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For philanthropy and social investment worldwide



SPECIAL FEATURE **Philanthropy scholarship** **and practice – bridging** **the divide**

Guest editor
Marta Rey-García

PLUS

Opinion: To pay out or not to pay
out – why it's time for foundations
to spend more

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Cover photo A solid bridge links philanthropy academics and practitioners, but there are many challenges ahead.

PHOTO ANDREA SCHAFER



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Philanthropy scholars at our service



Philanthropy is now achieving global academic visibility. The world's first school of philanthropy opened in the US in 2013 and new philanthropy centres and chairs have emerged in recent years in Africa, India and Europe. Such interest is likely to intensify as philanthropists assume growing influence over public policy and practice. Yet the study of philanthropy remains relatively small compared to scholarship and teaching on politics, government and business. To date, there is limited awareness of why it might be important to study philanthropy, what we need to know about philanthropy and how much priority should be given to informing policy and practice.

This edition of *Alliance* seeks to offer readers an introduction to these questions and to open a bridge between academics and practitioners. We begin with an outline of current provision (p32). This outline, while not definitive, documents the remarkable growth in philanthropy studies in the last five years and highlights the range of disciplines, topics and levels in which the academic world engages philanthropy.

A series of articles highlight why scholarship on philanthropy is important and what it can offer. Paul Ramsbottom (p42) and Patricia Rosenfield (p43) describe the largely untapped potential of history and historical archives to foundation practitioners, while René Bekkers (p44) emphasizes the need for and uses of reliable giving data.

We also look at the remarkable growth in teaching about philanthropy. Here we offer viewpoints from student-led courses on effective altruism and experiential philanthropy to executive education for existing foundation professionals.

We then go on to consider what practitioners say they need from academia, especially in regions and countries in which institutional philanthropy is emerging. We hear from Bheki Moyo about plans for Africa's first chair in philanthropy, as well as from pioneering figures in India, Chile, Mexico and Canada. These perspectives show how academic interest in philanthropy is developing in response to the particular context that each country or region faces.

As academic interest in philanthropy heats up worldwide, we also seek to draw out some of the challenges and difficult issues along the way: from balancing academic rigour and practitioner relevance (Tracey Coule p58) to the spectre of conflicts of interest as philanthropy essentially funds research into itself.

Finally, this edition continues the controversial debate on whether foundations should be compelled to make mandatory payouts. In our last issue Cathy Pharaoh argued that mandatory payouts make little sense and lead to the worst of both worlds – no long-term increase in resources and a reduction in the freedom of foundations to decide on their own spending levels. Jake Hayman and Angela Kail continue the debate on these pages and we invite you to join them by contributing your views.

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The December issue of *Alliance* focused on the topic of community philanthropy and the concept of 'durable development' – shifting power closer to the ground and giving agency to local people and their organizations. Here, delegates at the Global

Summit on Community Philanthropy in Johannesburg respond to articles within the special feature.

Corrections

Coutts

The December issue included a piece on Coutts' *Million Dollar Donors* report (p9) with incorrect data on the list of donation recipients. A correct version can be found in *Alliance*'s online edition.

Centre for Study of Philanthropy and the Public Good

The December issue included a report on the upsurge in research and teaching on philanthropy (p6). *Alliance* wishes to clarify that the partners of the Centre for the Study of Philanthropy and the Public Good at St Andrew's University are research partners not funders. We apologize for the error. A correct version can be found in *Alliance*'s online edition.

How to be effective and responsive to communities?

Susan Wilkinson Maposa's article 'Data needed . . . and more besides' is very timely and provides a practical tool for funders to align their strategies with systemic change. At a time when we are witnessing the further alienation of marginalized communities all over the world and the rise of intolerance, assessment of the nature that Susan offers – a 'horizontal gauge' – helps philanthropy understand what it can do differently to effectively support vulnerable communities.

There are three points emerging from Susan's article that those in the field can take up immediately in order to be more effective:

- 1) Use the 'horizontal gauge' to understand and name the forces that affect foundation behaviour. This tool helps to bring the often intangible but in my view the most important aspects of social change – ie community resources and leadership – from the footnotes to the main conversation.
- 2) Use the data produced through this method to self-reflect and alter foundation practice in meaningful ways, to ensure

our behaviour is empowering community philanthropy organizations and communities and not diminishing what power and agency that already exist with communities. 3) Create spaces for an honest conversation about the opposite pulls of donor compliance and community needs and come up with 'optimal accountability processes and practical action' for the field.

Chandrika Sahai

Coordinator, Working Group on Philanthropy for Social Justice and Peace

Impact of new approaches needs to be demonstrated

In the last issue of *Alliance* Sean Lowrie of the Start Network highlighted how international aid should re-focus its work around impact, eg re-prioritizing 'lives saved and suffering spared'. At the World Humanitarian Summit and since, aid recipients and humanitarians alike have pushed for changes in international aid systems and structures, and for a realignment of power, to ensure a focus on impact.

To me, the points relating to donors remain the core challenge: how will donors be convinced to give up power, and change compliance standards, in a context where expectations and scrutiny of them has increased, and where citizens in many donor countries are demanding increased evidence of accountability, impact and value for money? Identifying non-traditional donors and building funding from within communities themselves (with the community philanthropists) are valid options. Yet I question if they alone will be enough.

A third approach, aiming to reduce donors' nervousness (and therefore their tendency towards maintaining control and power), is to focus on demonstrating the impact of new approaches – providing donors with the evidence they need to remain accountable to their citizens and taxpayers. Community philanthropists, the Start Network and others striving towards this change will need to test, fail at times, learn and then prove that different approaches work, are more efficient and can save more lives and spare more suffering. Donors need to be shown that it is in their interests to work differently (and to give up the power).

Anna Wansbrough-Jones

Consultant and director, Stratagem International

Strengthening the bonds of civil society

In her article 'From communities to constituencies for human rights', Mona Younis argues that human rights organizations can learn from and work with community foundations.

We agree that there is a need to improve connections between different spheres of civil society. We have long argued that disconnects within civil society weaken the impact of civil society as a whole. It is also clear that civil society groups gain legitimacy when they are able to demonstrate they connect to local constituencies and have the trust of communities.

Current regressive trends make it harder but more necessary to build these kinds of connections. CSOs that seek to advance human rights are facing an unprecedented

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



Water project by the Malaa Self Help Group in Kenya.

level of restriction: the CIVICUS Monitor records that 3.2 billion people currently live in countries where civic space is limited. And many are facing new resourcing challenges: CSOs in the global south receive little direct Official Development Assistance, and several donors are cutting back their support to civil society. Numerous governments are also limiting the ability of global south CSOs to receive international resources.

Community foundations have demonstrated they can be robust in resisting these negative trends by embedding themselves in local communities. Now more than ever there is a need for supporters of civil society to help build partnerships between human rights CSOs and community foundations, to develop more sustainable domestic resource bases that support human rights.

Aimi Zhou and Ine Van Severen
Partnerships officer and policy and research officer, CIVICUS

USAID must reform to truly support a community philanthropy model

David Jacobstein's article 'USAID embraces community philanthropy' describes USAID's shift towards supporting community development through a community philanthropy context. USAID, he continues, has adopted a local

systems framework to support communities to address their own priorities within an inclusive and accountable process.

While this is all good, USAID falls short in the implementation. In Palestine, for example, USAID often implements large projects by contracting US-based private companies who then establish project offices in the recipient countries. Project priorities, activities and budgets are already determined prior to actual implementation. And while there may be some consultation with local stakeholders, the community has not been included in determining the priorities, nor in identifying the necessary budgets and available local resources, including the technical expertise. USAID procurement rules often require the procurement of US goods and services rather than local. Further, USAID policies require the vetting of each individual benefiting from the project, so limiting the inclusivity as certain individuals within a community may be deemed ineligible due to their grassroots activism or membership of a particular political party.

While USAID has adopted important principles to empower communities, it has missed the point in community philanthropy. There are no donors or beneficiaries in community philanthropy. Everyone is equal and welcome to the table to discuss and address community

priorities. USAID must reform its organizational systems and policies in order to truly support a community philanthropy model in the countries where it works.

Aisha Mansour
Chief executive, Dalia Association

Measuring small-scale contributions to the SDGs

I devoured the December issue of *Alliance*, particularly the special feature on community philanthropy. I appreciated the diversity of contributors, their unique experiences and approaches, all of whom come to a shared conclusion: that people on the ground must be empowered if we want our development efforts to succeed.

After finishing the special feature, I read the rest of the magazine and lingered on three articles referring to the Sustainable Development Goals (SDGs). I tested out the SDG Indicator Wizard and reflected on my own organization's experience trying to identify relevant SDG indicators we could feasibly use to measure the impact of our work. It appears obvious to me that there is a need to better relate these indicators to the people working on the ground.

In Vietnam, and I might even argue in many countries, the target SDG indicators can only be tracked or measured by government agencies, bilateral and multilateral aid agencies, and/or large, well-resourced NGOs collaborating closely with governments. But, how can local organizations like my own

Now more than ever there is a need for supporters of civil society to help build partnerships between human rights CSOs and community foundations.

demonstrate their contributions towards the SDGs?

Perhaps this is already on the agenda of the Action for Sustainable Development initiative, the SDG Philanthropy Platform, or the Foundation Center who are all promoting collaboration to support implementation of the SDGs. If not, I think it should be. Or, as per the title of the article by Danny Sriskandarajah, 'Funders: [here's a great opportunity to] use your power to shift the power'!

Dana Doan

Founder and strategic adviser, LIN Center for Community Development

SDGs must be part of community philanthropy agenda

At the Global Summit on Community Philanthropy – the most inspiring event I have attended in the last three years – there was no specific mention of the Sustainable Development Goals (SDGs) and the 2030 Agenda for Sustainable Development. Back from Johannesburg, I counted how many times the SDGs were mentioned in the 25 inspiring and powerful articles of the last *Alliance* special feature: once.

My question is then, is it not time to demolish professional specializations and sector silos to build bridges and work for inter-sector synergies and alliances?

Even if most recently the UN and institutional philanthropy have started some significant partnerships, each one pays the price – in terms of lack of mutual understanding, trust, capacity to join common aims and agendas – of having been pursuing parallel, rarely interacting, paths for 60 years.

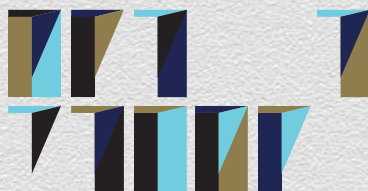
Community philanthropy can be such an essential player for the SDG agenda everywhere. It can make such a difference for local ownership, accountability and sustainability of the 2030 Global Agenda, and help break down the divide between donors and the 'beneficiaries' towards an idea of co-investment where different actors bring different strengths and needs to the table. We can't lose this opportunity.

Carola Carazzone

Secretary general, Assifero



THE THEORY OF THE FOUNDATION EUROPEAN INITIATIVE — 2016



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ERNOP study reveals state of our knowledge – and ignorance – on European giving

The European Research Network on Philanthropy (ERNOP) has produced what is probably the clearest and most reliable account of European philanthropy to date – but, as it acknowledges, ‘best yet’ does not mean ‘best possible’. Paradoxically, in fact, it probably says more about what we don’t know than about what we do.

The research, led by ERNOP executive director Barry Hoolwerf and ERNOP president Prof Dr Theo Schuyt of the Center for Philanthropic Studies at VU University in Amsterdam, has resulted in a factsheet that provides information about bequests, giving by individual households, foundations, corporations, and charity lotteries in 20 European countries. The publication, say the authors, ‘aims to stimulate researchers, policy makers and philanthropy professionals in fostering research on philanthropy and to inspire them to exchange knowledge and information’. They have also taken pains to ensure that it is as robust as it can be. The country researchers, all ERNOP members, used a standard template to provide available data sets in their country, giving the best total (lower bound – that is, conservative) estimate available and then classified donations to a range of causes.

The researchers have come up with a total figure for giving in Europe across 20 countries of €87.5 billion in 2013. The UK and Germany account for the biggest proportions, at €25.3 and €23.8

billion respectively. Of the overall total, individual giving, €41.3 billion, makes up nearly half. It’s also the category in which the authors say representative data is available in the majority of countries studied. A striking 38 per cent of individual giving by Norwegians goes to international aid. Citizens of Switzerland and the UK, by comparison, give only 10 and 13 per cent of their donations to the same cause. The British are most open-handed when it comes to health, which absorbs 27 per cent of individual donations, while the Swiss give most generously toward public or social benefit.

Tread carefully, however. It’s inevitable that the statistics will be read as a kind of league table but that, caution the authors, is just what we shouldn’t do. While the general picture is likely to be substantially accurate, complete dependence should not be placed on the figures themselves. In fact, perhaps the most striking finding of the research is the difficulty of securing reliable data that is comparable across Europe, even in a continent where data is relatively plentiful. In some countries in the sample, data in some categories (Spain, Ireland and Hungary, for example) is incomplete, either because it is not collected or because it was not made available to the researchers, so only a partial estimate is possible. Similarly, the figures for Norway do not include corporate giving, and in fact, note the authors, ‘there are few countries that provide representative, valid data on giving by corporations, neither categorizations regarding goals supported nor background information about the donating companies’. The same, they



say, is also true for foundations ‘of which we have only an incomplete picture in most European countries’. In short, they conclude, the information we have, though it is the best available, ‘does not yet provide a convincing and comprehensive story about philanthropy’.

What it does do, says ERNOP, is provide a benchmark for future studies and a starting point for engaging the European philanthropy community in producing a clearer view of the continent’s giving. What is needed, says ERNOP, are standardized definitions of categories and a standardized methodology in order to get comparable key information. In the meantime, ERNOP will push for use of the best methodologies now available at national level and, to fill in the blanks, it will seek to involve researchers from countries that are currently not included in the study to get access to data that does exist but was not made available for this study.

For more information

Giving in Europe will be published by Lenthe Publishers in Amsterdam. For more information visit http://tinyurl.com/ERNOP_GivingEurope

ISTR and WACSI in partnership to coordinate African research network

In a new collaboration, West Africa Civil Society Institute (WACSI) in Ghana will house the regional secretariat of the International Society for Third Sector Research (ISTR). WACSI's aim is to strengthen the institutional and operational capacities of CSOs through capacity strengthening programmes for increased and effective policy engagement.

The main purpose of the collaboration is to provide an administrative base for ISTR's Africa Network which will be known as ISTRAN. Established to support emerging African scholarship on civil society and philanthropy, ISTRAN is now

comprised of over 130 African researchers and scholars from across the continent. It also includes members of the African diaspora who work in the US and Europe. Its principal activities include biennial conferences and professional development workshops. The collaboration includes the appointment of part-time staff based at WACSI to coordinate and expand the network, develop a mentoring programme, and publish the ISTRAN newsletter four times a year. In addition, Nana Asantewa Afadzinsu, executive director of WACSI, has been elected to the board of directors of ISTR for a four-year term.

The network's next conference will be held this year in Accra,

Ghana from 21 to 23 June on the theme 'Civil Society and Philanthropy in Africa: Contexts, Contradictions, Possibilities'. It will lay stress on attracting emerging African scholarship and greater academic understanding of philanthropy. 'Academic interest in the philanthropic sector has not been seen as worthy of analysis or theorizing. We hope that this conference will create a change,' says an ISTR press release. It is anticipated that over 100 researchers from West Africa and beyond will attend.

For more information

For more information
www.istr.org/?page=Africa

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Thumbs-up – and down – for the donor-advised fund

Fidelity Charitable Gift Fund was the top fundraising American charity last year, according to the Philanthropy 400 ranking published by the *Chronicle of Philanthropy*. The significance of this, according to the *Chronicle*, is that Fidelity primarily raises money for donor-advised funds (DAFs), and it's the first time such an organization has topped the list. Reinforcing this, another one of the top five is Schwab Charitable, also a donor-advised fund. Fidelity ousted long-standing favourite United Way, drawing \$4.6 billion against United Way's \$3.7 billion.

What's the attraction? 'A lot of what [donor-advised funds] have brought to charities and our donors is really technology,' says Pamela Norley, Fidelity's president.

'It's an intermediary between the donor and charity that allows the process of giving to be simpler and more transparent.' Donors get the same tax benefit they would from a one-off gift, but they don't have to decide which charity to give the money to in that tax year, they can 'bank' it in the DAF. The money is held in, and invested by, the fund, though donors recommend which charities should get gifts and when.

Unlike foundations, however, donor-advised funds are not subject to any payout requirement. Writing in *The New York Review of Books* in July 2016, critics of the model Lewis Cullman and Ray Madoff argue that because 'no deadline is imposed for the eventual distribution of these funds to an operating charity ... assets that

have been given the tax benefits of charitable donations can be held in a DAF for decades or even centuries, all the while earning management fees for the financial institutions managing the funds, and producing no social value.' For this and other reasons, the two assert that the DAF model is 'threatening to undermine the American system for funding charity'.

Fidelity Charitable has more than \$15 billion under management (and last year awarded \$3 billion in grants to non-profits) and, according to an analysis of data from Giving USA and the National Philanthropic Trust, DAFs could soon account for 10 per cent of all giving from individuals.

For more information

<http://tinyurl.com/CoP-FidelityTop>

<http://tinyurl.com/NYRB-criticsDAFs>

Watch... Share... Be Inspired!

Turkey's Changemakers Program in its 8th Season



Map of Needs, is an online platform, which creates a new model of solidarity by bringing together those who are in need and those who would like to respond to those needs.

Refugees, We Are, Neighbors Solidarity Network, aims to create solutions to refugees' problems while flourishing solidarity among refugees and Turkish people sharing the same neighborhood.



Ahmet Naç, is an idealist teacher, who developed a different education model. His classroom has easels for painting, and a library, and students learn while singing rap music.



Map of Needs, Refugees We Are Neighbors Solidarity Network and Ahmet Naç are among the 152 Sabancı Foundation's Changemakers from all across Turkey, whose remarkable efforts make a difference in the lives of many and are inspiration to us all.

Since 2009, Sabancı Foundation's "Turkey's Changemakers Program" received more than 1,900 nominations working in areas of Civic Participation, Economic Development, Education, Environment, Health and Social Justice.

Selected Changemakers are filmed and the videos are shared extensively using the power of the internet and social media. To date, the program has reached more than 19 million people.

We invite you to watch, share and be inspired with each new Changemaker story.

Videos with English subtitles are available on www.sabancivakfi.org, www.farkyaranlar.org and



under the name "Turkey's Changemakers"



CHINA FOUNDATION CENTER

New cloud platform for foundations/ NPOs in China

During the past 15 years, the philanthropy sector in China has developed rapidly. Today, over 5,500 foundations and over 670,000 non-profit organizations (NPOs) are registered in China. However, the efficiency and effectiveness of the sector have been hindered by the lack of robust infrastructure. The China Charity Law 2016 lifts transparency to a much higher level, giving the sector an opportunity to utilize transparency to make the Chinese philanthropic marketplace efficient, fair and dynamic.

China Foundation Center (CFC) was initiated by 35 renowned Chinese foundations in 2010. Its core mission is to use the power of technology to bring transparency to the philanthropic market and allow everyone to see the same data at the same time. Connecting decision-makers to a dynamic network of data, people and ideas, CFC quickly and accurately delivers foundation and NPO information, news and insight.

With the support of the Ford Foundation and the Foundation Center in New York, in 2017 CFC will focus on building a new

cloud platform for foundations/ NPOs to expand data collection and build stronger data management capability with artificial intelligence technology. CFC president Tao Ze says: 'The new system aims to help social investors to make informed decisions with data, news and research that is accurate, faster and relevant. In addition, CFC will develop special technology and tools to analyse any possible risk and find the best opportunities.'

For more information

<http://en.foundationcenter.org.cn>

COUNCIL ON FOUNDATIONS

The Trump effect – implications for US philanthropy

Following the election of Donald Trump, the Council on Foundations has focused on bringing US philanthropy together as changes in national leadership may impact on philanthropy and foundation grantees in a variety of ways.

In early December 2016, foundation executives from across the US gathered at the Ford Foundation to discuss the election results. Foundations shared that they are embracing flexibility in 2017 by pivoting from previous strategies and budgets, doubling down in some areas, and shifting priorities. There was a general

agreement that philanthropic institutions need to be closely monitoring the discussions about proposed policy changes – including tax reform, education, climate change, and health.

With Republicans now at the helm in both houses of Congress and the White House, a comprehensive reform of the US tax code is imminent – elevating it as a major priority for the council. A reform of the US tax system could mean significant changes to if and how individuals can claim a deduction to their individual taxes for charitable contributions they have made throughout the year – which could have a major impact on the amount and scope of charitable giving in the US. The council is actively engaging with members of Congress and their staff on these issues, and



has created materials and talking points to provide guidance for outreach by members as well.

The council is also now providing daily news updates to members during the first 100 days of the Trump administration via a new newsletter called *Inside Scoop: The First 100 Days*.

For more information

www.cof.org

CIVICUS AND PUBLISH WHAT YOU PAY

Against all odds: the perils of fighting for natural resources

Today, natural resource campaigners are facing increasing pushback from political leaders and powerful corporations intent on defending vested interests. The new report *Against all odds: the perils of fighting for natural resources*, from CIVICUS and Publish What You Pay, shows that in most – if not all – resource-rich countries, civic space is shrinking fast.

In recent months the world's attention has been on the Native American communities in the US opposing the North Dakota Access Pipeline. While the struggle of indigenous communities to protect their land is hundreds of years old, in many ways, the struggle of recent years is unprecedented. The spread of market fundamentalism and the

tight overlap between political and economic elites mean that the interests of natural resource companies and ruling politicians are often closely entwined, driving inequality and shrinking space for activists to expose corruption. This has put natural resource activists on the frontline of rising attacks against civil society globally.

