million through the Welcome Fund for Syrian Refugees to local charities offering early settlement support in 27 communities. This work demonstrated how philanthropy can play a nimble and impact-focused role in supporting newcomers in communities and was a strong signal about our values with respect to diversity and integration.

More broadly, in Canada, there is significant energy around the SDGs and how they might offer an operating and impact framework that both drives our domestic work around improving quality of life, and opens up new international conversations and opportunities for partnership and collaboration around the world.



Sara Lyons is vice president, Community Foundations of Canada. Email slyons@communityfoundations.ca

Anti corruption protest in Brazil.



PAULA FABIANI

Brazil

Brazil has experienced right- and left-wing populism. The recent left-wing populist government of Lula (and Dilma) has fallen due to corruption scandals and economic recession, a common consequence of populist regimes, as our neighbours Venezuela and Argentina have also discovered.

In times of populist regimes, foundations should support civil society organizations and projects that focus on strengthening democracy and human rights, combatting corruption and supporting politicians with integrity. One remarkable example of the last kind of initiative was the founding of RAPS (Rede de Ação Política pela Sustentabilidade – Network of Political Action for Sustainability), a Brazilian organization that provides professional support for candidates to political positions committed to ethics and sustainability and also identifies community leaders with political aspirations and who seek to promote positive change.

Nevertheless, promoting a culture of giving becomes even more crucial in such times. Associations and philanthropy support organizations should encourage grantmakers to take even greater care of local civil society organizations. They reflect the values, voices and concerns of their communities. Such organizations are very important in times of uncertainty.



Paula Fabiani is CEO, IDIS Brazil. Email pfabiani@idis.org.br



ALISDARE1

KEIRAN GODDARD

United Kingdom

There is nothing new about UK populism. It is an age-old strategy, leveraged by all sides of the political spectrum. Nor does it have a fixed constituency, having historically recruited the energies, concerns and discontent of any number of individuals, communities and social alliances.

The vote to leave the European Union, however, is a particularly visible and consequential manifestation, regardless of where one's political affiliations lie. It is no surprise then, that it has prompted reflection from foundations across the entire range of our membership.

Foundations are asking what the vote tells us and what role they have played in the dynamics of avoiding, healing or inadvertently exacerbating division. They are asking how, in the months and years to come, can practice be shaped to maximize and foster cross-cultural, geographic and generational exchange? How might they work more actively to forge community links and build leadership and democratic capacity across all parts of society?

There are also questions about the post-EU funding landscape, which will have implications across geographical and issue-based lines. In the discussions

about who decides where and how funding is delivered, some foundations may have a role to play in making the case for equitable settlements on behalf of their beneficiaries, or in supporting them to make the case themselves, through the use of their influencing, convening and negotiating power.

Evidence, research and convening are also part of the picture; enhancing foundations' access to aggregated data, improving knowledge of cross-sector activity and creating the spaces for productive exchange of ideas.

Associations and infrastructure bodies have a function in supporting their members in their thought and actions. Retaining an international outlook is important, working alongside colleagues elsewhere in Europe and globally, developing links, sharing information and facilitating discussions where appropriate. @



Keiran Goddard is head of external affairs, Association of Charitable Foundations. Email keiran@acf.org.uk

Thousands of protesters demonstrated outside the American Embassy in London in February against Donald Trump's blanket entry ban on nationals from seven largely Muslim countries.

Interview Brendan Cox

In June last year, just before the Brexit vote, UK Member of Parliament Jo Cox was murdered, becoming the victim of the sort of hate crime she was campaigning against. Her husband Brendan, who himself works on fighting hatred and division, talks to *Alliance* editor Charles Keidan about the public revulsion and response to her death, setting up the Jo Cox Foundation, the couple's belief in community, and the need to combat the sense of alienation at the root of unease and tensions across Europe.

In the aftermath of Jo's death there was a huge public response. Can you tell me what has happened subsequently and how that response has been channelled?

The year before June 2016, I'd been working on combatting the rise of far-right populism and building more inclusive communities. Jo and I had talked about this very regularly. There is a general view that, since the Second World War, we have been moving in the right direction, with some bumps here and there, but sometime in early 2015 we both started to worry whether that was still true and that there was a threat to community cohesion, to the functioning of our democracies. It changed our priorities. Both of us had worked almost exclusively internationally – Oxfam, Save the Children, Crisis Action – but just as Jo was standing for parliament in 2015, we started to see the need to focus much more on the threat to communities in Europe and the UK. So the year before Jo was killed, we'd been thinking about rising hate crimes, growing populism, and for it then to come to the centre of our lives was unbelievable and horrific. When it happened, I knew that I wanted to take forward her causes, and in particular to take on the hatred that killed her, so in the early days, I wanted to

provide people with an opportunity to contribute to the causes that Jo cared about.

What were they?

Our friends helped pull together the GoFundMe campaign which tried to reflect the different things that

Jo cared about, which are quite disparate at first sight. HopeNotHate works on anti-extremism, the Royal Voluntary Service (RVS) is community-based,



and particularly focused on loneliness, which was at the centre of a lot of Jo's thinking, and the White Helmets, which represents her international work. The thing that tied together those three strands besides Jo was that sense of solidarity, which connects with your theme. Whether it's about bringing communities together, the whole civilian population of Syria, or lonely individuals left to fend for themselves, there is a connection in what we're trying to build. Solidarity is one word for it. I think Jo would have talked about it more as empathy. At all events, the response was huge and very quickly, we raised extraordinary amounts of money – £1.5 million in a matter of days. I think that level of public engagement and support came about because people felt powerless and they wanted to do something to send a signal of togetherness and solidarity.

Some of those organizations are quite small, so we didn't want to give them more money than they could cope with, and we also wanted to make sure we had the capacity to support the other things that Jo cared about.

Is that where the idea for the Jo Cox Foundation came from?

Exactly. She had a range of interests that were broadly coherent, but also very diverse, and what we wanted to do was to make sure that we could facilitate people who wanted to take those forward. Our theory of change behind the foundation is not predominantly to raise money, but to build and catalyse networks of influential, well-connected, creative people from across her range of interests, so we're working on a number of those themes – loneliness, Syria, protecting civilians in armed conflict, women in public life, family-friendly parliament and autism. For each of them, we've got a group of Jo's friends or colleagues who are

When it happened, I knew that I wanted to take forward her causes, and in particular to take on the hatred that killed her.

driving forward individual approaches. The work that's most developed is the work around loneliness. Jo had put together a commission before she died, with the aim of galvanizing public engagement around it, but also thinking about what sort of policies are needed, and what the way forward is. Rachel Reeves and Sima Kennedy, a Tory and a Labour MP, are taking that forward and it's being called the Jo Cox Loneliness Commission. It's backed by all of the major players.

Did the foundation's approach of being a catalyst and facilitator come out of discussion with friends and family?

