

Building at the Crossroads of Royale and Treurenberg



A collection of views on philanthropy
to mark the EFC's 30th anniversary

Curated by Diana Leat



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Acknowledgements

This book was made possible
thanks to the generous support
of the Oak Foundation and
Fondazione CRT



Published by the European Foundation Centre

European Foundation Centre
Philanthropy House
Rue Royale 94
1000 Brussels, Belgium
www.efc.be

ISBN 9789463960274

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Edited by Catherine Lennon, Jon Warne, Joshua Redding and Marianne Johnston

Design by Mikael Kaiser [www.kapsul.be]
Printed and bound by PrintAll in Brussels
This book is printed on FSC approved paper
Front cover illustration by Gerry Salole

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Dedicated to Bill White

“Words are easy, like the wind;
Faithful friends are hard to find.”

The Passionate Pilgrim
Shakespeare

“When motivated by fear, we can build mental barriers. Berlin Walls of the mind, to protect ourselves. The problem is that when we build walls, whether mental or physical, we destroy our relationships with one another. And that connectedness, or belonging, is fundamental to building community and ensuring a civil society. These walls of the mind may be invisible, but they are just as tall and formidable, perhaps even more so, as the Berlin Wall once was. They are imprisoning us through fear and despair, dividing our communities, and separating us as people. Still, I found some reason to hope, and that hope is derived from a fundamental belief that people know what needs to be done to restore community. Our job in philanthropy is to figure out fresh ways to unleash human energy and capital resources and to help focus the will of the people on the needs and tasks at hand.”

Bill White
Berlin, 2009

To all those who have been with us
and supported us every step of the way.

**It isn't the destination that matters,
it's the journey.**

Come writers and critics
Who prophesize with your pen
And keep your eyes wide
The chance won't come again
And don't speak too soon
For the wheel's still in spin
And there's no tellin' who
That it's namin'
For the loser now
Will be later to win
For the times they are a-changin'

The times they are a-changin'
Bob Dylan

Foreword: Thirty slices of cake

By Diana Leat

Introduction

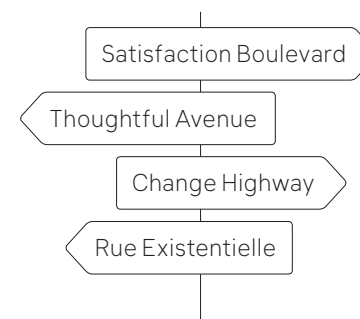
Thirty blogs, thirty ways to cut the cake. When you have read one blog you have read one blog. Organising these 30 blogs into a few categories was challenging. Some are congratulatory, some challenging and critical; some focus on roles and some on structure and process; some are about the EFC and some about philanthropy; some are primarily inward looking while others are more outward looking; some are basically “carry on as before” with a few improvements, some advocate radical re-thinking; and so on.

Thirty years ago when the EFC was born it is likely that many foundations would have been on Satisfaction Boulevard – they were just fine, doing good as good could be. Today, there seems to be little or no traffic on Satisfaction Boulevard, and surely the EFC has played a role in that. Foundations may be less comfortable on the new, more complex and confusing roads but they are also more critical, thoughtful drivers.

Categories

After pursuing several cul-de-sacs, the four “paths” identified in the end are:

- *Satisfaction Boulevard* – everything is fine, no need for any change. As noted above, there is no blog in this category.
- *Thoughtful Avenue* – on this road the focus is on doing what you do now but better or differently (e.g. improving listening, learning, thinking about impact); Thoughtful Avenue merges with a side



road named Tango Way where drivers are improving relationships, identifying partners and collaborating, and/or redefining or streamlining roles and structures.

- *Change Highway* – drivers on this road focus on changing times and the need to clarify or re-emphasise focus on issues such as Europe, the environment, and so on.
- *Rue Existentielle* – after Satisfaction Boulevard this is the least crowded road. Users of Rue Existentielle may be better seen as cyclists rather than car drivers in that they are slowly, carefully and determinedly asking fundamental questions about foundations’ roles and legitimacy, and re-examining philanthropy’s relationship with democracy, populism and values.

The four roads are not always clearly marked; they overlap at points, run in parallel at others. This way of drawing the map is definitely not the only way and the reader is, of course, free to read the map from a different angle (or design a new one!).

Categorising each blog was difficult. Authors had been given freedom to write about anything they wished. And it was no surprise that there was a huge range of topics not only across the collection but within any one blog. This range indicates the diversity and resilience of the European philanthropy sector today. In many cases a blog could have come under several categories, but the aim was to highlight some relatively distinct themes/roads so that temptation was resisted. Nevertheless, in reality, the categories are

more pick and mix than either/or. It may be helpful to ask yourself which road(s) you are on. If you are on more than one road, are you spending more time on a road that isn't your top priority? Is this because you are being diverted by the pressure of traffic on one road? Or perhaps because the drive is easier on this road? Or maybe just because this is the road you have always driven?

The curation was likewise difficult – and writing the catalogue overview was even harder. Part of the problem in providing an overall commentary is that blogs are blogs – and it would be wrong to criticise a blog for being short, snappy and sometimes superficial. Another difficulty stems from the fact that these are 30th birthday blogs. Twenty-first birthday speeches are relatively easy – congratulations, well done (so far), life ahead of you, grand horizons, focus on the future etc. Thirty is far trickier – and what is thirty anyway? Late adolescence or the beginning of middle age?

Commentary

Every blog in the collection is worth reading, and every one is different. The 30 blogs differ in their relative emphasis on storytelling, looking back, improving, choosing and clarifying, and more fundamental challenges. Within the categories there are some distinct, recurring themes.

Thoughtful Avenue is one of the most crowded routes, but it is also one of the most varied. “Listening”, “learning” and “impact” are three common themes. Anna, for example, sees listening as “one of our most important skills”. Rien and Anthony emphasise the potential value of learning.

“Listening” appears to be an unqualified good, and few would quarrel with the claim that listening is better than not listening. But, to what end, to whom, and on what terms? Listening and responding, acting and agreeing are different things. How much will I really gain from listening to those people who have lived experi-

ence of little but silver spoons and private everything? How much will I learn about what “young people” think/want from listening to 20 or 30 young people – real people cannot be put into neatly labelled Ikea boxes, however convenient that might be.

Unlike “listening”, “impact” has a more mixed press. Christina suggests that, “We need to look beyond what feels comfortable based on traditional models of precedents, focusing instead on impact-driven strategies and collaborations.” Rupert argues that, “...impact alone cannot serve as a foundation's unique proposition and will not save it from being mistrusted.” Perhaps the tide is turning on “impact” as trump card?

Thoughtful Avenue merges at points with Tango Way. On Tango Way collaboration is a major theme. For example, Moira suggests that foundations are collaborating more because they can see that problems are complex and need concerted effort; and Lisa argues that working alongside other sectors is more important than the need to stand out. Others make similar points.

“Collaboration” is clearly generally regarded as a good thing – but, at times, it appears to be seen as a good in itself. There is little critical discussion of collaboration for what end, the downsides of collaboration, collaboration with whom and on what terms. History provides many examples of regrettable collaborations. Collaboration can be for good and ill. And, in any case, collaboration is tricky; it requires more than finding a better dating agency or having a few more couples therapy sessions. One seemingly contentious area is collaboration with the public sector, where Rupert, for example, questions whether co-funding government programmes is a good idea. Has anyone ever asked the public sector what they want from foundations, and what we might learn from examples of foundation-government collaborations in the past?

Another recurring theme on Tango Way is current and future infrastructure roles and arrangements. See, for example, Luc,

Göran, Chris, Stephen and Carola. Again there is no one best way. The EFC itself gets a good report card and the consensus seems to be that if the institution did not exist it would be necessary to invent it – quite an achievement at 30 and in a rapidly changing environment. Lisa, for example, makes a powerful argument for viewing the EFC as “our greatest ally in demonstrating the strength of the sector and Europe’s particular brand of philanthropy... reflecting and projecting European democratic values.” Interestingly, the way in which all membership bodies have to grapple with the tension between serving and leading, as well as playing to the pace of the majority rather than that of the ambitious minority, is little discussed.

It is worth noting here that the number of foundations on Thoughtful Avenue is impressive given the fact that foundations are subject to none of the pressures for change experienced in other sectors.

Change Highway is another route with varied scenery. André, and others, make the case for a clear, renewed commitment to Europe and a “European way”: “Just imagine if each foundation based in Europe would allocate only 1 percent of their annual spending to the purpose of strengthening European unity.”

“Climate change” is another rising star in the foundation firmament – albeit still apparently a minority concern. Marie-Stéphane, Miguel Ángel and Truus all make cogent pleas for a focus on climate change as first priority. Truus argues that, “Now more than ever is the time to question whether we as philanthropists are doing enough to ensure that there is more than 30 years left on a liveable planet.”

Relatively few blogs fall squarely in the Rue Existentielle category, asking fundamental questions about foundations’ roles and legitimacy, and re-examining philanthropy’s relationship with democracy, populism and values. Stephen calls for foundations to

be involved in re-imagining a new future. Aart is more forthright stating that, “We all have to leave our comfort zone. Foundations cannot stand on the side lines. Business is silent and free riding on the highways of democracy. Academia is speechless if in the political debate rational arguments cannot triumph.” But when Steve Bannon plans to establish a foundation to support nationalism in Europe, foundations cannot avoid addressing how philanthropy and democracy relate to each other (as indeed several recent books identified by Judith argue). In a similar vein, Pierre calls for a focus on new rules for “managing the common house”, inventing forms of organisation that will enable us to ensure the “well-being of all within the limits of the biosphere.”

What’s missing?

Every one of these 30 blogs is worth reading and their very diversity is an illustration of the diversity of foundations. As emphasised above, blogs are blogs and it is somewhat unfair to criticise them for what they don’t cover. At the same time, there is a strong argument in favour of spending some time thinking about what we rarely talk about.

Several pieces emphasise the need for foundations to stick to their “core values” – but what are those core values?

Today many foundations would undoubtedly subscribe to political neutrality as a core value. Avila alludes to parallels with 1930s Europe, and Germany in particular – but in the 1930s the problem for the Rockefeller Foundation (for example) working in Europe was a democratically-elected government whose behaviour they felt unable openly to condemn or penalise; for the Rockefeller Foundation one core value was maintaining independence from governments and not interfering in democratic process.

Foundations today might also include giving power to “ordinary” people and promoting civil society as other core values –

but, picking up on the themes of Rue Existentielle, what happens when these core values come face to face with populism and nationalism? Some foundations are funding projects designed to encourage democratic participation in the form of voter registration and turn-out. But arguably when democracy is reduced to the ballot box it is about nothing more than which fake, cardboard cut-out joker can con the greatest number. It is worth remembering Booker T. Washington's observation that, "A lie does not become truth, and evil does not become good, just because it is accepted by a majority."

How foundation money is invested has climbed up the agenda in recent years. Dawn and Rien, for example, touch on these issues, but discussion of where the money came from and the sometimes messy relationship between philanthropic money, capitalism and inequality is still largely absent. Again, in view of recent critiques (as noted in Judith's chapter) this is potentially troubling.

Another interesting anomaly in relation to the source of foundation capital and income is the gap between foundations' willingness to invest internationally – or to receive money from international sources – and their interest in working internationally. Of course, some foundations are geographically restricted by their deed, but is that the whole story? To what extent do foundations analyse and discuss what they do, and the effect they have, in a wider context? As Avila notes, "European philanthropy cannot confine itself to the continent of Europe."

Discussion of process has come to occupy more and more of foundations' time – how we do things rather than fundamental roles. What are we here for, what are our distinctive roles vis-à-vis other sectors? What is our legitimacy, where does it come from and on what terms? Endowed foundations are in the uniquely fortunate position of not having to be too bothered with these questions – but that also means that, like the Emperor in Andersen's fairy tale, they may be blissfully unaware of their vulnerability.

Seemingly unable to hear the whispers in the crowd, foundations have no reason to set about designing and sewing for themselves a modest but robust suit of clothes, an assertive, positive narrative to weather their critics. This narrative would address head-on critics, costs and weaknesses but balance those with a clear and realistic statement of strengths and complexity. Ideally, this would be a slogan and hubris-free outfit.

One starting point for addressing some of these "under the carpet" issues might be a discussion of foundations' perceptions of roles and responsibilities in relation to "the common good". Is there such a thing as "the common good"? Who defines it? Does "the common good" always entail losers as well as winners? What role do or could foundations play in its pursuit? Maybe the time has come to put away those shiny, self-reflecting, feel good, disco balls of tweets and buzz words and embrace the grey ambiguity of real life where tenacity, tough choices, bricolage, uncertainty and humility prevail, and where "the common good" is multi-faceted, complex, contested, messy, compromising and imperfect. Perhaps these are some discussion topics for Marjorie's summit meeting.

As some of the blogs suggest, in the real world mistakes and genuine learning are to be actively accepted, pursued and celebrated, and the "if I haven't thought about it before then it must be new" approach treated with caution. Perhaps the EFC can set about collecting some of the great essays that have been and are being written on institutional philanthropy. The foundation world has been blessed with some great minds, let's stand on the shoulders of giants. A first step in putting into practice Aart's "Wake Up Philanthropy" and Rien's "substantive underpinnings to our discourse" pleas might be to invest in the study of philanthropy and the preservation and accessibility of foundation archives. The sector has more experience and wisdom than perhaps it realises!



1

The writing is on the wall

By Gerry Salole

Chief Executive
European Foundation Centre



I read all the stories that were submitted to the EFC for our 30th anniversary blog series with delight. I am thrilled at the richness and sheer diversity of storytelling and raw narrative in our sector. We have so many stories to tell! We have so many ways of telling them. This collection of blogs is surely a barometer and testament to the vitality and health of our sector. As Clifford Geertz reminds us: “Human beings make sense of the world by telling stories, by using the narrative mode for construing reality.” What really unfolds in the book that follows is the authentic glimpse into the permanently changing universe of institutional philanthropy. To slightly adapt the words of Bob Dylan: the times are a-changing, and those of us who prophesize with our pens, should keep our eyes wide for the wheel is still in spin. It was ever thus.

I too have a story to tell, and it’s a story that I will have to tell in different ways at different times, but in what follows I would like to begin by sharing a perspective that synthesises my participant observation of the sector with my training as an anthropologist.

My most powerful impression about institutional philanthropy is that it endures, it ebbs, it flows, it changes constantly. It is unboxable, it certainly defies easy classification if not definition. Recently I had an “ah-ha” moment. I realised that we do not talk about institutional philanthropy through the lens of reciprocal exchange. I am now convinced that we have seriously underestimated an important variable in philanthropic behaviour and norms. Classic anthropological texts by the likes of Marcel Mauss (*Essai sur le don*) and Marshall Sahlins (*Stone Age Economics*) have reminded me that we have modern day equivalents even of potlatch and Kula ring. The concept of reciprocal exchange mechanisms, delayed reciprocity, parallel exchange systems, balanced reciprocity, indirect reciprocity, etc. provides us with a compelling framework.