To reverse these disturbing trends, the report calls on governments to support an open, democratic debate about the governance of natural resources to ensure their responsible exploitation is to the benefit of all citizens and adheres to international human rights standards.

For more information

www.civicus.org

MARCOS DE PAULA/ESTADO/ZUMA PRESS



Demonstrators face riot police during the UN Conference on Sustainable Development (Rio+20) at Rio Centro, in Jacarepagua, western Rio de Janeiro. Indigenous peoples from five

countries told the UN Rio+20 summit that the green economy is a crime against humanity that dollarizes Mother Nature and strips communities of their rights. Native peoples gathered in Rio

for a counter-summit issued a declaration blasting the goals pursued by world leaders attending the official UN Rio+20 summit on sustainable development.

WINGS

A new global picture of organizations serving philanthropy

Organizations serving philanthropy are key to developing and increasing the impact of philanthropy, but they are relatively unknown, rarely identified as a sector, and their crucial contribution is often overlooked.

In an effort to develop knowledge and awareness of philanthropy infrastructure, WINGS has launched the second edition of its *Global Picture of organizations serving philanthropy* at WINGSForum 2017. The only

study that looks at the state of this field globally, the report presents a new global picture of philanthropy infrastructure organizations, and reflects on how the field can grow and strengthen its impact.

Results show that the field of infrastructure started growing in the 1990s and reached a peak during the 2000s, but seems to be stabilizing, as surveyed organizations do not report meaningful budget growth over the last few years when compared to the 2014 report.

The study also highlights the prominence of North American institutions, accounting for

80 per cent of expenditure on philanthropic infrastructure.

In addition, WINGS' survey shows the recent rise in advocacy activities, echoing a globally challenging context in terms of civic space and enabling environment for civil society.

Besides WINGS' members, the report includes for the first time results from a survey done with academic institutions that focus on philanthropy and the perspective of funders supporting philanthropy infrastructure.

For more information

www.wingsweb.org

EDGE FUNDERS

Shake the foundations!

Last April, funders and movement partners gathered at the EDGE Conference in Berkeley, California to participate in an Engagement Lab on regenerative finance and equity-based strategies across grants and investments. Out of these conversations was launched 'Shake the Foundations', whose goal is to deepen political and strategic alignment to shift philanthropic and investment resources in support of community wealth regeneration.

An initial design phase is under way to develop a community of practice aimed at educating and engaging the philanthropic community on ways to move capital into community-led transition initiatives through non-extractive finance, and diverting foundation resources to place-based community reinvestment in cooperative development that shifts ownership of productive assets.

Shake the Foundations will seek to redefine risk in terms of the long-term viability of human communities and the ecosystems they depend on, while placing the burden of financial risk on those most able to bear it rather on those with the least accumulated wealth.

Over time, funders and their allies hope to encourage a culture shift in philanthropy towards valuing and supporting grassroots social movements, strategies that shift social, economic and political power, regeneration rather than extraction, and long-term systemic transformation over short-term transactional outcomes.

For more information

www.edgefunders.org

FOUNDATION CENTER

New members join Funding Information Network

Two new European partners have joined Foundation Center's Funding Information Network (FIN) – the diverse network of 450+ public and academic libraries, community foundations, non-profit resource centres and NGOs throughout the US and abroad, all aiming to build capacity of the social sector.

Like all network members, Asociación Española de Fundaciones (AEF) in Spain and Geneva Centre for Security Policy (GCSP) in Switzerland have free access to the Foundation Center's grant-seeking databases, *Foundation Directory Online Professional*, *Grants to Individuals Online*, and *Foundation Maps*, as well as its training curriculum providing the fundamentals of non-profit fundraising.

Non-profit and NGO professionals can visit FIN partners to access the knowledge that will help them to identify funding, with FIN 'supervisors' specially trained to answer their questions. Supervisors are able to participate in professional development opportunities, including an annual Network Days conference.

For more information

<http://tinyurl.com/FC-FIN-Network>



EUROPEAN FOUNDATION CENTRE

Seeds sprouting as EFC Strategic Framework enters first full year

2017 may mark the beginning of the first full year of the EFC's new Strategic Framework, but many of the seeds sown last year are germinating and in some cases already bearing fruit. New thematic networks are now up and running on topics as diverse as 'democracy' and 'corporate philanthropy', for example.

The framework's first priority – 'Nurturing philanthropy' – is a term the EFC will refer to throughout the coming months, and it entails actively working with wider philanthropic infrastructure to help nurture an environment in which philanthropy can flourish. It has a number of facets, but put simply it means creating better connections with the EU and other institutions and increasing engagement in policy and advocacy work as a way to heighten EFC's responsiveness to issues affecting institutional philanthropy.

Meanwhile, in tandem with cultivating the landscape, EFC will also be striving to push the sector forward. An example of this is the stepping up of its 'incubation' work – that is to say offering EFC members a protected yet collaborative space for their nascent ideas to develop. Members will be able to find out all about the first 12 months of the framework at the EFC's Annual General Assembly and Conference in Warsaw from 31 May–2 June.

For more information

www.efc.be

CEMEFI

Conferences on volunteering for social change

In November 2016, Cemefi hosted two major conferences: the 24th World Volunteer Conference and 8th World Youth Volunteer Conference, both organized in partnership with the International Association for Volunteer Effort (IAVE).

The main topic of both was 'Volunteering for social change' – considering volunteering as a means to create synergies, combine the efforts and talents of individuals towards the achievement of common goals, allow personal learning and skills, and to remind us of our ability to make a real difference in social issues. Both conferences started by highlighting volunteering activities in areas such as community development, health, arts and culture, and environmental care, among others.

The main conference was held in Mexico City and brought

Enthusiastic delegates at the World Youth Volunteer Conference.



together 991 participants from 51 countries. Plenary speakers such as Kumi Naidoo and Salil Shetty raised awareness and inspired participants to take action. Covering very different aspects of civil society work, 240 speakers from 35 countries shared their knowledge, generating discussions, exchanging tools and enriching experiences.

The youth conference, held in the City of Puebla, Mexico, was based on the assumption that the Sustainable Development Goals are a guideline for an array of volunteer actions for young people, with the potential to eradicate poverty, protect the planet, and build prosperity in a social justice framework for peace. It brought together 577 young people from 21 different countries.

It began by raising questions about youth volunteering effectiveness, with 85 speakers from 12 different countries leading the discussions. The conference ended with the creation of an action agenda whose main priorities are to:

- ▶ increase volunteer infrastructure and education
- ▶ guarantee the continuity of volunteer action
- ▶ protect rights of youth to all develop equally
- ▶ translate high-level agendas into actions everyday people can understand and do
- ▶ develop a greater focus on training to develop youth capacity.

For more information
www.cemefi.org

EXPONENT PHILANTHROPY

New report details how small-staffed US foundations create change

Exponent Philanthropy recently released its 2017 *Foundation Operations and Management Report*. Based on responses from 495 of its more than 2,000 member foundations, all which have few or no staff, the report includes more than 70 pages of data on how member foundations govern, steward their assets, accomplish their administrative work, and carry out their grantmaking.

Among its findings, the report shows the association's small-staffed foundations:

- ▶ steward more than \$80 billion
- ▶ award approximately \$4 billion annually
- ▶ issue more than 133,000 grants annually
- ▶ fund around the world.

The foundations surveyed show a commitment to impact, indicated by the prevalence of strategies recognized as good practices in the field, including:

- ▶ making general operating support grants: 77%

- ▶ making multi-year grants: 70%
- ▶ using information received from grantees to inform grantmaking: 60%
- ▶ making capacity-building grants: 62%
- ▶ convening grantees or organizations: 43%

The report also includes data on staff and board compensation, expense ratios, impact investments, and trends over years.

For more information
www.exponentphilanthropy.org/2017Report

GIFE

When business and philanthropy align

GIFE has just released the English version of an important publication, originally launched in 2016, throwing light on an emerging trend in Brazil: the alignment between business and philanthropy. Since its emergence in the 1990s, the philanthropic sector in Brazil has developed with very close links to the movement for corporate social responsibility.

In recent years, many companies have been redefining their relationships with the foundations they have established, seeking to improve their business practices by benefiting from the social capital and experience of the foundations while delivering greater social impact by mobilizing the business' own levers.

While this alignment brings the potential of moving the company itself – and not only its philanthropic money – towards a greater contribution to the common good, it also blurs the margin between public and private interests, as there is always an expectation that this alignment will benefit both the company and society alike.

This shift is taking place across different economic sectors and corporate foundations. At the same time, it has not been a homogeneous process. There are different models of alignment producing diverse consequences for both business and philanthropy. In addition, the risks and opportunities associated with the various types of alignment vary, depending on the purposes and drivers behind this process.

Alignment between private social investment and business was based on an empirical research including over 20 in-depth interviews with foundation and company executives and a series of workshops.

As these relations evolve, it is increasingly important to ensure that whatever arrangements are made, the aim should be to secure the greatest contribution to the public good.

For more information

<http://tinyurl.com/gife-alignment>

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DASRA

Philanthropy forum discusses India's developmental challenges

Dasra has been working with philanthropists, corporates and foundations to address some of India's critical development challenges in education, healthcare, livelihood, sanitation and women's empowerment. To this effect Dasra held its third annual forum in the US on 10 December 2016. The objective of the event was to discuss India's urgent developmental challenges, and illustrate through stories and examples how individuals can participate in driving change in India.

Building on past successful forums in NYC (2014) and Stanford (2015), the Dasra Philanthropy Forum (DPF): Houston brought together over 100 accomplished philanthropists

and leading Indian social entrepreneurs to share best practices in philanthropy and effective models for social change, as well as provide unique opportunities to build networks, forge partnerships and discover ways for diaspora and individuals who want to make a greater and more meaningful impact in India.

Panels and conversations with esteemed speakers like Peggy Dulany centered around themes such as practices and

partnerships in philanthropy and learning about innovative solutions by some of India's top non-profits working to end child marriage, improve maternal and child health through technology innovations, and maximize India's demographic dividend through vocational education in schools.

For more information

To learn more about the Dasra's philanthropy events in the US visit www.dasraphilanthropyforum.org



EUROPEAN VENTURE PHILANTHROPY ASSOCIATION

New workshops on impact measurement and management

When EVPA developed its first guide on Impact measurement and management in 2011, it noticed that the problem was not the lack of information, but rather the absence of guidance on how to make sense of the large number of approaches and methodologies on how to measure and manage impact.

Five years after the launch of the guide, EVPA has now developed a complete approach on how to implement a strategy that helps investors and investees in maximising the societal impact they want to generate.

Today, EVPA, in collaboration with Social Value International (SVI), is organising a series of workshops on impact management, to illustrate the practical application of EVPA's impact measurement research. The workshops are especially relevant for venture philanthropy and social investment funders and investors who are considering improving their impact management strategy or who are interested in getting a better understanding of impact measurement and management challenges. In particular:

- ▶ **Impact management workshop: the fundamentals** will introduce the basics of social impact measurement and present main definitions, work on the theory of change and impact management process.
- ▶ **Impact management workshop: advanced training** is designed

for practitioners in the field of impact assessment, or with an understanding of the basics of impact measurement, and will dig deeper into more advanced issues linked to impact measurement, such as portfolio management and stakeholders' involvement.

By taking these courses, an organization can work more effectively towards achieving societal impact. The most important aspect of impact measurement is not the actual value or numbers obtained from the exercise, but the integration of an impact approach in the organization, so that impact becomes an intrinsic part of the entire management or investment process.

For more information

www.evpa.eu.com

Opinion

Angela Kail



Why we need to talk about payouts

Why is the amount of money that charitable foundations pay out each year important? The term for this – ‘payout ratio’ – can sound dry and technical. However, questions about payout ratios go to the very heart of what charitable foundations are for. As charitable bodies, foundations attract tax breaks, so it is legitimate for people – as UK politician Lord Rooker did recently – to question whether foundations are paying out enough of their assets, particularly when we see many social problems like homelessness rising rather than falling.

Angela Kail is head of funding, New Philanthropy Capital. Email angela.kail@thinknpc.org

In the December 2016 issue of *Alliance*, Cathy Pharoah pointed out that, despite calling for a mandatory ratio, little evidence has been produced that mandatory payout would lead to greater effectiveness. In fact, there is plenty of anecdotal evidence from the US that having a mandatory rate leads to foundations just getting money out of the door without much regard to whether it's put to good use. It is also possible that a mandatory ratio ends up a *de facto* ceiling rather than floor.

Given this, coupled with the need to respect foundations' independence, we at New Philanthropy Capital do not believe that the UK should have a mandatory payout ratio. But we do need more discussion of how much foundations are giving away and much more transparency about their reasoning and actions. While the data in this area can be problematic and needs to be treated with care, our analysis found that among the top 50 foundations by assets, the range is huge. Plenty are spending more


than 10 per cent, but also more than half have given away less than 5 per cent over the past three years. Three of the top 50 foundations are giving away less than 1 per cent. Perhaps there are good reasons for

that: they may have overspent in previous years, for example on a major capital project, or perhaps they are undergoing a strategy review and their grantmaking is on hold. But there are certainly questions to answer.

No magic number for the right payout ratio exists, and it will vary by grantmaking trust. The right ratio is a complicated and multifaceted decision: what good can the money do now compared to what good it might do if spent in the future? Some foundations address issues where more money spent now could prevent future problems. The recent success in developing an Ebola vaccine shows what can happen when funders are galvanized to put money behind a big bet, saving many more lives through bold action. In early intervention areas like children in care and public health, an increased payout ratio makes sense due to the potential benefits. But if you fund society's underlying assets such as education, green spaces, or the arts, you may want to ensure the money lasts to provide these things in decades to come.

A foundation's payout ratio is also about confidence in the future: do you think the country is likely to generate more wealth to tackle its problems? Or should we save money now for future generations' problems? People take different sides on this, but hiding behind a pessimistic vision of the medium term to justify a low payout ratio surely needs defending.

Trustees of foundations are not just guardians of capital, but guardians of mission. Unless a trust is permanently endowed, its payout shouldn't simply be a function of what return the trust gets from investments. Over half of respondents to a survey of UK foundations said that less than half of their assets were permanently endowed,¹ suggesting there is more scope for trustees to think actively about how much they can release.

As charitable foundations receive tax breaks from society, it seems entirely reasonable they should explain in their annual accounts the basis for decisions about how much to give each year. In the UK, we urge the Charity Commission to encourage this openness as it revises reporting guidelines in 2017. Otherwise, it is very easy for critics to assume that foundations are warehousing assets that could better help people in need. 

¹ Richard Jenkins and Kate Rogers (2013) *For good and not for keeps*. London, Association of Charitable Foundations.

Are foundations warehousing assets that could better help people in need?





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Opinion

Jake Hayman



The inexcusable absence of foundation minimum payouts

The foundation sector should be embracing minimum payouts but instead sits silent or works in active opposition to them. This will not change, but it should.

Jake Hayman is CEO of philanthropy advisory firm Ten Years' Time. Email: jake@tenyearstime.com

As with every other sector, regulation is rarely embraced – there is a presumption that those in charge know best and a desire to be left to get on and do their jobs with as little interference as possible.

Foundations are averse to regulation. It is a thing that they fear because it involves an acceptance of responsibilities over rights. The premise that 'it's our money and we will do what we want with it' is threatened by every addition to legislation, regulation and even acceptance of best practice.

As with every other sector, regulation is rarely embraced – there is a presumption that those in charge know best and a desire to be left to get on and do their jobs with as little interference as possible. The difference is that the foundation world has succeeded where others have failed in the deterrent of anything from guidelines to codes of practice to legal responsibilities.

Philanthropy sees itself as special, unlike business or the public sector, and therefore deserving of more independence and less scrutiny. I agree that philanthropy is special, unlike business or the public sector, but surely we should conclude it deserving of higher standards, not lower ones.

Writing in the December 2016 issue of *Alliance*, Cathy Pharoah pointed out that only 14 per cent of foundations spend less than 3 per cent of their assets annually. Hardly anything, right? Afraid not. Based on the UK Association of Charitable Foundation's 2015 Giving Trends data, it is easy to work out (see table opposite) that if just the 20 biggest grantmakers in the UK gave at the US foundation rate of a minimum of 5 per cent, it would have created nearly an extra £1 billion in charitable donations in 2014/15. Almost a billion pounds a year sitting there when we face the challenges we are facing as a country, as a world. Why on earth wouldn't we spend it? Yes, on average big foundations spend more than the 5 per cent suggested minimum, but it is faulty logic to suggest that because most do their bit, others get the option

to duck doing theirs. It's not a standard we would apply to any other field.

So why does the foundation world say it is against minimum payouts? As part of its lobbying against minimum payouts, the Association of Charitable Foundations is quoted as saying: 'Evidence shows that enforcing a mandatory spending rate could put many funders out of business in a generation. While for some funders this may be the right thing to do, for others, it would fetter their independence in balancing the needs of today's generation with those of the future.'¹

We don't do it because the sector's first thought is not 'how do we best fulfil our duty to provide public benefit', but instead how do we self-preserve. Their first thought is to their independence and perpetuity and not about the society they should be trying to serve.



You can make the argument that the world's problems will only get worse and that foundations will be needed more than ever. But there is a constant influx of new money into the sector and new foundations being launched, and, more to the point, heaven forbid we actually try to prevent those problems with the resources we currently have at our disposal. Just in case anyone needed a sense check on this one – the US foundation sector increased its assets by over \$320 billion in ten years from 2003 to 2013,² despite its minimum spend policy.

Are there cases where a forced spend out would not be a good idea? Yes. Definitely. Cathy Pharoah mentioned a few in her article and there are many more. There should be grace periods while new foundations set strategies, multi-year equivalent spending options for those with particular equity or real estate holdings rather than simple market investments, and exemptions available for anyone who can make a case as to why this would hurt the public benefit they exist to serve.

UK foundation payouts in 2015*

	<i>Total giving</i>	<i>Total assets</i>	<i>Giving as % of assets</i>	<i>5% of assets</i>	<i>5% minus total giving</i>
Wellcome Trust	£487,700,000	£16,736,900,000	2.91%	£836,845,000	£349,145,000
ComicRelief	£103,054,000	£138,100,000	74.62%	£6,905,000	
Children's Investment Fund Foundation	£68,634,000	£2,445,800,000	2.81%	£122,290,000	£53,656,000
Garfield Weston Foundation	£53,437,000	£10,546,600,000	0.51%	£527,330,000	£473,893,000
LeverhulmeTrust	£50,504,000	£2,027,700,000	2.49%	£101,385,000	£50,881,000
Royal Society	£48,353,000	£260,800,000	18.54%	£13,040,000	
BBC Children in Need Appeal	£43,912,000	£42,100,000	104.30%	£2,105,000	
Monument Trust	£35,158,000	£137,700,000	25.53%	£6,885,000	
Esmée Fairbairn Foundation	£34,446,000	£801,700,000	4.30%	£40,085,000	£5,639,000
Wolfson Foundation	£31,041,000	£702,200,000	4.42%	£35,110,000	£4,069,000
The Lempriere Pringle Trust	£30,806,000	£13,300,000	231.62%	£665,000	
Grace Trust	£29,534,000	£19,300,000	153.03%	£965,000	
Clore Duffield Foundation	£29,286,000	£51,200,000	57.20%	£2,560,000	
Gatsby Charitable Foundation	£28,975,000	£347,400,000	8.34%	£17,370,000	
Henry Smith Charity	£27,001,000	£785,000,000	3.44%	£39,250,000	£12,249,000
Nuffield Foundation	£23,671,000	£261,000,000	9.07%	£13,050,000	
Arcadia	£22,482,000	£0	N/A	£0	
Lloyds Bank Foundation for England and Wales	£21,939,000	£45,500,000	48.22%	£2,275,000	
Shell Foundation	£20,740,000	£288,200,000	7.20%	£14,410,000	
City Bridge Trust	£20,000,000	£1,031,900,000	1.94%	£51,595,000	£31,595,000
				Total	£981,127,000

The need for exceptions should not dictate the issue. It is the oldest trick in the book for conservative industries trying to avoid regulation to look to individual cases when it would be harmful and make a case that it should be avoided for all.

But the need for exceptions should not dictate the issue. It is the oldest trick in the book for conservative industries trying to avoid regulation to look to individual cases when it would be harmful and make a case that it should be avoided for all.

We need to be mature as a sector. Minimum payouts should be the standard and the emphasis should be on anyone seeking to avoid them to make a compelling case as to why they can better serve public benefit by doing so.

The argument about avoiding minimum payouts rarely has anything to do with public benefit and everything to do with maintaining a status quo. The danger with wanting to be a perpetual saviour is that you come to rely on perpetual suffering. @

1 <http://tinyurl.com/Payout-Rooker>

2 <http://tinyurl.com/USF-Assets>

*A note on workings: These figures are derived from data on foundation spending and assets presented in the ACF Giving Trends 2015 report. For the featured foundations, total giving data was looked at as a percentage of total assets. Where giving amounted to less than 5% of assets, the difference was calculated. This combined difference was almost £1 billion across 8 foundations in 2015.

Interview José María Arias Mosquera

As part of its 50th anniversary celebrations, Fundación Barrié hosted the 6th Conference of the Association of Spanish Foundations and the first International Communications Day on Philanthropy in La Coruña in late 2016. Its president, José María Arias Mosquera, talks to Charles Keidan about the importance of communication, about the role of faith and family in Barrié's work, and about how marking its 50th anniversary has allowed the Galician foundation to take a long view of its work.

José María Arias Mosquera is president of Fundación Barrié.

You say on your website that the foundation is 'purpose backed by resources'. What do you mean by that?

