

## WINGS PEER LEARNING EVENT

### LOCAL CULTURES OF GIVING: OLD TRADITIONS, CURRENT CONTEXTS AND EMERGING TRENDS

March 29, 2016 – São Paulo, Brazil

#### Background & introduction

In most countries, the strong tradition of giving spans several hundreds, if not thousands of years. Governments, considering the welfare of their citizens as their sole responsibility, often disrupted this, by taking control of philanthropic resources. The last 25 years has witnessed a renewal and surge in philanthropy and private social investment. While this renewal shows many similarities in various countries, there are also many specific differences, and it is this diversity that makes philanthropy rich.

Support organizations serving philanthropy play a key role in: a) documenting local practices, traditions and discourse, b) learning from and sharing local practices with other regions and countries, and c) sharing this knowledge with philanthropy organizations, donors and private social investors to enable for more strategic action and sustainable results.

The objective of the meeting is to highlight the changing landscape of philanthropy in various countries and to understand how local traditions of giving and local discourses are building on global best practice and evolving patterns of philanthropy. The meeting follows up on discussions held in Johannesburg and Berlin, and is of particular importance in Brazil, as the funding scene in the country is changing (e.g. traditional funders leaving the country), and a new study on cultures of giving is being done by IDIS, GIFE and other actors.

As way of introduction, participants (in addition to their name and professional information) expressed one personal and inspiring philanthropy experience or influence that left its mark on their life. Summary of those experiences are:

- Influence: family and religion were the main influences mentioned, but also exposure to and being helped by the work of activists and foundations, and seeing people in need;
- Approach: involvement was done mainly through church and school, a few through organized civil society movements;
- Form: donation of money and objects, networking, engagement on civil society causes, volunteering.

## Sessions' summary

### Introduction

*Presenters: Atallah Kuttab and Helena Monteiro*

The first part of the meeting was dedicated to an overview of the outcomes from previous meetings, focusing on a list of themes that emerged in the discussions:

Global philanthropy – similarities or differences?

A similarity in goals was found across regions, but there are differences in how to phrase and achieve goals.

The contested language of philanthropy

There is a general feeling that the Anglo-Saxon discourse is not enough to describe the different realities globally (USA philanthropy can often be seen as exception, not the rule). Both language and content can be hard to translate – “stifung”, for instance, is a term that doesn't translate well into foundation (it is a hybrid between NGO and foundation); in Arabic language can be dismissive of the diversity of practices; whereas in Africa philanthropy is often not about money, but about volunteering, giving objects, food, contributing to the community and extended family, etc.

Assessing philanthropy's contribution

The difficulty, but also the need, to assess philanthropy contribution to society came up often in the discussions, including issues of transparency and non-cash contributions. A growing trend is to use methods of social return on investment to measure impact.

A case of schizophrenia

Philanthropy is supported by a status quo based on inequality, and foundations are part of the establishment, however the discourse and goals are about social change. There is an unconscious awareness of this and that it might limit the work.

Friends or foes?

There is a lot of conversation on collaboration between foundations and governments, but are they friends or foes? All over the world governments are limiting the work of foundations and civil society organizations. One interesting aspect is that while organizations in more open countries (e.g. Germany and the USA) are voicing more concerns, organizations in country such as China and Saudi Arabia are focused in finding ways to maneuver this relationship.

#### Falling through the gaps

Foundations need to pay attention to areas and sectors that can be easily forgotten (either because impact is hard to measure or they're controversial), and make sure they're funded. Social justice issues tend to fall in these funding gaps.

#### Democratizing philanthropy

Philanthropy is not just for the wealthy, there is a need to look at its different shapes (networks, pool of funders, crowdfunding, etc.), and be more inclusive of people are dealing with philanthropy in their everyday lives, and their stories need to be told.

#### For-profit or non-profit?

We should not be over judgmental and create a huge dichotomy between for-profit and non-profit. Partnerships are important, for instance, businesses have resources and philanthropy can reach people – combine both.

#### The next generation

The younger generation is more hands on and wants a more direct involvement with their giving. They also see solidarity as something more global, not as local as before (new technologies help globalize issue). Organizations need to accommodate that.

#### Do it yourself or do it through NGOs?

Operational vs grantmaking - the young generation is more operational, and foundations are finding more fashionable to be operational. Therefore NGOs shouldn't take for granted that they're the best vehicle for giving (especially considering the lack of trust they face in several countries), but should work and professionalize themselves.

#### Religion as a motive but not an object

Religion and its promotion do not appear as the object of giving, but a channel for the promotion of social justice and values. Religion can shape the values of people for giving to society.

As "future steps" participants from previous meetings highlighted the importance of hosting meetings in different regions, and pointed to the global nature of the conversations around cultures of giving. WINGS was pointed out by the participants as the organization with a global mandate to host the discussions and a natural repository for such global knowledge.