Reciprocity is an integral part of core human behaviour, and institutional philanthropy is a concrete manifestation of this bundle of reciprocal relationships. Probing philanthropy through the lens of reciprocal exchange means that we have a far more satisfactory and convincing “driver” for philanthropic behaviour than altruism. I mean, we all know that the benefactor not only gives but “gets” something (prestige, reputation, admiration, fame, respect, influence, vindication of hunches, karma, forgiveness, satisfaction about being right, license for social engineering experiments, “return on investment”, rubbing shoulders with the powerful, exclusive access, conspicuous consumption, public bragging rights, honours and titles). This lens gives us the toolkit to better appreciate what exactly is being exchanged.

The elephant in the room

We all know the story of the six learned but blind men of “Indostan” who each experience a different physical aspect of an elephant and hence describe the creature completely inconsistently. It is as if by focusing mainly on benevolence and altruism we have not bothered with other equally important aspects of the elephant.

Moreover, such a perspective has the additional value that it well and truly explodes the myth that philanthropy is something developed and perfected in a specific corner of the globe and that other forms of philanthropy are mere copies or mirrors of the original – a persistent foible that many North Americans and some Europeans share. We know that what is an integral part of homo-sapiens’ repertoire tends to have myriad forms and no version is any better or worse than another. There is no model, no template. No perfect or original form. How liberating! It also means, of course, that the forms and weight that philanthropy constantly adopts are infinitely adaptable and there will always be new modes, new ways of gifting, or reciprocating. We needn’t

worry unduly about the well-being of this phenomenon: It's simply an integral part of being human and woven permanently in our repertoire.

This piece is an attempt to look at a crystal ball and predict the future. Having asked so many of you to do this I felt it would be churlish not to reciprocate. I wrote a blog a year or so ago about the seven challenges that are facing European philanthropy. I believe that little has changed, and those paradoxes are still very much with us. However, in the space left I would like to concentrate on four major issues that I predict are going to completely dominate this sector in the coming decades. The first three of these are external challenges that we will be forced to grapple with and overcome, and the fourth is a challenge that is more internal to the sector but will, I think, prove equally consuming of creativity, time and energy.

Desolation Row

*And the Good Samaritan, disguised as Robin Hood,
he's getting ready for the show
He's going to the carnival tonight on Desolation Row*

Bob Dylan

I am writing this blog sitting in Philanthropy House, at the crossroads of Treurenberg and Rue Royale. Treurenberg (loosely translated as the Mount of Mourning) is one of the very few streets in Brussels that does not have affixed next to it a French translation. Those of you who know me well might have already gathered that I find it irresistible not to translate Treurenberg as "Desolation Row". This is especially true since the beginning of the climate strikes where schoolchildren are boycotting school to demand that policymakers take the climate emergency seriously. The children in Brussels make their way up in ever increasing

numbers every Friday from the central railway station to Rue Royale on Treurenberg, passionately campaigning as they pass Philanthropy House.

This is an existential threat that is likely to become one that more and more foundations are going to have to grapple with. I would anticipate that even foundations whose missions and mandates are far removed from the environment will find themselves compelled to find ways of addressing one or more aspects of the climate emergency. Clearly, we will all have to contend with disruption in food production and storage systems, travel systems and other aspects of daily life that will be impinged by the climate emergency. This is likely to cause some serious soul searching and some stretching of mandate as the scale of the problem becomes more apparent. Denial will no longer be possible.

The times they are a-changing

The second preoccupation, perhaps a mainly Western one, is already touching and galvanising parts of the sector. It is the need for the generally loose and scattergun response to the changing political landscape to harden into something that is more cohesive and more deliberate. The invitation in front of us, as so many of the blogs written for the 30th anniversary remind us, is one of standing up at this critical time for democratic values just when these are deliberately and systemically under attack. As some of the blogs have underlined, one of the consequences of institutional philanthropy being more in the public limelight is that foundations and other forms of institutional philanthropy will have to deal head on with a much more ambivalent if not hostile context. We are at the beginning of a brand new era, and the old arguments or defences are not fit for purpose.

Until a few years ago it was common to hear foundation leaders talk about the relatively high opinion in which they are held

generally by the public, and there are still a handful of foundation leaders that fondly think that they can remain above the fray. I fear that the tide on this is turning, and it will be necessary for foundations to get their shtick together, to develop narratives and stories that explain better the role that they play in society. As I wrote above, one way, I think, to do this effectively will be to move away from the traditional “altruistic” and benevolent premise that “justifies” our work and develop a much more explicit narrative that embraces and indeed celebrates the reciprocal and transactional nature of philanthropic behaviour. The time to see philanthropy as a voluntary and private act of benevolence may be drawing to a close and, invariably, together with that the very close association that philanthropy has with capital accumulation. It is time too, for a more up-front recognition of the different kinds of give and take that are being exchanged.

Algorithm and blues

The third issue, also amply covered in the 30th anniversary blogs, that will dominate in the coming years will be the issue of technology and digitalisation. It is very closely connected to the political backdrop but surely is of such magnitude that it will seriously influence nearly all aspects of life. Already algorithms are making many decisions for us and changing our lives, but we have probably not seen anything yet. Institutional philanthropy is beginning to grapple with technological change, but as with climate and democracy this is likely to expand exponentially as a major preoccupation for all of us in the future.

Infrastructure – Thinking inside the box

This brings me squarely to the fourth challenge, one that is less about institutional philanthropy per se and more about how the so-called “infrastructure” fits in. It may be that foundations will grapple successfully with the challenges above without any

recourse to the infrastructure organisations – although I seriously doubt this. Nevertheless, as you all know we are currently embarking on a process of looking at ways of how the infrastructure organisations can collaborate better. The coming years are therefore very likely to see significant modification in the infrastructure architecture. I have argued for some time that there are huge dangers in being too reductionist here. Thus, while ostensibly the “infrastructure” is external to foundations it is critical to understand that this is not, in fact, always the case. Indeed, I would argue that one other consequence of seeing philanthropy as an integral part of reciprocity would mean that infrastructure has to be recognised as more like the skeleton holding philanthropic norms, values and behaviour together, rather than as external scaffolding. Scaffolding is, after all, only needed temporarily but is rapidly discarded once the edifice is built. The problem is that the philanthropic edifice is never built. We discard infrastructure at our peril, if it’s an integral binding of our reciprocal ecosystem.

To some, infrastructure has been dismissed as mere service provision or trade association. An approach that is so mechanical and reductionist risks sweeping away a set of nuanced and calibrated relationships that not only cannot be easily replaced, it also means that some of the normative unwritten rules governing reciprocal exchange will be at risk. In the jostling for position that is likely to occur in the near future, some of the relationship-building, trust, and rather idiosyncratic accommodations that are an integral part of the tailor-made organic reciprocity will invariably get lost.

So, indeed, “the moon is almost hidden, the stars are beginning to hide, the fortune telling lady has even taken all her things inside”. Looking once more at the street sign of Treurenberg, perhaps the writing is literally on the wall. In this chess game, the next moves will be worth playing carefully.

It's been said that a person is known by the company he keeps, and I would like to use my final words here to thank all the contributors to this book, and in particular Diana Leat and Judith Symonds for ensuring that it begins and ends with the requisite flourish. My thanks also to the Oak Foundation, and particularly Vinit Rishi without whom this book would have remained no more than an idea, and Fondazione CRT for their additional support. Enjoy your reading

Gerry Salole



2

Wake up, philanthropy!

By Aart de Geus

Chairman and Chief Executive Officer
Bertelsmann Stiftung

Rue Existentielle



Anyone who has ever been to Augsburg knows that it has a city within the city. I mean the Fuggerei, the oldest existing social settlement in the world. Here, surrounded by walls, you will find 67 ivy-covered houses, 140 apartments and a church. Jakob Fugger, who counted among the most important merchants and bankers in Europe about 500 years ago, donated the settlement at that time. Even today, needy Augsburg Catholics live here for an annual rent of 0.88 euros and three prayers a day. When we look back into history, we see that philanthropic institutions like the Fuggerei Foundation were always children of their time. They reflected values and visions of their time, and took up topical challenges – as they still do.

Changing faces of philanthropy

For a long time, philanthropy was not political, not system-oriented. Take for example the period around the Industrial Revolution and the decades that followed. The Industrial Revolution brought progress, but also new social needs. Work changed fundamentally from agriculture to factories and mines. House and work were separated from each other and thus also family structures. Communism and socialism both brought revolutionary ideas, social programmes were established. In this epoch, the state was central to solving social problems. Philanthropy existed, of course, but it was not (yet) political.

The 20th century's wars then brought millions of victims. Political elites concluded that it was necessary to build society on human rights, on principles like freedom, equality and brotherhood. Democracy was extended to One (Wo-)Man One Vote. Welfare states were developed. The volume and the role of philanthropy in the western world became more important. Newly acquired wealth put entrepreneurs in a position to give something back to society. Today we can speak of a real boom in the philanthropic sector.

This boom also gave rise to a new debate: How does philanthropy relate to the public agenda? Foundations do a lot of good things but are also an expression of big differences in wealth. Are foundations part of the establishment? Are the superrich transparent, accountable? And how do democracy and philanthropy relate to each other?

This last question is now more pressing than ever in view of the current challenges facing European societies: Our liberal democracy is undergoing a “stress test”. We recognise a loss of legitimacy of democratic institutions, declining confidence in political parties and large “gaps” in representation that provide breeding grounds for populism. Finally, the growing inequality in industrialised countries with prosperous economies calls into question the democratic system and its promise to offer all people opportunities for a better life. What are the current answers to these challenges?

Hardly any answers to pressing questions

Business is silent and freeriding on the highways of democracy. Academia is speechless if in the political debate rational arguments cannot triumph. Democracy seems not to be able to save itself.

The potential of philanthropy is therefore perhaps greater than ever. At the same time, the philanthropic sector has a new heterogeneity. Not all the actors involved in it have genuine democratic objectives. How are we supposed to understand the plans of Steve Bannon to establish a foundation to support nationalism in Europe? Can a populist party in Germany run an education programme with public resources? What if governments start to scrutinise foundations on shared values? How tolerant should we be towards intolerance? How can we pay democratic respect to those who reject democratic rules?

We are now at a point where we cannot ignore these questions. We must face them together. And we must finally wake up: Philanthropy must stand up for democracy and fight for it. The questions we should ask ourselves are not *whether* we need philanthropy and *whether* it can make a difference, but rather how do we make sure philanthropy works together to make that difference. Of course, foundations can do a lot of good: They often have the knowledge and the networks to be effective at local level, close to those who need philanthropy's support. They can find solutions and test them in practice. Philanthropy can contribute to an open society and people-oriented services. Still, foundations can do more, they can play a role where political officials have no room for manoeuvre.

Can philanthropy save democracy?

We should ask ourselves *how* the philanthropic sector can join forces to work for democracy and for a successful future. We can look at the long term. Personally, I think the sector is moving in the right direction: We have more information than ever before about what is necessary, relevant and urgent to be done. We have more financial resources than ever before. We have the technical instruments and infrastructure to connect internationally.

Philanthropy can be on the frontier to cope with pressing worldwide social and ecological questions, which – if we don't act – will disrupt western democracy completely. But in order to do that, we need to work on it with as many European foundations as possible. We have to cooperate and to defend our values loud and clear, we have to align our strategies and actions.

And if we want this joint commitment to be successful, we need a language on which everyone can agree. The Sustainable Development Goals can serve as such a lingua franca for us. This "Agenda 2030" is unique – unprecedented, holistic, universal and

legitimate. It has a message for every country and for every responsible actor and has been agreed upon by all government leaders of member states of the United Nations.

Philanthropy as practised by foundations surely cannot save democracy alone or solve all its problems. But it can play a role which politics and governments cannot play in supporting citizens and institutions who are victims of autocracy and populism, and in coping with pressing social and ecological questions.

We all have to leave our comfort zone. Foundations cannot stand on the sidelines! We need the new democratic Fuggers of the 21st century!

Aart de Geus



3

Philanthropy with a European purpose

By André Wilkens

Director
European Cultural Foundation

Change Highway



It is 2019 and Europe is under attack. It would not be an exaggeration to describe these attacks as the Battle of Europe. The attacks are coming from inside and out. From the inside, they are coming from those who want to re-nationalise Europe, seal it off, and turn it into a copy of its former self, in which hostility between nations almost destroyed it twice. Those attacking the continent from the outside have long regarded a united, supranational, cooperative Europe as a thorn in their side, because it sets a utopian example to the rest of the world.

This Battle of Europe is being fought not with tanks and missiles, but with ideas, narratives, bots and social media. The majority of Europeans do not yet realise that their continent has become the site of a global battle – and the outcome will have international implications, as history has shown so many times. It's time to defend the European idea of peace, stability and prosperity before it's too late.

Standing up for Europe is not about defending a boring status quo, but a viable future. Europe is not perfect. Of course not. Inequality has been growing for more than 30 years; political and economic elites have lost touch with ordinary citizens; Brussels is incapable of explaining how it makes Europe better and for whom; national leaders sabotage common action where it is needed most. Europe urgently needs reforms that put people and the environment first. Europe needs to excite with its vision, utopian ideas and practical measures which improve people's daily lives. But we must also win the Battle of Europe. Because otherwise there will be nothing left to reform.

These are challenging times, confusing times. These are no times for business as usual. We need to take a hard look at ourselves: What went right and what went wrong? In response, foundations need to get out of their (often very comfortable) comfort zone. Although foundations are not responsible for the current state of Europe, they have also not prevented it, despite all the

wonderful projects, conferences, colourful annual reports full of impact matrixes and smiling grantees.

What can philanthropists do?

There are around 147,000 public-benefit foundations in Europe with estimated assets of €510 billion. Together, they spend around €60 billion every year. The sector is growing rapidly with hundreds of new foundations being created every year. More than 50% of the foundations in Europe were created after 1990. And more than 50% of the foundations were created by the founders while still alive. All this is significant.

But does this amount to a strong and growing European philanthropy, a philanthropy with a European purpose? No. Philanthropy in Europe is primarily national and local, with just a hint of Europe. Of course, there are great initiatives like the Network of European Foundations, Civitates and Philanthropy House in Brussels, but philanthropy with a European purpose is a niche and manifests itself primarily through conferences and meetings.

But just imagine if each foundation based in Europe would allocate only 1 percent of their annual spending to the purpose of strengthening European unity. That would amount to around €600 million. And imagine if that money had been spent before the European Parliamentary elections to raise awareness of European challenges, openly debate them, seek solutions, find answers. Or launch a real European citizens assembly or a European citizens media channel. Just imagine what could be done with 2 or 3 percent.

The Battle for Europe creates space and urgency for new thinking, readiness for experimentation and for taking risks. European foundations should use the current crisis as an opportunity to create a philanthropy with a European purpose.