Backing your resources with purpose is the objective of any institution that calls itself a foundation. Our founder had a clear vision of what was needed for the future development of Galicia and contributed all his fortune to it – not just his fortune but also his father's and his sister's. Since our origin, the total giving amounts to over €400 million.

How big is Fundación Barrié?

The foundation's total assets are approximately €400 million as of 2015.

What is the purpose of the foundation?

The mission of our foundation is the promotion of society in the region of Galicia, in northwest Spain. Our focus is intentionally broad so we can adapt our work over time to the changing needs of society. Just to give you an example, the foundation has made grants throughout the educational system, so from high school to university to master's degree to doctoral research programmes, through to research programmes. It's been covering a space that's been left empty by the government. As the government moves into those spaces and covers that social need, the foundation moves on to a different area. So we develop programmes, and we move on to others when some other element of society takes over the role.

You said at the opening of the Spanish foundation association conference that foundations should lead

By listening to the educational community as a whole, we can detect the needs that arise throughout the whole education system.



society, but in order to so, they have to be professional and accountable. That was very striking – can you say a little bit more about what you meant?

Managing a foundation is very difficult. Most of the time you're dealing with intangibles. You don't have the capacity to measure against your benchmarks in the short and medium term. You have to wait until you can come up with some evidence of your progress or success.

Who do you think foundations should be accountable to?

First and foremost to society, and within society, to the groups your programmes are targeting. We talked about communication at the conference, and this communication flow is extremely important to keep asking your communities whether you are bringing value to them. This needs to be a continuous conversation, where you are listening as much as you are speaking, not just a one-direction communication.

How do you achieve that two-way conversation at the Fundación Barrié?

The nature of our programmes requires that we maintain a two-way communication with the key players in our region. For example, in one of our most recent and major educational programmes



Pedro Barrié de la Maza, founder of the Fundación Barrié and his wife, Carmela Arias y Díaz de Rabago. After Pedro Barrié's death in 1971, Carmela Arias served as president of the Fundación Barrié for nearly 40 years.

called 'Piteas', which involves schools from all over Galicia, we not only talk to the students, but also to the teachers, the principals, the parents and the governmental parties. By listening to the educational community as a whole, we can detect the needs that arise throughout the whole education system. The result is a greater and long-term impact. As another example, we started a survey on the educational needs of university students – graduates coming out of university perhaps looking to broaden their horizons with master's degrees and postgraduate studies.

The family members bring the continuation of the ethical values of the founder, and the independent advisers bring the professionalism and the subject expertise.

Do you think this two-way conversation is typical of other foundations?

Difficult question! The Barrié Foundation has been characterized for its innovative approach. There might be others, but I don't know of them. What is clear is that it's fairly difficult to adapt, and it's fairly easy perhaps to settle in your ways, rather than to do something innovative. We have four areas of action within the foundation – education, culture and heritage, science, and social action, and all the innovative programmes, the star programmes

within these areas, have been created within the last six years.

How important is the Catholic faith to the values of the foundation?

We never discriminate in our work on the basis of gender or religion and consider all human beings as equally deserving. The foundation works with basic values such as respect, integrity, commitment, education or the creation of opportunities. Our founder and former president, both devoted Catholics, instilled their values into the actions of the foundation, not through the practice and attitudes of Catholicism, but through the ethics and morals that Catholicism and many other religions have as their core values. We continue to convey those values, particularly at a time when we see a fragmentation of society and an apparent loss of values and principles.

Do you see yourself as a Catholic philanthropist, in that those values shape the way you see the world?

I never thought of myself as such – for me philanthropy is completely independent from any religion. I believe that all religions share a common ground in values and ethics that are important. And those that practice those religions will know the value of these principles.

Your foundation has been one of the main funders of the renovation of the Cathedral of Santiago de Compostela. Why do you see its preservation as a philanthropic priority?

Yes, the foundation has spent around €11 million on the cathedral. One of our focus areas is the preservation of Galician heritage and the Cathedral of Santiago de Compostela is the most important masterpiece of our patrimony. The funding is complemented with educational activities to create consciousness among future generations about the importance of our heritage.

You're a member of the family that created the business that led to the foundation, but you also have many staff and board members who are not family members. How does the family and the non-family involvement come together to shape the way you work?

Very good question. There's been an open debate about whether a foundation ought to be run by independent advisers or family members. For us, the best solution is a combination of both. The family members bring the continuation of the ethical values of the founder, and the independent advisers bring the professionalism and the subject expertise. ►



Restoration works at the Portal of Glory, Santiago de Compostela Cathedral.

COPYRIGHT CATHEDRAL PROGRAMME. COURTESY BARRIÉ FOUNDATION.

One of the featured projects of the conference was the Barrié's project on prisons in Galicia, where schoolchildren visit inmates in prisons and in some cases inmates will visit schools as part of their social rehabilitation. Can you tell me whose inspiration this project was and how important it is?

One of the main concerns of the previous president of the foundation was the rehabilitation of inmates. She started developing programmes to make it possible for them to get back into society, whether through the funding of university studies or learning of professions. The module that was spoken about at the conference was started in a prison in Leon, and from that original idea, we extended it to all prisons in Galicia and tried to make improvements to the model. This innovation is also part of our view of not seeing problems individually, as one-offs, but in a collective manner. Having access to prisons has made the foundation aware of the reality of inmates and out of understanding that reality has come a new programme that turns the inmates into advisers, into counsellors, especially on issues such as drugs. The inmates go to schools and talk to the children about the dangers of drugs and they see the benefits of that role, and the children of course see the risks and dangers of taking up drugs, so you're benefiting both sides.

How important is taking a long view in your philanthropy?

I see that there is a clear risk of being judged on the actions and programmes carried out in the last three years, but it's only with the exercise of looking back 50 years over the history of the foundation and at the whole perspective, that you come to realize

the significance of the work done. Only now can you understand the impact its work has had on society.

Do you see the future generation taking on the role that you and your family have established?

They have been involved since their childhood and now they are already taking on different key roles, both at board and management levels. @

SPANISH FOUNDATIONS AT A GLANCE

Numbers

8,866 public benefit foundations

Assets

€24,469 million

Source of funding

Only 10 per cent of income comes from investment remuneration, 75 per cent from private sources and the remaining 15 per cent from public sources

Distribution of assets

The vast majority are small. 53 per cent have endowments of less than €30,000 – 91 per cent have endowments of less than €2.4 million

Annual sector expenditure

€8,066 million

Employment:

213,683 employees (38 per cent of foundations do not have employees)

Main areas of interest

Arts and culture, education and research, environment and social issues

Geographic scope of work

36 per cent are active on national or international scale, the remainder work at regional or local level

Membership organization

Spanish Association of Foundations

All data refer to AFE's latest research with information based on the year 2014, the latest for which figures are available.



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The Spanish foundation sector: value and challenges

Rosa Gallego

Globally, the foundation sector has become a key agent of economic and social development, channelling private resources in the general interest. Its significance can be seen in its size, in the direct employment it provides, in the volunteers and trustees it mobilizes and in the annual investment it makes. Its role is also to draw attention to, and agitate for the solution of, issues of injustice – social exclusion, poverty, inequality, lack of opportunities and threats to human dignity.



Rosa Gallego is director for international relations at the Spanish Association of Foundations and DAFNE chair. Email rgallego@fundaciones.org

In Spain, the sector is made up of a variety of organizations: some have an endowment, others fundraise from the public, while others carry out economic activities, all of them pursuing public benefit. Despite this heterogeneity, the overall figures show that Spanish foundations have made considerable efforts to alleviate the most pressing and urgent problems of their country's citizens in the years of economic crisis, which has affected the Spanish economy for a longer period than in most other European countries.

Some foundations have even decapitalized their endowment in order to meet new social needs, showing their commitment to society, their willingness to offer novel solutions and to contribute to the country's social and economic development. Without this commitment, the impact of the crisis on Spanish society would have been worse.

Unfortunately, we do not have the necessary tools to understand and fully measure the impact of the whole

sector. What we do have are indicators on some aspects of foundation activity that allow us to make the above observations. For instance, one of the worst effects of the financial crisis in Spain has been unemployment. In this very direct respect, the foundation sector's performance has been positive, with an annual average growth of 2.95 per cent in employment in the sector, in the years of the crisis,



Giving Tuesday 2016.

compared with an average annual decrease of 2.52 per cent in the rest of the economy.¹

The 8,866 active foundations represent around 0.8 per cent of Spanish GDP. Looking at the source of their income shows that they are fuelled by the generosity of private citizens: only 15 per cent of their funds come from public sources.

However, small foundations comprise the majority of Spain's foundation sector (54 per cent). Some 20 per cent have incomes lower than €30,000 a year, and these have been the most vulnerable in the crisis, with many disappearing – in 2008 they made up 35 per cent of the sector.

Research looking into why the Spanish foundation sector has so many small foundations could help to improve the situation. Possible causes might be legislation, from the legal framework for foundations to the administrative organization of the country, fiscal issues, or a combination of these. Without more information, it's impossible to tell. In any case, the role of the supervising authorities has an important bearing on the health of the foundation sector, and the role of those authorities needs to be modernized and transformed from traditional supervision to supporting the increase in foundations' impact.

As in many other countries, foundations in Spain are becoming subject to greater scrutiny and demands for transparency than previously. They accept it is a legitimate request and responding to it is crucial to maintaining the public trust and support needed to carry on their activities. The Spanish Association of Foundations (AEF) has long promoted this idea among its membership, providing the tools and continuously looking to help members to increase their professionalism, work more closely together and measure of their work. @

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

Some foundations have even decapitalized their endowment in order to meet new social needs, showing their commitment to society, their willingness to offer novel solutions and to contribute to the country's social and economic development.

Shading in the blanks on the philanthropy advice map

Andrew Milner

Our article on the role of banks in the provision of philanthropy advice in the September 2016 issue concluded that asking for and giving advice was, overall, a growing phenomenon. In taking a bird's-eye view, though, it's easy to miss the particulars. The US and Europe can exercise a distorting influence. So, in this analysis, we look at some of the places where the philanthropy 'market', for want of a better term, is less highly developed. How fast is the demand for philanthropy advice growing – if, indeed, it is? Who is asking for it and who is providing it?

Alliance sought views on these questions from experts in south and south-east Asia, southern Africa and the Middle East. While none of them pretended that their judgments were irrefutable, all raise important questions for the field.

Not yet an industry

Generally speaking, advisers remain few in the regions our respondents represent. In the Middle East and North Africa, there are only 'banks, lawyers and SAANED since 2011', says Atallah Kuttub of SAANED. He also notes 'a few informal channels that provide advice to each other.'

James Mwangi of the advisory firm Dalberg in South Africa sees 'an "emergent" though still under-developed home grown philanthropy advisory sector' on the continent. 'In general my sense is that things remain very informal and unstructured with few philanthropists willing to look outside of their immediate circle of family and friends unless it is to engage with peers they can learn from in other parts of the world.' The sector is probably strongest in South Africa where 'there are a few specialized philanthropy advisers'

'Things remain very informal and unstructured with few philanthropists willing to look outside of their immediate circle of family and friends unless it is to engage with peers they can learn from in other parts of the world.'

James Mwangi

and 'some initial and growing advisory capacity in private wealth management businesses to help with certain issues of structuring and occasionally targeting philanthropic giving'. Mwangi makes the point that the limited ecosystem that exists is creating its own market – as people begin to use advisory services, the more accepted they become.

'Outside of South Africa,' though, matters are less advanced: 'Several philanthropy organizations and associations have tried to gain momentum in recent years providing peer learning and occasionally advice and networking to their members. In general these are still working to attain critical mass,' he says.

Banks to the fore

In most of the regions we looked at, wealthy people tend to go to their banks for advice. International banks are the prime movers in Singapore and Hong Kong, says Philo Alto of Asia Value Advisers in Hong Kong, it's 'the Credit Suisses, the UBSs' and one or two law firms. There are also private banks who don't have a dedicated team and for whom philanthropy advice is a side activity. 'It's more about showing face that they are in the game,' he says, 'but I don't think they see that as a core driver of their revenue.' Vietnam-based Maurice Machenbaum of WISE philanthropy advisors, a global advisory company, agrees. While the international banks in Hong Kong and Singapore 'include a slot on philanthropy in the conferences they organize for their clients and have sometimes a specific department with such a title . . . it looks often more of a PR exercise than advising families from A to Z'.

In India boutique advisories like Charities Aid Foundation are trying to increase their role in diaspora giving from the UK. Another example is British Asian Trust (BAT) who supports philanthropic investment to India from the UK and South East Asia. Bridgespan began operations in Mumbai approximately two years ago and is growing its team in the city.

Most advice is international

One of the chief reasons for banks' pre-eminence is that – as Atallah Kuttub notes – there are few local sources.

Machenbaum says such advice as there is, is 'clearly international, just a few local initiatives'. And he doesn't see it changing in a hurry: '[Donors] feel reassured when international people are involved. As we originally founded WISE in Switzerland and I am Swiss, I see how 'Swissness' still has a strong value in this region.' And as 'it is hard for any independent philanthropy advisers to break even I don't see it growing. The "market" is too small'. Then there's money. The international banks tend to offer advice for free as they 'have other streams of revenues with those same clients. And that is a strong argument for families here'. Atallah Kuttub makes the same point: 'In all cases such services are provided at no cost and



that makes it hard for organizations like SAANED to charge for its services.’

‘I’m quite sure there are some advisory firms that work in China but these might be bespoke projects. I don’t see any firms touting their services in Hong Kong,’ says Alto, though he is aware of some ongoing consulting projects from development and management consultancies on the philanthropic landscape. Even so, ‘most don’t have a presence in Hong Kong’, he notes.

Local: reasons in favour . . .

Domestic philanthropy advice seems to be most developed in India. Pakzan Dastoor of Dasra reports a ‘small but growing number of philanthropy advisers’. Dasra, of course, is one of these but Dastoor also notes Samhita, United Way India, and the Good Edge. A stimulus has been the introduction of the 2 per cent CSR requirement in 2014, which has meant that ‘boutique advisers have emerged or existing advisers have developed CSR support wings’.

Dastoor believes that Indian donors ‘typically like to consult home-grown organizations mainly because [they] have local context and understanding of issues and challenges on the ground, and proximity to non-profits as well as an understanding of what is required to scale them. These home-grown organizations also have lower price points, have existed longer than international organizations in India and therefore have necessary networks with other donors and the development sector’. Individuals from out of India giving to India ‘typically start off with an international organization’, while those who make ‘long-term, substantial investments tend to move to Indian intermediaries because of the points mentioned above’. The private wealth management departments of banks (she mentions Kotak, Julius Baer,

Indian donors ‘typically like to consult home-grown organizations mainly because [they] have local context and understanding of issues and challenges on the ground, and proximity to non-profits as well as an understanding of what is required to scale them’.

Pakzan Dastoor

In taking a bird’s-eye view, though, it’s easy to miss the particulars. The US and Europe can exercise a distorting influence.

JP Morgan) are involved, but ‘usually partner with domestic organizations’.

Similarly, Dalberg’s niche is that it ‘can offer local knowledge. It also offers sector expertise, since its advice is issue-driven rather than philanthropy-driven. It also has an understanding of impact investing which is increasingly important’.

But while reliance on local partners can be a source of strength for those partners, it’s a sword with two edges, as Atallah Kuttub points out. He tells of a wealthy family from the Gulf who sought philanthropy advice from a bank in the UK. It was SAANED who gave the advice through the bank but with no direct contact with the family. This is one of the main reasons why, to his knowledge, SAANED is the only local organization providing advice.

. . . and against

If local knowledge is invaluable, why look to an organization that doesn’t have it? Atallah Kuttub’s story is one reason. Partnership with a larger organization makes them invisible. He also feels that, with the backlash that followed the Arab Spring, donors in the region have retreated into their shells, finding it ‘more “secure” and better accepted by the governments to deal with international organizations rather than local and to a large extent giving to safe causes dealing with the symptoms of injustice rather than the causes’.

‘It’s a combination of perceived experience, impartiality, credibility and ability to connect to external actors,’ says James Mwangi, ‘although the lack of proven domestic players also plays a role.’ But it can be a chicken-and-egg situation. The lack of proven domestic advisers may be because nobody wants to use them. As he noted above, emerging philanthropy advisers in South Africa are creating the demand for philanthropy advice.

How much growth?

India displays the strongest growth. Pakzan Dastoor cites three reasons: first, a significant increase in giving, again partly created by the CSR law, which apart from its intended effect 'is engaging and motivating family businesses to give more personal capital'. Second, a change in approach from traditional giving to a 'more strategic form of philanthropy or accountable investment'. Third, 'limited time, reluctance to set up their own teams encourages ultra high-net-worth individuals to look for expert external advisers to help them identify impactful investments'.

What Indian donors are principally looking for from their advisers, she says, is customized consulting for CSR/personal philanthropy strategy, due diligence on non-profits (lack of trust is still the biggest barrier to giving, she says), and donor education programmes. They are also looking for ways to build the capacity of non-profits in which they are already investing so that those organizations will make a greater impact and she notes a particular role for intermediaries here, either through individual mentoring or workshops.

By contrast, Maurice Machenbaum doesn't 'see a growth of people seeking advice . . . I think there is a growth of high-net-worth individuals who try to have a more structured approach towards philanthropy but they are not necessarily seeking advisers'. Neither is James Mwangi convinced that the 'growing talk and visibility' in South Africa 'is translating into that much in terms of volume of advisory services being provided'. For example, he has 'not seen many instances of new entrants engaging professional advice on an overall philanthropic strategy unless anchored outside the region'.

Many philanthropists in the Arab region do not see the need for advice, which makes it hard for organizations like SAANED to suggest a new pattern of giving for social change.

While some growth might be evident in most places, it's often hard to say what proportion of giving is made the subject of advice – 'identifying the size of the market', as Atallah Kuttub puts it. 'SAANED estimates that there is wealth available for giving close to \$60 billion annually but what is visible of this is less than 10 per cent at best estimates.'

'Financial opportunities are not the only driving force'

While Philo Alto believes that it is a growing market, he admits that it's difficult to see at the moment 'how it will pan out. If you talk to millennials around the world not just Hong Kong, there is a growing interest

DONZELINA BARROSO

DIRECTOR, GLOBAL PHILANTHROPY, ROCKEFELLER PHILANTHROPY ADVISORS



As Andrew Milner's article notes, philanthropy advisers tend to congregate in areas where philanthropic culture is well-developed and where there is demand for their services. The article cites some of the reasons for this, but there other factors at work, too. What we've found at Rockefeller

Philanthropy Advisors (RPA) is that for a philanthropic culture to thrive, an enabling environment that supports both donors and the non-profit sector is key. In some regions of the world, such as Brazil, tax incentives are more robust for corporate foundations than for private donors – a clear barrier to the development of private foundations or individual donors.

The lack of trust in the indigenous non-profit sector is another critical issue, as Milner comments. Non-profits that work under the burden of uncertain government support, underpaid and/or volunteer services, and who are trying to address overwhelming social problems, may not garner the confidence of local donors, who are in any case sceptical of a non-profit sector whose proceedings are opaque. The result is that donors in the global south often opt to create operating foundations to address a specific need such as education in a particular community. This method leaves little room for collaboration or outside advice. As Milner notes, it's a 'chicken and egg' dilemma.

Yet, globally, we continue to be encouraged by the growth in not just philanthropic tools and resources, but donors who wish to share and learn with others and become part of a more international network. Filantropia Transformadora, for example, an organization based in Colombia that works with families and individuals, as well as foundation professionals, to share information and further a local philanthropic dialogue, has made great progress with Colombian next-generation donors eager to support the local non-profit sector. Using new tools such as social enterprise and impact investment in a local context will help non-profits to build on their strengths and successes. This growth will encourage confidence and expand the local donor pool. And this will surely help to build the advisory field, which is strongly linked to the success of the sector and its donors.

in social issues to see how they can add value. They are learning already, they are doing crowdfunding, they are doing challenges, etc through social media platforms'. He notes that 'philanthropy advice is just one of the ways people get involved in the space – and that social investment space, however you think of it, is expanding way faster than I would ever have imagined'.

Atallah Kuttub, too, emphasises that providing philanthropy advice is not just a matter of making a living, but of acting out of conviction. SAANED, he says, 'will persevere in building the local market as financial opportunities are not the only driving force but commitment to creating social justice in the Arab region'. ▷

The chicken and the egg

In our respondents' countries, then, even where you can't count the number of philanthropy advisers on the fingers of one hand, you're unlikely to have to do more than take your shoes and socks off. Most of these few are international. Local organizations are struggling to make headway in an area dominated by well-financed and/or financial institutions that can afford to do it for nothing and whose superior prestige and visibility offer a strong inducement to donors. Will this change, if so, how and when? The forces involved are too various and too dynamic to say with confidence. Atallah Kuttub observes that 'trust is a key word in our business. I think it needs time for locals to trust domestic support organizations'. But are local organizations not trusted because they have no experience, or do they have no experience be-

'Trust is a key word in our business. I think it needs time for locals to trust domestic support organizations'.
Atallah Kuttub

cause they aren't trusted? The growth of domestic markets in philanthropy advice might depend on donors puzzling out this conundrum. @

FELICITAS VON PETER

PHILANTHROPY ADVISER, ACTIVE PHILANTHROPY, GERMANY



I wonder what would happen 10 or even 15 years from now, if a reader of *Alliance* was

presented with Andrew Milner's excellent piece, and asked to date it. Would he or she scoff at the barely visible field back then and praise the existing landscape of transparent, high-quality advice for donors and social investors, no matter where they are based? Or would our reader venture the guess 'written in 2024, maybe?'

Reading Milner's piece it is striking how little the philanthropy advice sector has developed in the last

decade. There are maybe only a handful of philanthropy advisory companies worldwide that have a staff of 50 or more.

