Emerging trends in global philanthropy: Some reflections

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Abstract
Emerging trends in global philanthropy are explored, within a broad characterisation of philanthropy, expressing investment, human capacity and spiritual actions. Two central trends are identified: the growth of multiple structures and forms for philanthropy delivery, and the personalisation of philanthropy. The embedded trends of impact review and collaborative working are considered. Also more nascent trends of philanthropy’s learning from its failures and purposeful interactions with beneficiaries. It is argued that philanthropy’s multiple forms, such as foundations or social enterprises, are better understood as prototypes, for further development, than as perfected means of philanthropy’s delivery on the global scale.
Introduction

Global philanthropy, though often understood narrowly as national cross-border giving, represents what Leat calls the ‘globalising’ of philanthropy, that is, the means and processes by which philanthropic institutions and practices are spread, shared and interact globally.\(^1\) As important and demanding as cross-border giving is,\(^2\) this processual approach has an explicit action-orientation. This is important not least, as Martin argues, “global philanthropy increasingly seeks to address social and environmental needs of great magnitude”.\(^3\) The growth and the reach of philanthropic individuals and institutions worldwide demonstrate a series of emerging trends in response to changes in the supply and nature of global wealth (wealth transfers, wealth generation, new and old wealth sources), to changes in the demands and needs of global civil societies; and to the nature of the values that underpin understanding of what is meant in societies by ‘wealth’ and by ‘need’. For Salamon, the nature of philanthropy’s expansion globally is occurring to the point where ‘we seem to be in the midst of a `global associational revolution,’ a worldwide upsurge of organized private voluntary activity.\(^4\)
Paradoxically, from these globalising developments, there arises a growing recognition that the era of ‘defining philanthropy’ is now passing. The World Congress of Muslim Philanthropists’ existence for example demonstrates that philanthropy now takes so many forms, from financial to human and social capital provision, that a narrow definition seems presumptuous and a wide, portmanteau definition seems pointless. Philanthropy’s shared characteristics then become more important than a single definition.  

Moreover, different emphases on the nature of philanthropy co-exist globally. Broadly, philanthropy may be understood as an investment model of giving, which may develop further towards social investment rationales in business generally, and form part of the landscape of social investment and its particular investment rationales, as Nicholls explores. An investment approach focuses on “performance” and philanthropic results, taking an essentially calculative and delivery–oriented approach, with donor intent invariably highly specified. Philanthropy may also be understood as a human capacity model of giving... emphasising and demonstrating “presence”, focusing on empathetic and reciprocal relations between door and donee as an approach to philanthropic action. In turn, this duality may subsumed by or, alternatively, reflected in a spiritual capacity model of giving, which concerns “piety” in the sense of taking a faith-guided approach which holds that faith can and should be expressed through obligation and responsiveness, and in the way in which lives are lived.

Philanthropy exemplified through performance, presence and piety approaches then appear concurrently, singly and in differing combinations, on the global philanthropy
stage. This in turn is both supported and challenged by global communications systems and opportunities, well beyond the experiences of ‘E-philanthropy’, which are transforming opportunities to act philanthropically, globally and ‘glocally’ and to attract philanthropic funds 10.)

This paper, in the context of this ‘wide-open’ approach to defining philanthropy, examines some of the emerging trends in the global field, and their implications for global philanthropy’s onward trajectory. These trends are presented in three groupings. The first concerns ‘global philanthropy’s forms and styles’, and considers two trends, the continuing expansion in philanthropic forms and structures, some presented as the pinnacles of such structural achievement; and the second, the emphasis on the personalisation (or re-personalisation) of philanthropy where immensely wealthy individual donors come to dominate the global scene. The second concerns global philanthropy’s ‘practice hallmarks’, those of measurement of philanthropy’s results in terms of ‘impact’, and of collaborative working within and beyond philanthropy, for enhancing that impact; already so embedded as to be beyond trends, and practice ‘facts of life’. The third groupings concerns those trends which remain nascent or still emergent, mostly more aspirant and real, philanthropy’s learning from its failures openly and the extent to which relations with beneficiaries are high on philanthropic institution agendas.