André Wilkens



4

Towards listening and learning

By Anna Talasniemi

Executive Director
Kone Foundation

Thoughtful Avenue



My first concrete contact with the EFC occurred six years ago when I attended their Annual Conference and General Assembly in Copenhagen in 2013. At that point, I had been working at Kone Foundation for several years, first as a Scientific Secretary and for a year as Head of Cultural Affairs. As the international foundation field was new to me, I decided to apply for the EFC's Next Generation Programme. I am very happy that I did: The Next Gen group helped me navigate new circles among several hundred conference attendees. (Special thanks to Lucia Patuzzi and Wendy Richardson, who back then coordinated the Next Gen activities!)

While considering working in the sector, one of the most important lessons came from the conference in Copenhagen. The message was nothing new, but it was very important to hear this from highly experienced foundation professionals who had been working in the field for decades – and to hear them say this also in very serious manner. The message for us Next Gens in the sector was: Remember how privileged you are.

In 2014 I had the chance to take part in the Summer Academy in Rotterdam, organised jointly by the EFC and the Erasmus Centre for Strategic Philanthropy. With my colleague, Director of Research Funding Kalle Korhonen, we had a lot to bring home. One of the themes addressed was donor-grantee relations, critical when thinking about the work of grantmaking foundations such as ours. There is a strong connection between that relationship and privileges, too.

Charles Keidan (now Editor of Alliance Magazine) who guided us through these themes, talked about the different worlds that the donor and grantee live in – worlds ranging from abundance and richness to ones of scarce resources. In our case, this means the low-income of our grantees, i.e., artists and art organisations,

and academics, too, compared to a wealthy foundation. It also describes the different situation we foundation staff have: a quite safe and fairly paid job, especially compared to many academics and artists facing short-term contracts and insecure futures.

In Rotterdam, we were also introduced to the seven deadly sins of philanthropy (Orosz, 2011), the first of which I remember very well – believing in flattery. Of course, it is great to hear about the good work we are doing. But while I don't think people are only flattering, I don't think they are lying either. However, getting honest feedback from grantees can be difficult: That's a fact not to be dismissed. Critical feedback is required to be able to develop our work and understand the needs of our grantees and the field as well. We at the foundation have ample experience acquiring critical feedback, both through anonymous surveys and by organising workshops for grantees (where our staff are not present).

Insights gained from the Summer Academy encouraged us to begin building a community in a more systematic way and help our grantees to network. We also started thinking of diverse possibilities for added value: What else we could offer our grantees beyond financial support? Since then, we have been, little by little, building the Kone Foundation's Grants+ Programme in which we offer work space, advice and consultation; help in building networks; and different kinds of capacity-building, from communications support to understanding the nature of creative work. This is also helping us to increase the impact of work done by our grantees. And most important, through the Grants+ Programme, we get to know our grantees and their needs to better develop our work and support their field.

The Grants+ Programme offers possibilities for peer learning and is a natural means for using the incredibly important assets of the foundation, i.e., hundreds of bold artists, academics

and other creative professionals who can support each other and create new relationships and cooperation and enrich this planet with their work. It is not only the grantees who profit from this – we benefit, too.

A question our grantees have brought up lately is, “How can we move more towards partnerships?” This we considered, among other things, together with art organisations and other funders at the Towards Smart Art Funding event this year. The balance between long-term partnering, while welcoming both newcomers, and experimental initiatives seems to be eternal and shared with many funders across the world.

To get back to the theme of the privileges and asymmetry of power: “How can one build collaborative relationships based on mutual trust when the power relations are unbalanced, as is usually the situation among donors and grantees?” Being aware of and acknowledging our privileges is necessary. Even the long-term nature of foundations doesn’t mean never-ending grants, but at our foundation we’ve decided to move towards grants spanning several years and permanence with, for example, our new premises at Lauttasaari Manor in Helsinki, where we also offer new possibilities for our grantees to network and organise events, for example.

Our new premises and the Grants+ Programme also present us with the possibility to listen – listening being one of the most important skills, both now and in the future, in order to be more inclusive and wiser. That is definitely something we hope to learn as an EFC member.

Anna Talasniemi



5

Why are we doing this? How foundations are thinking differently about their missions

By Anthony Tomei

Trustee
The Bell Foundation

Thoughtful Avenue



Historically foundation activity has largely meant grant giving, and as grant givers much of our attention has focussed on “how” questions: How do we communicate our requirements? How do we treat applicants fairly? How do we measure effectiveness? Reflecting on how things have changed over the past 30 years my observation is that foundations are increasingly asking themselves more fundamental “why” questions, starting with the most fundamental of all: “Why are we doing this and what are we trying to achieve?”

Foundations and governments: Where does the buck start and stop?

The first driver is contextual. Everything that foundations do takes place in the context of the actions of governments. The fundamental question for foundations is always how best to use their independence and their potential for action in the context of what governments are doing. For most of the past 30 years we in Europe have had social democratic governments whose objectives were largely in tune with those of foundations. Government funding is of course vastly greater than that available to foundations, but for all its size government funding is limited: Decisions reflect political priorities and as independent actors we are free to disagree with those priorities, or to think that wrong decisions have been taken. Most foundations have taken the view that they should not use their funds simply to replicate or supplement government funding, but that has left ample space for them to support what governments say they *cannot* fund (because resources are stretched and they do not afford it sufficient priority); or *will not* fund (because they are opposed to the action); or occasionally *should not* fund (because government intervention would be counterproductive).

In 2019 the picture looks different. In the UK government support for social and community services has been cut dramatically. Initially presented as a necessary response to the financial crisis

of 2008, it has become clear that smaller government and less government spending has become a key driver. An election may change that, but across the world the rise of neoliberal small-state governments suggest that it is a trend that is here to stay. Foundations are increasingly having to ask themselves how they will respond. Will they accept a role they have historically resisted – that of filling as best they can the gaps that are left by the withdrawal of government funds? Or will they use their resources to try to change or even oppose government policies? And if so are they (and the societies in which they are embedded) comfortable with the inevitably more political role that that entails?

An increasing array of funding models

A second driver has been the increasing visibility of different funding models, many developed outside traditional domains of philanthropy.

Developments in social investment in particular have opened up new ways of thinking. It is a challenge to mainstream philanthropy that many significant new players have simply ignored traditional grant giving methods and have developed programmes based on techniques drawn from the world of business – loans, equity positions, social impact bonds, joint ventures and the like. These new models have found favour with governments and have become influential in policy thinking. Foundations are famously prone to being insulated from outside influence, but it is hard to ignore the significance of these new ways of working. And reflecting on the wide range of outcomes that become possible leads inevitably to questions about what we are trying to achieve.

Debates about how foundations manage their endowments have also led to new thinking. Discussions of the ethics of investing have led to a weakening of the traditional walls between investment policies and funding programmes, as have arguments

(mainly from the US) that foundations should be using all their financial assets, not just their income, to pursue their missions.

Many foundations have concluded that these developments are not for them. They fear, for example, that the complexity of offering loans or entering partnerships makes it too difficult for them to contemplate, or that using their investments directly to support their mission is too risky. But whatever the outcome, I would argue that the process of thinking through these decisions has led many foundations to a more sophisticated understanding of the mechanisms that lead to the changes they are trying to effect. That in turn has led to more expansive thinking about the role that foundations can play, and how they can make better use of their assets to achieve their ends. Foundations may conclude that grantmaking is indeed the best answer for them, but they are increasingly exploring other options to go alongside traditional funding mechanisms: loans and other financial instruments, making use of networks and contacts, convening, lobbying, running their own programmes, collaborating with others (including government and business), and many others.

One indicator of this change has been an increasing interest in “theories of change”, a useful term which describes how, if we are trying to achieve a change, we need to think through the process by which it might happen and what our role is in that process. Change will rarely happen simply as a result of a foundation’s actions, so we need to understand who else is involved and what their roles are; who needs to be persuaded; what levers are available; how we can best work alongside other actors; and where we can use our resources most effectively. This has led to a more sophisticated understanding of the added value that a foundation can bring; not just through funding, but by bringing expertise, access to networks and convening power.

Learning with and from each other

What role can the EFC play? It helps to begin by acknowledging that thinking about intentions is difficult. Ambitions must be tempered by a realistic appraisal of what resources are available, but the big message of the developments I have been discussing is that foundations often underestimate the value of their non-financial assets (their knowledge, expertise, networks, convening power etc.) and what is achievable when they bring all their assets to bear. In asking these fundamental questions two things are invaluable, but hard to find. The first is models that foundations can relate to, i.e. examples of work by organisations that are similar in size and interests. The second is opportunities for exchanges and discussions with like-minded organisations. The EFC is well placed to provide both.

Anthony Tomei



6

The Collide-o-scope of Philanthropy: Old patterns shifting to meet new challenges

By Avila Kilmurray

Consultant
The Social Change Initiative

Change Highway



So, just young enough to still be able to count the candles on the cake, but old enough to be slightly embarrassed about the “surprise party” planned. Happy birthday, bon anniversaire, lá breithe shona duit EFC!

Birthdays are great times for recollection, with even the slightly tipsy grand aunt in the corner contributing some remark that would be better left unsaid. Well I am old enough to recall the AGA of 2001. The one hosted in the beautiful city of Stockholm that marked the scene of the “great hand-over”. Not quite spy-exchange at dawn, but very close to it. The grand old men of philanthropy (and yes, they were all men) had birthed the original EFC over a good port. It was a far-sighted endeavour in a world still celebrating the fall of the Berlin Wall. Philanthropy had an established part to play in a world where “the end of history” was trumpeted. It was simply a matter of oiling the wheels of progress and democracy.

But there was another side to the rather self-congratulatory Stockholm gathering that went largely unrecognised. Meagrely-endowed community foundations, tentative eastern European citizens’ initiatives, philanthropy that spoke in terms of inclusion, participation and rights struggled to find a place on an already crowded agenda. Money still talked in carefully modulated tones; all too often gracious but cautious. The more belligerent outsiders muttered about the feudal warlords of philanthropy, while slipping readily into tugging the forelock or acting the courtier.

Of course money is still influence and power, perhaps it always will be, and philanthropy, when all is said and done, is largely about money. But the EFC has grown up and out, maturing into a much more dynamic and complex organisation. There are thematic groups on diversity and countering racism. There are spin-off funder collaboratives. There is an increasing willingness to hold up the mirror of critical reflection to philanthropy itself.

There is recognition that the intentional exercise of philanthropy is more of an art than a science no matter what the well-connected Stanford gurus try to tell us. There is an ever-growing appreciation of the myriad traditions of a philanthropy made in Europe rather than America – although arguably this is still tentative.

The direction of travel

If the EFC has come far from the original heady vision of its gregarious and ever enthusiastic founding fathers, there is still a distance to be travelled. High rolling philanthropy still has its comfort zones and its nod-and-wink politics. If one well-endowed funder or donor speaks the word “resilience” then that becomes the word on the block. If “impact” philanthropy or “strategic” philanthropy becomes the new “must have” fashion, then everyone nods knowingly. This is not to deny the importance of innovation or learning, but there is still a danger that the field is influenced by who champions what, rather than focusing on values and vision.

Arguably there has never been more of a need for clear values that speak to people who may feel left behind and marginalised than in our current period. The challenges that face us are coming into ever sharper focus. Europe has both an impressive and a complex historical legacy. From democracy to totalitarianism; an advocate of human rights but profiting from colonial arrogance; there was good reason that the founding vision of the European Community (that neither Putin nor Trump warm to) was post World War II “never again”. Yet, Ece Temelkuran has recently published “How to Lose a Country: Seven Steps from Democracy to Dictatorship” (2019) – Is this the backdrop to current European philanthropy? The question that keeps me awake at night is if I had control of major philanthropic resources in 1930, and was blessed with the benefit of hindsight, what would I have done differently? Perhaps this is a question that the EFC can encourage funders to ponder.

If European philanthropy is to lead by example it needs to address growing xenophobia (specifically Islamophobia and anti-Semitism) and popular alienation. Recent research commissioned by The Social Change Initiative highlights the cultural, political and economic fault lines in Germany, France, Italy, Greece and Ireland that place refugees and migrants as the nemesis of the public. The appalling treatment of George Soros and the Open Society Foundations in Hungary is more than a canary in the coalmine, reminding us of how quickly political developments can outpace carefully commissioned research, analysis and deliberation. The work of activist-research organisations such as Hope Not Hate in the UK, need to be resourced to track right-wing extremism, while an infrastructure of value-driven community organising needs to work with alienated communities to build progressive solidarity.

Looking Outwards

Equally, however, European philanthropy cannot confine itself to the continent of Europe (and in fairness, many don't). Our continent has grown rich on the plundered resources of much of the rest of the world for centuries. All too often European arrogance in drawing boundaries and imposing its concept of state-building seeded both past and current conflicts in “developing countries” and fostered environmental degradation. Voilà – in part – the refugee and migration issue; although while “they” are migrants, Western Europeans are “ex-pats”. Even our words have become weaponised. For its part philanthropy is often caught in the uncomfortable position of balancing between an over-weening guilt that wallows in unquestioning cultural relativism and a “white saviour” mentality that fails to listen to the voices of the global South. Inclusion, participation and local agency, however, are not optional extras if there is any real chance of achieving a responsive balance. These elements are

essential in mapping the direction of travel; if the personal is political, so too is the local.

The EFC should keep at least one candle alight on its birthday cake to send out a welcome for not only those more edgy philanthropic actors, but also for experimental philanthropic initiatives and endeavours as we move forward into an uncertain future. As the playwright, Eugene Ionesco, suggests: “The problem is not the answer, it is the question”: the EFC is well-placed to pose difficult and uncomfortable questions of philanthropy, from a position of understanding context and quandaries, as well as giving house room to others who question. At 30, it has earned itself the right to be more than a servant of its donors; it has an institutional memory and a network of connections of its own that are an important resource. It also has the ability to be inter-sectoral, facilitating alliance-building and shared learning across specific interests and specialisms. But best of all, it is still of an age to be enthusiastic and optimistic about the change that is possible.

And in all this, to paraphrase an Irish blessing, “Go n-éirigh an bóthar leat” – “May the road rise with you”!

Avila Kilmurray



7

Let's play a new European tune

By Barry Knight

Director
Webb Memorial Trust

Rue Existentielle



New promise

Thirty years ago, European philanthropy stood on the brink of new promise. The formation of the EFC on 9 November 1989 – the same day that the Berlin Wall fell – ushered in a new era for philanthropy as part of a vision for a new Europe.

There was hope that support for civil society, an idea which emerged from the struggles for democracy in central and eastern Europe, would drive people's participation in a new Europe in which liberal democracy would bring a new understanding of cooperation and unity. With this model, the future appeared to be rosy. It depended on a combination of continued economic growth, generous welfare states, citizens being active in their societies, and philanthropy adding value in a variety of ways to improve, enhance and develop new systems for society.

Philanthropy expands

Philanthropy has flourished in the succeeding years. It is now much larger, better organised, and more visible to the outside world. There is a sophisticated infrastructure and a wonderful focal point for activities across Europe – Philanthropy House. Much credit is due to the EFC, which has acted as an engine room for new ideas and new institutions.