The article lists a few reasons: lack of infrastructure, both locally and internationally, competition from larger, financially stronger players such as banks and law firms, and a fledgling demand side.

However, I would argue that any change has to be driven by us as philanthropy advisers. Here are three reasons for taking on the challenge:

- 1 Philanthropy advice pays off: market research shows that donors give 17 times more when supported by an



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adviser. An increase in supply will invariably result in a more professional sector: as India has shown, the growth in giving has resulted in philanthropists moving from traditional giving to investing in ecosystems and capacity building.

- 2 A more professional sector will strengthen the hand of philanthropy specialists: banks will always be driven by customer satisfaction, and few will be able to finance teams large enough to cater for the breadth of interests among their clients. There is therefore a strong case to be made for banks to enter into alliances with experienced partners who

can draw on local knowledge and networks to identify successful projects.

- 3 Donors increasingly want the maximum impact from their donation. If advisers can show how they can provide orientation on complex issues and help create impact, they will be able to make the case for a proper remuneration, and in turn strengthen organizational capacity.

What might help, however, is a 'gold standard' that establishes a baseline for good quality advice. Maybe it's time we put our heads together on this?

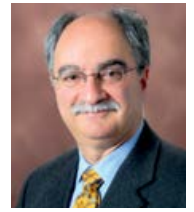
Alliance would like to thank the following for contributing to this article:



Philo Alto, Founder & CEO, Asia Value Advisors, Hong Kong



Pakzan Dastoor, manager, knowledge creation & dissemination, Dasra, India



Atallah Kuttub, chair, SAANED, Jordan



Maurice Machenbaum, co-founder, WISE philanthropy advisors, Vietnam & Switzerland



James Mwangi, executive director, Dalberg Group, South Africa

SHERYL FOFARIA

SENIOR PHILANTHROPY ADVISER,
JP MORGAN PRIVATE BANK



One can no longer continue to look at the world from a purely US or European

perspective – and this includes the growing field of philanthropy advice. As emerging market wealth becomes an ever-greater share of global wealth, existing and new philanthropists from these areas will need advice and guidance on how to achieve their fullest impact.

At JP Morgan, our global client base continues to grow and become increasingly diverse, both in terms of where they spend their time and where they focus their giving. So, in addition to our role serving clients in mature and developed markets, we have dedicated philanthropy advisers working with clients in emerging and frontier markets

from the Philippines, Colombia and Poland to Saudi Arabia, Hong Kong and Guatemala. Perhaps the most promising trend we've seen is more Indian and Chinese clients engaging in more strategic philanthropy and sustainable investment. This is often spurred by next-generation family members who are keen to push boundaries and embrace innovation.

Learning from this diversity of perspectives across geographies has given us an extraordinary opportunity to facilitate shared learning and collaboration among like-minded individuals, families and foundations from all corners of the world. Our 'EMEA' Philanthropy Forum last year featured 40 significant and experienced philanthropists from more than 20 nationalities and led to a remarkable cross-fertilization of ideas that eventually resulted in the organic formation of a standing

network of funders working on the refugee and migrant crisis.

At the same time, we genuinely believe in and appreciate the need for more locally-connected sources of philanthropy advice across less well-developed markets. To that end, my colleagues and I maintain very strong partnerships with local, trusted, independent advisers so that we can signpost clients who need a longer-term or deeper engagement, and whose philanthropy would go further with the help of on-the-ground knowledge and partners.

Philanthropists have an incredible opportunity to move the needle on some of the world's most intractable challenges, and we would love to see the philanthropy advisory sector grow and thrive across all geographies so we can, together, help philanthropists find the sweet spot where their time, treasure and talent can make the most difference.

Philanthropy scholarship and practice – bridging the divide

Marta Rey-García

Scholars have a reputation for raising more questions than they provide answers. King Arthur does this in the Monty Python film with spectacular results. He crosses the Bridge of Death while the bridgekeeper falls into the abyss. However, in real life, when scholars consistently fail to answer practical queries, they risk losing funding for their research, candidates for their educational programmes, and even legitimacy in the eyes of society. In this context, the basic enquiry of this *Alliance* special feature is particularly relevant. Can the emerging field of philanthropy scholarship provide value for policy and practice?



Bridgekeeper: STOP! What . . . is your name?

Arthur: It is Arthur, King of the Britons!

Bridgekeeper: What . . . is your quest?

Arthur: To seek the Holy Grail!

Bridgekeeper: What . . . is the airspeed velocity of an unladen swallow?

Arthur: (brief pause) What do you mean, an African or European swallow?

Bridgekeeper: (confused) Huh? What? I . . . I don't know that . . .

AAAAAAAAAAAAAAAAAAAAUUUGHHHHHHH!

(he is thrown into the Gorge of Eternal Peril)

Monty Python and the Holy Grail (1975)



Marta Rey-García, PhD is associate professor at the University of A Coruña and guest editor of the *Alliance* special feature. Email martarey@udc.es

A global mapping of the field shows that, though far from mainstream, it has bloomed modestly in recent years. Stable, even durable initiatives for research and/or teaching on philanthropy, formerly limited to a few, mainly Anglo-Saxon, countries are now appearing all over the world at different educational levels, from undergraduate to executive training, and some use truly innovative approaches.

One obvious reason for this expanding scholarly ecosystem is the overall growth of the field of philanthropy. The volume of non-profit organizations has tended to grow globally, wealthy donors are becoming more numerous and affluent, volunteering is increasing in many countries, and philanthropic commitment in general has been facilitated by technology, allowing citizens to participate in public good initiatives anytime, anywhere, just one click away.

Secondly, the new elites that contribute to funding philanthropy scholarship's expansion are inherently global and tend to replicate in their own countries the initiatives they perceive as successful. Academic interest in philanthropy follows a similar emulative path. The improved impact of some of the traditional journals of philanthropy scholarship has encouraged new scholars from different disciplines to enter a field

that was formerly perceived as offbeat. This reinforces existing scientific societies and stimulates the creation of new knowledge networks, sometimes resulting in new publishing outlets.

It seems clear then that philanthropy scholarship has successfully grown from the inspirations and prompts of the lone, US pioneers, to a point where it is attracting global notice, with a small but brilliant constellation of specialized courses, academic centres, research projects and publications worldwide. Half-empty glass fans would argue – and not without reason – that some of these centres have a hard time finding sustainable models of operation, research data infrastructures are really poor in most countries, and the teaching of philanthropy remains at the margins of the higher education curricula. However, academic legitimacy of the field of philanthropy scholarship is – happily enough – now taken for granted.

Back to our opening question, the answer provided by this special feature is yes: philanthropy scholarship clearly has the potential to inform practice and policy so that societal wellbeing is enhanced and positive change achieved. The next question is how can we make this happen? This special feature suggests two possibilities and also documents some successful

experiences of knowledge transfer that may serve as prototypes for bridging the divide.

The first relates to the strategic value of scholarship for enlarging civic engagement in public issues. Civic engagement tends to be low in countries where the philanthropic tradition is weakest – due to lack of social awareness, public distrust, weak institutional incentives or democratic deficits. In this context the emerging credibility of philanthropy scholars is key to advancing the legitimacy and extent of the practice of philanthropy. This is precisely the point made by Jacqueline Butcher and Michael Layton from Mexico (see p56), where the sponsorship of the subject of philanthropy by prestigious academic institutions has been key to making an emergent civil society visible, reinforcing the position of infrastructure organizations in the eyes of policymakers, and attracting more private resources to public causes.

The second bridging process relates to the instrumental value of scholarship for existing civic engagement initiatives. Knowledge from philanthropy scholarship has the potential to inform all types of private initiatives that aim to create public good so that they become more efficient and effective. These comprise giving and fundraising for social causes, social investment, corporate social responsibility, social entrepreneurship, volunteering, and the governance and management of all types of non-profit organizations, including charitable foundations.

On the one hand, as Paul Ramsbottom signals (p42), the experience of the past can provide current philanthropy with context, empathy and the capacity to spot trends. On the other, the application of entrepreneurial skills to philanthropy can help donors become more strategic in their decisions. The idea is that donors – including new categories such as digital tycoons and millennials – tap existing scholarly research so they have a wider pool of knowledge to draw on than simply their last conversation. Magdalena Aninat and Steffen Bethmann share the nascent efforts in Chile along those lines (p55). Greg Witkowski (p37) reflects on the capacity of US higher education institutions to provide effective responses to young people with a digital, global and change-making mindset through

The emerging credibility of philanthropy scholars is key to advancing the legitimacy and extent of the practice of philanthropy.

Collective impact strategies involving academics and practitioners are the most straightforward way for rigorous scholarship to deliver benefits that are relevant for practice and policy.

new educational programmes that apply this new understanding of philanthropy as enterprise for social transformation.

There are other interesting models, too. Hilary Pearson and Jean-Marc Fontan introduce a national partnership for catalytic philanthropy in Canada (p54), which involves the country's two philanthropy infrastructure organizations and a broad network of academics in a coordinated effort to exploit the opportunities that digitalization, demographics and diversity offer for greater philanthropic impact and for synergy with public actors. Georg von Schnurbein and Beate Eckhardt from Switzerland present a different model (p53), where the national association of foundations created a competition between universities on a new research and teaching centre that, opened in 2008, now has a consolidated reputation in both academia and practice, achieved through a sustainable business model and a good governance structure. Other contributions – most notably Judith Symonds' (p40) – reinforce the idea that intertwining research evidence with practitioners' experiences in philanthropy teaching delivers extraordinary educational results.

These successful prototypes empirically support the main idea advocated by Tracey Coule (p58): collective impact strategies involving academics and practitioners are the most straightforward way for rigorous scholarship to deliver benefits that are relevant for practice and policy. These strategies require a shared language and fluent communication between all stakeholders involved, so that the goals, expectations and measures of success are clarified and shared, as suggested by the Swiss case.

What's next? I would like to make a couple of reflections here. First, there is still plenty of room for mimetic pressure to do its job. René Bekkers' research-minded appeal on the dire need to collect new, better and more comparable data, even if it takes organizing a country beauty contest (p44), reminds us of the importance of global performance assessments in contemporary society. Countries, organizations and individuals – be they in a funding, academic, policy or practitioner role – tend to assess and compare their own performance relative to their peers around the globe. The convening role played by actors such as *Alliance* in identifying and making visible the best bridging practices is key to stimulating emulation, competition and more synergies between the scholarly and practical realms. ▸

Second, maybe it is time for scholars to pay more attention to philanthropy as an independent variable. There exists rich and useful knowledge on the ‘what’ and the ‘why’ of philanthropy, describing the complexities of this fascinating phenomenon across cultures and moments of history, and exploring the intricacies of its motivations and determinants. However, as we advance in the social value chain, the different processes in which philanthropy creates value become less clear, and its ultimate impact on other spheres of human activity is as under-researched as it is controversial, as Theda Skocpol’s contribution on the influence of subsidized philanthropy on partisan politics in the US argues (p46). The opening of new agendas of critical scholarship on the effects of philanthropy on policymaking, the economy and society – including its impact on beneficiaries and broader communities – will undoubtedly broaden the practical appeal and implications of the field.

Practitioners and policymakers want to know what is there for their own business in improved knowledge about philanthropy: how to attract more philanthropic resources, how to better govern philanthropic institutions, how to more efficiently or effectively manage philanthropic ventures, which advantages does philanthropy offer relative to other paths towards achieving socially valued goals, or how does philanthropy influence the achievement of other economic, social or policy goals. Answering these questions requires scholars to carefully listen to ‘real world’ concerns, to translate such concerns into viable research questions, to address them rigorously, and to report back on the results in a way that can be understood primarily by those who will use the answers to solve real problems. Although researchers need freedom to keep asking more, only returning more questions than answers, or just unintelligible answers,

Although researchers need freedom to keep asking more, only returning more questions than answers, or just unintelligible answers, is likely to result in frustration and futility.

is likely to result in frustration and futility. The idea is that all involved – donors, scholars, practitioners and policymakers – manage to cross the bridge in conversation together. In this way scholars can keep answering questions with more questions, while at the same time respond to practitioners’ own queries. @



What are philanthropy studies?

While political studies and business studies are established fields, the conceptual space between the state and market is more ambiguous. The meanings ascribed to philanthropy vary considerably and different frames of study – philanthropic studies, social economy, social entrepreneurship, voluntary sector studies, civil society studies, non-profit management – compete for primacy and academic respectability.

For this special feature, *Alliance* is looking at teaching and research on the history, theory and practice of private contributions for the public good. In reality, instances of this may be hard to spot as courses are held – with rare exceptions – under the auspices of a specific school or discipline. What we include here are academic chairs or centres

where philanthropy forms part of the name or there are degrees and courses with ‘philanthropy’ in the title, or where teaching about philanthropy constitutes an identifiable part of the curriculum.

In search of data

There is no single repository of information on the field. Courses on philanthropy go where they fit, or are wanted, or where there is money for them. *Alliance* has drawn on a number of sources – data that already exist, internet searches, word-of-mouth, prior knowledge – to compile this picture. In doing so, the people we’ve talked to also noted the need for a thoroughly researched, up-to-date and comprehensive source of data. We invite readers to identify gaps and we will share an updated list online.

Who and where?

Philanthropy centres and courses around the world

As expected, the greatest concentration of courses and institutions is in the US and Europe, though the field is gaining ground worldwide.



Europe

United Kingdom

- 1 City University London, Cass Business School
- 2 Cambridge University, Judge Business School
- 3 London School of Economics
- 4 Northumbria University
- 5 Plymouth University
- 6 University of Kent

Germany

- 7 University of Oxford
- 8 University of St Andrews
- 1 University of Heidelberg
- 2 University of Münster
- 3 Friedrich Schiller University Jena
- 4 European Business School

Austria

- 1 Vienna University of Economics and Business

Belgium

- 1 University of Liege

France

- 1 ESSEC Business School
- 2 ESCP Business School
- 3 Sciences Po

Italy

- 4 HEC Management School
- 1 Bologna University
- 2 Catholic University of the Sacred Heart
- 3 University of Torino

Lithuania

- 1 LCC International University

Netherlands

- 1 Erasmus University
- 2 VU University
- 3 Windesheim University

Poland

- 1 The John Paul II Catholic University of Lublin

Portugal

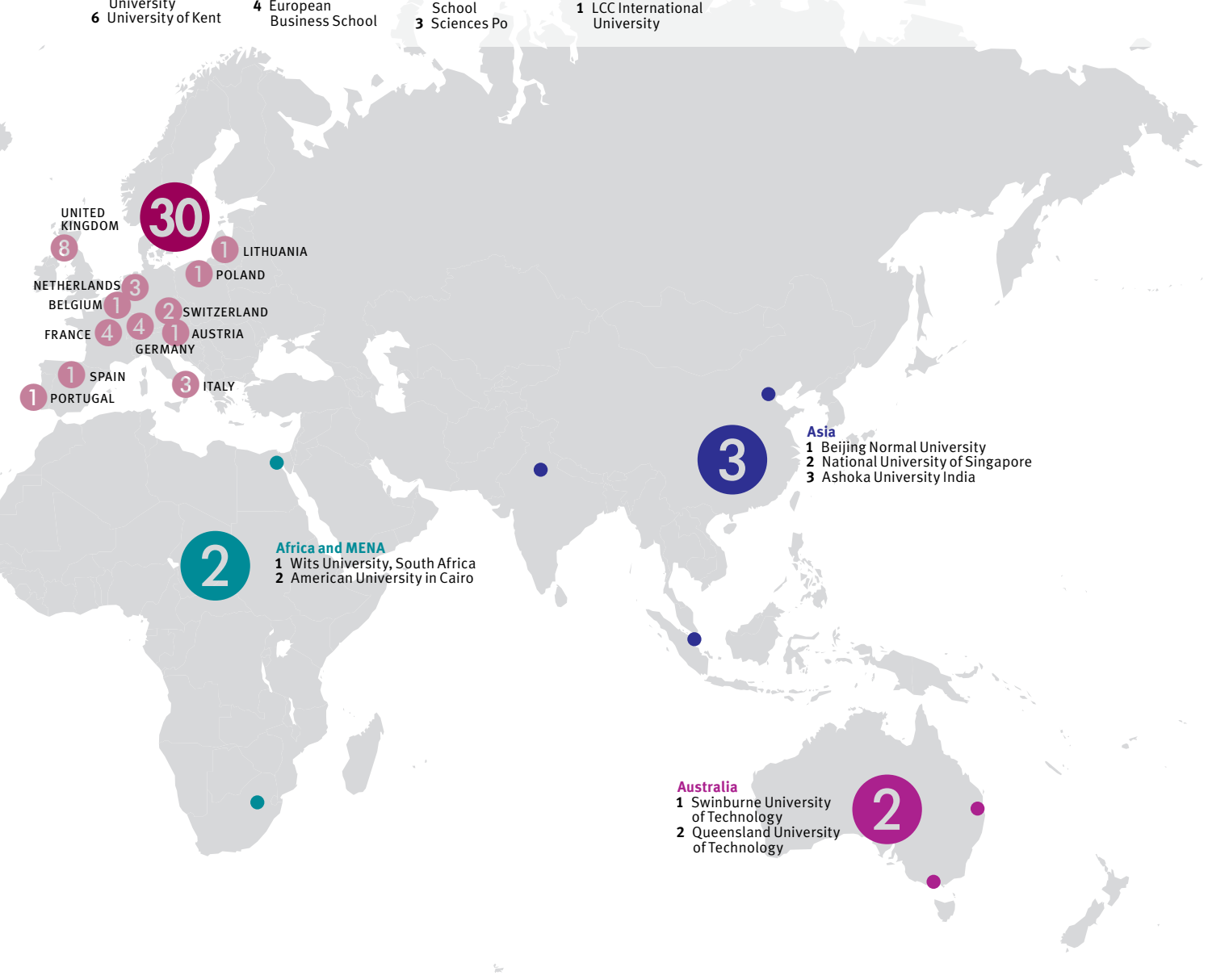
- 1 University of Lisbon

Spain

- 1 CEU San Pablo University

Switzerland

- 1 University of Basel
- 2 IMD Business School Lausanne



An academic ecosystem of philanthropy

Associations

ARNOVA

Based in US and founded in 1971, the Association for Research on Non-profit Organizations and Voluntary Action (ARNOVA) is a forum for those interested in research on non-profit organizations, voluntary action, philanthropy and civil society, bringing together scholars and practitioners. Its main productions are a quarterly journal (*Non-profit and Voluntary Sector Quarterly*), a newsletter that comes out three times a year (*ARNOVA News*) and a series of occasional papers. It also hosts an annual conference. www.arnova.org

International Society for Third Sector Research (ISTR)

Founded in 1992, ISTR again caters for researchers and practitioners. It produces a journal (*Voluntas*, six editions a year) and a newsletter (*ISTR News*, quarterly). It also has five regional networks, three affinity groups and a biennial international conference. Its focus tends to be more on the NGO element of civil society – in organizations in receipt of funds, rather than those giving funds. www.istr.org

European Research Network on Philanthropy (ERNOP)

ERNOP was founded in January 2008 to advance, coordinate and promote excellence in philanthropic research in Europe. It has around 175 members from 22 European countries and is an institutional member of the ISTR. It has a quarterly newsletter (*ERNOP Newsletter*) and a biennial conference. Ongoing research includes a study on fundraising from philanthropy in European universities, funded by the European Commission and the EUFORI study to assess foundations' support for research and innovation, again funded by the European Commission. www.ernop.eu

Non-profit Academic Centers Council (NACC)

Based at Cleveland State University in the US, NACC is an international membership

association (though its membership is heavily concentrated in the US) comprised of academic centres or programmes at accredited colleges and universities that focus on the study of non-profit or non-governmental organizations, volunteerism, and/or philanthropy. It also offers guidelines on model curricula for degrees in non-profit leadership, non-profit organization management, non-profit sector studies and philanthropy. www.nonprofit-academic-centers-council.org

International Research in Philanthropy Awards (IRPAs), Italy

Four awards made by the Centro di Documentazione sulle Fondazioni (Torino), the Dipartimento di Scienze Economiche e Finanziarie (University of Torino) and Centro di Ricerche sulla Cooperazione e sul Non-profit (Catholic University of Milano). Their intent is to encourage research in the field of philanthropic foundations.

Archives

The Joseph and Matthew Payton Philanthropic Studies Library

Based at Indiana University, it houses a major philanthropic studies collection that has expanded to reflect the growth of the university's academic provision in philanthropy. It houses:

- Philanthropy Resources Online (PRO), a digital library of primary and secondary sources supporting teaching and learning about philanthropy and the non-profit sector.
- FOLIO (FOundation Literature Online), a digital repository of foundation-sponsored research reports and publications covering the full scope of philanthropic activity. A project of the Foundation Center and the IUPUI University Library's Ruth Lilly Special Collections and Archives, FOLIO preserves and makes accessible material indexed in the Foundation Center's PubHub.
- Philanthropy E-archives, which links to a series of documents on other sites

like the Foundation Center, Independent Sector, Association of Fundraising Professionals, etc.