## Session1: Local Traditions, Practices in Giving and Current Context

This session took a moment to reflect on local practices in giving and discuss how those practices are shaping the future of philanthropy in our regions. What are the specificities of different countries? What are the key trends?

*Presenters:*

*Atallah Kuttab, SAANED: Arab Region*

*Marilu Villalon, CEMEFI: Mexico*

*Andrea Woffenbuttel, IDIS: Brazil*

*Moderator:*

*Marcos Kisil, IDIS*

The session was started with a brief presentation by Marcos Kisil on the characteristics of culture, how it is learned and not inherited biologically (we can learn to give); how it is shared within societies (behaviors can be influenced by peers, e.g. Giving Pledge); and how behavior is just the tip of an iceberg made of perceptions, attitudes, values and beliefs. Changes in cultures were also highlighted, as they can happen due to environmental or societal pressures or to new forms of giving (crowdfunding made possible by technology, for example).

Presentations and discussions:

### *Arab Region*

There are distinctive characteristics in Arab philanthropy, but the Waqf (a religious endowment of assets for the social good) is a common denominator across the region. For instance, 1/3 of Egyptian land was Waqf – handing land to the community as a protection against ethnical cleansing. However abuses might happen, as the ministry responsible for regulation can take over land and endowments.

Another common thread the region shares is the cycle formed by Rich Heritage – Disruption – Renewal; disruption with the rise of a state that sees itself as the society's guardian and suppresses giving, and renewal characterized by a move from charitable unsustainable giving to giving that will lead to social change.

Mechanisms for giving – global vs local traditions

As an example of the region following a global trend is the use of the Giving Pledge, whereas a mechanism following local traditions is to allocate 1/3 of the wealth to a social cause that benefits the community, outside the family, not for profit (abide by religion law). This used to be a common practice, but in 2009 only one person did it in the region. Another mechanism currently being used is the forfeiting opportunity cost – lending a building to a social cause for instance, instead of giving it away.

The challenges faced by Arab philanthropy resonate with other regions: legal environment, impact assessment, and trust issues.

A framework of the philanthropy ecosystem was created, differentiating sources of funds, intermediaries, and end users (the same organizations might fall into more than one category). It is interesting to highlight that there is an “elimination of intermediary discourse” due to lack of trust or willingness to be operational.

What’s the incentive for giving?

In Brazil the tax on giving to an organization or as inheritance is the same – no incentive to give to an NGO. In the Arab Region there are deductions when giving to foundations, but no real legal incentive. Nevertheless, there is a religion incentive and influence on how people give: at the end of year they give money set aside during the year based on religion to any causes (advisory work is to help them give strategically). On the other hand, in Brazil rich people want to be more operational with their giving, bringing up a question: how can you change inequality if the projects are based on the views of wealthy people? This could be reinforcing inequality. The answer can be a participatory process in defining goals, and how the project will run.

### *Mexico*

Over 40% of the population live in poverty, which is concentrated in small communities and rural areas in the country, making philanthropy an important part of society. Only 20% of the labor force pays taxes to support the Mexican government. Nevertheless, there is not enough freedom for nonprofits, as the government fears their influence – it might consult with nonprofits, but there’s no real participation in building policies or decision-making.

There is no clarity of legal terms to describe nonprofits in the country, for instance any civil society organization can be called a foundation, not necessarily a grantmaker, or an endowed organization. However, there is a new legal option for organizations receive public money – public funded nonprofit. Several organizations were created just to receive this money – responding for the 26% growth in the nonprofit sector in the country. CEMEFI is creating programs to organize these new organizations.

CEMEFI also organizes a Donors’ Forum only for grantmakers, which includes about 22 foundations. Initially there was fear of sharing even with peers (there’s a fear of being transparent due to lack of security in the country), but the Forum created a safe space to share information and learn. New foundations didn’t know how to give, or gave in an unorganized way, and are learning with the group how to give strategically.

Transparency – due to its non-democratic past transparency was not an issue in Latin America, and for different reasons donors don’t want to be transparent. Information revolution, and pressure from society might change that. CEMEFI is gathering international resources (e.g. Glass Pockets) and adapting them for the local context. Organizations don’t know how to be transparent and this work aims at standardizing

reporting practices. There is also a new focus on evaluation and interest in social value and return on investment.

### *Brazil*

A new study on cultures of giving in Brazil is being spearheaded by IDIS and GIFE, among other organizations, and the initial findings of interviews with 10 focus groups were presented.

Context:

Brazil is in the 105 position on CAF's World Giving Index, lower than Jamaica

Questions the research is looking into:

- How does Brazilian society understand donation?
- Why do donors donate?
- How much do they donate?
- Why don't non donors donate?
- What can be done to change their position?

