BRAVE NEW WORLD 2017

Could this be philanthropy’s finest hour?

Registered charity number 268369
Rhodri Davies works at Charities Aid Foundation (CAF), where he leads “Giving Thought” – CAF’s in-house think tank at www.givingthought.org – focusing on current and future issues affecting philanthropy and the charitable sector.

He has researched, written and presented on a wide range of topics – from the history of philanthropy to the charitable applications of cutting-edge technologies – and is much in demand as an adviser to governments, businesses, charities and philanthropists.

The following “Brave New World 2017” article is an adapted version of the original article, published on the “Giving Thought” think tank in November 2016.

Rhodri is also the author of CAF’s book Public Good By Private Means: How Philanthropy Shapes Britain which tells the story of philanthropy through the ages. It examines the relationship between philanthropists, the state and society, and throws light on the successes – and occasional spectacular failures – of great philanthropists from the past.

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There is no doubt that 2016 was, by any measure, a remarkable year. The Brexit decision here in the UK and then on an even larger scale the election of Donald Trump in the US – following a hugely divisive and bitter campaign – sent shockwaves through established political and social structures, and undermined much received wisdom about how the world works. As a result, it feels as though we are living in a different world to the one we inhabited previously.

Furthermore, 2016 also happened to be the year in which I brought out a book all about what history tells us about philanthropy in modern society, *Public Good by Private Means: How Philanthropy Shapes Britain*; so big picture questions about the role of philanthropy now and in the future have been very much at the front of my mind. In this context, I think that the changes we have seen in the last year have potentially huge implications for donors and the organisations they support. There will be significant challenges, but also huge opportunities for philanthropy to act as a counterweight to the forces of intolerance and hatred and to play a key role in healing some of the divisions that have become apparent in societies around the world. If philanthropists are willing to step up to this challenge, the years ahead could come to be seen as philanthropy’s finest hour.

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The impact on philanthropy of Brexit, Trump et al will be felt both directly and indirectly. In terms of direct impact, there may be changes in political attitudes towards philanthropy and the work of civil society organisations (CSOs) – or even concrete changes in legislation and regulation – as a result of new regimes coming to power and new political narratives taking hold. There may also be shifts in public attitudes. In the UK, charities are already struggling with a decline in public trust,1 and it is quite possible that growing antipathy and suspicion levelled at ‘the political establishment’ and ‘the mainstream media’ in recent times will spill over and make this problem even worse.

In terms of indirect effects, these events have brought to light divisions and issues within society that were at least partly hidden or ignored. The immediate upturn in hate crimes in the UK following the Brexit vote is an example of this: 2 it was not caused by the vote to leave the EU, but is symptomatic of many of the same underlying factors that resulted in the Brexit decision and which have subsequently been exacerbated.

In general, there is a real danger that in a climate of increased social conservatism and nationalism, attitudes and views that until recently were seen as unacceptable become legitimised and those who hold them become emboldened to act accordingly. There will be plenty of work for philanthropists and CSOs to do, addressing both the underlying causes of the situation we find ourselves in and the effects of the changes that have been brought about.

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THE OPPORTUNITIES FOR PHILANTHROPY

So what can philanthropists and the organisations they support actually do? I think there are a number of crucial roles for philanthropy to play, each of which brings its own opportunities and challenges. Philanthropy can help to:

1. Understand the divisions in society and what has caused them.
2. Address those divisions.
3. Support networks of organisations that can act as early warning systems of future unrest.
4. Offer a pressure release valve for those who feel left behind, as an alternative to violence and unrest.
5. Stand for facts and evidence.
6. Act as a bastion of progress and challenge regressive actions and views wherever they are to be found.

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But none of this is going to come easily. There are significant challenges to overcome if the potential for philanthropy to act as a major positive force in this new world order is to be realised. Let us consider some of these challenges.
PART OF THE SOLUTION, OR PART OF THE PROBLEM?

One of the main challenges when it comes to using philanthropy to address the underlying causes of divisions and tensions within society is that philanthropists (and the charities they support) are likely to have been on the other side of the argument from those who voted for Brexit or supported Trump.