- Philanthropy Manuscript Collections includes the historical records of organizations and individuals that have worked as advocates for the non-profit sector, fundraising firms that help non-profit organizations raise money, foundations and individual philanthropists, and non-profit organizations that provide social services, particularly in central Indiana. <https://ulib.iupui.edu/payton>

Rockefeller Archive Center

A repository of historic documents in a variety of media and a research centre dedicated to the study of philanthropy. In addition to the philanthropic works of the Rockefeller family, its holdings include materials from numerous other foundations and non-profit organizations. It is also a major repository for the personal papers of leaders of the philanthropic community, Nobel Prize laureates, and leading researchers in science and medicine. <http://rockarch.org>

The Royal Society

An institution in the UK whose purpose is to advance the study of science and its use for the benefit of humanity, the Royal Society houses the archive of the Wolfson Foundation. <https://royalsociety.org/collections/wolfson-archive>

Blogs

HistPhil

A new blog edited by philanthropy scholars Benjamin Soskis, Maribel Morey and Stanley Katz. As its name suggests, it is particularly interested in the history of philanthropy and is designed to 'bring together scholars, foundation leaders, and philanthropists in common dialogue on the past, present, and future of philanthropy.' <https://histphil.org>

A new pipeline of philanthropy scholars and practitioners

Gregory Witkowski

There is growing interest among young people to find a profession that provides meaning as well as career opportunities. Many are turning to employment in the philanthropy and non-profit sectors where they hope to improve their communities and the world. While most non-profit employees still come to the field with varied degrees, an increasing number are studying at the growing number of programmes designed specifically to prepare them for those roles.



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The development of philanthropy and non-profit studies programmes over the last two decades is astounding. In the US, we have seen a doubling in the number of institutions offering undergraduate courses as well as a steep increase in the number of graduate programmes. Many graduates of such programmes earn positions in leading non-profit organizations, while others work in government or the private sector, imbued with a firmer understanding of the possibilities of collaboration with foundations and the non-profit sector, and, increasingly, in hybrid organizations that blend characteristics of multiple sectors.

A changing field provides opportunities for educational programmes seeking to prepare the next generation of non-profit leaders. In the US context, three trends are particularly relevant: the blurring of sectoral boundaries, including an increasing shift of the maintenance of the common good away from the public sector and private sector engagement with social enterprise; a move away from non-profit organizations as mediators of need towards individual giving through the use of technology and new forms of giving; and a focus on globalization and international aid.

Educational institutions have developed different approaches to capture students' interest in doing good while preparing them for careers creating social change. Some have sought to provide synergies across areas of specialization. For instance, Baruch College's Austin Marx School of Public and International Affairs is launching a master's degree in international affairs that overlaps with a non-profit specialization

in public affairs. The University of Maryland and Northern Kentucky University have sought to integrate philanthropy education in campus-wide initiatives both within the curriculum and as co-curricular activities focusing on experiential learning and grantmaking to engage students in the practice of philanthropy. Stanford University has focused on workshops for PhD candidates and courses for graduate and undergraduate students. Participants in these programmes often find employment in foundations or work at new social enterprise ventures with a focus on impact investing.

The Indiana University Lilly Family School of Philanthropy provides one of the most comprehensive responses to this changing environment. It offers a broad-based liberal arts education that includes understanding the breadth of the philanthropic sector and social engagement embracing international exchange and experiential learning. Students are given a firm grounding in the historical development of philanthropy, individual motivations to give, and the impact of the sector in society, as well as applied skills such as grantmaking and fundraising.

The benefits of this broad-based approach are recognized by non-profit professionals with the school placing its students in both academic and non-profit leadership positions. For example, PhD student Eva E Aldrich, president and CEO of CFRE International, appreciates the school's liberal arts approach. Her dissertation focuses on the creation of the certification for fundraising issued by the organization that she now leads. 'Through my research on the reasons for creating the Certified Fund Raising Executive credential, I am able to talk with those considering the certification not only as a benefit for them individually but also as a benefit for the field to have such standards. We are expanding around the world because we think these standards will support the success of fundraising globally. My research allows me to talk in detail about how that happened in the United States.'

Aldrich is one of many students in the field who are looking to improve philanthropy around the world. Their goals and passions are often as diverse as the non-profit sector itself, but motivating many is a desire to do good as much as to do well. Philanthropy and non-profit education needs to continue to enable them to employ their passions to inspire change while also preparing them not simply for a job but a career and a vocation. @

CASE STUDY

Learning to be an effective altruist

Akhil Jalan

In the autumn 2016 term, Effective Altruists of the University of California, Berkeley organized and taught a 'DeCal' course called 'The Greater Good'. A DeCal or 'Democratic Education at Cal' is an independent course organized and taught by students.



Akhil Jalan is president, Effective Altruists of Berkeley. Email akhiljalan@berkeley.edu

The Greater Good is designed to be an introduction to many of the core concepts in effective altruism – the basis of which is to maximize the good you can do.

Weekly classes are two hours long and cover topics including moral trade-offs, prioritization of causes, and quantitative reasoning. A typical class would be structured around a presentation by the class teacher with discussions interspersed at various points.

Students also play two giving games. The first divides students

into small groups; the second gives each individual student \$50 to donate. These games allow students the opportunity to apply the lessons learned in class by using quantitative and moral reasoning to choose what they think is the better charity to give to.

This was our third time teaching the course, and our most recent class had a full complement of 35 students. Grading was based on in-class participation, short essays, and completion of the assigned weekly readings.

The Greater Good highlights the rigorous academic nature of effective altruism. By exploring the challenges of the world in a unique, interdisciplinary fashion, students gain a valuable perspective they can apply to a variety of problems. Our student-led course is one of our campus movement's greatest accomplishments. We hope to run it every semester and continue to inspire students to do good, better.

EFFECTIVE ALTRUISM

Courses on effective altruism are a new element in the teaching of philanthropy. Most began in 2015.

Its academic and spiritual home is in philosophy, practical ethics and utilitarian thinking – a sort of logical compassion, the basis of which is to maximise the good you can do. The movement is noted for showing how popular assumptions about doing good can be misguided. One of the distinguishing features of effective altruism is the use of evidence – collecting data, analysing it and acting on the conclusions.

As philosopher Peter Singer, one of the apostles of the movement, puts it in a blog in the *Boston Review*: 'Living a minimally acceptable ethical life involves using a substantial part of our spare resources to make the world a better place. Living a fully ethical life involves doing the most good we can.'

www.effectivealtruism.org

CASE STUDY

Professional studies

Ayse Inan

I am the daughter of immigrants, born and raised in Palo Alto, California, where I spent the first 30 years of my life. For many reasons, I have focused my career on being of service and supporting positive change. This focus is also the reason why I moved to Turkey, to give back to my country of origin.



Ayşe Inan is manager at the Suna and Inan Kirac Foundation, Turkey. Email ayse.inan@kiraca.com.tr

Turkey is a country brimming with unmet potential, bogged down by bad politics, corruption and perpetual uncertainty. At the same time, there are many like myself, working to build the country up and beyond its current circumstances.

The philanthropic and civil society sector is of utmost importance in this effort. Though

I have established expertise in the non-profit sector, I feel underdeveloped when it comes to the nuances of foundation work. Thus, I believe it is my professional responsibility to increase my expertise through continuing education.

I have a vision for philanthropy in Turkey that involves bringing the best version of grantmaking, philanthropy and social investment to the country. Though some non-profit management courses exist in Turkey, the academic expertise is still developing and not at the level of rigour one can find in such countries as the US or England. The MSc programme in Grantmaking, Philanthropy and Social Investment at Cass Business

School, City University of London is academically and practically a direct overlap with my needs. The course design and cohort structure also add value, and the international nature of my studies enables me to have a richer understanding of the sector.

Now four months into the programme, my experience so far has reinforced my decision, having already learned theories, frameworks and case studies that have direct application to my goals. By the end of the programme, I am confident that I will have new expertise in philanthropy, enabling me not only to better serve my foundation, but also to be a resource for the sector in Turkey. I believe my thesis work, which will explore risk in social innovation across countries, will also add value.

Hands-on philanthropy

Charles Keidan

A remarkable experiment in philanthropy is under way in America. At universities across the country, students are being entrusted by philanthropists with thousands of dollars – real dollars – to give to charity. These courses, known as ‘student philanthropy’, aim to engage students with both the norms and challenges of charitable giving, and to cultivate a sense of civic responsibility.

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There are now over 50 such courses encouraged by university leaders as part of ‘service learning’ efforts, and funded by philanthropic organizations such as Doris Buffett’s Learning by Giving Foundation and Geoffrey Raynor’s Philanthropy Lab. These courses vary in funding, disciplinary settings and pedagogical methods, but students usually receive around \$10,000 to \$100,000 to distribute to charity.

On a sunny morning on 1 April 2013, I started co-teaching one such course during a sabbatical at Stanford University’s Center on Philanthropy and Civil Society. After almost a decade leading a family foundation in London, my sabbatical inside the white-hot cauldron of Silicon Valley philanthropy was not short of contrast from life back home.

But it was not the glitz and allure of new silicon philanthropies – established by such titans as Facebook, Google and LinkedIn – that provided the best moments. Rather, it was the experience of being back in the classroom with a roomful of enquiring students and Stanford lecturer and former foundation director, Dr Bruce Sievers.

Sievers has taught a seminal class on philanthropy at Stanford for almost 15 years. The class, prosaically titled ‘Theories of Civil Society, Philanthropy and the Non-profit Sector’, is a pioneer in modern philanthropy education. It has given a generation of students

a historical grounding in the formation of civil society, key theories of philanthropy, and an overview of American associational life. The course enables students to develop their understanding of the questions, possibilities and choices involved in philanthropy and tests their skills through deciding how best to distribute \$100,000.

Early on, students are given the option of joining one of four grant-making groups: education, environment, international development, or policy and advocacy. Each group has almost a quarter of the funds at their disposal. They meet weekly to develop their objectives, plan a call for proposals, develop criteria for assessing these proposals and conduct site visits. At every stage, there are opportunities for learning lessons about philanthropy. For example, how does one determine a priority for giving, even within a specific area, when there is so much need and so many choices? And how does one handle the power dynamic of relatively inexperienced students making funding decisions that may affect the lives of thousands of beneficiaries?

As course instructors, we were on hand to assist with these dilemmas and also to manage the occasional crisis of confidence. As former foundation heads, we were well aware of the numerous pitfalls involved. Fortunately, this challenge was made easier by our students, whose remarkable progression each week helped them make hard choices even as they grappled with the urge for more time and reflection.

Their maturity, insight and willingness to take risks removed any doubts about placing relatively large sums of money at their disposal. For example, the policy group chose to tackle gentrification in San Francisco. The environment team funded a project developing alternatives to meat production, a major cause of environmental degradation. The sophistication and quality of some decision-making turned the experience into a ‘foundation school’. It was therefore gratifying to see some of my students applying for, and going on to assume, roles at major foundations, such as Ford, Rockefeller and MacArthur – big names in American philanthropy.

Yet student philanthropy of the type described above does not yet exist elsewhere and philanthropy education remains patchy, fragmented and underdeveloped. Whatever one’s views on philanthropy – and in our classroom there were many – there is little doubt that this age-old but still mercurial phenomenon needs to be both better understood and practised. @

This is an abridged version of an article that appeared in *Jewish Quarterly* <http://tinyurl.com/JQPhilEd>

EXPERIENTIAL PHILANTHROPY

Experiential philanthropy refers to the practice in which students are given a sum of money to donate to charitable causes. The students evaluate real grant proposals, research the non-profits making them, conduct site visits and make recommendations about which should be funded. Though this practice may well form part of a taught course on philanthropy, it is much more widespread, at least in the US. The Learning By Giving Foundation for instance, works in partnership with 43 colleges and universities to teach effective giving by actually distributing grants to non-profits.

Academia has neglected philanthropy but the tide is turning

Judith Symonds

For a sector that has a real and verifiable impact on so many of the historical and contemporary challenges facing society, philanthropy may be one of the least researched and understood fields in contemporary life. It is trapped in an environment of undocumented clichés and misperceptions, due in part to dysfunctional tensions that remain between academia and practitioner experts.



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Why teach philanthropy?

Nearly ten years ago, as a philanthropy and public affairs professional, living in France, I decided that there was a need for a course in philanthropy to promote the growth of civic engagement and encourage the development and professionalization of philanthropy in France and in Europe. I proposed a course, New Philanthropy and Social Investment, to the ESSEC Masters of Business Administration. This course went on to be the starting point for France's only chair in philanthropy, currently housed at ESSEC Business School. Since 2010, I have created and taught a selection of masters-level courses in this field at Sciences Po in Paris. The longer I teach citizen engagement and philanthropy, purposely linked together, the stronger is my conviction that doing so is essential, especially in the context of the 'shrinking space for civil society' and growing awareness that new models are needed for an equitable and sustainable future.

Why study philanthropy?

Students take the courses to find out not only about philanthropy, social entrepreneurship and how social investment tools work, but about alternative ways to lead their lives, and how they might have an impact

on the looming social and environmental challenges we all face. The fact that most of the students who take my courses represent dozens of nationalities including the UK, Morocco, Korea, India, Brazil, US, Italy, Slovakia, Switzerland, Ukraine as well as France, show that this appetite is global.

They want to explore the shifting roles of individuals and citizens, business and the state; the legitimacy of philanthropy; tax relief and equity; and who should be setting the agenda (global, regional, local) for providing public goods.

Most of them have not had any previous academic exposure to philanthropy or other forms of private action for public good. They are seldom aware of the dynamic scope of the third sector in the global economy and our lives. Their perception of philanthropy is largely based on misconception and mistrust. In general, they say they would like to make a difference, but are not clear on the best way to do so. The objective of the courses is to broaden their vision and present options and, hopefully, inspiration on how to become effectively engaged citizens.

Why isn't there more of it?

The first and continuing obstacle to teaching philanthropy is not demand, but the availability of appropriate academic research in recognized disciplines and evidence about the scope of the field and its impact, particularly outside the US. In 2008, a small group of donors and philanthropy professionals launched the European Philanthropy Learning and Research Initiative to commission a study to map the status of research and teaching in Europe and to make recommendations to address the situation without much up-take, originally, from European foundations.

Since that time, several new academic centres and initiatives in the philanthropy sector have been established. The problem is that they tend to focus, with some noble exceptions, on the 'how to and management' rather than on some of the basic ethical, sociological and evidence-based research issues that would justify and define philanthropy as a critical element of democracy. Two recent books note that philanthropy deserves more academic attention than it has so far received¹ and research is beginning to pay attention to that claim.

Perhaps the tide is turning and we are seeing a rise in the kind of scholarship the sector needs and deserves. @

¹ *Philanthropy in Democratic Societies* edited by Rob Reich, Chiara Cordelli and Lucy Bernholz, The University

of Chicago Press, 2016 and *Philanthropy in America*, Olivier Zunz, Princeton University Press, 2012.

Students take the courses to find out not only about philanthropy, social entrepreneurship and how social investment tools work, but about alternative ways to lead their lives.

CASE STUDY

Professionalizing foundations

Michele Fugiel Gartner

My research at the Centre for the Study of Philanthropy & Public Good, St Andrews University, focuses on foundation staff, reflecting on their roles as professionals within foundations and exploring relationships inherent in the development of a foundation.



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Professionalization is an important lens for how we view foundations. On one hand, both in academic and practitioner literature, it is taken as a sign of maturity in operations and of expert decision-making, the basis for a strategic approach to philanthropy. However, professionalization has also been criticized for removing the

donor's original intentions, for bureaucratizing grantmaking, for hiring staff for its own sake, and even, for not choosing a higher rate of endowment payout.

For me, understanding the role of professionalization is two-fold. First, it's a prime component of what might be termed our philanthropic export package. In our dominant philanthropic framework, we suggest that professionalization is important and creates greater impact. These claims are not well researched. As we export this system to other cultures, we should make sure our claims are sound or at least better understood. Second, foundation professionalization has primarily been a matter of counting numbers, in particular the growing number of foundation

staff. Examining the views of foundation staff themselves would give a clearer, more rounded perspective on the issue. As a foundation practitioner, I know that self-analysis is a low priority, but I believe it is worth making time for. I believe that it affects how the foundation does its work and defines its success.

Understanding the professional roles of foundation staff and how they help build foundations is one way of learning more about our larger philanthropic system. I hope my work contributes to expanding our knowledge of the expression and approaches to professionalization and to building more spaces for practitioner reflection.

CASE STUDY

Short courses for foundation professionals

Ariane Waldvogel

The world of philanthropy is growing. In Switzerland alone, there are now over 13,000 registered foundations. These foundations, large and small, corporate and individual, and located across the country, cover a broad spectrum of themes, such as international development and humanitarian cooperation, culture and education, art, environment, social affairs and architecture.



Ariane Waldvogel is executive director of the Pro Victimis Foundation. Email contact@provictimis.org

In parallel (or as a consequence?), foundations have become increasingly professional and important – not to say major – actors of change in our societies. I had been working in development cooperation for 22 years prior to joining the Pro Victimis Foundation in 2016, coming from a public, rather than private,

sector perspective which then required a shift of mindset and a different management style. That was why I took part in a three-day intensive course on foundation management, jointly organised by WISE, a Geneva-based group of philanthropy advisers, and the CEPS (Center for Philanthropy Studies, University of Basel).

The course, presented by both academics and practitioners, covered issues like the pros and cons of different foundation management structures, the supervisory authorities and taxation, developing a strategy and measuring impact, aligning asset management with the foundation's mandate, and managing its visibility and reputation. Of course, in three days it was impossible to cover everything. But for people like me, who have recently taken up management responsibilities

at a foundation, it was a good opportunity to clarify certain aspects of that management, and to open up avenues for new ideas and reflection on the foundation world, both from within and *vis-à-vis* society at large.

While the course was a sound one, my knowledge of and thinking about the role and responsibilities of foundations also comes from the conferences and meetings I attend. I understand much better now the need for the study and teaching of philanthropy and why two new professorships in philanthropy have recently been created at IMD (Lausanne) and the University of Geneva. I humbly hope that the courses given there will be as inter-disciplinary as possible, bringing together business and economics, law, psychology, sociology, history and any other relevant fields of study.

Why history matters to philanthropy practitioners

Paul Ramsbottom

Like all social phenomena, philanthropy cannot be fully understood without some degree of historical context. Few would disagree with that statement – particularly in an organization that since 1972 has run the UK's foremost prize for the writing of history: the Wolfson History Prize. How it is translated into an improved philanthropy is a more challenging question. For those of us involved in running the Wolfson Foundation, the history of philanthropy (both our own and others') plays a practical role on a daily basis.



Paul Ramsbottom is chief executive of the Wolfson Foundation. Email paul.ramsbottom@wolfson.org.uk

First, it provides context to all that we do. It is striking how often echoes of historic debates are heard by those with a listening ear. For example, one of our major initiatives from the late 1960s was a programme to engage industry and universities in joint development with a highly practical focus. The debates relating to how academics prove their worth or 'impact' have a strikingly contemporary feel.

Recent history also informs our grantmaking strategy by helping us understand the rationales and relationships behind some of our earliest grants. A relationship by definition requires at least some historical knowledge. Scarcely a week goes by at Wolfson without a discussion about plans to refurbish (or remove) facilities funded by us over the past six decades. Being aware of the background is the prerequisite to making a sensible decision in these cases.

In a wider sense, our grantmaking is enriched and informed by history. Anyone interested in Jewish philanthropy, for example, surely benefits from reading Professor Abigail Green's magisterial biography of the 19th century philanthropist Moses Montefiore.

Wolfson's arguments in favour of supporting the rich and diverse collections of regional museums are

informed by Giles Waterfield's *The People's Galleries: Art museums and exhibitions in Britain, 1800–1914*. Giles, an adviser to the foundation until his recent death, brilliantly charts the birth and progress of the great regional museums, most of them, incidentally, established through a new type of philanthropy based on industrial wealth and civic pride.

So history provides context for our philanthropy. But, secondly, it also provides empathy. 'By enabling us to know about other centuries and other cultures, [history] provides . . . the best antidote to the temporal parochialism which assumes that the only time is *now*, and the geographical parochialism which assumes that the only place is *here*,' as Sir David Cannadine, a leading historian and a Wolfson trustee put it. Success in philanthropy comes from a careful analysis of complex issues – and an empathy for partner and recipient organizations. History is by no means the only discipline that fosters this degree of analysis and empathetic insight, but it is striking how many senior staff in foundations have backgrounds in history (or at least in the liberal arts).

Third, history is helpful in spotting trends. Major social trends are neither straightforward to interpret nor linear (a message of complexity that is, in itself, an insight from history). But most foundations want to fund areas of significant – and growing – societal need as well as areas where there are likely to be few other funding sources. This requires careful analysis, not just of contemporary issues, but of their historical context, because the only reasonable way to make a prediction about the future is to look at the past.

Just as we use history to inform and enlighten, so we are committed, as far as possible, to opening up our institutional history. The archives of foundations are a historical resource so we have made our archives up to 1980 available, professionally managed by the Royal Society in London.¹ For researchers, the Wolfson Archives provide an intriguing insight into an eclectic array of social, intellectual and cultural issues over the past six decades.

It would be a brave analyst who argued that there is nothing to be gained from the experience of the past. History matters. And the history of philanthropy matters even more to those engaged in the practice of philanthropy. A short article can give only a few examples, but – for the Wolfson Foundation at least – history provides context and colour to all that we do. @

The Ashmolean Museum of Art and Archaeology, University of Oxford.



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

The value of foundation history and archives

Patricia Rosenfield

‘Good programme officers think about where the foundation has been and what it wants to do . . . it is invaluable to have knowledge of the past,’ says Geri Mannion, programme director at Carnegie Corporation of New York. While foundation officers might have neither the time nor inclination to work with primary source material, they can benefit from the interpretative work done by independent historians and archival staff.



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Several examples illuminate the usefulness of historical understanding. When the Ford Foundation, Carnegie Corporation, and the Rockefeller Brothers Fund collaborated with South African partners in the 1970s to build the field of public interest law to combat apartheid, they drew on their past successes in the US. There, they had taken a three-pronged approach of supporting legal education for African Americans, creating public interest law firms, and funding non-profit advocacy groups that tackled civil rights legislation. With advice from South African colleagues, the foundations supported a similar approach in that country, funding South African universities to train black lawyers, helping establish a public interest law firm, and building the legal advocacy capacity of non-governmental organizations. These strategies aimed to use the law itself to weaken the conditions of apartheid.