### **Survey findings:**

#### Government

Is considered the main responsible for social justice in the country, but is perceived as having failed this task, and is associated with corruption and lack of efficiency, directly affecting sectors such as health, education and job creation. Due to government's failure, other members of society should take part in social activities → opportunity for fomenting a culture of giving.

#### Terminology

- Philanthropy is usually mentioned but it refers to great donors, such as wealthy families and big companies. It has no relation to common people.
- Charity is a well-known word, but not well accepted because it implicates in hierarchical relationship. Who gives is above who receives.
- Nobody knows what social investment is.
- Solidarity is the best accepted word. People empathize with the concept.

#### Donation process

Motivations - discomfort with inequity and social injustice, ability to help, education / family history;

What makes people act - responsiveness to a cause, trust in one social organization, having money, access to donation tools;

Feelings after donating – clear conscience, self-gratification, pleasure, making a difference.

\*Highlight: there's a feeling that giving through tax benefits is not real giving, because you're not taking money from your pocket, but from the government. One should also donate without expecting anything in return and without disclosing it.

### Causes

High sensitivity: Calamity, Childhood, Education, Elderly, and Health;

Sensitivity depending on circumstances (e.g. family history or contact with problem):

Animal protection, Drug addiction, Sports;

Low sensibility (except for youth): Environment

### What builds confidence?

- ✓ Be transparent / be accountable / show how money is spent
- ✓ Show results and effectiveness
- ✓ Focus on concrete and specific initiatives
- ✓ Be open to visitation / to donor participation
- ✓ Meet the beneficiary
- ✓ Meet trustable and rigorous employees

### What destroys confidence?

- ✓ Be associated to politicians
- ✓ Be associated to government
- ✓ Scandals
- ✓ Lack of transparency
- ✓ Lack of concrete outcomes
- ✓ Ask repeatedly for donation

Issues raised during discussions:

There are good results, but sometimes we're not good at communicating results – good feedback from research.

There is a tendency to give to someone you know or have a relationship with. Organizations should help increase social capital to leverage giving, help people make more connections and feel more responsible for what is public. In Brazil for instance there is a strong civil society, but based on service providers.

In Mexico people expected the government to do everything, but now they're changing this mentality. People are working to solve needs through networks, and changing laws. Topics growing – environment and community development.

Human right relies mostly on international funding in the Arab Region. In Brazil the strategy was to strengthen local groups working on human rights issues, but with small donations.

## Session 2: Philanthropy and Social Justice

A new generation of philanthropists is interested in the transformative potential of philanthropy to bring about social change, by focusing on the root causes of social, economic and environmental injustices. They support approaches that are accessible and diverse, bringing various voices and perspectives, while mobilizing a wide array of resources available for social change. Are resources supporting social change? What are our experiences? What is emerging?

*Presenters:*

*Atallah Kuttab, SAANED/ Social Justice and Peace Network*

*Maria Amália Souza, Fundo Socioambiental Casa/Independent Funds for Social Justice*

*Anderson Silva, ICOM*

*Moderator:*

*Ana Toni, iCS - instituto Clima e Sociedade*

Context: Brazil is amidst a political turmoil, an important time for the concept of social justice but also of democracy. Is it possible to talk about social justice without talking about giving to social players? There is a need for the state and civil society in social justice, what is the role of philanthropy? It is philanthropy's role to make sure civil society is solid.

*Social Justice and Peace Network*

Democracy, human rights, gender, etc. can be seen as buzzwords coming from different cultures, as something alien trying to find space within the Arab Region. Organizations working on those issues getting funding from other regions are being closing down. On the other hand, "social justice" resonated during the Arab Spring (showing people did not want to be treated as subjects, but citizens) – it could be a cloud word to help build development in the Arab Region, and can't be accused of being imported, it's very local. Still, the Network is avoiding using the concept of social justice, as people might shy away from another perceived buzzword. Instead, they're focusing on storytelling – cases with a social justice lens.

Looking at education with a more traditional lens, for instance, can lead to a focus on boosting education by supplying books and educational materials (providing something that donors can see and count). Using a social justice lens will lead to questions about the systemic conditions in which this child learns: conditions of the school, teachers' training, etc. "Without a social justice lens, philanthropy won't address structural issues." But even funders willing to engage are reluctant to take the first step and want to know the answers to these questions:

- How is it actually done?
- What difference does it make?
- Why is it necessary?

The network started to focus then on using characteristics instead of concept of social justice and produced 11 case studies of philanthropy's engagement with social justice and peace, without mentioning the concept of social justice. They include a diverse range of interventions against systemic injustice on different issues, of different scales and from a variety of locations to ensure that every type of funder can identify with it somewhere. They demonstrate why and how social justice and peace philanthropy is more effective than philanthropy-as-usual, showing the role of this kind of philanthropy on building civil society. The goal is to make it so that every philanthropy will have a social justice lens.