In the process of growing, philanthropy has become more diverse. The key text here is Lester Salamon's "New frontiers of philanthropy", which points to "... a massive explosion in the instruments and institutions being deployed to mobilise private resources. Where earlier such support was limited to charitable gifts, a bewildering array of new instruments and institutions has surfaced – loans, loan guarantees, private equity, barter arrangements, social stock exchanges, bonds, secondary markets, investment funds, and many more."¹ Modifying its language in

¹ Salamon, L. M. (2014) *New frontiers of philanthropy: A guide to the new tools and*

accord with this growing hybridity, the EFC replaced the term "foundation" with "institutional philanthropy" in its Strategic Framework 2016-2022.

Losing ground

While the signs of progress in philanthropy are all around us, things have gone wrong in other sectors. We now live in an age of austerity, climate catastrophe, volatile economies, and failed labour markets where trust between people and established institutions has broken down; lies are used to manipulate public debate; and xenophobia flourishes. A rising tide of popular dissent and political extremism threatens the governability of our societies and the environmental conditions in which philanthropy operates. Not a single European country is immune to the risks of shrinking civic space, and the evidence suggests that threats are increasing. A study by the Guardian newspaper in the UK has shown that populist parties (both from the left and the right) have more than tripled their support in Europe in the last 20 years, securing enough votes to put their leaders into government posts in 11 countries and challenging the established political order across the continent.

Autocrats typically reduce the influence of democratic institutions, restrict human rights and free speech, while also discriminating against migrants and minorities. The European dream, despite aspirations and struggles for another Europe, may disappear following the Brexit saga and as opposition to the EU grows from some of the new autocrats.

Threats to philanthropy

Philanthropy has inevitably been caught up in the gathering storm. A recent Ariadne survey found that 93% of their European

new actors that are reshaping global philanthropy and social investing. Oxford University Press, USA.

members were finding life harder due to threats in the external environment. Restrictions on the registration, financing, and operations of civil society organisations are increasingly common. The situation has steadily deteriorated since 2013 and will likely get worse because philanthropy is increasingly in the firing line. While there has been much analysis of the problems, there has been less in the way of solutions.

This is not surprising since it is hard to find solutions when so many sources of the threats are hidden. In the new dark age of information, it is ultimately impossible to tell who is doing what, or what their motives and intentions are. Watching endless streaming videos, scrolling through walls of status updates and tweets, it is difficult to distinguish between what is algorithmically generated, carefully crafted fake news, clickbait for advertising, paranoid fiction, state propaganda, spam, or carefully compiled research data.² The confusion about sources serves the manipulations of state actors who pursue political power through the expressions of hatreds of various kinds (e.g. racism, an anti-gender ideology and persecution of LGBTI communities).

It is also clear that some of the problems stem from the efforts of international institutions to instil bureaucratic protection into the system to counter malevolent forces. Take for example, the Financial Action Task Force (FATF). This is an inter-governmental body operating in more than 190 jurisdictions to counter money laundering and the financing of terrorism. Although not a legislator, its 40 recommendations provide an important global framework that influences policymaking and regulation of the financial system. Regulation 8 (dating from 2016) reads:

“Countries should review the adequacy of laws and regulations that relate to non-profit organizations which the country has identified as being vulnerable to terrorist financing abuse. Countries

² See Bridle, J. (2018) *New Dark Age: Technology and the End of the Future*, London: Verso.

should apply focused and proportionate measures, in line with the risk-based approach, to such non-profit organizations to protect them from terrorist financing abuse.”

The “4Rs” agenda for philanthropy

The outlook may be grim, but the crisis offers important opportunities for the work of philanthropy in the coming decade. I believe that philanthropy can make a vital contribution towards turning things around.

It is imperative for the future of our societies that we rise to the occasion. We cannot simply continue with business as usual and hope that the three key structural underpinnings of liberal European society – democracy, the rule of law, and human rights – will remain intact. In his brilliant history of 20th century Europe, Mark Mazower shows that the forces of hate are always with us, and that every generation needs to organise if we want to keep them at bay.³ Complacency is not an option.

I suggest that the agenda has four main dimensions: resistance, reform, reflection and reframing. I will take each one of these “4Rs” in turn.

Resistance

Philanthropy has made an impressive start in organising to oppose the threats and to deal with them head on. A key plank is Philanthropy Advocacy, a joint initiative of the EFC and DAFNE. Presented to the European Commission on 20 March 2019, this has four recommendations:

1. To recognise philanthropy
2. To reduce barriers to cross-border philanthropy
3. To enable and protect philanthropy
4. To co-grant and co-invest for public good

³ Mazower, M. (2009). *Dark Continent: Europe's Twentieth Century*. Vintage.

Other organisations making significant contributions in this space in Europe include Ariadne, the Funders Initiative for Civil Society and Civitates. Globally, these efforts are supported by WINGS and the International Center for Not-for-Profit Law (ICNL).

Resistance takes philanthropy into a new political space. Not everyone is comfortable with this, since many foundations believe that political action is beyond their remit. However, there is little choice because – like it or not – philanthropy cannot stand above the fray.

Since there is strength and safety in numbers, it is important that individual philanthropies get behind their support organisations, joining their national associations and supporting pan-European initiatives that aim to uphold European values. At a time of such danger, it is important that philanthropy support organisations have the resources they need to support the collective action that will be necessary if resistance is to be successful.

Reform

Resistance is not enough; reform is needed too. Philanthropy will be less vulnerable to the threats if it deals with some of the legitimate criticisms levelled against it and becomes a more useful force in the society we find ourselves in. When critics such as Rutger Bregman, author of “Utopia for Realists”, Winnie Byanyima from Oxfam International, and “Winners Take All” author Anand Giridharadas talk about philanthropy’s “bullshit narrative”, it is time to find a new one.

We must confront some uncomfortable truths and not try to hang on to what we have in the hope that we can ride out the storm. Philanthropy needs to clean up its act, taking accountability seriously and becoming more relevant to ordinary people’s concerns, while upgrading its overall performance.

There are hopeful signs that the reform process has begun.

For example, a group of international funders has been meeting in London to consider the implications of the #ShiftThePower movement inspired by the Global Fund for Community Foundations. This involves the new ways of working (for example, through participatory grantmaking, giving circles and community asset mobilisation). A new generation of philanthropies (including community foundations, women’s funds, environmental funds, LGBTQI funds, and national public foundations) is challenging the traditional donor-beneficiary relationship by turning all actors in change processes into donors. These initiatives cast large foundations as equal partners in social advance by bringing resources and agency closer to the people, rather than as a remote elite who control civil society through purchasing specific outcomes through short-life grants. The underlying principle is that philanthropy is for everyone.

Reflection

The third “R” is to reflect on whether philanthropy is making a positive difference to social justice in European societies.

A survey conducted by the EFC in 2017 suggested that “democracy” was a high priority among its members. This commitment translated into significant support for work on international affairs, migration, human rights, peacebuilding, Roma, women and gender, solidarity, and sustainable development.⁴ However, indicators measuring societal change on these dimensions are going in the wrong direction. The mismatch between effort and outcomes is at least partly explained by a survey conducted three years earlier.⁵ In preparation for a PSJP (Philanthropy for

4 EFC Members Annual Survey, presented to the Governing Council of the EFC, November 2017.

5 Knight, B. (2014) “European values: promoting solidarity at a time of austerity. What role can philanthropy play?”, Paper for PSJP sponsored meeting at Philanthropy House, 7-8 October.

Social Justice and Peace) event at Philanthropy House, 33 European foundations were asked how they were faring on producing social change. They said they felt that they were having limited impact because they were “up against it” and “powerless to deal with complex problems”, while “lacking in a vision for what could be different”.

Since then, many philanthropies have begun to rethink their approach. In “Does philanthropy need a new story?”, Oksana Oracheva and I suggested that there was a “quiet revolution” underway in philanthropy in which individual foundations are beginning to recognise that short term approaches for particular projects and programmes with narrow objectives which rely on grants to NGOs may ameliorate specific problems, but do little to produce wholesale changes to the way that societies operate.

There is now much emphasis on the idea of “system change”. Led in Europe by Edge Funders, the approach involves “ecosystem thinking” to enable philanthropy as a whole to play a significant part in creating positive change. Such a perspective entails seeing individual organisations, actions and behaviour as part of a field that is interconnected, rather than merely the sum of discrete actions. An example of how this could work has been given by Stephen Pittam, Chair of the Global Greengrants Fund UK, who has written that social justice and climate justice must go hand in hand. He suggests rejecting austerity in favour of a comprehensive programme of investment:

“...massively increasing employment in face-to-face caring and a countrywide green infrastructure programme”.

The programme would:

“...make buildings super-energy-efficient, and tackle the housing crisis by building affordable, properly insulated new homes. Local public transport would be rebuilt, the road and rail systems properly maintained, and a major shift to electric vehicles insti-

gated. A more sustainable localised food and agricultural system would be developed. This approach is labour-intensive, takes place in every locality, and consists of work that is difficult to automate.”

Clearly, such a programme would require resources way beyond what philanthropy can offer. However, investing in R&D for such a programme is within the capabilities of philanthropy. Indeed, this would play to philanthropy’s strengths and capitalise on its two comparative advantages: (a) ability to provide venture capital for good ideas and (b) willingness to allow time to develop them.

Reframing

This brings us to our final “R”. This entails reframing the narrative to produce the Europe we want. What are the values and principles that underpin the next 30 years and how can we put them into practice?

This is important because, at present, the narrative about philanthropy is confused. In her final editorial for Alliance magazine in June 2015, Caroline Hartnell suggested that in her 16 years as editor, philanthropy had become more professional, paying attention to impact and measuring it, but still remained unclear about its role in society.⁶ Without a clear narrative about its role, philanthropy becomes vulnerable to the kind of attacks we saw earlier. It is important to tell a better story because public trust in the sector is at an all-time low.

So how do we begin to develop this narrative? In the research for my book “Rethinking Poverty”, I suggested starting with questions of a good society, asking “what kind of society do we want?” I used multiple methods of enquiry, including social surveys, literature, focus groups and participative research with groups normally left out of research processes including minorities, migrants and children. The data was processed by community groups in

⁶ Hartnell, C. (2015) “Goodbye Alliance”, Alliance, Volume 20, Number 2, June.

the West Midlands of England over nine sessions and the result was five key principles underpinning the society they wanted. The results were published in the book and have been used to stimulate debate.

I suggest a process along similar lines be conducted in Europe. A network of philanthropic bodies and their support organisations, perhaps best led by the EFC given its central positioning in Europe's philanthropic landscape, could initiate such a process. This would involve organising neutral and safe spaces for discussion, involving a diverse set of participants across cultures and generations. Such an approach could help to “decompartmentalise” society, by welcoming the free-play of ideas without seeking to control outcomes. Bold ideas could emerge through a sensitive process of facilitation and targeted research on what is needed to change things.

One outcome could be a framework for action, setting out values, principles and interventions that could bring into being the Europe we want. Such a framework would be widely owned and enable people and organisations at all levels to take part in activities that suit their skills, knowledge and experience.

This framework would not be a top-down plan with specified targets and timescales like those found in a Gantt chart. Instead, it would be highly flexible, organic and creative.

Let's think “jazz”. Although we need a chord sequence to guide many different instruments to play along using the same basic harmonies, we should encourage free expression and chord substitutions when desirable. Playing a new European tune would go a long way to fulfilling the promise of philanthropy in developing good societies.

Barry Knight



8

Back to the future: Questions for foundations

By Carol Mack

Chief Executive
Association of Charitable
Foundations (ACF)

Thoughtful Avenue



I 989 – What a time to be alive! The Berlin Wall came down. The Cold War was pronounced over. It felt as if we had entered a bright new future, in which Europe was no longer divided. Followed in 1990 by the beginning of the end of apartheid in South Africa, it seemed then to me, as a young adult, as if anything really was possible.

Less publicly the seeds were being sown for what would be astonishing advances in technology – the first commercially available mobile phones were produced and Sir Tim Berners-Lee invented the internet. More ominously, 1989 was then the warmest year on record, and in China the Tiananmen Square protests did not follow the script of the Velvet Revolution.

1989 was of course also the year in which EFC was born. And its British sister-body, ACF – which I am privileged to lead, also came into being. This means that both EFC and ACF are 30 this year; an age traditionally seen as marking the change from youth to the beginning of mature adulthood. And in preparation for ACF’s own birthday celebrations, I have been reviewing some of our organisation’s records of those tumultuous times.

What, then, were British foundations thinking about in 1989?

Our archive shows that some of the questions that ACF members were asking included:

1. How does charitable funding connect to the environment? At that time the primary concerns were articulated as the greenhouse effect and global warming.
2. What is the role of foundations in Northern Ireland? The Good Friday agreement that brought an end to that violent period known as the Troubles was still nine long years away.
3. How can foundations relate to funding strategies being proposed for the public sector? A terse file note indicated that statutory funders were “increasingly

expecting agencies to supplement their funding from the charitable or corporate sector”.

4. And, how can “non-computerised” foundations get advice on “programmes and hardware”?

All four questions continue to resonate today, albeit in different iterations.

1. Should foundations continue to invest in companies that contribute to dangerous climate change? Or do they have a duty to invest their assets in a way that is compatible with a transition to a world that “only” increases its temperature by 1°C?
2. How can foundations support the diverse communities of Northern Ireland to overcome the divisions that remain long after the Troubles have formally ended?
3. When and how might foundations respond to requests to fund work that was previously resourced by a shrinking public sector?
4. How can foundations responsibly accelerate the opportunities that the digital revolution offers for achieving social good, while minimising the risk of harm? Given that foundations are often the source of funding for innovation, how can they develop the skills and expertise they will need to have if they are not to be a brake on progress?

But in 2019 I also observe foundations asking themselves new questions that are more searching and arguably more self-critical. Increasingly they are putting their own practices and the very role of foundations themselves, under the spotlight.

Recently I have heard British foundations asking:

1. How can we make better use of all of our assets, our financial resources, people, data, networks and name, to achieve our mission?

2. How can we use our independence of action and assets to break down historical boundaries of access? How are we complicit in how barriers are maintained?
3. Are we able to speak truth TO power? Or are we only ever able to speak the truths OF power?
4. How can we minimise the burden on applicants for our grants, and on our grantees, while meeting the requirements and expectations of our regulators? What is the cost of our funding practice for those who apply?
5. How can we know whether we are funding the “right thing”? Can we ever attribute outcomes to our funding? Are we only ever contributing? How do we assess our own impact?
6. In a time when the state is shrinking, how can we meet the increasing demands for our financial resources?
7. Are we realistic about long-term change? Should we even claim that? Are we better at short term interventions that we can actually measure?

And, though this is perhaps unique to British foundations: How do we build a new relationship with our continental peers, given the complexities of exiting the EU? This question is especially relevant to those foundations who fund in areas like migration, science, the environment and health, all of which transcend national borders.