In 2000, vice chancellors of six African universities joined with the Rockefeller, Ford and MacArthur Foundations and Carnegie Corporation to help strengthen African universities. They drew on the knowledge gained both from seven decades of foundation efforts in this area and from independent historical studies of that work. Specifically, they learned that failure resulted both when university

leadership was not involved from the beginning, and when university strategic plans were not used to guide foundation grantmaking. The resulting ten-year Partnership for Higher Education in Africa embraced this lesson and largely avoided failure. Many of the programmes are still thriving.¹

In 2013, the Ford Foundation selected a new president, Darren Walker, and charged him with retooling strategies for the future. One of Walker's first actions was to turn to the historical record that had been compiled by foundation staff since the foundation's beginning in 1936. Walker sought independent analyses of those records from a team of scholars and archivists. These historical studies provided strategic guidance for the planning of new initiatives. His comment in an interview published by *Philanthropy News Digest* in 2014 underscores the value he places on history: ‘Times, as we all know, change, and all organizations need to evolve to be current. I look forward to reviewing our strategies and programmes in light of both today's challenges and opportunities. But as I indicated, I begin by looking at our history and learning from our past.’²

While a programme officer at the Twentieth Century Fund, James Allen Smith, now vice president and director of research and education at the Rockefeller Archive Center, advised the fund's leadership about new directions. He did so by ‘employing historical and archival instincts, turning to informal oral history opportunities, drawing on that historical literature about progressive era institutions’. It was what he referred to as ‘a practical, immediate use of the historian's skills, instincts and temperament’.

Drawing on the experience of seasoned foundation leaders and insightful scholars, the conclusion is clear. Effective grantmaking requires access to pertinent historical records paired with the commitment of leadership and staff to learn from those records and use that learning to inform new actions. @

1 www.foundation-partnership.org

2 <http://tinyurl.com/PD-DWalker>



Aki Sawyer (former AAU Secretary General), Peter Materu (World Bank), and Tade Aina (Carnegie Corporation) engaged in University Leaders' Forum proceedings.

Reliable giving data is essential to society but hard to find

René Bekkers

Mirror, mirror, on the wall – who is the most generous of us all? As if it were a beauty contest, journalists often ask us at the Center for Philanthropic Studies which country in Europe gives the highest amounts to charity.



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‘We are one of the most generous countries in Europe!’ the prime minister of the Netherlands proudly stated on national television. He referred to the ‘World Giving Index’, which includes the proportion of the population making gifts to charities in the course of a year. The index, published by the UK’s Charities Aid Foundation, measures financial generosity among citizens by just one question in a global survey conducted by Gallup. This is a very poor basis to proclaim a top rank in global generosity. We should count not only the proportion of the population making gifts, but also the amounts donated. It is nice if many people pitch in, but small contributions only go so far. Larger contributions help more.

We should also factor in the wealth of nations. Obviously we expect higher contributions per citizen in Switzerland and Sweden than in Spain and Slovakia. A better metric is therefore the total amount donated relative to GDP.

For a small selection of countries we have pretty good data, even though they are – strictly speaking – not comparable. They have been collected using different sampling methods and different questionnaires. To answer the question in a satisfactory manner, we need to collect new and better data. Donations by individuals and households are relatively easy to estimate. Estimating the contributions by corporations and through bequests is much harder. The hardest nut to crack is the size of the endowed foundation sector. Why would we want to make this investment?

Data are not just nice for a beauty contest. They are also important as a yardstick for questions in the social sciences. Is philanthropy a result of increasing social inequality? Or is it a form of concern for the welfare of others? How do political change and the economy affect generosity? The data that answers these questions are not only of pure academic interest for blue-sky researchers in ivory towers who want to develop new theories. They also provide answers to questions of social policy with great practical value. They contribute to the profiling and professionalization of the philanthropy sector and foundations. After all, ‘if you cannot measure it, you cannot manage it’.

For example, tax incentives and legal treatment of foundations vary greatly between countries. There is a lot to be learned from what these differences imply for the operations and activity of foundations. Data on foundation giving from various countries in Europe will show how tax incentives and legal treatment of foundations affect philanthropy. If tax incentives have a limited influence on the practice of grantmaking or fundraising, one could argue that they should

not be maintained. Politicians who want to get rid of the charitable deduction seek evidence that it does not make a difference. It is of the utmost importance that scientists collect evidence that is objective and accurate.

Even when this evidence is used in a beauty contest, it may be of practical value. Countries that are scoring below expectations could see an example in those ranked higher. And for champions, such as we apparently are in the Netherlands, we have a reputation to live up to. @



What motivates giving – insights from behavioural science

Andrew Milner

If you think of academic research into philanthropy, you'd probably associate it with its conceptual elements – what philanthropy is, whether it should happen, what are its effects and so on. However, academic research has probably covered most ground in the area of donor motivations and how the brain works when people donate.



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A *Wall Street Journal* article¹ remarks: 'researchers in recent years have begun digging deeper into the question, using controlled experiments and psychological testing to better understand why people feel compelled to donate to a good cause.' Or not.

It's not entirely a new phenomenon, of course. As long ago as the late 1980s, economist James Andreoni coined the term 'warm-glow theory' to suggest that giving produced a personal, psychological premium. There seems general agreement, though, that this field of study has been given greater impetus since the turn of the millennium.

An example of this is a recent study by two professors of marketing, produced by the University at Buffalo School of Management in partnership with the University of Chicago. Charities, says the study, can increase the engagement of, and revenue from, their donors by setting more appropriate suggested donation levels. 'Lower defaults are most effective when organizations are looking to cultivate their donor base,' says Indranil Goswami, one of the study's authors, while, for organizations with a fairly dedicated set of annual donors, asking for a higher contribution can induce them to give a little more. The conclusion? 'Instead of looking only at total revenue, examine your donation rate and average donation levels,' says Goswami. 'This information will help you understand your audience and tweak your communications appropriately.'

You might expect that research into donor motives would be the province of psychologists, but the combination of motivation and money seems to be equally attractive to economists and behavioural economists – those who are interested in the reasons why and how



people spend their money and the often erratic nature of their decisions

The inventor of the warm-glow theory, James Andreoni, is an economist. So, too, are many of the scholars associated with the Science of Philanthropy Initiative at the University of Chicago, including John List (the doyen of academic fundraising research). What else distinguishes them? In addition to the majority being Americans or practising in America, few would describe themselves as philanthropy scholars.

What explains the trend?

The obvious answer is that raising money is probably the most abiding preoccupation of non-profit organizations, especially in times when they are struggling to survive. The *Wall Street Journal* article quoted above notes that the interest is because 'donations have been relatively flat for decades', which, according to John List, is 'an indictment of our dearth of knowledge about this sector'.

Yet this is unlikely to be the whole explanation. Non-profits themselves have been slow to act. In other words, while the supply side is in full swing, the demand side is lagging behind. One study² shows that only 7 per cent of non-profits habitually consult research before designing fundraising campaigns. 45 per cent sometimes do. The reason for this may well lie in capacity. Those organizations with an annual budget of \$250,000 or under are less likely than larger ones to use research. Looked at another way, those organizations who might most benefit from academic research are less likely to be able to take advantage of it.

So far, there appears to be no meta-academic study of fundraising, so any account of the reasons for its growth will have to be speculative. A *New York Times* magazine article prophesied that academic research 'may eventually serve as the building blocks for a unified theory of how to raise money'. That was in 2008. It's likely to be a long process. @

1 <http://tinyurl.com/wsj-donors>

2 <http://tinyurl.com/SPI-FRsurvey>

3 <http://tinyurl.com/nyt-whygive>

Why political science should study organized philanthropy¹

Theda Skocpol

Perhaps because philanthropic gifts do not seem to be the central stuff of politics and public policy, most political scientists – until recently – have left this domain to sociologists, anthropologists and students of non-profits based in centres focused on studying philanthropy. Our discipline's reticence about philanthropy is especially ironic in the US since subsidized philanthropy is literally at the heart of American public policy.



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Years ago, Jack Walker and Jeffery Berry, among others, signalled the importance of US foundation patronage to the explosive growth of public-interest advocacy groups and social movements in post-1950s America. However, in this early work, wealthy patrons and foundations were treated mainly as 'black box' sources of funding to replace the reliance of early US voluntary associations on dues collected from millions of ordinary members. In political science at least, not much attention was given to the philanthropists, their aims, modes of organization, and policy impact. However, that is changing now. As this intriguing symposium shows, political scientists are questioning how philanthropic institutions and networks operate; probing their contributions to public agendas, policy battles and partisan polarization; and asking pointed, normative questions about the influence of tax-subsidized 'fat cat' philanthropy on inequality and democracy.

As Kristin Goss argues, wealthy people are taking an ever-stronger interest in political advocacy and

policy process: formulating and amplifying ideas, creating policy networks with common goals, and pushing coordinated reform agendas.

Moreover, in the growing arenas of political philanthropy, the unabashed promotion of ideological and partisan agendas often is the order of the day for donor groups. On the Left, the Democracy Alliance channels tens of millions each year to many liberal advocacy groups. On the Right, the 'Koch seminars' led by Charles and David Koch convene wealthy conservatives twice a year to discuss strategies for change. They raise and direct hundreds of millions annually to an inter-related array of educational, policy-advocacy, electoral and constituency-building efforts. On issues such as taxes, climate change, health reform, and the role of government generally, politically active, wealthy philanthropists are fuelling partisan polarization and, in key instances, influencing policy agendas toward the ultra-free-market Right.

This kind of influence may also be happening subconsciously, as well as consciously. Steven Teles draws on James Q Wilson's classic work² about political organizations to highlight the routines that foundations use to establish legitimacy and monitor grantees. Organizational routines matter, especially when they are used to disburse funding in enormous amounts to advocacy organizations. The routines that foundations follow will permeate the goals and routines of grantees – even if the net result is to cause most groups to neglect their substantive missions and focus instead on the short term, as they scramble to apply for their next foundation grants. As Teles suggests, foundation practices promoting short-term, fragmented public efforts may exert substantial influence on liberal groups in US civic life. If so, the net result may

The routines that foundations follow will permeate the goals and routines of grantees – even if the net result is to cause most groups to neglect their substantive missions and focus instead on the short term, as they scramble to apply for their next foundation grants.

policy causes – and they are doing so not only as individuals but also through professionally-run foundations and organized consortia of major donors who seek to influence public agendas. Never have so many individuals publicly and privately pledged to donate so much money to public causes – and never have they had as much organizational capacity for doing so. Through advocacy organizations and private foundations, these billionaire 'issue entrepreneurs' and others like them engage in every stage of the



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be to bias overall partisan competition and policy debates toward the Right. Because this very well may have happened without foundations or individual donors intending such effects, Teles' work underlines the importance of looking at the 'big picture' and overall organizational dynamics – not only crediting what individual philanthropists say they want to accomplish.

In summary, this symposium opens a rich new agenda for empirical political science, challenging students of US politics in particular to bring the 'big picture' of organized philanthropy into sharper focus. Studies of rising inequality, declining democratic accountability, and asymmetric partisan polarization are at the forefront in cutting-edge political science. However, none of these transformations can be fully understood without bringing organized philanthropy into the analysis.

Normative political theorists also have much to gain from a more sophisticated focus on philanthropy and its effects. The proper role of foundations in a democracy is ripe for ethical exploration. Critics argue that privileging private philanthropy does little to reduce economic inequality – and actually may exacerbate it – because most private foundations and charities do not help the poor. Moreover, giving so much authority over vital civic resources to wealthy donors undermines democratic governance in many ways. On the other side, as Rob Reich points out, a case can be made that wealthy private philanthropy encourages

On issues such as taxes, climate change, health reform, and the role of government generally, politically active, wealthy philanthropists are fuelling partisan polarization.

innovation and experimentation – thereby furthering pluralistic creativity in American democracy.

Personally, I am not persuaded by Reich's case. There was a time when bipartisan US foundations encouraged experimentation in ideas and the search for policy solutions to problems the majority wanted to solve. Those days are gone, in our era of widening economic inequalities, partisan polarization and fierce political efforts to undermine any semblance of public problem solving. In my view, many of the empirical contributions to this symposium raise searing questions about the normative arguments that Reich makes in support of a strong role for private foundations in contemporary American democracy.

However, this is simply how I read the symposium. Others can and should read it for themselves and come to different conclusions. Healthy research fields thrive from discussion and arguments. What all of us in political science can surely agree to, however, is that the time has come for much more robust research on the political roots and results of organized private philanthropy. The contributors to this vibrant symposium show the way forward. @

1 This is an abridged version of an article that appeared in the Politics Symposium of the American Political Science Association journal *PS: Political Science & Politics*, Vol 49, Issue 3, July 2016.

2 James Q Wilson (1995) *Political Organizations*, Princeton University Press.

THE CHAIR IN AFRICAN PHILANTHROPY

Interview Bhekinkosi Moyo

As part of this special feature on teaching and research in philanthropy, Charles Keidan talks to Bhekinkosi Moyo of the Southern Africa Trust about the development of the first chair in African philanthropy at Wits University in Johannesburg, South Africa: about the reasons for establishing it, what it will offer – and the obstacles along the way.



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What is the background to the chair in African philanthropy?

There was a consensus among the African Grantmaker's Network (AGN), which is now the African Philanthropy Network, and indeed from all those interested in African philanthropy, that one of our most immediate needs was to generate as much knowledge as possible on African philanthropy that was also as rigorous as possible. Compared to other regions, Africa was lagging behind. It's about 15 years since those conversations started, so it's been a long process.

Did the impetus come only from practitioners or were the universities interested, too?

The push really came from practitioners, partly because some of us had our feet in both the

academic world as well as in practice and we realized that no-one from academia was writing on African philanthropy. But the interest could have been mutual. Just maybe.

Why do you think that was?

I think simply because there was no university or centre that was teaching philanthropy on the continent. We saw that as an opportunity for us as a sector to

begin lobbying universities on the need to establish a chair.

Which universities did you talk to?

It seemed obvious to us that the countries that would immediately understand what we were talking about would be South Africa, Kenya or Nigeria, because by then, there were already a lot of

established institutions dedicated to philanthropy in those countries. Also it was convenience, because I had moved to South Africa and was working with the Southern Africa Trust. The trust led the initiative, as a member of AGN and because we work mainly with marginalized communities. Our initial idea was to try to locate the chair in one of the disadvantaged universities in South Africa, like Limpopo, or the University of Fort Hare.

However, we were also canvassing potential funders at the time and one of them said to us: 'Why not start a chair in Johannesburg with a world-class university like Wits? It makes it easier for me as a funder to be associated with this university . . . if you locate it very far from Johannesburg, it becomes logistically a nightmare.' So I approached Adam Habib at Wits, who I had worked with previously, and he immediately said 'let's do it'. The business school seemed the best place for it – there are probably more than 18 business schools across Africa, so obvious possibilities for collaboration – but it wasn't straightforward because we were coming in from the philanthropic side, they come in from the profit-making side, and having to agree on what this would look like took some time. However, one of the things that helped us was that the business school realized it needed something innovative to enhance its work.

What research and teaching on philanthropy do you think is needed in Africa?

The curriculum looks at what is lacking in the field. One factor is that there is no proper theoretical and philosophical grounding of philanthropy in the continent, so there is a course designed to teach the philosophical underpinnings of giving

One factor is that there is no proper theoretical and philosophical grounding of philanthropy in the continent, so there is a course designed to teach the philosophical underpinnings of giving in Africa.

The first chair in African philanthropy is at Wits University in Johannesburg, South Africa.



PAUL SAAD

in Africa. There is also a course that will look specifically at the different forms of philanthropy across the world and at different legal and administrative structures, so that students will have the tools to design and manage their own institutions. There's also a course that looks at the interface between philanthropy, development and public policy.

Who are these courses designed for?

There will be a core course, which is a masters degree. But we have also decided to develop executive courses. There are some practitioners who might not want to do a masters degree and all they want is a tool – maybe for fundraising, proposal writing, leadership and so on, so we are developing executive courses.

The research agenda comes from the same concerns as the curriculum. One of the areas we are interested in is informal giving. We don't, for example, have a baseline of what giving looks like across the continent. And then there's also the public policy question. There are two aspects to this. One is collecting and using data on philanthropy to inform and influence public policy. The other is how philanthropy can work with policymakers to shape the development agenda that we want, and related to this is research on the policy environment for philanthropy across the continent, which will take us to questions such as taxation and incentives. The way to look at this is really broad. When we met in December to go over the research agenda, some people were asking us if we could study the history

We got professors and researchers from across the disciplines, as well as across the continent, to come and help design the curriculum and research agenda.

of the kingdoms in Africa, to see if we could use philanthropic research as a way to study historical governance and conflict resolution. I think this will be fascinating.

So why the decision to position the chair in a business school?

Most of the chairs around the world are located in public policy schools or in humanities, and the result is that they end up just focusing on non-profit management and public policy. We wanted a place where the chair could really benefit from both the humanities and the economics side. Now, at the business school at Wits, there are already some centres that are very close to what we were looking at – a centre that focuses on ethics, a centre that focuses on innovation and creativity and emerging markets, so we thought if the business school has managed to bring in these social dimensions to its work, the kind of philanthropy that we want to focus on can be located here as well.

And if we were within the business school, we could immediately access the many companies that use the business school either to send their students to or for their own conversations, we could benefit from the economic data that we thought was missing from the study of philanthropy in the continent. And the third reason for the choice is that we realized the private sector is now positioned to play a driving role in economic emancipation across Africa and being in the business school might allow us to influence that.

It remains a balance and we have set up some structures to make sure the economic side

doesn't drown out the public policy, the social side of things. There's an advisory committee, on which I represent philanthropy from the practitioner side, and I continually push that the chair recognizes that philanthropy is about people; it's about relationships. And then we have a technical committee, which comprises the director of the business school, one of my directors, and some of the instructors within the university, who make sure that balance is maintained in practical matters.

What do you think of the criticism that situating the chair in a business school means that it leans towards lauding wealth and philanthropy rather than critiquing it?

We've always said that it should be multi-disciplinary and that it's a pan-African chair, not simply a Wits business school chair, so we got professors and researchers from across the disciplines, as well as across the continent, to come and help design the curriculum and research agenda. And even when it comes to teaching, the faculty is going to be drawn from the pan-African community, not necessarily from the Wits business school.

I understand there can be a tension between finding a sustainable funding model for a chair that allows it to be independent and having it funded by a philanthropist or a foundation. How is that working for you?

We looked at a couple of models, including raising an endowment. The director of the business school was adamant that we needed funding for at least five years before the project could go ahead. That was challenging because some of the donors who had promised money for an endowment had their own specific needs. We initially wanted to call it the Nelson Mandela chair on philanthropy, which brought in donor interest, but Graça Machel pointed out that if we wanted it to look genuinely African, we needed another name because the funding for it should represent a wider range of resources. So we said

We realized the private sector is now positioned to play a driving role in economic emancipation across Africa and being in the business school might allow us to influence that.

For the first five years, it's okay for the philanthropy sector to bear the burden of fundraising, so that we can guide the formative stages, but once the chair has taken root, the university can take over.

'let's just call it the African chair on philanthropy, that way it allows us to name different components of it in different ways'. But when we dropped the name Nelson Mandela, the prospects for endowment dropped, too.

So we had a compromise – that we would raise enough money for a certain period of time, while developing the financial model for an endowed chair. Student fees are part of this. We also want to approach high-net-worth individuals in Africa, and ask them to adopt certain courses or programmes, but we have been very cautious about it because some are quick to say 'we will fund it, but here are our conditions'. And the conditions were taking us away from what we wanted to achieve.

Why would the university not fund it itself just internally?

Well, at one point there was a feeling that if the university really wanted this, it would bankroll it. Of course it's not as simple as that because it is not a programme that the university initiated.

It's a slow process. To begin with the university did not put in any money. Now, it provides the core support – office space, administration, etc. From 2018, the university will take over the payment of the professor when the first intake of students will be admitted. Eventually, it's likely to be fully embedded in the university. My view is that, for the first five years, it's okay for the philanthropy sector to bear the burden of fundraising, so that we can guide the formative stages, but once the chair has taken root, the university can take over, because the systems will be in place and the shape will have been defined.

In terms of its shape, what would you like to see in ten years?

So in five to ten years from now, what we really envisage is a centre on philanthropy, which houses knowledge generation, debates and dialogues on the interface between the public, civil and private sectors, a platform to shape development discourse and a centre where we can measure the impact of African philanthropy. @

India's philanthropy sector is fit for study

Ingrid Srinath and Preeti Mann

Long-standing traditions enjoin Indians across religion, ethnicity and class to give without consideration of return. 'One who enjoys abundance without sharing with others is indeed a thief,' says the Bhagavad Gita, a 700-verse Hindu scripture.



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Even before the Companies Act, 2013 prescribed norms for philanthropic contributions from Indian corporate entities, businesses like the Tata Group had established reputations for social investment that compared favourably with the highest global standards. Millions of non-profits, most supported by individual contributions, make India's 'retail' philanthropy sector, diaspora giving and festivals of giving like *Daan Utsav* the envy of fundraisers across the developing world.

Despite its apparently thriving state, Indian philanthropy has been little studied and sources of reliable data about it are few. This is about to change. In 2016, the founders of the Ashoka University (a new, non-profit, philanthropically funded, liberal arts university near Delhi) set up the Centre for Social Impact and Philanthropy (CSIP) at the university.