Having worked in the past with trusts and foundations, I didn't want it just to be a monument to Jo, which she certainly wouldn't have wanted. I wanted it to be very action-oriented, to be light, rather than cumbersome with a huge bureaucracy, and I didn't want to spend all my time fundraising. We're not trying to set up

What we want to do is make sure that we suck every last opportunity for impact on the work that Jo cared about. If it becomes harder in three or four years' time, we'll do things in a different way.

something that will be there in a 100 years. If it is there in 100 years, because there's goodwill and we seem to be having impact, then that's fine. But if we're there for three years, that's also fine, as long in that time, we advance the issues.

You talk about the foundation's basis being the catalyst of goodwill rather than money. I understand it was set up and registered as a UK charity very quickly. Is that an example of the goodwill that you've encountered – of people really wanting to back what the foundation stands for?

Absolutely. Our office space is donated, the legal work was taken forward by a firm of lawyers on a pro bono basis, and they did it in record time. It's been very much a snowball rolling down the hill and gathering momentum. Obviously that won't always be the case, but what we want to do is make sure that we suck every last opportunity for impact

Hands in Solidarity, Hands of Freedom mural on the side of the United Electrical Workers trade union building on West Monroe Street at Ashland Avenue in Chicago, Illinois.



on the work that Jo cared about. If it becomes harder in three or four years' time, we'll do things in a different way.

In a sense, the foundation's work builds on the work you've been doing for years – countering populism and nationalism?

Yes, the work I was doing on building open and inclusive communities predated what happened. We were in the middle of creating a new organization to take that work forward, and that will be happening in the next couple of months, funded by a host of different donors and philanthropists, who funded our initial research work around this theme as well. It seemed appropriate to ensure that work was separate from the work of the foundation in terms of governance and finance. Obviously there's a lot of overlap but there are also clear differences. My co-founder, Tim Dixon, and I spent almost two years researching eight European countries – the UK, Italy, France, Germany, Greece, Poland, Sweden and the Netherlands – how otherness, populism etc was shaping politics and how well placed civil society was in each of those countries to respond to this threat. What prompted that work in the beginning was a sense that the refugee crisis was going to play out in an already divisive environment, and it was going to accelerate the far-right's gaining prominence. Also, what became clear pretty much immediately is that this isn't about any individual demographic group, it's about otherness, which is different in different circumstances. Actually what we need to do is try to break down perceptions of otherness, rather than doing it group by group. On one side, civil society seems very fragmented. You have groups working on anti-semitism, separate groups on Islamophobia, you have another set of groups working on LGBT rights etc, while, on the extreme right, you have this integrated force taking forward prejudice and hatred and going after group after group. What that means is the strength of the pro-diversity, pro-community force is split, while those who are popularizing hatred are not big, they're just better organized.

Why do you think that is?

From our research, what's really clear is that the populists communicate emotion, and they tell stories, whereas the political centre talk about

What that means is the strength of the pro-diversity, pro-community force is split, while those who are popularizing hatred are not big, they're just better organized.



myth-busting and facts, and spend a lot of time trying to rebut individual claims. They don't tell stories. Look at the effect of the death of Aylan Kurdi on the beach. That was a story, rather than a statistic, and had a very demonstrable impact on public opinion. I think another reason is probably about where the funding comes from. Funders supporting pro-diversity groups often very carefully delineate their funding and do so in increasingly niche areas, whereas nobody really builds the broader themes about commonality and tolerance. Whereas when the Russians fund the far-right, they are doing so to popularize a theme of intolerance, of otherness. They don't really care how they do it, and that gives them some flexibility. If you look for example at the BNP, it went from hating black people to saying 'actually black people aren't too bad, it's Muslims that are the problem', to saying 'it's Muslims and migrants', so the individual theme changes.

From what you said, narrative and language are really important and there's work to be done there. How do you think the centre can get more of a purchase in public opinion?

As part of our research, we did a series of detailed segmentation polls in some of the key countries – France and Germany in particular, and we're currently doing it in Italy and Greece – and what we took from it is that there are five gaps that need to be filled. In most of the countries, there's a very significant gap in terms of what the narratives are that work, particularly with swing demographic groups. It's done quite well in the UK by groups like Hope Not Hate and British Future, but in most other



Syrian refugees strike at the platform of Budapest Keleti railway station.

countries it isn't done to that level of sophistication. Second, there's a really important piece of work to do directly with political parties, centre-left and centre-right, about how they can avoid ending up in a situation like France, where you ignore the rise of the far-right for a long time, then you ape its rhetoric without any of the authenticity, and the political party, in the case of the socialists, is abolished. Third, we need campaigns that target those roughly 50 per cent in most countries who are anxious – they're not racist, they're not Islamophobic, but they are worried about otherness, whether it's because of the economy or whatever. Nobody spends any time talking to that group. They are left to the extremes. Political parties engage with them at election time but they don't engage with them more broadly. And we know the messages that work with them, we know the themes, we know the way of talking about these issues that reassures and reduces that sense of alienation. Fourth, how do we activate the existing coalition of support? Because

Rather than talking about tolerance and diversity, the starting point would be community. That's the thing that would unite probably 70 to 80 per cent of the population.

we've got unbelievably powerful allies, whether that's the trade unions and the big businesses, the football clubs and the faith groups, we've got all sorts of cultural monoliths that are broadly on our side in this debate.

But their support is latent?

Exactly, and we think the reason is because of the political risk and because that's not the game they're in. Football clubs play football, they don't do politics. We think that by giving them a strategy that they could dock into, we could give them some confidence and also reduce the risk because they will be part of a group, they're not doing it by themselves. Finally, how do we build this sense of community at a much more grassroots level? So rather than talking about tolerance and diversity, the starting point would be community. That's the thing that would unite probably 70 to 80 per cent of the population who worry that they don't live in close enough communities now. There's a big opportunity to really emphasize local community building. So those are the five things that we're looking at. The narrative is important, but just as important is the insight that Jo talked about a lot, which is to talk less about difference, and more

about commonality. Liberals, progressives, centrists spend a lot of time talking about how great it is there's difference and diversity, and that's not a bad thing, but actually to that anxious middle it's often very alienating, because it's change that worries them. Let's talk about the things we have in common.

So is the hashtag, #MoreInCommon, your attempt to find the word that brings together the left and the right?

It comes from Jo's maiden speech in the House of Commons and her analysis of community. We've found a lot of reasons to talk about difference, but very few to celebrate what we have in common. The Great Get Together that we're organizing in the UK at the moment is an opportunity to do exactly that.

It's on 17 and 18 June, isn't it? How many people are expected to be involved?