Which brings me back to EFC. ACF’s board minutes from 1989 report on an early visit to the brand new EFC. This prompted the ACF board to discuss the “Euro-dimension – Brussels”, and the establishment of an ACF network with an opportunity to meet and discuss “EC” initiatives. It was noted that “EFC provides a much-needed channel for liaison with foundations and emerging foundations’ movements across Europe”. Thirty years on, as the relationship between the UK and the rest of Europe is still uncertain, what is clear is that the role of the EFC is as vital as ever.

Carol Mack



9

Beyond membership, impact change

By Carola Carazzone

Secretary General
Assifero

Thoughtful Avenue



In 1989, when the Berlin wall fell – and the EFC was created – I was 16. I belong to the first generation of Italian young people who became massively passionate for Europe. Feeling a strong bond of solidarity, we discovered Hungary, Poland, and Russia, backpacking with InterRail on a student budget. We were the first Italian generation studying abroad benefitting from the Erasmus programme and coming back to Italy with a profound awareness of the richness and diversity of the European culture and a deep-seated feeling of belonging.

In 1989, there were no “modern” philanthropic foundations in Italy. Using traditional taxonomy, family foundations in Italy have developed in the past 20 years, as well as foundations of banking origin and community foundations, while corporate foundations developed in Italy in the last 10 years. Of course, in Italy we have a millennia-old culture of giving and examples of five centuries-old institutional philanthropy – with the richest families in towns like Florence, Brescia, Turin, and Naples giving money, real estate, art works, and jewellery to endow philanthropic entities to help the poor. But the concept of private foundations doing “strategic philanthropy” is – for several different reasons – relatively new and emerging in Italy.

It was in this kind of philanthropic context that Assifero was created in 2003 as a national membership association of family, corporate and community foundations in Italy. For the first ten years of its life, Assifero was a traditional membership association providing legal and fiscal services and some sort of “invitation only, low-cost club” in Milan.

It was in 2014-2015 when Assifero, now ready to plan the impact that it wanted to make, started making a lot of use of the EFC, DAFNE, WINGS, ARIADNE, the GFCF, ECFI and other support organisations.

Assifero wanted to make a difference by strengthening Italian foundations’ ability to contribute to the common good and by

making them more informed, more connected and more effective to better use their private resources to create change. We wanted to lead Italian foundations beyond grantmaking and the linear model of giving a grant to a non-profit, to making them aware of the distinctive role they could play in the complexity of today’s challenges and society. We wanted to move Assifero to the next phase of its development, transforming it from a membership association to a leadership organisation, able to plan and also assess its own impact.

The EFC was key for us over the past five years. The EFC is much more than a network for us: It is a sounding board and a touchstone, a platform to connect with best practices and common concerns, complementing our work at national level with an international one. The EFC has given Assifero and its members an extraordinary added value in terms of backing, power, space for exchange, peer-learning, dissemination of innovative solutions, development of new thinking, capacity-building, and creation of quality standards.

The EFC’s joint work with DAFNE on the development of a European Philanthropy Manifesto is so timely and valuable in terms of influence and legitimacy for philanthropy in Europe that no individual foundation, not even the biggest one, could ever have any comparable advocacy reach. The Manifesto is the most powerful call ever to policymakers in Europe to work towards a “Single Market for Philanthropy” which would have a major long-term positive impact on our sector by giving philanthropy the recognition it deserves, reducing barriers to cross-border philanthropy and building an enabling environment for philanthropy in Europe.

For 30 years, the EFC – together with other philanthropy support organisations – has played a very important role in Europe in making private foundations understand their distinctive mission vis-à-vis public donors, individual donors and other civil society

organisations, to build a common, inclusive and dynamic identity of European funders. This has enabled the sector to speed up the learning process, avoiding starting from scratch every time.

But, in recent years, the world has changed and is continuing to change dramatically and at a rapid pace. Today, humanity faces complex and intersectional challenges, and Europe needs us more than ever: Threats to democracy, populism, racism, xenophobia, integralism and violence as well as climate change and growing economic and social inequalities both at domestic and European level are right in front of us. The space for civil society is under attack in many European countries, and different European governments are using fiscal and banking regulations to undermine civil society organisations.

At the same time, today we have new, powerful knowledge and skills available and new tools, for example in terms of technology, to achieve impact above and beyond what we ever could have imagined only a few years ago.

Foundations have become more relevant and more visible. There has been a rapid growth in the number and types of foundations and today they are an important stakeholder, even though questions about the legitimacy of using private money (particularly when there is a tax break) for the public good are also raised.

In this new, completely changed context within which philanthropy is operating, what is then today the role of European philanthropy support organisations? Are we still just networks, membership associations, infrastructure, support organisations to individual foundations? Are we just supporting our members in achieving their individual results? Or, 30 years from now, do we want to be part of a broader impact in terms of social change? Do we want to be part of the solution? Is it not time for us to re-imagine ourselves? How can we move to the next level?

As domestic, regional and global so-called “philanthropy support organisations” we have all the power and capacity to do this but have to re-imagine ourselves moving from an input focus to an outcome/impact focus. We can directly contribute to a new model of sustainable development whose cornerstones are local hubs with more local ownership and more collaboration across sectors at domestic and international levels.

We are uniquely placed to make a long-lasting difference⁷ by increasing the volume, improving sustainability, encouraging more strategic philanthropy, facilitating the adoption of professional practices, generating better knowledge, promoting more collaboration and strategic partnerships, improving the ability of philanthropy to influence policy, raising public awareness of the value and impact of philanthropy, and bridging it to influential “system actors”, including governments, private sector actors and the media.

We can make a real difference in unlocking the huge potential that lies in private resources, including strategic non-monetary support. In a vision of systemic change, we are much more than networks, membership associations, infrastructure, we can be agents of change, developers, enablers, accelerators, and multipliers of social change to achieve sustainable development and strengthening civil society and democracy.

It is a terrible mistake to differentiate the “real philanthropic work” of the foundations from the “network work”. It is a mistake to see the system of fees as overheads and costs: They are instead shares in a strategic investment. Even for an issue-focused foundation today, it is essential to consider the wider scenario and participate in building systemic change, and invest in philanthropy developers, enablers, accelerators, multipliers.

⁷ See WINGS and DAFNE “4Cs – Capacity, Connections, Capability and Credibility: A Framework to Help Your Organization Identify and Demonstrate its Worth”.

In the next 30 years we need more EFC and more European philanthropy developers, accelerators and multipliers to fulfil this new strategic vision. At the WINGS meeting in Jamaica this year, “Driving Philanthropy for the Future: Creating the Networks we Need”, Barry Knight said that “egos and silos are our enemies”. Coming from a country of prima donnas, we know how philanthropic foundations can be aloof, self-contained, solipsistic and how much philanthropy support organisations can sometimes be like an “egosystem”. Today the challenge is to prevent silos and mono-stakeholder bubbles and move from individual institutions to vision, to cross-sector collaboration and multi-stakeholders’ strategic partnerships. We have to take the lead in re-imagining our role, improving our capacity to plan, assess and communicate our impact. We are not competitors competing for the same limited membership fees. Each of us can play a distinctive and unique role as a key agent of change.

See #LiftUpPhilanthropy campaign www.wingsweb.org/page/LiftUpPhilanthropy

Carola Carazzone



10

Philanthropy: Creating impact in a constantly changing, interconnected world

By Christina Lambropoulou

Chief Financial Officer
Stavros Niarchos Foundation

Thoughtful Avenue



As we contemplate the future of effective philanthropic work, one of the main obstacles that the sector must navigate is, paradoxically, the good feeling that the work of helping others can create. In addressing serious challenges at home and abroad, we need to look beyond what feels comfortable based on traditional models or precedents, focusing instead on impact-driven strategies and collaborations.

Looking back, a number of indicators point to a consistent progress over the last few decades globally. However, many societal issues persist in spite of significant efforts to address and contain them, and new issues continue to emerge. Global poverty rates have dropped by more than half since 2000, but one in ten people in developing countries continue to live below the poverty line and millions of others live on slightly more. In parallel, inequality has exploded in many places. Millions of people, mostly children, die from diseases associated with polluted water supplies and inadequate sanitation and hygiene, services that most of us take for granted. One in nine people are malnourished, and climate change will further threaten food production, while the EU alone wastes approximately 88 million tons of food every year. An unprecedented 60 million people globally have unwillingly abandoned their homes, including nearly 20 million refugees, half of them under the age of 18. Today, more people than ever before live in a country other than the one in which they were born. This mass movement of people has resulted in unprecedented social inequality, with millions of children getting no fair chance for the future because of circumstances beyond their control.

These issues, however, do not concern every society equally. Looking closer to our own neighbourhoods, where lack of access to basic goods is less prevalent, economic anxiety still lingers. The population in virtually every European country is ageing, work forces are shrinking, and 16 million people are currently unem-

ployed. Europe has received huge inflows of immigrants and refugees escaping from poverty and war. These factors, compounded by the lack of a broadly shared vision, appear to be driving factors in rising populism and nationalism trends and lead to disregard for core democratic values. They have resulted in severe integration challenges that strain national welfare, education, and housing systems, challenge solidarity, and create significant divisions across European societies.

Modern philanthropy, in its myriad manifestations, has had an immense positive impact on society at large. Current global issues and challenges indicate that the role of philanthropy continues to be significant. However, as our interconnected world continues changing, we need to put our energy into developing philanthropic approaches that keep up with our current needs. We need to reach beyond our comfort zones and question outdated modes of thinking that perhaps were useful in earlier times and contexts but are outdated and ill-equipped to meet today's complex issues.

Philanthropic organisations often focus on providing relief, treating symptoms, and covering public sector deficiencies. However, many of the issues that the philanthropic community seeks to address require proactive thinking and action, in order to address underlying conditions that generate unacceptable results. Philanthropy needs to find the right balance between offering immediate assistance to those in urgent need and maintaining a long-term approach toward addressing underlying issues. In order to achieve the latter, philanthropy must embrace calculated risks and test new models, which, if successful, the public and the private sectors can adopt, replicate, and scale up. Philanthropy needs to question tendencies to react based on emotion or personal preferences and become strategic and outcome-based. It needs to move from isolated initiatives towards collaborative solutions

that address the root causes of social challenges in a holistic way, enable empowerment, create employment, and reduce inequality in its various forms.

As philanthropy prepares for the future and works to maximise effectiveness, it is important that we harness key developments that have taken place in the NGO sector in the past 30 years.

Technology enables members of the philanthropic community to connect with partner organisations and beneficiaries around the globe faster and more efficiently, making giving easier, more transparent, and more accountable. Social media and mass communication enable sharing stories and building visibility in support of societal interventions in ways that have never previously been possible. The quantity of data captured around the world is increasing exponentially. Data is, of course, no panacea. We need to be cautious about relying too heavily on data, being misdirected by it or neglecting non-measurable elements. However, there is no doubt that conclusions stemming from accurate and informative data analysis should increasingly guide decision-making. This will enable us to become more proactive and impact-driven, and can help promote transparency and instil confidence about the effectiveness of our work.

To conclude, in order for philanthropy to become a more effective agent of change, all stakeholders need to forge and maintain long-term, open collaborations. Philanthropic organisations, the private sector, academia, and the public sector need to work alongside NGOs and civil society. Everyone involved needs to shift away from operational silos and one-way partnerships to more collaborative and co-creative approaches. Strong philanthropic collaborations require openly sharing knowledge, data, best practices, successes and failures across disciplines, sectors, and geographic boundaries. Building stronger connections between philanthropic and beneficiary organisations requires increased engagement

and communication, in order for all parties to understand one another's needs and priorities. Philanthropic organisations must also seek to build trust in the communities in which they operate acting in full transparency and consistently demonstrating integrity, reliability, and competence.

The EFC, as the leading platform in Europe for institutional philanthropy, must increasingly play the roles of catalyst and convener in this complex equation. As part of its priorities, the EFC must nurture an environment that intentionally cultivates interaction and dialogue between stakeholders. It needs to constantly assess current practices and disseminate ideas, models, and information that can enable philanthropic organisations to make better and more informed decisions, producing far-reaching solutions that enable the narrowing of critical gaps in our societies.

Christina Lambropoulou



11

A time to go up a level (or change the game itself)?

By Christopher Harris

Board Member
Friends of Fondation de France

Thoughtful Avenue



I was asked to offer some reflections about what the 30th anniversary of the EFC represents. On the one hand, while I have worked in philanthropy for over 25 years, as an American, I am an outsider. On the other hand, the annual conference in Paris this year represents my 25th EFC conference. My first was in Prague in 1993. Initially, I worked for the Council on Foundations, and for ten years thereafter I was a Senior Program Officer on Philanthropy at the Ford Foundation. At Ford, I was the program officer responsible for Ford's grants to the EFC. Since 2010, after I left the foundation, I attended most often under the aegis of PSJP (Philanthropy for Social Justice and Peace) with which I remain active. This year was different, as I attended the EFC conference as a board member of the Friends of the Fondation de France (US), in part to celebrate their 50th anniversary. So, representing a colleague institution, serving on EFC committees and then especially as the EFC's program officer for a decade, I have had unusual access to its staff, internal decision-making, programming and finances – especially for someone who is not European. It has been a privileged though unusual seat from which to observe the organisation.

Personal impact

Attending EFC meetings over many years has allowed me to get to know a number of foundation leaders across Europe. Three related elements emerged over time from those relationships – friendship, trust and learning. I have been very fortunate to build some wonderful friendships in Europe over the years. Real friendship takes time to develop and 25 years allowed several to blossom. The friendships fostered trust that permitted conversations about confidential and sometime delicate problems. These frank and respectful relationships served us as individuals, as well as the institutions that we represented. The third part of this triad is learning. I owe a debt to several of my EFC colleagues for their patient

willingness to tutor me about many particulars of the European project. I feel strongly about the importance of these connections, so I am worried by what I see as the loss of such relationships especially by my government, but I also regret that not more US foundations have chosen a dynamic engagement with their European counterparts. In my mind, this limited engagement can result in missed opportunities for learning and joint action, and a greater chance for misunderstanding.

Stages of growth

There is a substantial body of research about organisational development and one key finding tells us that organisations go through stages of growth as they move through time and, like people, if these developmental stages are fostered properly, the organisation may thrive. I think of my 25 years' experience with the EFC and see three distinct organisational stages – two past and one as a potential future.

First era: Birth and early years

The story of the EFC's genesis is well known, including the key role played by Raymond Georis. That first decade or so was characterised by a pioneering spirit – of claiming and devising a sort of European philanthropy project, while Europe itself was birthing the European Union as the manifestation of the grander Project. As an organisation, the EFC struggled with unreliable finances and “old boy governance”. Its programmes were sometimes thin and the annual conferences, with a few notable exceptions, were often collections of large panels of rather dry academic presentations. I vividly recall years ago sitting in the last row of the European parliamentary hall with the then head of Mama Cash whom I had strongly encouraged to consider joining the EFC, or at least attend this conference. There were very few women members of the EFC at that time. We looked down on a panel

of a dozen white-haired, white men on the subject of “why fund scientific research?” She turned to me and said, “You asked me to come for this?” Despite its several weaknesses, however, an institution now existed that focused on foundations across Europe. At minimum it provided a new space where foundations leaders from many countries, including my own, could discuss common issues, learn from each other and cooperate where useful. This was no small accomplishment.