This is not about being left-wing or right-wing. For a start, I have never really bought the claim that people who work in charities are all left-wing, and it certainly isn’t the case that most wealthy philanthropists could be accused of harbouring socialist views. And in any case, the old divisions of left and right seem somewhat redundant: there are many from both the traditional left and traditional right who voted for Brexit, and Trump supporters are just as likely to savage establishment Republicans as they are Democrats.

It is more about different attitudes towards economic and cultural progress: those who have largely benefitted from globalisation and social liberalisation are likely to reject Brexit/Trump, whilst those who feel left behind and see a chance to stem the tide of what they see as undesirable change are likely to be in favour. In this context, it is easy to see that charities and philanthropists are bound to come under fire because they are predominantly economically and socially progressive, and thus will be seen as part of the “establishment elite” that is the focus of so much ire.

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Both charities and philanthropists must share some degree of blame for the situation they find themselves in: as with so many other actors in society, it is almost certain that many (but not all) have become encased in ‘filter bubbles’ which have prevented them from understanding or addressing the sorts of issues that have now come erupting to a head. A lot has been written about the danger of filter bubbles on social media in the wake of the US election, and individual philanthropists are just as likely as anyone else to succumb to the temptation to surround themselves with those of a like mind to the exclusion of others. I have explored the detrimental impact that filter bubbles and social siloes may have on charitable giving now and in the future elsewhere on the CAF Giving Thought blog.3

CSOs should be less susceptible to this sort of criticism, because by their nature they are supposed to work across siloes and reach out to the disaffected and marginalised in society. Yet many of them were still caught by surprise by depth of the divisions revealed by recent events and the vitriolic nature of so much of the debate. Why was this? Are CSOs guilty of creating their own bubbles or echo chambers and thereby taking their fingers off the pulse of what is going on in society? 4

One thing is for certain: if philanthropists and CSOs are to play a key role in addressing the issues at the root of the current situation we find ourselves in, then they will have to find ways to break out of any filter bubbles they might have created.

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3 See the posts, “Is technology making us care less about each other?” and “Uncomfortable reality: 3 ways Augmented and Virtual Reality could change charitable giving” on www.givingthought.org

If philanthropy is to be used to try to address some of the issues laid bare by Brexit and the rise of Trump, then getting the power balance right will be crucial. This is always one of the great challenges of successful philanthropy; as the inherent imbalance between those who do not have resources and need help and those with resources trying to help them means that there is a constant danger of slipping into modes of giving that are patronising, dehumanising or disempowering. In the current context, the danger is that any initiative that is seen as an effort by the wealthy, liberal establishment elite to “educate” or “correct the views” of those whose views on economic and social issues are very different to their own will not only fail, but actually make the problem worse.

Philanthropists who want to play a part in addressing such issues must therefore go in with an open mind and be willing to find ways of engaging meaningfully with those whose attitudes and opinions differ from their own. It is also vital to realise that this isn’t necessarily going to be comfortable, and they aren’t guaranteed an armchair ride: opinion on many issues has become hardened and discourse far less civil, so trying to find constructive middle ground will be an uphill challenge.

One way of overcoming this may be to seek out organisations that have existing links with the groups or communities in question, and using their legitimacy to minimise the risk of antagonism. Similarly, it is important to look for ways to build legitimacy by strengthening grassroots support for organisations. Hence philanthropists should actively try to use their funding to bring on board other supporters (both other philanthropists and mass-market donors). This will not only give the organisations a greater overall mandate, but will also allow them to play the role of a “nursery school of democracy” which the Nathan Committee identified as so vital when assessing the role of the voluntary sector in the newly-formed welfare state back in the 1950s.5

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This may make addressing the divisions within society sound like an overwhelming task and hence an unappealing prospect for philanthropists, but any reluctance must be put to one side. Firstly because it is in addressing such challenging and potentially awkward issues that philanthropy really proves its worth. And secondly, because the opportunity cost of not addressing these divisions is potentially so great. Winston Churchill put this starkly in a speech during his time as a Liberal:

“The greatest danger to the British people is not to be found among the enormous fleets and armies of the European continent… It is here, close at home, close at hand in the vast growing cities of England and Scotland, and in the dwindling and cramped villages of our denuded countryside. It is here that you will find the seeds of imperial ruin and national decay – the unnatural gap between rich and poor, the divorce of the people from the land, the want of proper training, and discipline in our youth, the awful jumbles of an obsolete Poor Law, the constant insecurity in the means of subsistence and employment… Here are the enemies of Britain. Beware lest they shatter the foundations of their power.”