We have 10 million people taking part in the UK, which is a lot. It's the anniversary of Jo's murder and it's partly about remembering who she was and that her politics really came from a sense of community, but she'd hate the idea of people lighting candles and being in mourning for her, she'd want her death to bring people together. So we're asking people to get together with their neighbours, share food with them and celebrate what we have in common. It's a very basic proposition. The partners involved are very diverse – the Countryside Alliance, the RSPB, the Trades Union Congress, the Confederation of British Industry, English Heritage, the Premier League, all of the major NGOs, Oxfam, Red Cross, Save the Children, NSPCC. There is an incredible swathe of support, and the reason we've managed to build that coalition, but also the reason that we're so optimistic about scale, is because I think the political and media rhetoric of division and animosity isn't shared by the public. I think probably 75 per cent of them are just sick of that. They might have voted particular ways in elections or referendums, but it's not the only thing that defines them. Most people aren't spending all the time obsessing about Brexit.

So in spite of the dark background against which this is set, you are optimistic?

Yes. I'm very optimistic, and Jo was, too, that intrinsically people are good and we just need to give them opportunities for that goodness to come out. The reason we live in societies is that people value their communities, they value society, and



what we need to do is to find more excuses to celebrate that.

Do you think there's something about philanthropy being private action for the public good which embodies that?

Yes. I hope the Great Get Together is one of those moments where the public draws breath and sits back for a second, and realizes that we have more in common than that which divides us. And I hope it will have a longer-term legacy of making communities think more about themselves and even do things together on local issues, whether that is street lighting or loneliness – whatever it is. @



**COURAGE TO RE-EMBRACE
SOLIDARITY IN EUROPE**
CAN PHILANTHROPY TAKE THE LEAD?
28TH EFC ANNUAL GENERAL
ASSEMBLY & CONFERENCE
31 May - 2 June 2017, Warsaw



The conference ends 2 June, but the conversation continues....

#Courage4Solidarity

Messages that work

Martin O'Brien

'He expanded the definition of "us" and shrank the definition of "them".' This was the core of Bill Clinton's eulogy at the funeral of Martin McGuinness, the former IRA leader turned peacemaker in Northern Ireland. Solidarity, too, depends on a broader sense of 'us' and a narrower sense of 'them'. It's easy to be in solidarity with people like us. Unfortunately, the world is now witnessing a growth of 'them', with a narrow sense of solidarity sold as a patriotic resurgence. The solidarity that underpinned the 1951 Convention on Refugees has been reinterpreted in a way that allows governments to ignore global responsibilities to those most at risk.



Martin O'Brien is director of the Social Change Initiative (SCI), an international organization based in Belfast with a focus on improving the effectiveness of activism for social change and working with donors in the social change field. He was previously senior vice president of Atlantic Philanthropies. Email m.obrien@thesocialchangeinitiative.org

What can be done if calls to solidarity no longer have the same resonance? Philanthropy is beginning to show a greater interest in the part that messaging can play in shaping more effective approaches to migration and refugee protection. In the UK, for example, several donors have provided significant support for work on the way migration is presented. EPIM (The European Programme for Integration and Migration, the joint funder collaborative on migration) working with the Social Change Initiative (SCI) and the European Foundation Centre's Diversity Migration and Integration Group, recently held events in Brussels for donors and civil society on the topic, and a number of donors are now considering how best to advance this work in Europe.

With the support of the Human Dignity Foundation, SCI recently partnered with Purpose to commission segmented opinion polling in France and Germany to get a better sense of what various clusters of the public think, why they think it, and what messages address their concerns. The segmentation approach

works by drawing on representative sampling of 2,000 people in each country, which provides insights for influencing public opinion, identifying the population segment most ready to take action to support refugees and migrants, that most hostile, and that with mixed views, including those most open to changing their minds. It is particularly important

to identify the messages and approaches that might influence this latter group.

The research in Germany is the most advanced and will be published shortly. It found genuine solidarity as a concept alive and well there. Germans remain among the most supportive populations of immigration. Messages around shared humanity and culture are among the most persuasive. Germans' sense of responsibility to those seeking protection from conflict and persecution is tied to their identity as Germans. This 'inclusive patriotism' is perhaps at odds with broader global trends. Over 40 per cent of Germans have been active in helping refugees in the last year. Those in the 'moveable middle' need reassurance that the government is controlling refugee intake and effectively working to integrate. Their greatest concerns relate to security and integration. Will refugees, particularly Muslims, integrate into German society? This work takes people's hopes and fears seriously, but it also seeks to craft effective messages that speak to their sense of values – solidarity with those in need being one such value.

The challenge is to extend this approach to a number of other European countries. Early work is under way in Italy, Greece and the Netherlands. Similar research has already been undertaken in the UK.

It is all too easy to throw our collective hands up in horror about current global developments. There is clearly growing anti-migrant and refugee opinion in a number of European countries, but research supported by SCI, and other work by the Tent Foundation and Pew, show that significant support also exists. Philanthropy can help civil society to build on and extend that support. This is true solidarity in practice. @

Over 40 per cent of Germans have been active in helping refugees in the last year. Those in the 'moveable middle' need reassurance that the government is controlling refugee intake and effectively working to integrate.

Germans remain among the most supportive populations of immigration. Messages around shared humanity and culture are among the most persuasive.



RASADETYSKAR



Above
Mayday rally,
Hamburg.

Left
Image shows a
darker force of
solidarity where
an estimated
25,000 protestors
attended an
anti-Islam march in
Germany. They were
outnumbered by
counter-protestors.

STRASSENTRICHE.NET

Philanthropic solidarity: now more than ever

Jason Franklin

The last year has seen a rising wave of threats to democracy, to our environment, and to marginalized communities around the world. Here in the US, an electoral shift has given rise to a threatening trend of attacks on the most marginalized – from deportation campaigns to increased state surveillance, Islamophobic migration bans to police violence.



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However, in the face of these threats we are also witnessing some of the most powerful organizing and widespread mobilization in American history. The Women's March mobilized more Americans on a single day for protest than ever before, new organizing groups and strategies are rapidly emerging, and long-time leading justice organizations are being revitalized with increased donations and volunteers to fight for justice.

Solidarity in philanthropy is a call to those with privilege to acknowledge the threats to those who are most marginalized in our society and to stand behind and with them as they fight for justice, to offer our resources and our voices in support of their leadership and mobilization.

When Solidaire launched three and a half years ago, our goal was to help advance the fight for justice by standing (and funding) in solidarity with a rising wave of social justice movements across the US and globally. We work together to address the systemic causes of injustice, coordinating our efforts and collaborating in our giving. We've grown from a handful of people to a network of 130+ donors and funders across the US moving resources to the critical organizing work of the day.

Funding in solidarity with social movements has taken many forms, within Solidaire and across the field of American philanthropy. As Ben Barge from the National Committee for Responsive Philanthropy has written: 'Resistance is an ecosystem, and all of it needs support. Community organizing and direct action build power, making real change possible. Legal services change lives, offering access for the most vulnerable populations seeking relief. As government actions threaten more families and agency

programmes get cut, these needs will grow.' Three approaches in particular feel critical in this moment: rapid funding, long-term support, and using our voices and networks as truly allies to the movements we support.