**Trends in global philanthropy’s forms and styles:**

(i) **Multiple structures for acting philanthropically**
If a broad, non-final-definitional approach to the nature of philanthropy is taken, from the perspective of ‘what gets philanthropy to work’, (that is the institutions of philanthropy which deliver and express its work), an overarching feature of global philanthropy is the co-existence of multiple philanthropy institutional models. These range from the formal and philanthropic MNC-equivalent to the informal social giving group or individual, from the ‘pure’ approach giving episodically and altruistically to communities, states and regions, distant as well as close, to the ‘mixed’ approach, with its varieties of merger between philanthropy and profit that are summed up in the term ‘social enterprise’, or in the activity of the ‘social entrepreneur’. For some, the latter, representing a value based underpinned by “philanthrocapitalism” and thus by the creative ‘philanthropreneur’ offer the most promising futures (and structures) for philanthropy to achieve its aims, whether wholly socially motivated, partially so, or as a subsidiary of a for profit firm. More conventional corporate philanthropy structures are a variant on this approach, despite the whole notion of ‘corporate philanthropy’ being contested., for example examination of ‘capitalist philanthropic foundations’ involvement in the process of agricultural commodification in sub-Saharan Africa. For others, the contrasting deliberately and overtly charitable status of philanthropic institutions is the preferred institutional structure, reaching its apogee in the institutional form of the ‘foundation’; a self-governing, autonomous though usually externally regulated philanthropic institution, the construction of which may the height of ambition in its own right. The convening as well as experimental power of leading foundations in international development is a consistently critical factor in the promotion of the foundation model. (For example, the purposes and abilities of the Rockefeller Foundation
in bringing together foresight and development expertise for ‘smart globalisation’.\textsuperscript{14} It is as its most notable in the establishment of the ‘family foundation’, where “variegated cultural factors”\textsuperscript{15} are prominent in its creation, where growth, nationally and internationally, is marked \textsuperscript{16}, and where highly individualised donor choices are expressed and practiced.\textsuperscript{17} (See for example, Reddy’s analysis of the Lien Foundation, exemplifying ‘radical Asian philanthropy’; \textsuperscript{18}

What is important as well as intriguing about these multiple models is the extent to which they appear to offer, in their different ways, an ultimate form for philanthropic delivery, and may be seen by their various proponents as “the best” way to approach philanthropy globally (whether the ‘latest’ or the ‘tried and tested’ form.) Yet it may be more helpful more helpful regard them all as ‘philanthropy prototypes’, rather than ‘philanthropy models’, not least since the term ‘model’, in English, also carries the meaning of being excellent or exemplary as well as capable of being copied, and small scale. Not all philanthropy ‘models’ are necessarily model, in that first sense. A prototype by contrast, may be an original type or form, serving as a basis and standard for later forms, a working, new version of an existing form, or simply an early, typical example. From prototypes, further, different or improved forms will variously developed and improved – or, importantly, shelved, or discarded. Thinking about the philanthropic landscape as populated by philanthropy prototypes (rather than ‘final types’) suggests to us that all philanthropic activities are in different ways all transitional and none finalised, complete or wholly perfect. This seems a critical aspect for global philanthropy, where elevation
of the form and structure of global giving over another may itself limit what philanthropy may achieve.

What then are the shared characteristics which philanthropy prototypes share? It can be argued that they are threefold; that philanthropy is characterised by ‘disposition’ (the intention, the willingness, the plan or the impulse to act philanthropically), ‘effort’ (the recognition and practice of the demands which are made by philanthropy) and ‘ambition; (the drive to be successful with ideas for change). The trends seen in philanthropy, whether they are judged passing fashions or major advances, will all cluster around these three characteristics.

(ii) the personification of philanthropy

Access to web search engines and their links to social media, for ‘trend spotting’ provides a swift picture of what is being talked about in global philanthropy. Generally, these here show major traffic volume increases in the topic of philanthropy year on year, as well as highlighting geographically the highest number of news items yearly, (dominated in one leading search engine, unsurprisingly, by news items for the US, with the second most prominent, news items from the Singapore media; demonstrating the extent to which philanthropy as a news item in its own right is increasingly important in Asia. )

What is immediately apparent from search engine usage is the trend for ‘naming names’. Thus, the names and personalities of key philanthropists are once again, after their mainly
nineteenth century grand scale appearances, central in creating public awareness of and interest in the practice and the achievements of philanthropy. The disposition, effort and ambition which come together in these mega-major donors’ contributors’ actions are for some people almost ‘the whole story’ in philanthropy. This is the ‘personification’ of philanthropy; or perhaps re-personification (following the trends of history and the ‘famous names’ whose hospitals, sacred buildings and other works testify to their generosity over centuries.).