Second era: Organisational and programme development

The next phase of development involved a greater maturation of the institution. In my opinion there was a critical intervention that helped propel the EFC into this second phase – new governance. There was a shift in the membership of the Governing Council, and especially the Management Committee, that reflected a new generation of foundation leaders. I believe that shift had important effects including: reconfiguring the EFC leadership and staff, providing a more secure financial base, and improving the governance of the organisation. This intervention and the related effects allowed the next phase to occur – if the right conditions were met.

In 2005 the new Chief Executive, Gerry Salole brought experience from senior positions in two major international foundations at a time when members were raising their expectations for quality services. While no membership organisation that I know can satisfy all of its members’ wishes, the EFC upped its game considerably. The EFC represented the philanthropic community within the EU legal and regulatory bodies, among other initiatives, supporting a sophisticated campaign to enact a philanthropy law. While ultimately unsuccessful, the multiple-year effort engaged a large number of foundations across Europe on a European agenda in an unprecedented way.

Over more than a decade the EFC created or supported numerous issue- or geographically- specific forums where funders could work together – I count at least 20. In the early 2000s I recall getting a call from a colleague at the Ford Foundation in New York whose work focused on HIV/AIDS. Did I know any foundations in Europe working on AIDS with which he could partner? I called Gerry who had an EFC staff member organise a meeting in Brussels. That meeting led to a successful multi-foundation partnership whose work had substantial impact. I can cite several other examples where many of us at Ford and other American foundations used our connections through the EFC for critical and trusted partnerships.

The EFC membership grew but also became far more diverse – by geography, gender, ethnicity, and other factors. This diversity reflects both the reality of changing faces across Europe and an intentional outreach and recruitment strategy. Thankfully the annual conference substantially changed its format and incorporated a variety of more effective learning experiences. These are just some examples of how I watched the EFC mature and become more sophisticated as an institution.

Third era: Creative response to new realities?

There is a set of key functions that most membership associations need to provide, and while that list changes only marginally, how they are designed and delivered vary widely. The past ten years offer impressive examples of how the EFC has improved its many functions. Membership organisations must also constantly balance the “service demands versus leadership” tension. I believe that there are reasons to celebrate the success of both previous eras. The EFC has come a very long way from those chilly but heady days in November 1989. At the same time, like many other organisations whose context has massively changed, I believe that the current conditions – some that pose existential threats to

European values – both require and provide a chance for a radical new vision for at least part of the EFC. It seems to me that the EFC’s 30th anniversary offers a moment to step the game up to its next level and perhaps alter parts of the game itself.

So while the EFC may wisely decide to keep many of its current activities, the 30th anniversary could be a time to consider a critical issue (e.g., the threat of the growing power of nationalism to the vision and values of a unified Europe, or growing economic inequality and related taxation inequities, or some other) and explore radical new ways for how to help European philanthropy more effectively address the issue. It could foster the birth of a creative, new, perhaps independent, platform. I am reminded of Raymond Georis’s creativity 40 years ago with the birth of the Network of European Foundations (NEF), what I consider to be a very creative institution that affords members useful flexibility.

It is very difficult in any organisation to re-imagine and make radical changes to its work and its ways of working. The organisational scholar Chris Argyris devised the theory of single- and double-loop learning. It asserts that most of us use the former that solves symptomatic problems, in contrast to the latter, which questions underlying assumptions. While more powerful, the use of double-loop learning requires a more creative and assertive engagement. Perhaps the EFC could apply such learning for a specific leadership initiative – and design something quite new, creative and more powerful.

I wish the EFC a very Happy 30th Birthday and also hope that it might take this opportunity to experiment and set the stage for its third era. Best wishes!

Christopher Harris



12

Philanthropy is a guest at other people’s tables... but is it time to play musical chairs?

By Dawn Austwick

Chief Executive
The National Lottery Community Fund

Thoughtful Avenue



Are we doing enough? And are we doing enough of the right thing? Writing this blog, I began to reflect on the passage of time – how much changes, how much stays the same. Thirty years was enough for 17th century Europeans to fight an extended and disastrous religious war, at a human scale it is short enough to span much of my career. In 1989, the year that the EFC was founded, Peter Brook was awarded the Europe Theatre Prize and in 2019 he was awarded the Princess of Asturias Foundation Award for the Arts. Bookends to remind us that wisdom, universalism, and creativity – the hallmarks of this great Englishman in Paris – remain steadfast across turbulent times.

And what of our “little world of philanthropy” during that time? What new challenges do we face and what is our responsible role? There are three overriding areas to focus on: power, democracy and the citizen; the digital and data revolutions; and the destination of funding – who gets what?

I began my career in the world of corporate support for the arts during the 1980s. At that time this was a controversial subject for cultural practitioners who, almost universally, felt the state should pay for the arts, not the private sector. And here we are 30 plus years on and the ethics of power are as present now as then, but in different form.

Power, democracy and the citizen

Then the state was all powerful, leaders were drawn from a relatively narrow band of mostly men, and the northern hemisphere ran the show. Now, the wealth and influence of philanthropists has waxed as that of the state has waned; funders are to an extent more diverse, and innovation, energy, and creativity is to be found in different places. This is not to say that philanthropic wealth is diversified – it clearly isn't, but citizens across

the world are increasingly finding their voice to hold wealth to account: And to challenge the apparent authority money brings, witness the discussions about West Coast Tech philanthropy, or venture philanthropy. At the National Lottery Community Fund in the UK we are supporting Ten Years' Time which aims to diversify the talent pool of foundation staff, alongside developing a programme for supporting Leaders with Lived Experience. This is all part of our funding philosophy that when people are in the lead, communities thrive. Where telling truth to power used to be directed at politicians and governments, more recently it can be seen to apply to funders. We funders must recognise that we are the guests at other people's tables.

The digital and data revolutions

We are also 30 years further into a technological revolution, which, together with the growth of global capital, can seek return across a world which has out-run a social revolution that could ensure society and citizens can all benefit from these changes. The agricultural and industrial revolutions that were spawned two centuries ago in Britain, were followed by hard-won social revolutions, with our philanthropic forefathers and mothers both urging reform and supporting charitable acts. Once more we have some collective catching up to do as inequality within societies grows. It is not clear where philanthropy will sit – enabling the technologically adept to cherry pick systems, places and people for support; utilising data analytics to identify need and demand; or supporting self-determination for communities? Perhaps a mix of all of these.

The destination of funding – Who gets what

Where the money goes, and how it gets there, is the crux of the matter. It is noteworthy that in the UK the majority of major donors concentrate their giving on elite cultural institutions and

universities. The growth of community foundations, interest in diaspora funding, and the shrinking of the state, have not led to a significant re-balancing of philanthropic intent. Donors in the UK, and in Europe more widely, remain nervous about taking on responsibility for activity that for the second half of the 20th century was the domain of government, and yet social welfare funding is, of course, the cornerstone of charitable giving in western Europe – think no further than the Good Samaritan.

Poverty and loss have always been part of our human story, as have acts of love and charity. They will be with us for some time to come, but we now face the urgent and very modern issue of climate change. Leaders like Greta Thunberg cause us all to look in the mirror and ask: “Have we done enough? Are we doing enough?” We all have to step up, philanthropy included, and here philanthropy has the opportunity to play for extra gain – by utilising its access to wealth management and impact investment. The link between generating wealth and backing good causes is another development that has gained pace in the last five years, and one that could materially accelerate our global collective response to the threat of climate change.

At the end of the day, however, I am reminded of a much more radical and challenging question for foundations and philanthropists – spoken to a group of foundation trustees by an individual seeking funds “I don’t want to ask you to give more, grateful as I am. I would like to ask you to take less so that others may have more.” Now that is a challenge.

Dawn Austwick



13

Capacity building: It's in the EFC's DNA

By Göran Blomqvist

Former Executive Director
Riksbankens Jubileumsfond

Thoughtful Avenue



Happy 30th Birthday EFC! Thirty years have passed since the start. Any signs of a 30-year crisis? You know, doubts about the past, questions about the future, reflections on your identity. Torment over what has been achieved, about what could have been done differently, or better. Wondering if you are too settled. Or feeling like you should focus less upon what has been built and start seeing life as continuous discoveries and achievements, and how they are managed. The start of the 30s for organisations as well as people are often a time of reflection, challenge and change.

My first contact with the EFC goes back to spring 2007. This means I have experienced the organisation for more than a third of its existence. It may seem like a long time, but in a foundation context it is not that remarkable at all. Many of those I met back then had already at that time experienced ten years or more of the EFC's history. And today, I still meet some of those people from the early days. Maybe working for a foundation strengthens your health!

Long experience in the foundation sector can of course be very important. However fresh ideas, which may mean limited experience, are just as important. I have felt that the increasing mobility and the inflow of young people over the past decade, and people with diverse backgrounds, have made the EFC more exciting. Without such a development foundations run an obvious risk of becoming inward-looking and complacent. The EFC has already played an important role in enabling the sharing of good practice within the sector, and certainly more should be done.

Foundations seldom have the tradition or aptitude of collaboration with peers, i.e. other foundations. As representatives of our foundations we often seem to be uncertain whether we would like more collaboration or not: "Other foundations are so different from us, so introvert and complicated." On this matter I have

a strong opinion, founded on solid, lived experience: Everybody wants development, but nobody likes the thought of change!

Now and then I return to the irreverent thought that a good crisis would benefit European foundations! A decade after the last financial crisis, foundations in many European countries once again have plenty of resources. In this situation I can observe a certain appetite for supporting the establishment of new organisations. I admit willingly my inability to see the need of more structures. Less is often more, not only in aesthetic contexts. With fewer resources it would instead have been necessary to prioritise, reorganise and actively seek collaboration. But that Cyril Northcote Parkinson's law and the principles of so-called "comitology" are valid also within the foundation sector shouldn't be a big surprise to any of us.

The EFC is as an extraordinary meeting place, has been for 30 years, and has the potential to remain so for the coming decades. It was here my interest for modern philanthropy was awakened. It was here many of us learned to respect and to trust each other! I especially appreciate the work carried out in, and by, the many very committed Thematic Networks within the EFC. They represent a grass-roots movement and serve as platforms for peer-learning and exchange of experience. They are actively engaged in joining forces and increasing the visibility of the work carried out. The EFC's networks are of growing importance and members seem to like doing things together. I'm very pleased to see that the networks are given ample room in the programme of the EFC annual conference.

What particularly impressed me in 2007 was the gentlemen's agreement between a number of leading foundations to take a special responsibility for the future funding of the EFC; that is say, to guarantee the necessary infrastructure for the European foundation sector. The fulfilment of this commitment has since then

proved to be complicated. But back in 2007 one could still feel that the EFC was inspired by the euphoria during the days following the fall of the Berlin Wall and Europe started its long journey towards some kind of unity. Unfortunately we see less enthusiasm for the European project nowadays, but we mustn't despair!

The opportunities to meet foundation representatives from outside Europe have been the real reward of my experience with the EFC, whether as my time with its governing bodies or with during the many conferences, assemblies and network meetings. I can't think of the EFC without the remarkable loyalty demonstrated by US foundations toward European colleagues coming to mind. Without the financial support and ideological inspiration from Mott and Ford foundations it would have been very difficult, not to say impossible, for the EFC to develop as positively as it has. I sincerely hope that the future leadership of the EFC and its member organisations realise and take seriously this inheritance. This includes the obligation to continue the development of the foundation sector, to support voluntary work for the benefit of the entire society, and to contribute to capacity building in the parts of the world where the foundation sector is less developed. I hope this task will continue to be an important part of the future identity and DNA of the EFC.

Göran Blomqvist



14

Freedom: The Baltic way

By Ieva Morica

Executive Director
Foundation for an Open Society DOTS

Change Highway



“**A**ll injustice and oppression eventually come to an end. The spirit of freedom is stronger than any slavery. Sooner or later, any lies will be illuminated by the truth. Let’s hold each other’s hands closer and look into each other’s eyes. One can almost physically sense the togetherness above everything.”

These words were spoken by Dainis Īvans, one of the most visible leaders of the Latvian independence movement, in a radio address to the people forming the Baltic Way or Baltic Chain on 23 August 1989. This was a peaceful political demonstration of two million people joining their hands to form a human chain spanning almost 700 kilometres across the three Baltic states – Estonia, Latvia, and Lithuania. The people in these three countries were demanding public recognition of the fact that the Baltic states had been occupied by the Soviet Union, an event – the dividing of Eastern Europe – which had been cruelly agreed upon with Nazi Germany on 23 August 1939 (in a secret pact by Molotov and Ribbentrop, the respective foreign ministers of the Soviet Union and Nazi Germany). Furthermore, the demonstrators called for renewal of the independence of the Baltic states.

The Baltic Way was miraculously organised by a small group of independence leaders from all three Baltic countries in less than six weeks, at a time when no digital technology existed to enable communication and logistics. The idea was to ensure that people would hold their hands for 15 minutes from 19:00 until 19:15, united and uninterrupted in a human chain that would connect the three Baltic capitals – Tallinn, Riga and Vilnius. And they managed to pull off, without the occurrence of a single incident, no less.

I remember my own presence at the Baltic Way. I was 14 back then. My mother and I wanted to join this human chain in the centre of Riga. We were standing in the crowd, joyful, excited, and proud of all the people there. Right where we were standing, there

were enough people to form the chain, so we just observed it from the side. Giving a hand to a stranger was not something that people would readily do, but somehow all the otherwise introverted Latvians looked at each other and didn’t shy away from holding a stranger’s hand, irrespective of who they were or where they came from. Compared to the enormity of the moment, the boldness, the daring, holding a stranger’s hand didn’t seem like such a big deal after all. I recall observing the pride and determination on people’s faces. We all felt happy; we were all part of a big dream – that of independence and freedom.

A few months later, the Berlin Wall fell, democratic revolutions were sweeping across central and eastern Europe, and a group of far-sighted European foundation executives gave breath to the EFC. Indeed, 1989 was a year of historical significance.

Now, 30 years later, the question of freedom is something I would like to reflect upon. I work at a foundation that promotes democracy and the ideals of an open society. Freedom itself is at the core of an open society, but today the concept of open society is being questioned and even attacked in some countries.

Although I view these events with concern and dismay, I also recognise the many challenges that come with the idea of freedom. During Soviet times, freedom was a dream, an aspiration. But as an independent nation, we now finally actually enjoy freedom. Membership in the EU gives us the right to travel and to work freely in other European countries, something that people in the Baltic states appreciate very much. We can freely choose our path in life – the way we raise our children, how we spend our time, our professional and personal development. Enjoying this diversity of options is an aspect of freedom that once seemed unimaginable and one that is easy to take for granted.