In a moment of threat and for movements that operate in a constantly changing environment, philanthropy needs to act faster. Solidaire moves money to movements fast through the newly founded Emergent Fund and directly by our individual members, providing resources in a matter of hours or days to ensure that mobilizations can launch, bail funds can be paid, and immediate push back against new threats can be supported. While needs still outpace new funds, it has also been inspiring to see other funders step up to move money rapidly from efforts in California like Common Counsel's Still We Rise Fund and the San Francisco Foundation's Rapid Response Fund for Movement Building, to the Chicago Foundation for Women's 100 Day Fund, to efforts in New York such as the NY Community Trust and the NY Foundation's Liberty Fund; the Brooklyn Community Foundation's Immigrant Rights Fund; and the North Star Fund's grants for Organizing Resilient Communities.

We also know that standing in solidarity with social movements means staying for the long term. Immediate resistance and mobilization is critical, but the fights for justice will take time and perseverance. Solidaire is piloting our long-term strategy with the Movement for Black Lives. Over the next five years, we will partner with MBL to get black-led organizations building power in their communities the financial resources needed to address the deep structures of racism and discrimination that persist in American society. I'm inspired by other funders who are making similar commitments, like the NoVo Foundation's pledge of \$20 million over four years to new grantees supporting 'communities under attack'.

Finally, philanthropic solidarity calls on us to use our voices, our networks and our access to support social justice movement beyond the dollars we give. From lobbying in the halls of Congress to physically showing up at protests, donors and philanthropy leaders need to use all of the resources at our disposal to advance the causes for justice we believe in. The moment is too urgent for half measures. @



TED EYTAN



ROB WILSON PHOTOGRAPHY

Above

Women's March
Washington, DC.

Left

Protestors face off
with riot police across
a fence near a Dakota
Access Pipeline
construction site in
North Dakota, 2016.

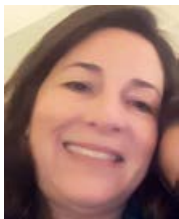
The power of open dialogue: how to keep Europe talking

Chiara Rosselli, Elizabeth Phocas and Verena Ringler

Fill a room with European policymakers and ask them about European values. You will quickly become aware of how inflammatory the topic of solidarity has become at EU level. In a continent that is divided, in the minds of many, between the rich, achieving North, the lazy, poor South and the democratically unstable East, solidarity has been the first victim in a war of demagoguery and nationalist rhetoric.



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In this polarized climate, dialogue could be the antidote. But constructive conversation, a fundamental pre-condition of solidarity, requires the willingness and ability to listen and to recognize different points of view and, at a time of multiple crises, it's tempting to cut out conversation and proceed straight to action. The New Pact for Europe and the Mercator European Dialogue projects address this by making open dialogue and careful process design the tools through which a better understanding of Europe's divides can be achieved.

The New Pact for Europe, launched by the King Baudouin Foundation and the Bertelsmann Stiftung and supported by a large transnational consortium of institutions, convenes policymakers and shapers in national and transnational conversations to map member states' interests. It explores converging interests and tries to formulate constructive solutions when interests diverge. The Mercator European Dialogue is a project of the German Marshall Fund of the United States in cooperation with the Barcelona Centre for International Affairs, the Istituto Affari Internazionali and the Hellenic Foundation for European and Foreign Policy (Eliamep). It is funded by Stiftung Mercator and the King Baudouin Foundation, and brings together national members of parliaments across parties and borders in an informal network to share perspectives and (co-)create ideas. Both provide a space for dialogue to deconstruct stereotypes, dichotomies and strategies of otherness.

Last year, at the height of the refugee crisis, tensions had risen to the point where Greek politicians were considering whether to officially raise the issue of WWII reparations and the German media accused Greece of intentionally mismanaging its borders in order to extort money. At that moment we organized a visit to the Greek island of Lesbos for a delegation of parliamentarians. Less than seven kilometres from the Turkish border, Lesbos has seen the arrival of up to 100,000 refugees per month. The parliamentarians had the chance to talk to local and European authorities, volunteers and refugees and share their own, very different, thoughts and feelings on the state of the crisis. Moreover, they were able to listen to each other's viewpoints and left the two-day workshop having gained an emotionally and analytically profound understanding of the refugee situation. Parting comments ranged from 'I have to report, back home, that we've got it all wrong' to 'the Greeks are being heroic – and we have to do our part', with a number of MPs recognizing that their point of view had been completely altered by the experience.

The need for more genuine exchanges is glaring. The strength of our projects lies in a multi-partner approach where foundations and think-tanks have come together across borders and areas of expertise, providing human and ideologically-neutral platforms for exchange that take account of national sensitivities. Together, they show that philanthropy can play a transformative role in promoting open dialogue methods, bringing together views across physical and ideological boundaries and fostering forms of political dialogue that encourage a deeper understanding of highly controversial issues – such as solidarity. Moreover, the potential for impact is huge. MPs alone are a body of around 10,000 decision-makers across Europe, with the power to vote billions in EU bailout packages, shape fundamental policies and determine what the future of Europe may look like.

We believe in keeping Europe's nations talking to each other, and we know how to do it, too. @

For more information

www.newpactforeurope.eu
www.mercatoreuropeandialogue.com



Above
Greeks protest
austerity in
October 2011.
The flag reads
Bread, Education,
Proximity with
politicians, With
all necessary
sacrifices.

Left
Parliamentarians
on the visit to
Moria reception
centre in Lesbos.



Refugees welcome: Germany can do it!

Bettina Windau

Summer 2015: 200,000 ... 800,000 ... 1,000,000 ... official estimates of the number of displaced people arriving in Germany continually lagged behind the facts. Germans worried about how their country could deal with such an influx of people. Yet at the same time, it was becoming impossible to ignore the reports about the dangers of the journey across the Mediterranean, the ruthlessness of the people smugglers and the rising number of dead. The German people wavered between helplessness, concern and the desire to show solidarity. In August 2015, Chancellor Angela Merkel coined the phrase that pointed the way ahead for many citizens as the guiding principle of an outstanding welcoming culture: *'Wir schaffen das!'* – 'We can do it!'



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But who exactly is this 'we'? As public authorities struggled to cope, civil society initiatives sprang up and stepped into the breach to help provide essentials for the arriving refugees: accommodation, food, clothes and basic health provision. Though this citizen response was at times dismissed as 'do-gooding' or met with hostility from right-wing activists, most of the volunteers experienced a wave of sympathy and recognition, with many donors and foundations providing generous assistance. In August 2015, the Federal Ministry of Finance allowed all charitable organizations, regardless of their statutes, to become involved in refugee aid.