#### *Fundo Socioambiental Casa/Independent Funds for Social Justice*

As other social justice funds in Brazil, Casa was created to respond to the need to get resources straight to the hands of constituents. The issue was getting resources, as effectively and quickly as possible, in order to make the greatest impact (even with small amounts). And the focus is not necessarily social justice or environmental justice, but improving people's lives and empowering them, with a macro vision of issues. For instance, giving money or legal support to an indigenous leader so that he/she can travel or reach out to the right instances (local government, a larger NGO, the UN, etc.) and use the legal possibilities available quickly enough.

The organization also focuses on storytelling to give a sense of how grants are connected and how they empower people to raise their voices and come together to solve problems. Two examples on the importance a quick response are found on how indigenous peoples reacted to the construction of dams affecting their lands:

- Belo Monte – when organizations arrived to help with the legal side of it, papers had already been signed
- Tapajos – it was ensured leaders could come together and meet with the local government and prosecutors and when the process started the indigenous population was ready

CASA is the only Brazilian fund operating in South America, as environment is an issue across borders. Due to Brazilian law it can only give money raised internationally to South America, locally fundraised money can only be used in Brazil. It learned by doing to find and partner with organizations with resources to give, and build a response system that reacts quickly to the urgent needs.

Other funds in Brazil started coming up to respond to similar needs – Fundo Elas, Brazil for Human Right, etc. which were isolated and found the need to come together and help each other, creating the Philanthropy for Social Justice Network. CASA's response model was systematized and is currently being studied by organizations in different countries for replication (there are interested organizations in Uruguay, Paraguay, Bolivia and Argentina).

There is a question on if, with so much social injustice, social justice can be seen as unfocused. It appears unfocused, but how do you interfere in complex systems? We intervene in a way that connects dots, making sure small grants help groups come together, empowering people that had never received money before.

### *ICOM*

ICOM is a community foundation based in Florianopolis using three pillars to strengthen civil society and communities, and generate development outcomes: assets (endowments, social enterprises, involvement), capacity (organizations, leadership, adaptability), and trust (credibility, accountability, ownership).

What is in community philanthropy for social justice?

Community philanthropy can provide support to small, informal or marginalized groups by empowering local organizations, being closer to informal groups, and providing small funds, institutional development tools, management help, consultancy, etc. For instance, homosexuals in the community gathered when they faced violent acts, and the organization helped them by providing a channel where their voices could be louder, connecting them with other organizations that could help raise awareness or provide funds. Community philanthropy organizations can bring groups together in a safe place to discuss, and the groups can later position themselves/ become assets in the community.

What is in Social Justice for Community Philanthropy?

How can community philanthropy become stronger by dealing with difficult arguments? They provide an opportunity to promote REAL change (even though there are risks, such as losing funders), and build a strong civil society. Community philanthropy can do what traditional grantmakers and NGOs won't or cannot do. Social justice work promotes a change of the status quo – how can you convince someone who benefits from the status quo to give resources to change it? When dealing with hard issues there is a risk of losing funds from a community. Possible solutions could be that part of the community foundation can work with traditional issues, and part of it with more controversial ones, or getting large sums from companies and use it to work.

What is Justice for Community?

What is justice? This depends on perceptions – for example people who believe it is fair to fight/rid the community off the homeless.

People also are used to relying on the government to get services, and are not thinking about what they can do to improve their lives – need for a change in mindset.

### Vital Signs

The organization published for the third year the Vital Signs report, based on a project first adopted in Canada. It gathers data about the community and takes it to different groups and community leaders so they can help interpret the data, what it means to their day-to-day. The publication provides relevant information that can help governments, businesses, and civil society learn about and discuss issues in the city. This year the report was launched inside the city's main newspaper, a partnership that allowed for a widespread coverage and readership.

#### Lessons learned

- Time, patience, territory, information, bridging moments. It is important to be very close to the community to achieve real impact, and to have DATA – information makes people come together to talk.
- Ownership leads to sustainable development: easy to say, very hard to implement.
- External pressure works. Not too external and not too pressing. Resources can come from the outside, but it can't be too much to avoid alienating and driving away the community.
- Community philanthropy organizations have to take the responsibility to expose to their constituents the "zeitgeist"

#### Importance of communication

The ones who can communicate are not the minorities, but the privileged. A shift is important to increase the ability for people to negotiate and present their perspective with solidarity and respect.

From social justice organizations perspective, it is easy to for us to understand what is social justice, but communicating it to society and turning it into a cause is difficult. Social justice issues are often controversial and involve topics nobody wants to talk about. A more positive narrative from the sector, departing from the logic that we're always fighting against something, might help communication with the public.