Thus, an important new element is about to be added to the ecosystem of Indian philanthropy. Why is it necessary? Support services for philanthropy have been relatively scarce and largely under-resourced. Despite their pioneering good work, organizations like Sampradaan, Give India, Guidestar India, Centre for Advancement of Philanthropy, AccountAid and others have relatively small footprints. Indian organizations like Dasra, and international consulting firms like Bain and Bridgespan, have recently made inroads in research, strategy consulting and knowledge-building for the sector and the new corporate social responsibility (CSR) requirements have spawned a number of players providing training, consultancy or audit services. However, academic programmes have largely focused on skill-building for non-profit staff and leaders. The India Philanthropy Initiative, a gathering of some of the biggest names in Indian philanthropy, and Dasra's Philanthropy Week are rare examples of convening of thought-leaders in Indian philanthropy.

There are two other considerations that make independently gathered and rigorously interrogated data

important. First, fuelled by the rapid economic growth of the past two decades and its burgeoning fortunes, Indian philanthropy is booming. Azim Premji, the first Indian to sign on to Bill Gates' Giving Pledge, leads a growing cohort of IT and financial sector billionaires who have made substantial commitments seeking to redress the appalling economic and social conditions still prevalent in India. This is accompanied by greater emphasis on impact measurement and accountability from philanthropists, CSR departments and individual donors alike.

Second, as in so many other countries, Indian civil society faces a number of challenges. Some international donors have withdrawn or curtailed their operations in India due to hostility in the political environment, or due to political and fiscal compulsions in their home countries. A concerted narrative discrediting NGOs as inefficient, ineffective, unaccountable, or even anti-national, continues to gain traction. Activists continue to be harassed and intimidated by means legal and illegal.

Both of these considerations – one an opportunity, the other a threat – prompted the founding of CSIP. Supported by the Bill and Melinda Gates Foundation, Citibank and private philanthropists, the new centre aims to provide credible, accessible data to inform philanthropic decision-making and public discourse.

The centre will facilitate platforms and networks aimed at encouraging norms, coherence, vision and voice in the sector. Its capacity building initiatives will focus on raising sector ambition, sustainability and talent. Studies of philanthropic flows, the impact of changes in foreign funding and public perceptions of the sector are some of its the early research areas. A collaboration with Harvard Business School and Dasra will bring Harvard's popular Strategic Non-Profit Management programme to India in 2017. A knowledge platform, presently in design, aims to fulfil practitioners' needs for focused, relevant learning. Simultaneously, CSIP is working with students and faculty at the Ashoka University and with other national and international educational institutions to develop curricula, faculty exchanges and mentoring programmes. The centre's Mother Teresa Fellowship provides graduates seeking to build a career in the social sector with financial and non-financial support. In partnership with leaders across India's social sector and the academic resources within Ashoka University, the centre hopes to galvanize India's philanthropic ecosystem towards greater impact, relevance, resilience and recognition. @

Don't neglect empathy in the pursuit of analysis

Sumitra Mishra

If philanthropy education is at an embryonic stage in Europe, the concept is not yet seeded in India. That does not imply that philanthropy is not growing. It is. It is being driven by philanthropists, foundations and increasingly visible philanthropy management organizations. But the focus is on making philanthropy effective in addressing issues left by the free market rather than unravelling and addressing the complex structural issues of social justice. While there is focus on impact investment measurement models, the question of equity is feeble or silent in the philanthropy debate in India.



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Education can help to address this want but, as it does so, it should recall that philanthropy is to do with people and that exalting analysis should not be at the expense of compassion.

The scope of philanthropy education goes beyond the models or management of philanthropy, to understand how it can potentially shift the power to the disenfranchised people to mobilize, lead and effect sustainable changes in the denial of rights, injustice and inequality. There is a promising trend for Indian philanthropists, through their foundations, to support agencies that are facilitating the mechanics of philanthropy and to promote an academic discourse about it through their support of university-led initiatives. The study of philanthropy would be a natural outcome of a critical body of thought and practices of philanthropy that develop in the coming years in India.

But as the ecosystem moves towards private investments and market-led practices to influence the social justice agenda, the challenge is to maintain the balance between results and empathy. The core values of empathy and compassion must drive the understanding of complexities in sustained change, so that the process of change is inclusive and equitable, and with the people for whom it matters the most at its centre. The key questions are, how do we continue to invest in empathy building and nurturing among professionals, especially young practitioners, as they bring cutting-edge, game-changing practices for implementation and measurement into this domain? How do we ensure that being smart and results-oriented in social change is not a substitute for passion, resilience and empathy?



Group of volunteers from the International Citizen Service 2016, in front of their host organization Jatan in Rajasthan, India.

RAJDEEP S CHUNDRAWAT



Young interns sharing a local meal with their host family, in Rajasthan, India.

ANJANI GROVER

One promising approach in India is the emergence of immersive, experiential learning for young professionals wanting to experience first-hand, traditional social development changes. Learning journeys, experiential internships, gap years, youth leadership programmes and social mentoring platforms are some of the leading vehicles to build a culture of empathy among young people. The key is to inspire young people across the fields of business, finance, law, literature, politics, science, arts and more to commit to these experiences and encourage their peers to experience the same. They are tomorrow's philanthropists!

From this experience might come the burning desire to change the world, joined with the wisdom to invest personal and professional resources drawn from the core values of empathy and respect for people they have shared a part of their lives with. And building compassion and empathy is not restricted to people working in the social development space. What we should strive for is to bring down the walls between people who can effect change, and those whose rights must be guaranteed. Creating opportunities for immersive, experiential journeys could be the next agenda to introduce across disciplines and courses, as a precursor to philanthropy education in India. @

How to set up a university centre with foundation money

Georg von Schnurbein and Beate Eckhardt

Funding a university centre is a risky endeavour for all parties. Donors usually have less control over the results than in other cases and the university takes the risk that future costs will have to be covered through its own budget. The creation of the Center for Philanthropy Studies (CEPS) at the University of Basel offers some insights on how to create, and plan for the sustainable existence of, an institute with initial funds from foundations.



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In 2007, SwissFoundations, the Swiss association of grantmaking foundations, sent a request for proposals to four Swiss universities, inviting them to apply for funding to set up a centre for foundations and philanthropy. The idea was to create a central institution for interdisciplinary research on philanthropy that would encourage and increase both the gathering of knowledge and putting into practice. The initial grant was CHF2.5 million for five years, allowing for the financing of a professor and two assistant positions. Six foundations, all members of SwissFoundations, participated in the funding. The universities were selected on the basis of previous research and teaching activities in the field of philanthropy.

After six months, two universities provided a submission with a business plan, research agenda and the commitments they were prepared to make. A jury of foundation representatives selected the University of Basel. In November 2008, CEPS was officially inaugurated as part of the faculty of business and economics and started with an assistant professor and two collaborators. The donors and the university agreed to conduct an evaluation after two years based on university standard procedures. As a result of this evaluation, the university decided to create a chair on foundation management for the director position of the centre. Additionally, SwissFoundations organized a second consortium of nine foundations for a second grant of CHF2.5 million for another five years.

Today, CEPS is in the middle of this second phase. Twenty per cent of the budget comes from the university, 40 per cent from foundation grants, and another 40 per cent from the centre's own revenues.

In other words, the centre has moved from 100 per cent foundation funding to a sustainable mixture of revenue streams. Currently, 15 collaborators work in fields of research, lectures, executive training and coaching. CEPS has increased the understanding and operations of the philanthropic sector in Switzerland through publications such as the *Swiss Foundation Report* – together with University of Zurich and SwissFoundations – and earned a high reputation in both research and practice.

Looking back, many factors in the selection and organization contributed to this success. First of all, the fact that SwissFoundations took the lead brought a lot of convening power to the initiative and opened the doors to the future funders and supporters of CEPS. The request for proposals opened up a competition between different models. Instead of addressing one university, SwissFoundations demanded a primary commitment through the deans of the universities to participate in the pitch. Two universities declined the request. In addition, from the application documents, the foundations got a good idea about the research agenda, the organizational structure and the network involved. Finally, the period of selection gave all parties involved enough time to get prepared. At the time of the inauguration, CEPS was ready to work. The first one-week executive training started only four months later.

The legal construction of the funding was also important for the centre's success. SwissFoundations acted as a convenor between the university and the funding foundations. Thus, one contract between SwissFoundations and the university included all aspects of aims, organization, reporting, etc. Based on this contract, the university signed single contracts with every foundation that included only the procedures of payment. Additionally, representatives of SwissFoundations and funding foundations were included in an advisory board. This arrangement allowed for a clear separation of roles, while different feedback options, regular reports and the evaluations served as trust building activity.

Altogether, establishing CEPS was a major step in the short history of SwissFoundations and also served as a model of collaboration for foundations beyond the field of research. Aspects of competition, clear separation of roles, guarantee of academic freedom, and a long-term commitment served as major success factors. @

Studying philanthropy in Canada: from benevolence to impact

Hilary Pearson and Jean-Marc Fontan

Three years ago, the two infrastructure organizations for foundation philanthropy in Canada, Philanthropic Foundations Canada (PFC) and Community Foundations of Canada (CFC) joined forces with a national partnership of scholars dedicated to creating a more substantial body of information and analysis on the catalytic role of grantmaking foundations in social change. The work of this partnership has led to a significant increase in the number of scholars engaged in the study of philanthropy.



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Organized philanthropy in Canada is still a relatively recent phenomenon. We have only slightly over 5,000 private foundations, about the same number of public foundations, and the academic study of grantmaking philanthropy began only in the last 20 or so years. Much of it has focused not on grantmakers themselves, but on their grantees and on donors more generally.

Three forces, however, are catalysing more philanthropy scholarship and training in Canada today: digitization, demographics and diversity.

Through digitization, scholars and practitioners are gaining access to new and important data sets. Canada has made available in machine-readable form a huge data set on charities and foundations, through our national regulator, the Canada Revenue Agency. Digitization has also accelerated the dissemination of data on patterns of foundation granting, on the location and size of grantmakers, and on their interests. The Canadian government is opening up its database of grants and contributions in a remarkable commitment to data transparency and access.

Demographic change and the rise of the large millennial generation is also a major force affecting philanthropy research and training. As younger

people enter the world of social purpose, their views are shifting the field of study of philanthropy to that of the study of social purpose activity in whatever form. Philanthropy is no longer only about benevolence, it's about having impact on the complex problems that face the next generation. The young are increasingly demanding better training in social action. As a result, Canada's first graduate and executive education programme in philanthropic and non-profit leadership began three years ago at Carleton University in Ottawa.

Finally, we have a much more diverse and urbanized population in Canada than we did 25 years ago. For example, over 50 per cent of the population in our largest city, Toronto, were born outside Canada. How does this affect the study of philanthropy? It brings new players and new money to the table and new practitioners to the field. It also fosters an interest on the part of governments representing a diverse and globally-linked population to attract social purpose organizations and philanthropy into partnership to attack complex social problems such as environmental sustainability and social exclusion.

To act as effective partners, and to have more impact, philanthropists need to be better equipped with information, and with opportunities for learning their craft and sharing best practices. This is where the partnership with academia has come in. Over the last three years, Canadian academics have been enlisted in a collaborative effort to understand and to describe through case studies and analysis how Canadian foundations are working together to bring about change, whether through influencing public policy or through reinforcing community networks and capacity on the ground. It is important for foundations to learn about each other, to have models and gain insight into what works as more evidence is collected on the impact of philanthropic activity.

PFC and CFC intend to pursue this partnership over the next few years, working with scholars both in Quebec and in English Canada, recognizing our two cultures of philanthropic thought and practice. We are also bringing a new perspective from Europe to our understanding of the philanthropic ecosystem in Canada with the naming of a first international philanthropy fellow, Michael Alberg-Seberich of Berlin, who will begin his work in Canada in 2017. This formal study of philanthropy will contribute not only to greater effectiveness of foundations but also to better training of people aspiring to be philanthropic leaders. @



MARIUSZ KLIZNIAK
Over 50 per cent of the population in Canada's largest city, Toronto, were born outside the country.

Educating philanthropy in Chile

Magdalena Aninat and Steffen Bethmann

Over the last few decades, Chile has made great economic strides. However, while the GDP per capita has increased from US\$4,407 in 1990 to US\$22,370 in 2015, equality has not fared so well: the country has a Gini coefficient (index of income distribution) of 0.465, the worst in the OECD. Today, Chile faces 'second generation challenges': quality rather than access is needed, particularly in health and education. It's time for the country to move from being one known for its economic growth to one that is recognized for its philanthropic growth and as a centre for the development of knowledge in this field.



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The studies mentioned in this article are available here <http://escuelade gobiernouai.cl/centros/cefis>

The groundwork has been laid. The Chilean academic sector has an outstanding position in Latin America and attracts nearly 20,000 international students every year. The opening in 2015 of the Center for Philanthropy and Social Investments (CEFIS) at Universidad Adolfo Ibañez, the leading private university in Chile, has opened up a space for researching local giving practice, and providing tools and skills to high-net-worth individuals (HNWIs) and their families to strengthen their philanthropic practice.

Thanks to the work done at CEFIS, the picture of what Chilean philanthropy needs is already clearer. A 2015 study indicates a transition from an anonymous, Catholic influenced, 'giving-the-cheque' practice to a more strategic form of giving, willing to focus on achieving social change and using entrepreneurial skills for social investments. Other current CEFIS studies show an increasing willingness to make social investments among HNWIs, but identify barriers to this transition to effective philanthropic practice, including lack of public awareness of its value, a complex tax incentive system for donors, and a general view of the social organizations as inefficient in the use of economic resources.

The last challenge suggests a lack of understanding between donors with a business background on the one hand, and the 'social know-how' of civil society organizations on the other. Universities with a mix of components from psychology to business, can help to address both sides of this divide. From the grantee side, universities have already begun to offer capacity building programmes for non-profits and social entrepreneurs. On the other side, CEFIS last year began providing tools and skills for HNWIs to help



GDP in Chile has grown rapidly; but equality has not fared so well.

them change from project funders to social change agents. CEFIS has also been a key actor in creating a network among the emerging community of philanthropic practitioners, and in opening a space for donors to understand the complexity and passionate world of social investments, through the incorporation of courses for undergraduates in the university's business school.

Available data on giving in Chile shows it at 0.12 per cent of the annual GDP and, while the trend over the last few years is upward, the figure is still low and there is scope for increase. Systematic research and education can help not only foster the practice of giving but also create awareness of the important role effective philanthropy has in social development. In offering new courses on impact driven philanthropy, the academic sector has a great chance to help build a better and more just Chile. More research is needed that provides evidence of successful programmes to help guide donors and grant-seeking non-profits alike. Academic teaching and research on philanthropy in Chile is at the nascent stage, but future years are likely to see a growing offering of academic knowledge and university courses to support the field. @



Lonneke Roza and Steffen Bethmann delivering the workshop on corporate foundation governance at

the Corporate Foundations Knowledge Exchange in Fountainbleau in December 2016.

Philanthropy scholars in Mexico: objectivity in a climate of mistrust

Jacqueline Butcher and Michael Layton

Basic, trustworthy information about the scale, scope and shape of a nation's non-profit and philanthropic sector is indispensable not only to producing empirically based public policies and private interventions, but also to supporting the effort to generate greater understanding and trust in philanthropy. This is especially true in Mexico, where the sector is underdeveloped and policymakers and the public in general are highly sceptical of philanthropy. By helping to furnish such information, scholars have provided significant leadership on both of these issues.



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If we go back to 2000, there were basically three sources of data on philanthropy in Mexico: the membership list of the Mexican Centre for Philanthropy (Cemefi), the nation's oldest support organization; the list of tax-exempt organizations provided by Mexico's Tax Administration Service (SAT); and Johns Hopkins University's comparative study, *Global Civil Society*, undertaken by Lester Salamon and local collaborators.

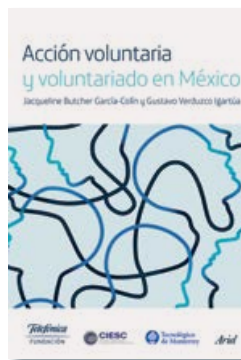
Today, Mexico has a wide range of data and analyses, and the research centres and academic institutions have been instrumental in helping to change this picture.

The new developments include the design, implementation, and analysis of Mexico's first public opinion survey focused on volunteerism (*Encuesta nacional de solidaridad y acción voluntaria* or ENSAV) and a similar one on giving; the *Encuesta nacional de filantropía* (ENAFI); the publication in conjunction with the Lilly Family School of Philanthropy, *Giving Mexico* in 2013 (due to be updated this year); the creation of Mexico's largest transparency website for non-profits and grantmakers, Fondos a la Vista (FALV, Funds in Plain Sight); the publication of a study of corporate foundations in Mexico; the Social Investment Seminar, the country's first regular training opportunity for grantmakers; and a series of regional forums on Mexican tax law. The publication of findings from these forums played a key role in a national coalition that prevented the repeal of tax exemption and the deductibility of donations. In addition, Mexico's National Geography and Statistical Institute now conducts a regular census of non-profit institutions.



In all of these initiatives, a key role was played by either the Centro de Investigación y Estudios sobre Sociedad Civil (CIESC) at the Technological Institute of Monterrey or the Philanthropy and Civil Society Project (PSCP) of the Mexico Autonomous Institute of Technology.

A number of other universities have supported research and training opportunities to fields related to philanthropy, including: Anahuac University's Social Responsibility Faculty and its Latin American Social Responsibility Centre (CLARES); Colegio de México led a study on the quality of citizenship in México (*Informe país sobre la calidad de la ciudadanía en México*); the recently founded ORT University offers degrees on non-profit management; and the Mora Institute's research programme on international cooperation, development and public policy, which has recently worked hand-in-hand with Mexico's community foundations, to mention the most important ones.



Two things that universities and university researchers can bring to such processes have been critical.

First, nearly every one of them was undertaken in partnership with non-profits (like Cemefi and Alternativas y Capacidades) and with support from a mix of national and international funders and support organizations. This capacity to forge such partnerships is a particular strength of universities.

Second, given the aforementioned distrust of the sector, Mexican policymakers often dismiss non-profit practitioners and philanthropists as being self-interested when they advocate for public policies. The objectivity and rigour of scholars therefore become crucial assets in influencing public policy. In a nation with a relatively small and under-funded non-profit sector, university researchers offer an unparalleled source of highly qualified human capital to address its research needs. The expertise and credibility of scholars has been a critical factor in advancing the field. @

Challenges ahead in funding the study of philanthropy

Charles Keidan

The growth of philanthropy studies, the increasing number of academics who would call themselves philanthropy scholars and the fact that philanthropy is attracting interest from leading scholars across the disciplinary spectrum are encouraging developments for philanthropy practitioners. As the field matures, however, there is a danger that these positive signs will mask some of the challenges ahead.

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One key question is who should fund philanthropy scholarship and what restrictions will the source of funding place on scholars? What would happen if scholars are critical not just of philanthropy as an institution but also of philanthropists whose names increasingly adorn the buildings in their institutions? Will scholars feel the frosty gaze of university leaderships and fundraisers driven to secure more philanthropic cash as part of their institution's survival strategy at a time of government cuts to higher education?

The obvious and arguably ideal scenario is that universities should fund research on philanthropy themselves as part of their commitment to building the knowledge base. Universities could do this through academics electing to use their freedom to research topics relevant to philanthropy or by universities seeking support from philanthropists and foundations or other non-profit partners.

There are difficulties either way. First and foremost, only a small number of researchers investigate philanthropy. Academic incentives tend to focus attention on publishing in highly ranked peer-reviewed journals. While some journals accommodate studies of philanthropy, none to date have philanthropy in the title. Some scholars successfully bridge the gap between rigour and relevance, as Tracey Coule highlights (p58), but they remain the exception. In addition, the philanthropy studies field competes for space, conceptually speaking, with civil society studies, voluntary sector studies, non-profit management studies (p60) and social entrepreneurship, to name a few.

Given these challenges, philanthropists and foundations may seem obvious candidates to help build the field either through funding academic research on

philanthropy, or by creating academic centres, chairs and lectureships.

Yet, with notable exceptions, universities have been surprisingly slow in seeking funds for research on philanthropy at their own institutions. As one vice chancellor told me,¹ the idea of encouraging funding to research philanthropy is 'a bit of a leap'. Few funders appear to have been approached by universities to support research in this area. One foundation director told me that his foundation had 'never' been asked to fund research on philanthropy, despite daily contact with universities and millions awarded annually in grants to the higher education field.

There are, however, signs that this might be changing, both because of new donor interest and a growing market of higher education fundraisers who are already acting as a stimulus to more research on donor motivations. The most advanced and best-resourced universities are drawing on cutting-edge research from behavioural scientists to elicit higher donations (see p45). While this is a positive development for research on donor motivations, and has the virtue of responding to the needs of fundraising practitioners, it risks narrowing the scope of scholarly research.

The rise of philanthropic funding of research centres, posts and chairs in philanthropy is even more of a double-edged sword. Philanthropic resources undoubtedly help lift the field but they also influence the direction of research though funding particular research questions or by funding posts in disciplines more naturally sympathetic to philanthropy. Thus it is striking that much recent provision in Europe is situated in business schools asking technical questions about impact, organizational management and strategy rather than normative questions about legitimacy, accountability and plutocracy. How different would the field look if more of this new provision were associated with philosophy, sociology and political science?

It is critical that donors, researchers and universities find ways to navigate these challenges as the field develops. Full disclosure of funding agreements and correspondence should be the norm. But transparency is only part of the solution. A healthy society requires the independent thought that is the hallmark of academia. If academics feel pressure to restrict the scope of their enquiries they will be less likely to do what they do best – bite the hand that feeds them. @

¹ <http://tinyurl.com/PhilEdEurope>

Rigour or relevance in philanthropy research?