This decision enabled foundations to initiate programmes related to refugees. Furthermore, in an uncertain situation, many foundations felt that the need for immediate action could better be met by cooperation and co-financing, thus expanding their regular modes of operation. Locally, community foundations got involved, sharing know-how and combining funds from local and national sources (see opposite). At the European level, the Fund for Unaccompanied Underage Refugees, a transnational consortium of foundations, was formed under the EPIM umbrella (see p59).

From the beginning of 2016, the focus of refugees and volunteers turned from immediate aid to long-term integration: legal advice, housing, education, employment and meeting new neighbours. Spontaneous willingness to help grew into stable mentoring



Locally and nationally, around 80,000 civil society organizations are currently working for and with refugees in Germany.

relationships, actions became programmes, initiatives became permanent registered associations. In many places the improvised juxtaposition of state and civic action became an effective, complementary whole, with both civil society and the authorities beginning to professionalize their approach: the initial provision for refugees was developing into a deeper participation that utilizes the skills and strengths of the refugees themselves.

What is the situation now? There is still cause for concern after the assaults on women in Cologne on New Year's Eve 2015 and the attack in Berlin in December 2016, and it is not a matter of course that German society will remain as welcoming as it has been during the last two years. However, a recent survey by the Bertelsmann Stiftung shows that Germany has passed the 'stress test'. Nationalist and xenophobic forces reflect only a very limited cross-section of German opinion. Locally and nationally, around 80,000 civil society organizations are currently working for and with refugees. Most of them only entered this field after 2014.

Governmental structures have also been improved and processes made faster. Around 55 per cent of the organizations active in refugee aid report that there are no coordination problems with municipal authorities. Refugee aid and the long-term commitment of volunteers seem to work particularly well where the municipality functions as an enabling and coordinating partner.

The lives of many refugees in Germany are still hard and there is much to be done. Foundations, charities and public authorities should keep up their mutual efforts to help create an environment for successful integration; to prevent rivalry between different disadvantaged groups; and to strengthen charities working for social justice, education and employment. Each of these is a complex and permanent challenge, but the country has learned something important: respect for the power of civil society and the achievements of volunteers, and a deep appreciation for social solidarity. @

The story of Ghayat and Biggi . . . and all the others

Axel Halling

Everything is different for Ghayat Svied now that he knows Biggi Marburger. Ghayat Svied is 42 years old, has a degree in biology and worked for 17 years in environmental protection in Syria. For the past year he has been in Germany, trying to learn the language and to build a life for his family and himself – but he hardly met any Germans. ‘I was lonely here,’ he says. By chance, Svied discovered the office of the community foundation in Kalk, part of the city of Cologne, and took part in its mentoring project – that’s how he met Biggi Marburger. She is retired and has lots of time, and had registered as a volunteer there. ‘Personal contact is very important to make you feel at home in this country,’ she explains. Now they meet once a week, drink coffee, check Svied’s language book lessons and visit each other’s families.



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Rising to the challenge

Following the large influx of migrants to Germany in 2015, many organizations, initiatives and individuals have been supporting the new arrivals. Community foundations, with their local knowledge, networks and independent funding are among these organizations. Germany now has more than 300 registered community foundations, with a combined endowment of €330 million. At least 25 per cent of them, in the countryside, in small and large cities and places like Kalk, a culturally diverse district of Cologne, have committed themselves to helping newcomers since 2015.

What German community foundations do

In the first phase of intense and very often locally improvised reception, the community foundations organized welcoming groups, helped find housing, and collected and distributed clothes, food and medication. In doing this, they were supporting local public services, which were often overwhelmed by the scale of the task. Following these initial challenges, community foundations took on secondary roles like language teaching or facilitating social contact for the communities’ new members. In early 2016, ‘People Strengthening People’¹ began, a nationwide mentoring programme that distributes federal funding via civil society umbrella organizations to the local level. Organizations like the participating community foundations can use this financial support to hire



A mentoring pair in Holzkirchen, Bavaria:
active proof of good understanding against
the cliché of the intolerant countryside.

local experts who match local volunteers and newcomers – as happened in Kalk. In other cases, a locally established community foundation can provide the network and means to help local activists to mentor on a more sustainable basis. This networking also helps to strengthen public support for the whole migrant issue and to find the right strategies for success. At times, an experienced community foundation is more easily accepted than a group of ‘refugee activists’.

Next steps: the labour market

The biggest challenge for the many newcomers, with their often limited command of the language, is finding work that is not low-paid or without prospects. Community foundations are not experts in this field, but through local initiatives, including employment consultancies, companies and public services, they are trying to overcome the legal and linguistic obstacles that prevent migrants from entering the job market.

The European perspective

A lasting solution to the many current challenges posed by migration to and within Europe can only be created together, so the contribution of supra-national networks will be crucial – and it is happening. The Global Fund for Community Foundations is providing grantmaking and the European Community Foundations Initiative (ECFI) is providing transnational European learning and knowledge exchange to build a network of grantmaking, locally-acting foundations – many of whom are facing the diverse challenges of integrating newcomers to their countries. The European picture mirrors the German one: in every part of the continent, the situation is different. But this variety provides good experience and the ECFI initiative will allow those working in the area to furnish their own local solutions from a common pool. @

¹ See www.menschen-staerken-menschen.de (German only)

For more information

www.globalfundcommunityfoundations.org
www.communityfoundations.eu/home.html

Keeping the 'open society' open

Janis Emmanouilidis

In recent years, populism and solidarity have been the focus of public debate. Both issues are very much interlinked: if one wants to avoid radical populists gaining the upper hand, solidarity with those who feel attracted by the simplistic rhetoric of populism, who feel they will be left behind in an age of massive transformation, is necessary. It is the best way to defend a way of life characterized by open, inclusive, liberal and internationalist societies.



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The increasing polarization of our societies is playing into the hands of right-wing populists. It is the basis upon which they can develop an 'us versus them' logic undermining cohesion within and between our societies. This increasing polarization is fuelled by four key insecurities.

First, *socio-economic insecurities* as citizens (including the middle classes) fear that they will be negatively affected by the new economic realities. These insecurities are fuelled by an increasingly uneven distribution of wealth, job insecurity, social exclusion and the widespread perception that parts of society suffer the negative economic consequences of more integrated regional and global markets.

Second, *societal and cultural insecurities* as people feel their personal and ethnical/cultural identity. They are alarmed by what they see as the erosion of accustomed social norms, such as traditional family or religious values, or by the supposedly 'overwhelming' volume of migrants/foreigners entering their country, even if the actual numbers do not justify these fears.

Third, *generational insecurities* deriving from increasing divisions between generations, fuelled by the fact that younger people are suffering disproportionately high levels of enduring unemployment and a lack of prospects.

Fourth, *technological insecurities* as many people feel left behind or threatened by technological developments affecting all spheres of life. The rapid pace of technological innovations is considered a threat rather than an opportunity.

The fear of the future plays into the hands of radical populists who portray themselves as the champions of 'ordinary citizens' against corrupt elites ('the establishment') unable or unwilling to effectively protect societies from the negative consequences of change.