Fear of unrest as a motivation for philanthropy has been around for hundreds of years. Thomas Barnardo (the founder of the children’s charity which still bears his name) even made it a central plank of his fundraising strategy, arguing that “every boy rescued from the gutter… is one dangerous man the less” and that he feared there would come a time “when this seething mass of human misery will shake the social fabric, unless we grapple with it more earnestly than we have yet done.”

But is philanthropy in any way an effective tool for quelling unrest? Many wealthy donors in the past thought that their beneficence would by itself solve the problem, because the poor would be so struck with gratitude that they would forget their concerns about inequality and go peacefully on their way. However, this seems like a rather naïve and patronising view, and any modern philanthropist who thinks that their generosity will, in and of itself, be enough to overcome resentment and division is in for a nasty shock.

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That is not to say that philanthropy cannot play a part in quieting unrest, but rather that this will not simply happen automatically: the causes supported and the approach taken are absolutely vital. For one thing, it may not simply be about supporting causes which seek to convince the world of your own views: instead it may be necessary to support organisations which offer a constructive way for those on the other side of the argument to channel their concerns so that they do not spill over into vitriol and even violence.

Acting as a “pressure relief valve” in this way is one of the most important functions of civil society, but one that is often not fully appreciated by governments and others, who instead mistakenly try to repress civil society and stifle its voice and are then surprised when people turn to demonstrations and riots to vent their anger. My colleague Adam Pickering, International Programme Manager at CAF, has previously written about this situation playing out in Egypt in a piece for the New Statesman.8

In order for civil society to play this role as a pressure relief valve for dissent, two things are absolutely vital. The first is that there is a plurality of organisations representing the full range of view points within society. The second is that those organisations are able to engage in political discourse (with a small ‘p’) in order to highlight concerns and challenge public opinion and government policy, and that arbitrary or unwarranted restrictions on their right to speak up are not imposed. That is why the current global trend of the ‘closing space for civil society’, in which governments seek to curb the voice of CSOs is so worrying. And it is already a problem in many countries; including the UK – at CAF we have previously explored the impact of recent changes in legislation and policy on charities’ right to campaign and found cause for concern.9

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One upshot of this is that we must be very clear about the fact that philanthropy is political. Let’s be clear though: the ‘p’ here is determinedly small. I am not saying that philanthropy needs to be partisan or party political (which is prohibited by law here in the UK anyway), but rather echoing the point made by the Rockefeller Foundation that “because most philanthropy seeks to change society, it is inherently political”.

A lot of the criticism about the “ politicisation of charity” comes from conflating ‘political’ and ‘party political’ and this reflects a gradual narrowing of the definition of what constitutes the political sphere. Even a cursory glance at the history of philanthropy, however, clearly demonstrates that charities have always used campaigning and advocacy as a means of driving social reform, and this has necessarily meant engaging in a political sphere that was always meant to encompass more than just parliamentary democracy.

For a philanthropist in this new world order – whether addressing the indirect effects of Brexit, Trump et al or combatting the direct effects of them – it is almost certainly going to be necessary to engage in politics to some degree. Even if the focus is on direct service provision rather than campaigning, that service provision will have a political dimension by the very nature of the problems it seeks to address. Philanthropy does not exist in a vacuum, and if it is able to find new insights and solutions to some of these challenges, then these must also inform wider public and political discourse and policymaking.

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THE LIMITS OF ENGAGEMENT

Of course, some of the differences between philanthropists or CSOs and those they are trying to engage with may well be irreconcilable. Philanthropy should not be left-wing or right-wing, but it should – to my mind – be progressive: seeking to remedy society’s ills and leave it in a better position than before, rather than looking to solidify the status quo or turn back the clock. Hence where philanthropists encounter the forces of hatred, prejudice and intolerance, it is incumbent upon them to challenge them. Even when regressive attitudes or views appear to have become the mainstream, philanthropy must counter them. It is not the role of philanthropy to enforce a tyranny of the majority; and that is one of the reasons it is such an important part of the system of checks and balances within a functioning democracy, along with an independent judiciary and a free press (both of which face challenges of their own).