From this trend, other trends-cum-initiatives grow, such as the US initiated “Giving Pledge” and its variations in other countries. This is strikes at the heart of the characteristic of the ‘disposition’ for philanthropy and, seeking emulation, is designed from the start to propel a continuing trend. Yet the Giving Pledge as a sub-trend of personification is not without its difficulties. For example, the cultural issue of its relevance—even feasibility—to philanthropy in Asia; it is already being debated in a range of social contexts, where confidential or anonymous, or low—visibility, if not nil visibility giving, is also prized.

In fact, personification does not and should not necessarily mean emulation—especially if philanthropists go round copying what others are doing, the worst outcome of following a trend without thinking through its implications. At the launch event of Pharoah et al’s latest research on family foundation trends in November 2011, for example, a panel of leading British philanthropists considered a key example of global philanthropy’s personification, the decision by philanthropist Warren Buffett to channel a
major portion of his most recent giving, into the already globally significant and high-impact-minded Bill and Melinda Gates Foundation, rather than work independently. (This in-effect merger of funds had all the hallmarks of philanthropy as investment, a widespread contemporary conversational trope or figure of speech, with its recognition of the results which the funding organisation, its style, its management, its leverage track record, demonstrated.) Some panellists gave a warm welcome to this ‘lead’, In terms of the ‘disposition’ of philanthropy, this appeared both self-effacing and sidestepping the commonsense horror of our time, ‘reinventing the wheel’. One panellist however, argued for the contrary case, basing his argument on his own experience as an ‘entrepreneurial philanthropist’, where he felt that successful ideas in business enabled him to re-create and seek to re-create these in philanthropy. In the field of global health, the focus for this ‘merged’ work, the problems were so huge that they needed and deserved “all the brains that they could get”. Hence it followed that since this donor was himself a leading business entrepreneur, he should, alternatively and preferably, have put his brains as well as his money, directly to work on these social problems. In other words that entrepreneurs who enter philanthropic domains have a responsibility to deploy their ‘problem spotting’ and ‘problem solving skills’ as well as their money.

For some in the audience this was a question about ‘disposition’ and ‘doing the right thing’, but for others, it was also about ‘effort’ – and the effort that comes from exercising the brain, the intellectual as well as the financial capital that should be brought to be on complex social problems which may never be solved by ‘only one answer’. This then becomes a required position for all philanthropists, not just those
who have or who claim a specially entrepreneurial set of insights. What this approach also suggests is that the trend of growth internationally of nonprofits numbers generally, and of philanthropic institutions in all forms, is a trend to be welcomed. Even if it makes philanthropy less coherent, less neat, less tidy, and less easy for governments to deal with. From the personification perspective the very untidiness of philanthropic action is itself to be welcomed, as a sign that multiple brains as well as multiple dispositions and efforts are in play. Some of them, will necessarily challenge as well as support each other’s ways of working and identification of social solutions.

**Trends in global philanthropy’s ‘practice hallmarks’**

Some trends appear so highly embedded in philanthropy practice and discourse, globally and nationally, as to be no longer ‘emergent’, and strongly fixed if not permanent sector features. Nevertheless some may be more fragile that they first appear.

1. **Measurement of philanthropy’s results in terms of ‘impact’**

Driving forward the impact agenda in philanthropy to raise up achievement is by far the most prominent. Whether not impact philanthropy is seen as a “new model of altruism”, as Duncan argues, the search for impact demonstration, where the effects of giving are both marked and measurable is unstoppable.; leading in term to the widespread approbatory use of the term, ‘high impact philanthropy’. This seems an unnecessary qualification, if not oxymoron, to the extent that philanthropists hardly prefer to do ‘low impact philanthropy’, in the sense of producing minimal or negligible results. This should
be understand as distinct from low levels of philanthropy. The giving of a philanthropist with very limited income, and able to give only tiny amounts may nevertheless achieve major impact, regardless of the amount of the gift. Despite this, ‘impact philanthropy’ conversations are captured primarily by or on behalf of high(er) level givers.