In this climate, traditional mainstream political forces are increasingly squeezed as they struggle to respond to the fundamental challenges posed by radical populists. They need the proactive support of civil society organizations, including think-tanks and philanthropic institutions committed to the values and principles of an open society.

What should they do? They should promote an objective forward-looking analysis along the above described lines. Philanthropic foundations should support independent applied research activities that objectively analyse the state of affairs and expose the nostalgic, simplistic and counter-factual arguments on which the populists base their case. They should also put forward concrete proposals on how to reduce the increasing polarization of our societies. In addition and given the fact that radical populists are advocating neo-nationalistic positions and trying to politically exploit international fragmentation, there is also a need to promote transnational discourse to increase mutual understanding and trust beyond national borders. This discourse should involve both the elites as well as 'ordinary citizens' willing to engage with people in other countries.

Finally, foundations and think-tanks should support efforts aiming to offer a positive counter-narrative in particularly contested areas underpinned by proposals that are implementable, forward-looking and address citizens' real fears. There is a need to elucidate the virtues and benefits of open and liberal societies and explain why they will ultimately be more capable of addressing the major challenges of globalization. In more concrete terms and given the significance of the issue in many national debates, there is a need to further explore the links between migration and the rise of populism. To do so, one should explain and communicate the manifold benefits of migration, while at the same time making clear that migration flows need to be managed and openly addressing some of the pressures migration can generate, for example, on labour markets, housing or local public services. @



Orthodox priests pray as they stand between pro-European Union activists and police lines in central Kiev, Ukraine, January 2014.

Unaccompanied, but not alone

Michael Diedring

In addition to a moral duty to provide protection to refugees, it is in Europe's self-interest to recognize the opportunity inherent in every individual, particularly those migrant children and youth who are in Europe unaccompanied by a parent or carer. Europe's social investment in these young people, if properly structured and supported, will yield a social and human return far in excess of its cost. Moreover, the long-term cost of *not* making that investment is unacceptable.



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With this in mind, foundations have come together through EPIM (the European Programme for Integration and Migration) to support the protection and inclusion of unaccompanied or separated children and youth in Europe, with the ultimate goal of fostering independent young adults valued as productive members of their new communities.

Many foundations may not have engaged in this area because they feel intimidated by the complexity of the challenge, or that they don't have a mandate or the necessary expertise, they feel their individual contribution is too small, or are uncomfortable with the highly politicized nature of the work. Collaboration helps offset all of these issues. In EPIM, foundations pool their resources, receive expert guidance, benefit from years of experience in migration, and work and learn collaboratively. Moreover, the immense social challenge of protecting and developing unaccompanied migrant children and youth requires work in all areas; whatever your area of expertise, at some point it will touch upon the rights and needs of young migrants. While migrant children and youth have special needs given their situation, a child should always be treated first as a child without regard to legal status. Therefore, future efforts should combine or expand activities to include *all* children and youth in need, irrespective of their migratory background.

For those foundations who *are* currently involved, the first challenge is to provide unaccompanied children and youth with support upon arrival. Key predictors of the child's likelihood of staying within the protection infrastructure are proper reception facilities, guardianship systems, foster families, communities and health services, and education and vocational training institutions that seek to protect and empower the development of the child and, importantly, to convey



Children cry as migrants try to break through a police cordon to cross into Macedonia in August 2015.

that objective to each child. EPIM's *Never Alone* collaborative funding initiative supports civil society organizations and their partnerships with administrative entities to provide quality care tailored to each child, while EPIM's grantees focus on improvements in these areas, as well as on effective advocacy at EU and member state level.

Experience has found that unaccompanied youth are often conflicted. While they feel a responsibility to those left behind (including an expectation of financial support), their new society expects a commitment to language training, education and staying in care. As such, good practice considers the family situation and/or personal plan of the child to ensure they see value in remaining in the protection environment.

As youth approach adulthood, more support is required. In Belgium, for example, civil society organizations, working with trained professionals and volunteers, provide in-depth and individualized psychosocial and educational support as well as collective social and educational activities to give young people a sense of responsibility in developing and leading their own life plans on housing, financial autonomy, health, education and work, and their creation of a social network. Mentoring services address the isolation that many unaccompanied and separated youth face by matching them with a mentor family in the local community.

Last year's European Foundation Centre (EFC) conference unanimously approved a statement urging foundations to shoulder responsibility for refugee issues, whether a specific part of their mission or not. The successful path to autonomy for unaccompanied youth is one such responsibility. More involvement by foundations is needed at all levels to ensure that this path leads to long-term benefit for the individual child and European society. @

‘With’, not ‘to’: the meaning of solidarity in an age of austerity

Madeleine Clarke

Solidarity provides philanthropy with the opportunity to move beyond benevolence to identifying with the experience of those who need our support as they face many and varied challenges. Whether you are committed to providing a better response to refugees, tackling educational disadvantage and youth unemployment, ending homelessness, creating a more sustainable environment or helping to eradicate poverty and famine – human solidarity is the prerequisite for doing things *with* people rather than *to* or *for* people.



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For example, the successful marriage equality campaign in Ireland focused on establishing solidarity between gay and straight people by highlighting the need for equality for all. The international mental health recovery movement is based on the belief that it is possible for someone to regain a meaningful life, despite serious illness, and emphasizes the co-production of services designed so that consumers have primary control over decisions about their own care.

These movements work because the people for whom change matters most have more skin in the game, a greater sense of urgency and less to lose. For them change is imperative, not just desirable, and that provides the cutting edge for initiatives that are based on solidarity and, indeed, forms the basis for more unified communities and societies that value all citizens.

Solidarity also helps us to move from individual interventions to systemic dynamics, working with other stakeholders who share our interests and vision and understanding the part that each can play in bringing about change. This in turn enables what David Stroh¹ calls ‘high leverage interventions’. Thinking in systemic rather than linear ways is an encouraging trend. However, there is still an unhelpful confusion between scaling organizations and scaling change, and between scaling and systemic change. Replicating organizations or making them bigger is not always the right answer. Thinking and acting in solidarity with those for whom change matters most means that we are more likely to work collaboratively and creatively to scale impact that may or may not have anything to



do with scaling organizations. It requires us to think our interventions through much more rigorously and strategically, taking account of the embedded interests and unintended consequences that can contribute to the overall results for those with whom we strive to create better opportunities.

Complex public systems, with ingrained practices and vested interests, face major challenges in reforming themselves. If targeted strategically, philanthropic funding can be a catalyst in this process. While philanthropy can encourage real innovation involving risk-taking that governments feel they should avoid, governments are best placed to sustain and scale services to whole populations in need. Philanthropy can also act as a lever here, offering resources on condition that government refocus public resources in the desired direction. Philanthropy and government together can achieve what neither can secure alone. This requires philanthropy to be ambitious, sophisticated and strategic. It requires an understanding of the complexities and challenges involved in catalysing change. My experience of bringing together philanthropy and government to reform complex social service systems has also taught me that it requires a long-term view and long-haul tenacity. Above all, it involves working in solidarity and recognizing the value of collaboration where all parties make a distinctive contribution to achieve common objectives.