Choose both!

Tracey Coule

‘Ivory tower academics have nothing useful to offer practitioners’ – as a former non-profit practitioner-turned-academic responsible for running a professional doctorate, delivering management education, undertaking client-driven, applied research projects, and publishing research papers, I have often heard this charge from practitioners. Equally, I have heard academic colleagues refer to applied, client-commissioned research as the ‘poor relation’, ‘ugly sister’ or even not ‘proper’ research because it ‘lacks rigour’ and ‘can’t possibly produce high quality, publishable research’.



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In this short piece, I would like to at least begin challenging both sets of assumptions by making three arguments. First, the rigour versus relevance debate is a fallacy. Second, the real issue (and solution) is one of language or, rather, translation. Third, it will take shared commitment and collective action to undertake such translation work and bridge the gap between academic, policy, and practice communities.

The fallacy of the rigour versus relevance debate

For both funding and professional reasons, there is no doubt that academics are under intense pressure to publish research papers in the highest quality journals. It is also true that publishing in top journals alone is no longer enough. Today’s scholars are increasingly expected to communicate with the societies that fund and utilize their research; furthering the reach and impact of our work is fast becoming an integral part of what we are obliged to do as academics.

In my view, setting (academic) rigour and (policy-practice) relevance in opposition in the current climate is a false choice and sustains the myth that the two are mutually exclusive. Not so! In my own work, I have undertaken applied research, including programme evaluations, commissioned on and by non-profits. Perhaps the most significant was the evaluation of Futurebuilders (a UK central government policy

initiative to build the capacity of non-profits to deliver public services). The research addressed a ‘real-world’ problem and the report to the Cabinet Office was used as evidence to underpin the House of Lords debate on the future funding



ALEJANDRO MALLEA

Sather Tower, also known as the Campanile, at Berkeley, University of California. Are academics in ivory towers?

of non-profits. That same research informs executive education programmes and features in an article on the role of non-profits in public service innovation in one of the most senior international public administration journals, *Public Administration: An international quarterly*. Research, in other words, can be both relevant and rigorous.

The role of philanthropists, foundations, trusts, fundraisers, and others involved in philanthropic enterprise is inextricably linked with state policy towards the welfare of citizens. In the UK, from the last phase of paternalism in the nineteenth century, where the first resort in times of need was to family and friends supplemented by charity or the parish, through to the consolidation of the welfare state (from 1945), involving a comprehensive system of social services obliging the state to provide basic services to citizens, philanthropy has played its part. In the contemporary period, many advanced democracies, underpinned by liberal welfare regimes (the UK, US, New Zealand, and Australia for example) have witnessed the promotion of the values of self-interest, self-reliance, and individual opportunity at the expense of community and the promotion of public

In my view, setting (academic) rigour and (policy-practice) relevance in opposition in the current climate is a false choice.

services. As states ‘roll back’, the philanthropic enterprise holds the potential to become an increasingly important vehicle for social justice and democracy. To choose to study philanthropy is to choose to study an applied subject matter. Philanthropy scholars develop knowledge and understanding to advance their field (of study) while addressing practice-based problems. I am not suggesting that to have utility, research must serve the agenda of the status quo; the role of research may be to challenge accepted norms so that new ways of doing and being can be realized. I am, however, suggesting that the real issue in the rigour-relevance debate is one of translation.

The role of translation

Many published articles may well be unintelligible to practitioners. This is not because practitioners are a less intelligent, less discerning or less capable audience, but because academics when pursuing publication write in a language and within a context aimed at other academics. There is an inbuilt assumption that the audience reads the same literature and is familiar with the same methodologies etc. You cannot criticize an academic journal article for not being accessible to policy and practice communities any more than you would criticize a family van for not handling like a sports car; they are produced for different purposes and audiences.

The ‘knowledge’ generated for the client report, the teaching materials and the journal publication in the example above was not somehow different in and of itself, but its translation into meaningful messages for distinct audiences requires different intent and styles of communication. Not all academics will have the skills or appetite for such work but the need for it remains; you wouldn’t leave two people who speak different languages in a room together and expect anything productive from the dialogue! So in making research insights accessible and impactful, there is a job to do in speaking the language of multiple communities, which raises the question of who is best placed to do such translation work?

You cannot criticize an academic journal article for not being accessible to policy and practice communities any more than you would criticize a family van for not handling like a sports car; they are produced for different purposes and audiences.

In making research insights accessible and impactful, there is a job to do in speaking the language of multiple communities.

Bridging the gap: whose job is it anyway?

Academia, and the journals that publish academic research, are increasingly concerned with impact, relevance, and with its place in society. When I took on my first academic role following five years or so as a policy and research practitioner in the non-profit sector, I had a strong personal sense of some of this; after my first few months as research-to-practice editor at *Non-profit and Voluntary Sector Quarterly* (NVSQ), I have an even greater sense of it. Publishers have a role in making content available to wider communities for the purposes of translation; the majority of academic research remains behind a closed wall, available only to those with a subscription. Policymakers and practitioners wrestling with social change and reform may well look to philanthropy scholarship for insights that can inform their work, but should also contribute their professional knowledge and experience to the research enterprise; as researchers, we have much to learn from practice and seek confirmation that we are asking the right questions. We need to listen.

That the new editorial team of NVSQ – arguably the preeminent journal in the field of non-profit, philanthropic and voluntarism studies – believe the power of NVSQ research should be reflected in its ability to inform policy and practice represents a significant shift in the landscape of academic publishing. It is a break with tradition that they have chosen to approach this through a concerted and systematic effort to connect research-to-practice through additional areas of translation work rather than dedicating a handful of journal pages to policy and practice papers within what remains a primarily academic outlet. NVSQ intends to remain a leading academic journal publishing the best research in the field and traditional academic metrics around citation and impact will remain important, but we seek to do more than this. We know, however, that we do not have the capacity to achieve our goals single-handedly. Organizations, such as *Alliance*, occupy a unique space at the interface between academic research and practitioner communities, and are well positioned to facilitate a two-way dialogue that connects research-to-practice and practice-to-research. Bridging the gap between academic, policy, and practice communities will take shared commitment and collective action. @

Why non-profit management education is not enough

Eugene Tempel

The call for transparency and accountability in private efforts to carry out public good has focused most of the attention of formal education on non-profit management. Indeed, the dominant model for third sector education programmes today is non-profit management, not only in the US but increasingly around the world. These programmes have been important in helping make the organizations and structures of philanthropy more professional and they continue to be important. However, they are not enough.



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As the work of non-profit organizations becomes increasingly complex, and as philanthropy develops and the demands on it become greater, forms of research and education need to broaden accordingly to embrace the needs of both donors and recipients.

Growing wealth in many parts of the world has intensified the call for expanding philanthropy globally. As governments face social and human needs that they cannot meet alone, there are increasing demands for philanthropy to play a larger role. In fact, in 2016 the vice chair of China's National People's Congress Standing Committee indicated that philanthropy would be a pivotal force in the country's poverty alleviation. There are signs that philanthropy is rising to the challenge. *The Million Dollar Donors Report 2016*, produced by Coutts & Co private bank and the Indiana University Lilly Family School of Philanthropy, found that million dollar-plus giving had tripled across the US, the UK and the Middle East since the first edition of the report in 2013.



However, the continued development of a strong philanthropic sector needs more than non-profit management programmes. It needs forms of education that include the arts and humanities and the social sciences, as well as sciences like psychology, in addition to professional courses in administration and management, finance and budgeting, and planning and evaluation. I have at least two grounds for saying so.

First, expanding education in our field to include perspectives from the liberal arts and the social sciences broadens and enriches non-profit leaders' understanding of philanthropy and the daily work that they do. For example, economists have long been engaged in studying and teaching about philanthropy, fundraising and organizational efforts. They and sociologists have valuable perspectives to add. Likewise, psychologists have helped us understand that donors and volunteers derive physical and psychological benefits from contributing to the public good and intervening in the lives of others. Henry Rosso, a pioneer of professional fundraising and founder of The Fund Raising School at Indiana University said: 'Fundraising is the gentle art of teaching people the joy of giving.' It turns out he was right. But of course this phenomenon has different iterations globally based on historical and cultural context.

Second, the foundation for philanthropy is trust. One of the hallmarks of the modern era of the non-profit sector is a growing concern with accountability and, while a focus on effective programmes and efficient operations are essential to trust, if we are to see the philanthropy sector continue to develop across the world, we will need to move from a consideration of outputs to approaches that also take account of outcomes and impacts.

The larger and more complex our organizations become the more we require sophisticated planning, management, fundraising and evaluation. Effective management of non-profits is one key element leading to the accountability and transparency that help build trust. Understanding donors, philanthropists and funders, beginning from understanding their perspectives, requires sophisticated approaches by non-profit sector leaders who would carry out the public good. And acquiring that understanding depends on educational programmes that provide broad perspectives on philanthropy as a deeply human endeavour. @

Claiming Agency: Reflecting on TrustAfrica's first decade

Edited by Halima Mahomed and Elizabeth Coleman

Reviewed by John Harvey



John Harvey is founding principal, Global Philanthropy Services. Email johnharveyinafrica@gmail.com

The concept of *agency* is a driving force behind a great deal of emergent global philanthropy, perhaps no more so than in Africa. In the context of its traumatic history of colonialism, 'agency' refers to Africans' capacity to create, foster and implement African solutions to African problems.

Agency is certainly core to the mission of TrustAfrica, a Dakar-based foundation that, along with a handful of peer Africa-based foundations, represents the vanguard of modern institutional philanthropy on the continent. *Claiming Agency: Reflecting on TrustAfrica's first decade* explores how this relatively new philanthropic organization has fared over the past ten years. Along with a comprehensive exploration of TrustAfrica's commitment to bolstering African agency, the book seeks to explore TrustAfrica's ability to 'do things differently': if and in what ways is TrustAfrica forging new standards, norms and practices that differ from, and are more effective than, those of traditional global northern foundation peers?

To craft the book, editors Halima Mahomed and Elizabeth Coleman commissioned five independent experts to study and reflect on specific TrustAfrica programmatic initiatives. Two additional chapters provide context on African philanthropy and insider reflections on a fascinating first ten years.

Editors and authors of *Claiming Agency* have succeeded in producing a valuable new title within the growing body of literature on African philanthropy. The content is consistently interesting and well-written. The writing style is often academic but always accessibly so.

Interesting but with certain weaknesses are the authors' analyses of the impact of TrustAfrica's programmes. Authors relied on internal documents and interviews with TrustAfrica staff, donors and funded partners; as such, much of the analysis is observational and anecdotal. Additionally, TrustAfrica's strategic focus is to foment new narratives, initiatives and movements; most of the programmes under review had a three-year operational timeframe, hardly sufficient for evaluating long-term, systems change-centered work.

As noted above, the book's editors promise an exploration of TrustAfrica's commitment to bolstering African agency. On this they generally succeed, each author delineating specific ways in which TrustAfrica has operated to empower its civil society partners. The editors additionally promise to explore TrustAfrica's ability to 'do things differently'. On this too they generally succeed, highlighting good practices that, if not entirely unique within African grantmaking, are certainly rare.



'Agency' in the context of this conversation must surely encompass not just the ways in which TrustAfrica enables agency

but also the ways in which TrustAfrica is itself given agency. On this, *Claiming Agency* regularly makes clear that TrustAfrica's own agency is often constrained. Authors note that very few of TrustAfrica's funders provide long-term general support. Often, TrustAfrica is positioned as an Africa-based partner to global northern funders who to varying degrees call the strategic and programmatic shots. As one author notes: 'A key task for TrustAfrica ... is one of harmonizing these diverse interests'. As an affirmation of African agency, this certainly disappoints.

At the same time, endemic African philanthropy is not likely to come to the rescue any time soon. As the editors note, a majority of emergent African philanthropy 'is not directed at addressing the systemic issues that drive injustice, instead focusing more on ameliorative and reactive responses'. *Claiming Agency* makes clear that unless global north funders liberate TrustAfrica from the many strings they attach, and until African philanthropists and social investors commit themselves to long-term systemic change, the agency of TrustAfrica will be constrained.

On the whole, this book offers a valuable read to students of global philanthropy. For funders working in Africa and claiming their work advances an authentic African agenda, *Claiming Agency* should be required reading. @

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Peter Geithner: an appreciation

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Peter F Geithner, for decades a pivotal figure in the Ford Foundation's programmes in Asia and a long-time catalyst for the development of philanthropy in the region, died in July 2016.

Peter joined the Ford Foundation in the early 1960s and worked there for almost 30 years. He served as deputy representative for India, representative for South-east Asia, programme officer for developing country programmes and as the foundation's first representative for China, in Beijing. Peter also served as adviser to the Asia Center at Harvard University, China Medical Board, Japan Foundation Center for Global Partnership, Rockefeller Brothers Fund and other organizations, and on the boards of bodies such as the National Committee for US-China Relations, China Center for Economic Research, Center for the Advanced Study of India, and Institute of Current World Affairs. 'He was devoted,' his family has written, 'to his colleagues and friends throughout the world and to their aspirations and causes.'

Peter was the guiding force of the Ford Foundation's extraordinary work in Asia after moving to Delhi with his spouse Deborah in the late 1960s. In the ensuing years he worked in or very strongly influenced Ford's extensive philanthropic efforts in Bangladesh, China, India, Indonesia, the Philippines, Thailand and Vietnam. Ford's work in the region has been effective because of its ethos of programming based on local needs and priorities through country and



GEITHNER FAMILY

regional offices; Peter represented, defended and strengthened that philosophy in all his working life for Ford.

In his own right, Peter was an extraordinary philanthropic programmer. He understood and deployed the catalytic role that an organization like Ford could play, with exquisite sensitivity to national priorities, customs and institutions. He worked both to build institutions, and to support and strengthen individual capacity, always making links between the two. His extraordinary ability to really listen to people, and his flexibility, integrity, political sense and the decentralized nature of Ford's work, made him the leading philanthropic programmer of his era in Asia of any nationality.

Peter understood very early that philanthropy could build upon the long traditions of giving across Asia towards developing newer philanthropic institutions and practices. Long before most philanthropic colleagues, he deployed Ford assets to build philanthropic and non-profit institutions and infrastructure in the region. Today Asia is studded with foundations and non-profits and philanthropy has entered

a period of rapid growth. These developments owe much to institutions at local, national and regional levels, for many of which Peter Geithner was the inspiration.

I worked with Peter for many years, beginning when I joined the small team that he led to establish the Ford office in Beijing in late 1987 as the first foreign foundation to open an office in China. He led Ford through the development of clear-sighted programmes in China, and through the difficult times during and after the Tian'anmen demonstrations and government crackdown in 1989. He saw needs and philanthropic opportunities earlier than others. For example, he began exploring the role Ford could play in Vietnam in the 1970s and 1980s, then provided crucial support when I managed and expanded those programmes in the early to mid-1990s. He played similar roles for Ford, and for philanthropy, in many other Asian countries.

With Peter's death and those of Barnett Baron in 2015 and Tadashi Yamamoto of the Japan Center for Intellectual Exchange (JCIE) in 2012, we have lost a key triumvirate of outstanding philanthropic leaders who worked together for many years to build the infrastructure for philanthropy in Asia, and to support the generations of foundation, non-profit and research personnel who have carried forward this work.

Peter Geithner was predeceased by his beloved spouse Deborah, whose own important role in Ford's effective efforts in Asia is well understood by those who knew her. They are survived by four children and nine grandchildren. Alliance mourns the passing of this exceptional philanthropic leader. @

Pamela Hartigan: an appreciation

Gayle Peterson and Pegram Harrison

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Pamela Hartigan didn't have current events in mind when she wrote about the power of unreasonable people. Her book *The Power of Unreasonable People: How social entrepreneurs create markets that change the world* is certainly not on Trump's bedside table. But Pamela would have been energized by the challenge of dealing with the populist brand of unreasonableness that is currently holding sway in the world. She relished challenges. And she faced them squarely. And she overcame the most enormous obstacles, so that the world is undoubtedly now a better place.

Pam died in August 2016. Of course, she must have been annoyed about leaving with such new challenges arising, and much unfinished business besides. But also, she must have felt enormous satisfaction that the people and networks and ideas she empowered in her eventful and incredibly productive life are up to the challenge. The legions of appropriately unreasonable people she taught and inspired and unleashed on the world are carrying forward her legacy.

Born into a diplomatic family, she was no diplomat – at least not in the traditional sense. But perhaps living as a child in the shadow of the Trujillo regime in the Dominican Republic, or cutting her teeth on community health work in Washington DC in the 1970s and 1980s, or combatting AIDS/HIV in Latin America with the World Health Organization in the turbulent 1990s, she learned how to speak truth to

power – particularly corrupt power – without compromise. She described herself as a lifelong bridge-builder. That's different to diplomacy; it's more immediate, more pragmatic, and sometimes, somehow, more effective.

When approached by Klaus Schwab to work at the World Economic Forum she said: 'I would not work for this man if he were the last man on the face of the earth.' Then she went to work for him – and to work with him moving the forum in new directions. Pamela knew that entrepreneurs were truly changing the world. Harnessing that power to political and financial clout, she reasoned, would achieve legitimacy for the new social and economic models of change all those entrepreneurs were developing below the political world's radar.

It was an unreasonable idea to harness unreasonable people, and – unreasonably – it started to work. Then in 1998, with the bursting of the dot.com bubble, much of the money behind Pamela's efforts dried up. She said it was the best thing that ever happened to her. She found another way. She built a movement instead of an organization. The idea of social entrepreneurship is a more durable legacy than any tangible thing. And though it wasn't her idea originally, by any means, its

wide acceptance and ever-growing legitimacy are certainly among her most powerful achievements. She even said she despised the term, because entrepreneurs are entrepreneurs. But because of her, those people, their actions, the movement – that's unstoppable. Sally Osberg, president and CEO of the Skoll Foundation, said: 'Her great gift was an ability to recognize those people who had what it takes to go the distance, to achieve impact at scale ... She worked tirelessly to nurture this essential spark. Her talent lay in gathering people who would transform systems.'

Her colleague John Elkington, with whom she co-founded business consultancy Volans in 2008 to achieve 'breakthrough capitalism', described her as a 'strange attractor, exerting a magnetic pull on her surroundings, drawing previously random actors into more energetic configurations'.

At Oxford, where we were privileged to know and work with her, Pamela kept up the pace. Conservative and traditional, Oxford is almost the unlikely place for a social entrepreneurship movement to take root and grow with such strength. But if she could build here so successfully, she could build anywhere and everywhere. Peter Tufano, dean of Oxford's Saïd Business School, gave an affecting tribute to Pamela on behalf of the university: 'Pamela was unreasonably principled, unreasonably kind, unreasonably practical, unreasonably optimistic, and unreasonably determined.'

We need no reason to celebrate Pamela: she will be missed, but no one is untouched by her life, achievements, and her glorious unreasonableness. @

Tribute to Peter Hero

Philanthropy driving innovation

Catherine Brown

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It was the saddest news to hear in August last year that Peter Hero had died of cancer. There are people who spread ideas and influence far and wide during their lifetimes. Peter Hero was one of them. Philanthropy across the world was lucky to learn from his enthusiasm, creative thinking and deep knowledge of giving over the last three decades.

Peter Hero took the Silicon Valley Community Foundation from \$9 million to \$1.2 billion in assets over 18 years. He encouraged the young tech tycoons, including Jeff Skoll (founder of eBay) to develop a culture of philanthropy focused on social impact. In addition, the community foundation movement in Australia was heavily influenced by Peter's ideas and leadership.

The first time I met Peter, he was our guest expert speaker at the first Australian Community Foundation Forum in 2000. He

was confident that Australia would benefit from more community foundations and that in time the movement would grow, as it had in the US, Canada, Europe and then around the world. He never tired of explaining the most practical of aspects of running a community foundation – from engaging with donors, backing not-for-profit leaders, funding social enterprises and growing the profile of community philanthropy. When he first visited us, there were only a handful of community foundations in Australia. Now there are 36. Peter was a wise counsellor to many community foundation leaders in Australia. His passion for inclusive philanthropy was also reflected in his interest in donor giving circles, especially through Social Venture Partners.

Peter had a way of exposing people to new ideas and new programmes that would help them become more effective philanthropists. I remember hearing him speak at the Skoll World Forum in 2014: donors, he said, need to know how they fit in the problem-solving pipeline. They know the why and the what; they want to know the *how*.

He was also committed to supporting innovative processes and solutions. He promoted the role of philanthropy in supporting innovation. His background in Silicon Valley made him unafraid of investing in start-up not-for-profit social enterprises. His more recent work was as strategic adviser at the Fogarty Institute of Innovation, which deals with innovation for start-ups and companies eager to learn how to

innovate in the medical device field, and education for the next generation of inventors.

Peter was also passionate about impact investing, and with some of his Skoll Foundation colleagues, Richard Fahey (COO, Skoll Foundation) and Dipender Saluja (MD, Capricorn Investments), he came to Australia at my invitation to share knowledge about impact investing and philanthropy with our board and the wider philanthropic sector. This was a turning point for our foundation and many other local foundations. We have since made three impact investments.

Peter was generous with his time and his ideas. He agreed to be an expert adviser on my PhD studies and I remember a particular piece of wisdom from one of the skype conversations we had on the subject. He was the only person to suggest that a foundation that has many sources of income would be more likely to be open to innovative practices and projects. He thought that by its nature this would be a more outward-looking foundation. My research is still under way but his fresh thinking is part of my work.

Peter made a profound impact on community foundations in both the US and Australia through his knowledge and his leadership. He showed me and many others the transformational potential of community foundations. He understood that all parts of a community want to be able to make a difference and give as they can. I will greatly miss his wonderful, questioning and creative mind and his kind heart. @