Impact philanthropy as both goal and outcomes, requiring a recording, measurement, publication and data comparison actions is nevertheless a contingent experience, facing challenges of time, costs, interpretation and attribution; and not a toolbox for change on its own. The intricacies of using particular measurement and judgment frameworks for gauging impact are becoming increasingly studied and practiced. For example the trend towards using Social Return on Investment approaches to discover and uplift outcomes and impact, may be occurring within the nonprofits themselves seeking funding from philanthropy as among philanthropy itself. Thus the fund seeker becomes more sophisticated and adept than the fund-provider.

This embedded trend, now so characteristic of philanthropy, that it supplies the testbed for philanthropy’s prototypes, reflects clearly the ‘ambition’ element of philanthropy. From this perspective however, the trend of endorsing extensive impact measurement by philanthropists may lead to too-early claiming of high impact results; and bend philanthropists’ dispositions towards very public endeavours. In business terminology, this emphasises ‘big wins’, rather than interest in and effort to respond to chronic, long lasting and inter-related social problems, where sustaining the appetite for impact measurement is itself a challenge.
(ii) **collaboration in philanthropy**

The key collaboration relationship for many philanthropic activities, notably on the global scale, is that between philanthropies and governments. As pressures build around the Millennium Development Goals, it is impossible to see these as securable without philanthropic commitment; however governments, nationally and internationally, may increasingly have too great a level of expectations of what philanthropy can achieve and not just in MDGs…A 2011 special edition of Public Management Review philanthropy-governmental collaboration; explored this trend across national boundaries. Its editors noted the papers’ reflection of “governments’ enchantment” with philanthropy.\(^\text{25}\) Yet this trend does not fit well with philanthropy’s historical and contemporary autonomy, and for some governments, philanthropy will not provide the rescue plans they may envisage. It goes without saying that when the two key trends of impact measurement in philanthropy and collaboration as a key action of philanthropy come together, the resulting uncertainties – or the need for high levels of trust - between partners at all levels will become pressing. Indeed it would be hard to argue that high levels of trust between organisations is a marked trend in contemporary philanthropy; although this may well be achieved among some individuals whom others hold to personify philanthropy.

**Nascent trends in global philanthropy**

(i) **focusing on failure**
A third group of emerging trends, more aspirational than achievable; often flagged by commentators, but very much at the start of their emerging journey, are now considered. These remain part of the ‘ambition’ element in philanthropy, perhaps even stalled in their journey forward. They include the timid trend is of opening up of discussion about philanthropy’s failures, to help and share learning, to point to alternatives ways of action, to make it clear (as well as claiming) that philanthropy is risk taking as well as reacting. Like discussions elsewhere on ‘creative philanthropy’, whilst this seems to be more encouraged and discussed. Unsurprisingly, the preference is for success stories and their capacity to “galvanise philanthropy”, as Ditcoff and Colby emphasise. Limited retrospective accounts, such as Wooster’s ‘great philanthropic mistakes’ draw some attention to the field; as do seminal papers such as that of Giloth and Gewirz on philanthropy’s mistakes as “an untapped resource”. However, there is little evidence of, for example, many contemporary case studies on programme failure or revisiting of strategic goals in the light of internal or external difficulties entering the public domain, and supported by philanthropy. Word of mouth, inherently unreliable, may have to suffice. As yet, following Darling and Smith these remained “lessons(not yet) learned”.

Failures’ in this context does not mean the personal difficulties or public scandals which can engulf philanthropic as much as any other organisations, but the less-than-successful managerial structures and styles, poor policy decisions, uninformed socio-economic choices and limited implementation capacities and sensitivities that affect adversely the working—out of philanthropy’s objectives and delivery of its promises. A far more strongly expressed and practice link between the proponents of impact measurement and
the advocates of learning through open sharing of failure would be a most significant
trend in its own right.

(ii) relations with beneficiaries

A further nascent and interlinked trend, is that of philanthropy’s changing and pro-active
development of relations with their beneficiaries and grantees, a challenge for national,
regional and local philanthropy as much for global philanthropy. Again, ‘encouragement’
to widen interaction and learning opportunities here is marked in practitioner and some
academic literatures, for example, given particular expression through the formalisation
of foundation learning from grantees’ surveys. The question is nevertheless begged as
to what kinds of emerging trends in philanthropy would be highlighted by beneficiaries.
Would the measurement and reporting of philanthropy’s impact, for example, be seen as
supportive or divisive, as developmental, demanding or penalising, as trusting or
doubting?