But freedom is also about making a choice – what are we choosing to spend our time on, how are we earning or spending

our money, what is important for us, and what is not? How will the steps and actions we take impact our own lives, society, Latvia, Europe and the world?

Making choices and bearing responsibility for the consequences of these choices is never easy. Like Sir Isaiah Berlin said, choosing is hell. How easy it was for a child to sit in her mother's lap, knowing that everything will be taken care of. How challenging it is for an adult to think and contemplate the options, the pros and cons, and to make a decision and bear the responsibility for it, without blaming any external force. This is a freedom that many people who lived before us didn't have and one that still does not exist in many places on Earth. Freedom for me today is about growing up, part of being an adult. It is something that comes with responsibility and being truthful to oneself. Is 30 years enough time for an individual and a society to grow up? I hope so.

Ieva Morica



15

What has (and hasn't) changed in the EFC and the sector in the past 30 years?

By Jesper Nygård

CEO
Realdania

Thoughtful Avenue



The most striking change during the last three decades has been the growth of the sector. It is indeed a golden age for philanthropy. We see an increasing number of foundations in many countries, growing endowments and a rise of new forms of philanthropy. That adds to the pluralism and increases the potential of the sector.

Looking more specifically in to the EFC the most dramatic change must be the plurality of the members, now covering foundations from north to south, east to west and in all shapes and sizes and with all sorts of philanthropic missions. I admire the way the EFC has been able to incorporate this into its work over the years.

The second thing that strikes me are the new issues that have become critical to many foundations. First, the climate crisis and second the United Nations Sustainable Development Goals (SDGs). Both issues have become drivers of change – both locally and globally – that unite many foundations across borders.

What are the challenges for the next 30 years (and beyond)? And how can European philanthropy tackle them?

New role, new responsibility

With the increasing size of foundation endowments on one hand and the decreasing state budgets for key areas for foundations (culture, science etc.) on the other, the role and responsibilities of philanthropy will most likely grow in the coming years.

Even today we are no longer a sector which can act in the shadow of the market and the public sector. We cannot be the same discreet donors as foundations were decades ago. Foundations of today deliver on some of the most important issues in society. We see an increasing share of the budget costs being covered by philanthropic grants in specific areas.

By stepping forward and leading through catalytic philanthropy many foundations have taken up a new role as drivers for

change. From being in the back seat, we're now moving in to the driver's seat, and with that, we increase our responsibility for the outcome and results.

This new role calls for: 1) Closer collaboration between the donor and the beneficiaries, 2) Closer partnerships between different types of donors across the different sectors, including the public and private sectors and civil society 3) Better tools to foresee the long-term economics and sustainability of the beneficiaries.

Private sector partnerships are necessary to reach the SDGs

At global level we find the most striking and urgent societal challenges covered by the SDGs. Reaching the ambitious targets of the Goals requires much more than political action.

In terms of financing the necessary actions, the UN makes it clear that public and philanthropic capital will only cover half the needed investment. So, involving private companies and private investors is essential to create the change.

For foundations this will call for new strategies and open new paths for us.

First, we need to revise our investment mandates to make impact investments possible. Currently most foundations, including Realdania, have philanthropic potential in turning the endowment into a philanthropic tool by adapting new investing mandates that allow us to become more mission driven in our investment portfolios. The first step in my opinion is to know what you own as a foundation and then act to gradually make the investments more aligned to your mission.

Furthermore, I find it promising that an increasing number of private organisations such as pension funds and other long-term investors share our philanthropic ambitions. Our positive experiences with cross-sector partnerships in recent years tell me that

much positive change can derive from these partnerships and that philanthropy and businesses can have a fruitful partnership. This is a path to develop further in the years to come. And we – as philanthropists – have an obligation to try to inspire and facilitate that development.

How can the EFC help be the catalyst for achieving this?

To me, the EFC is very much about exchanging know-how and peer-learning. One of the most striking changes internally in the sector has been the increasing exchange of knowledge and collaboration among foundations.

Retrospectively critics were right to describe the sector as closed and discreet, but this has changed dramatically during the last decade.

And the change has had the effect that we now have a transparent sector with no business secrets and with a mindset and an ambition to share experiences, knowledge and know-how not only between European foundations but also across the Atlantic and elsewhere in the world. All our knowledge is open source, and that gives us unique opportunities and obligations.

We have a huge philanthropic sector in Europe and in North America, and the interest in philanthropy is booming in other places too. But the sector needs good conveners such as the EFC, the Global Impact Investing Network (GIIN), and other organisations aiming to unite the different voices of the sector and lead the way forward. My hope for the next 30 years is that the EFC will remain a driving force in peer-learning and stay ambitious in improving philanthropy as a sector.

So: Happy anniversary. And keep up the good work for generations to come!!

Jesper Nygård



16

Reflection is important, projection is critical

By Lisa Jordan

Founder
Aim for Social Change

Thoughtful Avenue



A sector of apples and oranges... and the odd banana

The philanthropic sector has been growing at a rapid pace right across Europe for at least two decades. Not only have the types of foundation increased – corporate, banking, royal or private wealth – but the mechanisms by which change is created have diversified with more market-based approaches accompanying charity mechanisms. Each foundation is unique (indeed there is a joke in the sector that when you've seen one foundation, you've seen one foundation) but collectively the sector contributes to knowledge creation and social change where and when both are needed. The EFC has accompanied this fantastic growth, helping us both reflect upon and project who we are as a sector.

I have had the privilege to work within three foundations, and while each one is a world unto itself, all of the three institutions bumped up against the same challenges: What is our theory of change? Actually, what is a theory of change? How do we recruit the right kind of talent? Actually, what is the right kind of talent? How do we build a programme? How do we get good ideas to stick? How do we know if we are making a difference? Does this sound familiar? The biggest thing that foundations have in common is that we all need a place to learn and compare our practices with each other. For 30 years the EFC has been there to fulfil this need and help us reflect. The EFC has created conditions by which its members can get better at being a foundation.

Shared learning – Contribution, not attribution

This can be no better exemplified than an effort started by the Bertelsmann Foundation which hosted a session on impact at the EFC annual conference in 2009. The session, which would usually be seated, was literally standing room only. Foundation heads and staff people were spilling out of a room to get a glimpse

of a video on learning from grantmaking, and it was quiet as a church in order to hear the speakers. These early efforts by Bertelsmann led to a long and fruitful collaboration across a half dozen foundations through the EFC to better understand how to measure our own impact, how to communicate results, how to understand and embrace risk, and how to recognise contribution (and why we generally step away from attribution). This was one of the first platforms that the EFC created for foundations to embrace strategic learning.

The EFC has also helped foundations align around critical democratic issues. In 2010, shortly after taking on the role of CEO at Bernard van Leer Foundation, I was invited by a group of German foundations to address the needs of a critical marginalised population in Europe, namely the Roma. I knew nothing about the trials and tribulations of this community even though I had a long history of being engaged in eastern Europe. Through an EFC-convened learning group, I not only learned the history of Roma in western and eastern Europe, but began what became a five-year collaborative effort with foundations from across the continent for support and empowerment of Roma populations. Bernard van Leer's programming to support Roma children was built to complement the efforts of other foundations and stimulate a greater collective impact. While we all continued to pursue support in line with our mission, what we undertook in common was a concerted advocacy effort to ensure that democratic rights and values were extended to the Roma; that EU funding was informed by Roma history and foundation knowledge in supporting different Roma populations; and that funding was directed in effective ways in the face of entrenched discrimination.

Taking control of the narrative – A taxing issue

Today, however, the projection role that the EFC can play, that any association should play, is perhaps of even greater import

than the reflection role, most especially projecting the role that foundations play to support European values and ideas.

One of the things I learned through the EFC is the critical differences in philanthropy that exist in “winner-take-all” societies like the United States, versus European philanthropy. Philanthropies in “winner-take-all” societies are often fighting to get the state to assume responsibility through a series of carrot and stick approaches. In well-functioning social welfare states, however, the role of philanthropy is often to work in greater collaboration with the state, to discover new horizons in knowledge or to ensure that the history of the continent is well preserved. While this is a generalisation and there are many exceptions, the embedding of philanthropy in society working alongside other sectors seems more important in social welfare states than the need to stand out.

And this causes a dilemma. Namely, foundations are not well understood. A few years ago in the Netherlands, the national association of foundations (FIN) undertook man-on-the-street interviews to ask ordinary people what philanthropy means. Ninety percent of the definitions were wrong. We all had a really good laugh, but truth be told, most foundations were not really concerned. We don’t like to show off; we do not have a collective response to correct the misconceptions that are out there; and frankly, we don’t think it is that important.

This allows for misconceptions about foundations to grow. And sadly, today, foundations are increasingly becoming understood, but through the wrong lens, the one coloured by the “winner-take-all” cultures. One of the big misconceptions is that philanthropy is somehow the alternative to wealthy people paying taxes. The underlying narrative suggests that there is a choice between philanthropy and taxes. There is not. European nations, with robust social welfare systems financed through taxes, also enjoy rich philanthropic practices. The counter-narrative to the

“winner-take-all” is alive and well in several European countries including France, Germany, Italy, the Netherlands, Sweden and Switzerland. And this is where the EFC comes in. The European story of philanthropy now, more than ever, needs to be told. It needs to be projected into the global dialogue to demonstrate common and aligned purpose between good governance that serves the need of a nation and good philanthropy. When foundations, however, do not tell their own collective story of contribution to society, it is easy for others to paint a negative picture. Foundations need an ambassador and one that can articulate the very special European flavour of philanthropic practice.

Support democracy, strengthen infrastructure

A second misconception that is perpetuated as part of the anti-democratic trend to close civic space, is that philanthropy is vulnerable to being misused by terrorist groups. Apparently we need extra regulatory attention scrutinising cross-border financial flows, though there is no evidence offered to bolster this claim. Nevertheless, this perception is alive and well. Without the EFC and other organisations projecting a counter-narrative, our license to operate could end up as collateral damage from anti-terrorist regulations.

The latter misconception only foreshadows the battles that are to come, and reinforces the need to commit to a strong infrastructure platform like the EFC. Foundations speaking with a collective voice can correct the public discourse on philanthropy and can also, by projecting the unique European approach, weigh in on the unique and special values of Europe.

The European project is in desperate need of allies that reflect and project European values of democracy, tolerance, human rights and freedom. While many foundations have traditionally been shy to overtly engage in a large political discourse, we all

recognise that the wave of democracy that has buoyed Europe from the fall of the Berlin Wall in 1989 to today is cresting on the shores of autocracy, oligarchy and xenophobia. And whether we want to engage in this discourse or not, we are already part of the conversation. Foundations are caught up in populist discourses and international, anti-terrorist regulations with misconceptions abounding. The need to correct them and to defend European values has never been greater.

Oscar van Leer, son of Bernard, said, “To make money you have to be clever. To give it away you have to be wise.” Our collective wisdom, the kind Oscar sought, lives and grows within the EFC. Our greatest ally in demonstrating the strength of the sector and Europe’s particular brand of philanthropy is our association, the EFC, reflecting and projecting European democratic values.

Lisa Jordan



17

Moving toward EFC 3.0

By Luc Tayart de Borms

Managing Director
King Baudouin Foundation

Thoughtful Avenue



This year we celebrate the 30th anniversary of the EFC. There is indeed much to celebrate: The EFC is the cornerstone founding institution of philanthropy and social investment infrastructure in Europe, and the leading connector of foundation leaders across Europe and beyond, to Africa and China. The EFC has helped and continues to build the capability of many professionals and institutions in the foundation sector. They have increased the credibility of foundations in the eyes of EU public institutions while also supporting efforts at the national level by providing critical insights, information and suggestions on better policies. It may not be possible to say exactly how and how much, yet it is safe to claim that the EFC has also contributed to increasing the capacity (volume, sustainability and strategic approach)⁸ of the sector. So, congratulations for all you've done, EFC! Let us celebrate these successes, yet also, be wise and take stock of where we are now and what is needed to move the EFC to version 3.0. In order to do this, we need to look not only at the EFC, but also at the overall context as well as the ecosystem within which the EFC operates – the European philanthropy and social investment infrastructure, or EPSII for short.

The current political context places a great deal of stress on civil society actors (also referred to as “shrinking space”). Also, foundations are confronted with increased criticism for their work which partially puts into question the legitimacy of our work. There is pressure on foundations to achieve greater impact outcomes (a kind of “social profit”). Measuring and communicating this impact and new approaches for optimising foundation endowment and other financial assets (e.g. via impact investing and other tools) are all critical issues that warrant increased attention. This requires the foundation sector to strengthen its position vis-

8 WINGS 4C framework – <http://wings.issuelab.org/resource/using-the-4cs-evaluating-professional-support-to-philanthropy.html>

à-vis the EU institutions, to ensure a stable and open environment for our work. Unfavourable regulations could surely render foundations and social investors much less effective. Hence, policy advocacy and lobbying efforts are crucial for our sector.

The EU landscape with regards to policy advocacy is increasingly complex and undergoing transition, with more challenges facing advocacy groups in achieving successful policy outcomes. The EU's “Better Regulation” policies aim for greater internal efficiency by reducing time needed for influencing policy and regulatory outcomes. For this reason, the EU increasingly seeks “one voice”, which in turn creates greater competition and pressure for sector organisations to re-examine the effectiveness and efficiency of their own processes as well as how to collaborate with other actors. As a result of these demands and the pursuit of greater excellence, one of the leading trends among Brussels-based lobbying organisations is a shift from traditional advocacy coalitions to quasi- or fully-formed mergers between organisations.

Over the past 30 years, the ecosystem of European philanthropy and social investment infrastructure has also changed quite significantly – and much of that thanks to the EFC but also thanks to DAFNE and EVPA. To better understand how actors in the European philanthropy and social investment infrastructure need to prepare for a changing environment and expectations, a study was commissioned in mid-2018 interviewing around 50 key stakeholders of the sector.⁹ Foundation leaders expressed that there is a fragmentation of organisations working at the sector level and in some cases, overlap in activities. They also conveyed concerns about potentially harmful regulations for foundations on the horizon, feeling unsure about how prepared sector organisations are to prevent them and/or react. They suggested collaboration and alignment, particularly between the EFC and DAFNE, but also

9 EPSII study – <https://en.widersense.org/studies/epsii>

across all EPSII organisations including EVPA, to join forces and strengthen the voice of the sector. The recently launched Philanthropy Advocacy initiative, led by the EFC and DAFNE appears to be a very good step in this direction.

But it may not be enough. According to recent surveys on governance in associations active in Brussels, there are two critical factors that contribute to strengthening impact: internal decision-making and reputation of the sector. In order for the Philanthropy Advocacy initiative and others to be successful, we first must ensure internal decision-making systems are both inclusive and efficient in our sector organisations, which is not an easy balance to strike given the diversity of approaches to philanthropy across Europe. We must also take swift action to improve the reputation of the sector, which suffers mainly due to lack of transparency. We need a central data system that gathers and reports basic data on foundation spending and other activities and use this to present ourselves more clearly to external actors and the broader public.