The historian of philanthropy Ben Soskis made this point eloquently in a recent article for the Chronicle of Philanthropy, arguing that:

“Philanthropy’s leaders would do well to listen to the voices of Trump voters (as should, for that matter, all Democratic office-seekers). But that does not mean they need to respect all of what those voices seem to have said. The aggrieved racial nationalism that Mr. Trump’s campaign stoked is underrepresented on foundation boards – and this is not a bad thing. The paranoia, the conspiratorial thinking, the intolerance, and the misinformation that characterized a good part of the political discourse that fed Mr. Trump’s rise must inform philanthropy’s work, but only in the service of etiological diagnosis.”

And that:

“Philanthropy must be a place in which [the fundamental liberal values of tolerance and respect for others, of decency, charity, and moderation] are preserved, defended, and championed, a sort of glass-walled sanctuary for the best of American ideals.” 10

It seems likely that in the US, and perhaps here in the UK, there will an upsurge in support for liberal, progressive causes as people look to them to provide a counterpoint to the potential dominance of illiberal, regressive points of view in government and the media.

PHILANTHROPY: ANTI-DEMOCRATIC AND ALL THE BETTER FOR IT?

Will philanthropy’s greatest strength at a time when the notion of democracy as a way of ensuring continued progress and growth is coming under strain be precisely the fact that it does not need to be democratic?

There have long been questions about the legitimacy of the role philanthropy (particularly big-ticket philanthropy) plays in influencing public opinion and public policy. Many of the biggest names from the past, such as Carnegie and Rockefeller, came in for intense criticism on the grounds that they were poisoning democracy. More recently, questions have been asked about the distorting effects on public policy of the activities of mega-philanthropists like Bill Gates and Mark Zuckerberg. Some of these criticisms are merely reflections of the political biases of the critic (e.g. liberals don’t like the Koch brothers and conservatives don’t like George Soros), but once you filter these out, there are still valid questions about the role of philanthropy that need to be addressed.

However, it is not as simple as just declaring that philanthropy is anti-democratic and needs to be curbed. For a start, that assumes that democracy is a perfect system and that it is guaranteed to deliver the right results; yet many might well now argue that this assumption is misguided and that adhering to majority opinion is not always the best course of action. Furthermore, many of philanthropy’s greatest historic successes have come when it placed itself in opposition to the status quo in order to shape public opinion and eventually achieve social reform.

Some of these successes are well-known and have resulted in major social reforms that have shaped the world we live in: the abolition of slavery, universal suffrage for women or the decriminalisation of homosexuality. However, there are many more stories of philanthropy achieving change by going against the status quo that are far less well-known. For instance, in October 2016, I was lucky enough to attend the UK premiere at the University of Kent of a fascinating documentary about the philanthropist Julius Rosenwald, who did precisely that.11

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Rosenwald lived around the turn of the 20th Century and became the CEO of Sears & Roebuck in Chicago. He was himself Jewish, but became heavily involved in civil rights – ploughing vast amounts of money into building schools for black workers and their children in the Deep South during the era of the Jim Crow laws and rigid racial segregation, and later setting up a fund which supported many black artists, musicians and writers. All of this was within the bounds of the law, but clearly made a political statement that put him at odds with the prevailing views and laws of the time. Rosenwald did not by himself overcome racial segregation in the US, but the projects he funded played a vital role in educating a generation of black leaders, thinkers and artists who went on play an active role in the later civil rights movement that did eventually see segregation abolished.

The lesson for today’s philanthropists and charities is that they do need to engage with the world as it is, and reach out to those with different views in order to achieve consensus and reduce division where possible, but that this must not come at the cost of defending the essential values they believe in and stand for.

WHAT NEXT?

The speed and scale of political change over the last year has been phenomenal, and it seems certain that the next few years will continue to present all sorts of challenges as we try to adjust to this new world. Now, more than ever, philanthropy has a vital role to play – seeking solutions to intractable problems, giving a voice to those on the margins, and acting as a counterweight to the forces of hatred, intolerance and ignorance. Philanthropists should not be shy about embracing this role and ensuring that philanthropy is a powerful force for good within society. If they step up to the plate now, the years ahead could be a demonstration of the value of philanthropy to match any of the philanthropic “golden ages” of the past. Perhaps it will even be philanthropy’s finest hour of all.

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