Some limited developments in philanthropy-beneficiary relations are occurring. Far from
representing any clear trend (for example, beneficiary empowerment, or at a lower level,
systematic beneficiary engagement), they suggest some shifts in philanthropy thinking,
albeit patchy; for example widening usage of grantee perception reports to amend
strategy (‘what do they think of us?’), consideration of philanthropy’s relations, communications with and feedback to those it declines to fund (‘what do we say to and
about them?’) and governance changes to incorporate or explore users and
beneficiaries on boards (‘can we become us?’). Research as well as practice reporting and further layers of pro-beneficiary advocacy within philanthropy has a role to play; for example considerations of philanthropy’s public presentation of its beneficiaries (the hungry or the well fed child, the new build or destroyed home, the distraught or delighted parent). In particular the voice of the beneficiary has a key role to play in the contested debates about assigning impact, as well as being drawn in to assenting to impact and becoming mere ‘measures’ to fit philanthropy’s goals.

Conclusions and reflections

These trends – the ones that are so familiar and the ones that may be expected to strengthen - represent challenges for decisionmakers in philanthropy, both global and local, in the form of interlocking parts of the philanthropy puzzle. The analogy of a puzzle is relevant especially where it draws attention to some philanthropists’ lack of patience, when ambition drives a sense of saying ‘just tell me what trends matter, and in what order and when’.. Moreover, there seems to be a fine line for global philanthropy when a trend ceases to be a fashion (which might not be worth following anyway) and becomes ‘an advance’?

Some trends may lend themselves more than others to application in relation to the specific fields of philanthropic action. For example the UBS-INSEAD study of Asian Family Philanthropy, which contains country by country assessments, reports that over 40% of their Malaysian philanthropist respondents were giving primarily to education. This is arguably an area where the” impact debate” has been early, important and lending
itself to technical data collection as well as to social data development; and where a wide range of stakeholders will be developing views on the interpretation and importance of education impact measures. (Thus impact development appears more immediately challenging for funding fields such as transport infrastructure in poor rural areas or performing arts.)

From strategic perspectives, what are the early mover advantages in trend-responsiveness or advocacy; or the late(r) mover advantage, when learning has been shared? This seems to be an especially critical area for exploring impact in philanthropy, where early adopters are varying in their response (for example, in terms of using highly technical measures) or recognising the need for flexibility in using, delivering, even talking about ‘impact’, how, why and where it happens. Will the ‘ambition’ in philanthropy that is inherent within it make most philanthropists early or even first movers for some of these trends? Or will ambition often limit the embedded nature of some trends, or blunt their advance, because of the individualistic and independence-minded core of philanthropic action? For global philanthropy especially, the challenges of independent and individualistic action are the more pressing if global progress is to be achieved as well as sought. Paradoxically and simultaneously, the rise of and donor ‘pull’ of what is becoming known as the “philanthropy of place” is encouraging a renewed understanding of local as well as global needs. For global philanthropy, achieving a renewed understanding of the importance of ‘place’ in its work is thus growing; an area where beneficiaries – as strategists as well as ‘voices’ - have a potentially strong role.
The suggestion that philanthropic action types – foundations, social businesses, advocacy bodies, direct and mediated giving – may be better understood as prototypes, rather than finished or perfected or final ‘models’, encourages a view of continual development and improvement in philanthropy’s delivery modes and mechanisms. Thus for example, foundations’, or social enterprise’ means of delivering philanthropy are important but are not – or never – ‘the last word’ in philanthropy forms. To take a too-transitional view of philanthropy’s delivery means could be risky, if it led to extensive neglect of the importance of structures per se. Yet a prototype mode of thinking ensures that structures and systems are not elevated above purpose. Among the harshest critiques of philanthropy is that its disposition and ambition outruns its ideas and its efforts; with all the disappointment, exhaustion and even harm that that brings to individuals, communities, regions, nations and continents. Efforts to improve structures whilst living with the realities of prototypes – in the sense, for example, of needing a machine that will fly the next week rather than the next decade – are therefore needed. A perpetual prototype approach might even suggest some limited competition as well as collaboration between forms. Finally, a prototype way of thinking may also put emergent and observed trends in context, suggesting not only only the soaring flight of some philanthropy models but the quiet demise or noted crash of others.; a continual process in which the current trend of attention to all things “impactful” is only one contributor.
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