In a climate of reduced spending on public budgets, some argue that we need more philanthropy and less government. I argue that we need both state and philanthropy – but in more intelligent collaborations. Constrained government resources provide good conditions for this to happen. @

¹ David Stroh (2015) *Systems Thinking for Social Change: A practical guide to solving complex problems, avoiding unintended*

consequences, and achieving lasting results. Chelsea Green Publishing.

The sharing economy can build new forms of solidarity

Neal Gorenflo

When I began writing about the sharing economy in 2009, the eclectic array of struggling, communitarian-minded tech start-ups in San Francisco was just one small part of a vast number of sharing innovations that made up what we at Shareable saw as an era-defining transformation in how people create value. This included open source software, all the open X movements inspired by open source, Creative Commons, the resurgence of an economy based on solidarity, the rise of carsharing, bikesharing, co-working, co-housing, open government, participatory budgeting, crowdsourcing, crowdfunding, hackerspaces and more. We were in the midst of a sharing transformation.



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Soon, however, money began to pour into a handful of these tech start-ups, most notably Airbnb, Lyft and Uber. The media quickly shifted its attention to them and they became synonymous with the sharing economy. However, as the money rolled in, the communitarian element rolled out. Exploiting peer providers, purposely breaking regulations, strong-arming local governments, and unethical competitive tactics became the norm. The very thing that earned these start-ups traction in the first place – how they recast relationships between strangers in radically constructive terms – was sacrificed to growth. Instead, they became a particularly aggressive extension of business as usual.

Mayor Park (directly in front of the sculpture) and Seoul citizens hear the call for a sharing city.

Despite this, the real sharing economy did not disappear. We at Shareable helped catalyse two related movements to help draw resources to this real sharing economy. In 2011, we hosted Share San Francisco,

the first event framing cities as platforms for sharing. The city of San Francisco incorporated our thinking into its Sharing Economy Working Group, which then inspired a former social justice activist and human rights lawyer, Mayor Park Won-soon of Seoul, South Korea, to launch Sharing Cities Seoul in 2012. Sharing City Seoul's comprehensive package of regulations and programmes supported a localized version of the sharing economy where the commons, government and market work together to promote sharing and the common good. Many cities have followed suit, including Amsterdam, London, Milan, Lisbon, Warsaw, five cities in Japan, and at least six other cities in South Korea. Last year, Mayor Park won the Gothenburg Award for Sustainable Development for his sharing cities work.

In late 2014, we published a Nathan Schneider feature story entitled 'Owning is the New Sharing', which reported on an emerging trend – tech start-ups organizing themselves as cooperatives. This, together with a conference about platform cooperatives, proved the stimulus for a new movement. One of the cornerstone examples of this movement is Stocksy, a growing online stock photo marketplace where the photographers own and control the business. In other words, Stocksy is a 21st century worker cooperative. Another example is Fairmondo, a German eBay for ethical products owned and controlled by sellers. It's expanding by recruiting cooperatives in other countries to a federation of cooperatives that together will maintain local control of each country's market through a single technology platform. Fairmondo exemplifies an approach to impact that philanthropists ignore because, too often, they are as obsessed with scale as any Silicon Valley venture capitalist and don't see the virtue of impact through replication instead.

In this regard, philanthropists today should follow the instructive example of Edward Filene. Filene played a leading role in developing an institution that allowed ordinary people to build their own wealth – credit unions – a high-impact model that could be replicated, and it has been. Philanthropists should use their resources to help do the same across a whole range of new institutions including sharing cities, platform cooperatives, and much more. This will help ordinary people build and access wealth, reduce resource consumption and reweave the social fabric. Now, that's what I'd call a real sharing economy. [@](#)

For more information

See Shareable.net and read the new book, *Sharing Cities: Activating the urban commons*



[RETURN TO CONTENTS](#)

The Routledge Companion to Philanthropy

Edited by Tobias Jung, Susan D Phillips and Jenny Harrow

Reviewed by Juliet Valdinger



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This book is an incredible compendium of essays covering a wide field of knowledge in what some feel is a nascent sector (which it is not). As 'philanthropy is becoming transnational, creative in the vehicles for giving and community mobilizing, and transparent as never before' (p28), it is time for society to recognize the potential of philanthropy and implement the multi-faceted tools that will bring its benefits to light.

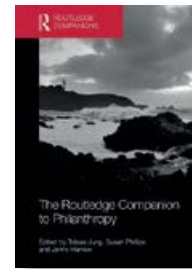
The introduction is eloquent and engaging, setting the scene well to inform the reader what is ahead. It (subconsciously) encourages us to fill up the kettle to its maximum, get out a bunch of pencils and post-its and prepare ourselves for a couple of hours of insightful discussions and thought-provoking suggestions. The overall structure of the book is clear, with a culmination of thoughts and discussions about how philanthropy presents across different cultures, its motivations, usage, management, assessment, and future. Covering 32 chapters and complementary vignettes, produced by a diverse and international range of individuals, the scale of this work strikes me with awe. The rigour of the academic discipline highlights that the information shared comes from authors who are well-read and the chapters are a collation and analysis of their thoughts.

One of the key challenges in the philanthropy space is the lack of clarity in the 'jargon' commonly used. Some might say 'impact investment' is separate from

philanthropy language. However, as a reviewer, I believe that terms such as impact investment, social investment, social impact investment, social impact bonds, corporate philanthropy, corporate social responsibility, venture philanthropy et al certainly do fall within the scope of philanthropy. Philanthropy is like the sea – a big space with lots of different creatures all striving to achieve social change, but naturally, the ideologies of how that change is created will vary (this is a personal metaphor and not one proposed by the editors of this book). The *Companion* describes a good percentage of sea-life creatures.

I welcome the fact there is a vignette at the start of each section. It puts things in context before you ask 'is it worth my time to read this?' In some parts, the style of writing in the vignettes does differ noticeably from the following chapters written by academics, which have greater prose and depth in their discourse. However, if philanthropy is going to be successful it must reach out to a multitude of parties and we must accept some varieties of style, embracing the diversity of value it will bring.

Although I would never have thought to use the word 'uber' and 'donor advised funds' in the same sentence, the intersection in chapter 32 is a thought-provoking metaphor for how philanthropy responds to inequalities in the power relationships between funder and funded party, new innovative ideas and technology



tools, the ever-increasing need for transparency and accountability, and the challenge for philanthropy to 'up its game'.

With such a breadth of insight, I note only two small additions that would enhance a second edition. First, I applaud the editors for doing what academics should do as standard practice, and acknowledging their limitations in the introduction as it is made clear that the chapters focus primarily on financial contributions rather than voluntary work or contributions of other resources. Perhaps this topic could have been written as a short chapter in itself to stem any criticism that the book has left out other key channels used to benefit the people on the ground.

The second is that while academics are the intended audience, even academics need to breathe. The book is incredibly dense with information, which is very much of value to anyone who wants to structure their thinking about philanthropy within an intellectual framework. However, perhaps images or coloured graphs or charts would have made it more readable.

Simply put, I wish a book of this sort had been written several years ago at a time when I would have been able to absorb the multi-disciplined philanthropy world before the start of my study and work in this space. But hey ho. Although it is written with academics in mind, practitioners (and academics at the start of their practice) should not look at this heavy book with fear. It will become the philanthropy bible of its time. @

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Our Common Good

John Nickson

Reviewed by Tessa Hibbert



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Our Common Good: If the state provides less, who will provide more? written by acclaimed fundraiser for the arts, John Nickson, is a powerfully argued statement of the need for new partnerships between the state, social and private sectors to meet societal needs.

Nickson's book, a follow-up to *Giving is Good for You*, sets out to answer some important questions about how to support the vulnerable in an age when the economic squeeze and a new political discourse mean that the state is no longer the guarantor of the common good.

Coming myself from the world of charities and giving, it is easy to agree with every word. The challenge will be in ensuring that those who are not already converted – those in big business and government – are persuaded to hear its powerful argument.

The first half of the book sets out the challenges facing contemporary UK society, with chapters devoted to: the lack of equality; disadvantages faced by young people; inadequate funding for higher education sector and the arts; and our growing housing shortage. If this list of societal problems sounds as if it paints a bleak picture, it does: Nickson marshals a career's worth of preparing a case for support to construct a picture of a system at breaking point.

Nickson argues that charitable giving alone cannot be the answer: individual, corporate

and foundation giving does not have the capacity to meet all social need. A system change is required to create new partnerships between the state, commerce and the voluntary sector. In the second part of the book, Nickson gives a number of examples of local authorities that have moved into enabler roles and philanthropists acting as change-makers. In these cases, social change is driven through venture philanthropy, investing in new ideas, risky solutions and unpopular causes.

Many of the examples he quotes, such as the OnSide Youth Zones and Uprising, are already well known in the sector for offering new models of local provision. Nickson draws on them to argue that responsibility to secure the common good rests on all of us: it is our civic duty, and more than that, 'giving is good for you'.

Nickson has conducted wide-ranging research over a number of years for this book, interviewing diverse and important experts such as Helena Kennedy on law, Marcelle Speller on philanthropy, and leading philanthropists on why and what they give. He quotes at length from interviews, which does give the book the sense that it is part of a movement. For me, however, the variety of different voices slows down the text as the author's own voice is lost. Inevitably there are a variety of viewpoints represented among those interviewed and, presented without comment or critique, this can be confusing. For example, the philosopher AC Grayling, founder of the private university the New College of Humanities, is quoted at length alongside an interview with



Gavin Kelly of the Resolution Foundation – formerly deputy chief of staff for Gordon Brown – whose views on other

matters would presumably be quite different.

Nickson's conclusion is that we must engender a new society of shared responsibility for social outcomes. Individuals must step up their contribution of time and money to charities, including through their taxes. Private foundations must be prevented from hoarding their endowments, and corporations and the super-rich must experience pressure to give back to society. But to achieve all this there must be dynamic leadership.

In his last chapter, Nickson's recommendations require state intervention: to reduce regulation on charities, empower and free local authorities, and to incentivize and punish the super-rich and companies through taxes. As a member of the 'Giving Nation' myself, I was convinced by every word in this book, but to achieve the ambitious vision that Nickson sets out, it is not me who needs convincing.

I hope that the book is part of a movement that can carry forward Nickson's powerful arguments for social change. @

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‘Critical’ WINGS nails its colours to the mast in Mexico Andrew Milner

There was a whiff of impending crisis in the air at the 2017 WINGSForum in Mexico City in February: the growth of populism, increasing restrictions on the freedoms of civil society, social problems that seem to become more, rather than less intractable, and always the sense that we are sliding towards what one participant called ‘the climate cliff’. This atmosphere gave the Forum more of a sense of urgency than usual. Talking about the ‘nuts and bolts’ of philanthropic infrastructure with such profound issues on the near horizon would have seemed like putting up shelves while the house is falling down.

There was some of the nuts and bolts stuff, of course.

It’s one of the reasons the Forum exists. There were sessions, for example, on the potential leadership role of philanthropy networks in public policy, on a new assessment framework for support organizations, and examples of infrastructure building from Africa, Asia and the Arab region.

However, the bigger themes and a more resounding rhetoric dominated proceedings. This was not simply an accidental product of circumstances. The organizers deliberately set out to throw down the gauntlet, entitling the Forum ‘Critical Philanthropy: Addressing Complexity, Challenging Ourselves’ and calling on philanthropy to hold a mirror up to itself and its works. The opening plenary session, which asked whether philanthropy was a friend or foe of social justice, typified this approach. Kumi Naidoo of the African Civil Society Initiative was not slow to take up the challenge, accusing donors of ‘fool’anthropy and castigating



NGOs for being complacent and part of the problem.

Douglas Rutzen of the International Centre for Non-profit Law who won the IMAGine Prize for Outstanding Service to the Sector called for unity in the face of increasing threats to freedoms of action and expression. Meanwhile, Atallah Kuttub of SAANED gave the Barry Gaberman Lecture at the end of the second day of the Forum, exhorting WINGS to champion ‘bridge-building between the sectors’. Who is better placed than WINGS to do this, he asked?

The most important bridge for him and for many others was to the private sector and the prevalence of this discussion was another feature of the Forum. The first day, for instance, closed with two plenary sessions on the relationship between business and civil society. Interesting and notable was that business was seen not just as a funder, but as a possible ally in defending civil society. There was much talk of the blurring of the line between the non-profit and for-profit sectors. Participants were encouraged repeatedly to see business with different eyes and to seek new forms of

cooperation with it. All in all, there was a strong feeling that, even if the philanthropy sector is not yet ready to embrace the private sector, it should at least be prepared to offer it a cordial handshake.

In this atmosphere of rising difficult circumstances, it was appropriate that the Forum culminated in the launch of the Mexico City Declaration, which signalled WINGS ‘support and solidarity with those who feel threatened by the rise of prejudice or national supremacy movements wherever they appear around the globe’ (see p40). There was a ground bass to these large issues and the declamatory tone in which they are often couched. A constantly reiterated theme was about values, which made its appearance in the very first session with Manuel Arango of CEMEFI and resurfaced throughout. These – not money – are the basis of philanthropy, suggested Arango. It was left to others to suggest that those values, however construed, should not be obscured by a technocratic preoccupation with efficiency. @

For more information

<http://wingsforum.org>

To read an interview with Manuel Arango, see p16.