These are some of the critical issues requiring action to prepare for an EFC “version 3.0”. Yet we should not be thinking only about what the EFC can and should do. Instead we must consider the assets that each EPSII organisation brings to the table and facilitate alignment to serve and strengthen the impact of the sector as a whole. A first step should be to merge the EFC and DAFNE into a new joint organisation. EVPA should also be included in this conversation. Efforts to make this happen are underway and I hope that they will be welcomed and supported by all. I believe that the time has come to create one strong and aligned voice towards policymakers and reshape the European infrastructure to become more agile and effective to serve the philanthropists and social investors of the coming decades.

Luc Tayart de Borms



18

A philanthropic coalition for climate emergency and social justice

By Marie-Stéphane Maradeix

Executive Director
Fondation Daniel et Nina Carasso

Change Highway



We have ten years, ten short years left to activate the transition towards a global system able to limit climate change to 1.5 degrees Celsius. In addition to the environmental imbalances caused by rising temperatures, the impact on the most precarious populations will further aggravate social inequalities. However, the mobilisation of the philanthropic sector remains surprisingly low, not exceeding 3% of global donations directly allocated for environmental causes.¹⁰

From 22–24 May 2019, the EFC Annual General Assembly was held in Paris, which brought together more than 800 representatives of foundations. The timing of the debates was crucial. On the eve of high-risk European elections, the topic of the event “Liberté, Egalité, Philanthropie” was a call for mobilisation. Beyond this major political and moral crisis, a second challenge appeared in the debates, that of the climate emergency.

Some panels focused on the climate issue directly, while others – dedicated to data, migration, food or communication topics – addressed the climate issue as a major and transversal challenge. Several speakers recalled the ten-year “countdown” to reverse the trend detailed in the latest IPCC report published in October 2018.¹¹ Despite the emergency and the limited time we have to act,

¹⁰ The environment sector is only the 9th priority of French foundations with 3% of foundations committed to this theme (Observatoire de la Fondation de France, 2018). In the United States, the environment area is also ranked 9th in generosity with 3% of donations in the “environment/animals” category (Giving USA 2018). The “Environmental Funding by European Foundations – Volume 4” report, published by the EFC in 2018, is based on the responses of 87 foundations who commit €583 million (2016 figures) to environmental issues, while the DAFNE network – quoted on the EFC website – gives a figure of 147,000 foundations in Europe with an annual expenditure of €60 billion. Of course, these numbers do not reflect the full engagement of foundations on environmental issues directly or indirectly, but their level shows the weakness of the philanthropic response to the sector.

¹¹ The IPCC report recalls that meeting current commitments under the Paris Agreement, as presented in the “Nationally Determined Contributions”, will not

the involvement of the foundation world and global philanthropy in the fight against climate change is incredibly weak.

Foundations are sometimes facing their own contradictions: They often work alone; their programmes are siloed, with few systemic approaches to problems; they do not leverage financial investment tools to increase their impact; and they often think they have the solution, without always listening to their partners.

Facing those challenges, we need to be bold, think clearly about the vision we have, not be afraid to take risks, and do things differently. As foundations, we enjoy a privileged position due to our independence, our resources, our flexibility, our knowledge of the field and our commitment to the common good.

So, why not imagine a coalition of philanthropic actors to declare a ten-year mobilisation addressing both challenges: climate emergency and social justice.

Engage your organisation as an agent of change

Foundations can begin their journey with simple actions:

- Not only speak the language of the “established” Sustainable Development Goals (SDGs) in your programmes, but put forward more ambitious indicators
- Ensure that your programmes are in accordance with the plan for limiting the temperature increase to 1.5 degrees Celsius
- Manage your financial portfolio in a way that helps fight climate change¹²

be sufficient to limit global warming to 1.5°C. It also stresses that the impacts on health, livelihoods, food security, water supply, human security and economic growth will increase compared to today in the case of a warming of 1.5°C, and even more in the case of 2°C warming.

¹² I highly recommend reading the article “Time to change the way we invest” by Ellen Dorsey, Executive Director, Wallace Global Fund, published in Alliance magazine on 16 July 2019.

- Act on your daily practices: work premises; transportation; event planning; water and energy flow management; procurement management; food choices, etc.
- Build together the narrative of a philanthropic sector committed to a green and egalitarian transition

The Fondation Daniel et Nina Carasso, under the aegis of the Fondation de France, has started this long process of reviewing its practices and operating modes. As early as 2015, we had already embarked on improving our investment policy by signing the Divest/Invest initiative and initiating an impact investing policy. Today, we are working on aligning our programmes with the SDGs, on reducing our carbon footprint in our practices, and on defining new targets for sustainable and impact investments.

Engage with others to accelerate change

Foundations working on social transformation know that sustainable change comes from a combination of different actions that come together, end-to-end, to put society in motion. In addition, it needs long-term commitment and new partnerships with other public and private actors. A subject as important as climate requires breaking the boundaries between the types of organisation, including those in the commercial sector.

With climate change, all areas of philanthropy are or will be impacted. While many foundations are already engaged in this fight, the mobilisation is neither sufficient nor organised, despite the enthusiasm of the Paris Agreement and awareness of the subject thanks to repeated warnings from scientists.

We need to act in a systemic and partnership-based way, both to support concrete levers of action (e.g. agro-ecology, waste reduction, soft mobility, reduction of water and energy consump-

tion, etc.); develop research; influence economic and political decision-makers; change regulation; invest in the green economy; and finally, mobilise consciences for a profound cultural change.

Within the Fondation Daniel et Nina Carasso, we see how much these questions are transversal and involve a global approach. As noted in the IPCC “Climate Change and Land” report, released on 8 August 2019, there is a clear link between climate change and our food systems. On the one hand, climate change has an impact on our food security and, on the other, our food choices are decisive in fighting against this change. That analysis furthermore supports the systemic vision we are carrying through our “Sustainable Food” programmes. Our second programme called “Art in the Community” also reflects the climate issue, bringing together both artists and scientists to share visions and practices.

Foster a philanthropic coalition

To meet these challenges, it is time for European (and global) foundations to show their leadership in designing a framework for the next ten years. The major national and European philanthropy networks – led by the EFC as part of the celebration of its 30th anniversary – could launch a broad coalition to identify, with the help of their members and experts, a few thematic priorities with the greatest impact in the fight against climate change, while guaranteeing social justice. These priorities could be then transcribed into action plans (e.g. field actions, advocacy, research, education, etc.). Foundations could join this coalition, committing over the next ten years, either to dedicate all or part of their own programmes in relation to these themes (with a strong monitoring and evaluation process) and/or to work with other actors (private and public) in the long term on one of these issues (see rules of Collective Impact process).

In the face of climate emergency and threats to social justice, we have to act together and now. Although the world of philanthropy will not solve all the problems, it has a lot to contribute. The question is: Are we ready for this major mobilisation?

Marie-Stéphane Maradeix



19

A call for a transatlantic retreat on the state of philanthropy

By Marjorie Craig Benton

Fundraiser and grantor for organisations whose missions focus on women's and children's issues, and peace and disarmament

Benton Foundation

Rue Existentielle



I recently travelled to Brussels to see my long-time friends Gerry Salole and Rien van Gendt at the EFC. As usual, we spoke about the status of philanthropy in Europe and the United States. A huge topic, indeed. Rien spoke eloquently about two relevant developments in Europe. The first is that the context within which philanthropy is functioning has changed dramatically. Foundations are “increasingly seen as important stakeholders in addressing complex problems” in society, which invites more scrutiny, and in some cases, distrust. With this added public scrutiny, foundations are questioning what value they bring, especially in the face of discussions about the tax benefits (or avoidance, depending on your point of view) of charitable giving for the wealthy. The second development is the new confusion over the landscape of philanthropy. Today, there exist traditional foundations, associations of foundations and affinity groups organised by content, by an approach or style of grantmaking or investing. Has this led to a lack of coherency? Is the foundation field incapable of working together to create a larger ecosystem to tackle big issues in depth and over the long haul; to face growing questions and critiques about the sector’s power and influence? As Rien laid this out, I found myself nodding my head in agreement.

Twentieth-century American philanthropy played an important role in making progress on such issues as laws to protect workers, the environment, and consumers. My daughter, who runs the Benton Foundation, recently sent to me an October 2018 article by David Callahan, “Powerless: How Top Foundations Failed to Defend Their Values – And Now Risk Losing Everything.” The gist of Callahan’s piece, is that “nearly all the gains of modern liberalism – many of which leading foundations helped to engineer over generations – are now at risk.”

I spoke to Rien and Gerry about the coherent, long-term, large-investment strategy of conservatives to spread their ideolo-

gy and capture power and to use their philanthropy as an alternative to paying taxes, so they could control how their funds were spent. Given our political times, and a confluence of other events, that strategy devised in the 1970s – to invest in ideas, institutions, and people – has borne fruit. Some, but not all, of their agenda advocates for limiting the role of government, dismantling the “administrative state”, and overturning regulations; for turning the judiciary rightward; and for changing fiscal policy, including the passage of a tax law that will ultimately lead to cuts in domestic spending that will touch nearly every community in the US and impact America’s most needy.

The Callahan article reminded me of a 1997 report from The National Committee for Responsive Philanthropy, authored by Sally Covington, that talked about the strategic philanthropy of conservative foundations. At the time, this piece made waves in the US legacy foundation world, and I wanted to review it again given my discussions in Brussels.

Covington’s report concluded that upon reviewing the \$210 million, 3-year grantmaking of 12 conservative foundations (think Bradley, Olin, Scaife, and the Koch Brothers), “There were some valuable lessons for grant makers interested in influencing current policy trends and the tenor of public policy debates:

1. Understanding the importance of ideology and overarching frameworks.
2. Building strong institutions by providing ample general operating support and awarding large, multi-year grants.
3. Maintaining a national policy focus and concentrating resources.
4. Recognizing the importance of marketing, media and persuasive communications.
5. Creating and cultivating public intellectuals and policy leaders.

6. Funding comprehensively for social transformation and policy change by awarding grants across sectors, blending research and advocacy, supporting litigation, and encouraging the public participation of core constituencies.
7. Taking a long-haul approach.”

Covington concludes: “While each lesson has its own power and significance, it is **the combination of all seven that has made conservative philanthropy especially consequential** (my emphasis). The demonstrated willingness of these foundations to act in such political and strategic terms serves as a sharp reminder of how much can be accomplished given clarity of vision and steadiness of purpose.”

The benefits of this conservative philanthropy movement to the Trump administration are now being realised. Think tanks like the Federalist Society, the Heritage Foundation, Cato, and the American Enterprise Institute, with strong on-going financial support, according to Callahan, have “played a central role in pulling together the right’s narrative and translating its values into policy ideas and blue prints for governance. They’ve provided a home to the movement’s top public intellectuals, trained successive waves of young conservatives, and cultivated pathways into Congress and the executive branch.”

In a 1998 article, “Why do Progressive Foundations Give Too Little to Too Many?”, Michael Shuman documented in detail how conservative funders were badly outgunned financially by progressive behemoths, yet they wielded far greater influence by leveraging their resources in ideas, policy, and movement building, and a willingness to bankroll the darker arts of politics.

Have progressives been sitting on their heels? In the early to mid-2000s donors did step up to build such groups as the Democracy Alliance, the Center for American Progress, Media Matters

for America, and The American Constitution Society for Law and Policy – but these remain modest compared to what the right fields. Callahan states, “Organisations that operate across issues and can quarterback a movement to win power more broadly have a much harder time raising money.” Instead, project support for single issue organisations who wish to solve problems one at a time and who work in a siloed fashion, remain popular progressive funding targets. And anything that smacks of ideology or partisanship remains, mostly, off the table.

When I asked a friend, Marvin R. Cohen, Ph.D., what he thought, I received this answer: “Those who have toiled in the philanthropic vineyards are privileged to have labored at the intersection of ideas and resources. We have been associated with institutions that claim to devote their assets to advancing the common good, particularly on behalf of the most vulnerable members of our nation, and in the process holding themselves and their grantees to the highest levels of accountability. These institutions pride themselves on being risk-takers, whose decisions are ‘evidence-based’. At first blush these are praiseworthy characteristics, particularly if they were to hold up under serious scrutiny. There are, however, good reasons to be skeptical. The bulk of the nation’s philanthropic dollars are not placed in the service of advancing social justice, nor for that matter in strengthening democratic practice, which constitutes the bulwark of our civic culture. The current obsession with evidence-based funding, encourages foundations to cleave to programs that can produce readily quantifiable, short-term results, which in turn discriminates against initiatives that target intractable concerns requiring sustained investments...”

Cohen goes on to say that, “Modern American philanthropy has acquired the characteristics of institutional attention deficit disorder. It becomes enamored of ideas that compel its attention

for a number of years, only to move on to another obsession in order to remain on the ‘cutting edge’ of innovation. The fact that the nation requires sustained attention to challenging problems seems to be lost on the field.”

Are there exceptions and current experiments that might bear fruit? Yes. I am following the Ford Foundation’s Building Institutions and Networks (BUILD) project, entering its second of six years. This \$1 billion initiative aims to help organisations worldwide that move the needle on inequality become stronger, more sustainable, and more durable. Kathy Reich, Director, emphasises some early lessons, to help other grantmakers who are interested in changing entrenched systems and supporting non-profit sustainability of which I pick out three: “1. Non-profits thrive with larger, longer, more flexible grants; 2. Long-term flexible grants work best when they closely align with strategy; and 3. Supporting institutions is critical, but so is catalysing and supporting networks.”

American foundations are not facing up to and acting on a central reality of our time – if you can’t win and hold power within our country’s key institutions, we risk losing on just about every issue we care about. Covington wrote: “...mainstream foundations increasingly operate within the larger policy assumptions and parameters that conservative funders help shape.”

There is a sense that we don’t know how to operate in the present, nastier, environment. Shuman warned: “If progressive philanthropists insist we play whiffle ball while our opponents play hardball, we’re destined to lose.” I believe this fight is about equity and trust. But it is also about power, values, ideology. We see this play out even as we debate the nature of philanthropy itself:

1. Although the 2017 tax law retained the charitable deduction, it made other structural changes to the tax code – like increasing the standard deduction and repealing personal exemptions – that eliminated the incentive to make contributions to charitable organisations for about 21 million taxpayers. Bipartisan legislation introduced in 2018 in support of a universal charitable deduction would allow every taxpayer, not just the wealthy, to claim a deduction for their donations, and provide an incentive for everyone to give back to their communities.
2. Trump, Pence, and some prominent evangelists, are trying to unravel the anti-corruption law that protects taxpayers and voters called the Johnson Amendment, which says that charitable non-profits, houses of worship, and foundations – in exchange for receiving donations that are tax deductible to the donors – may not support or oppose candidates for elected office.”

It seems to me that there is much to discuss among European and American philanthropies – so much that resonates with situations developing in each of our regions. So, I welcome Gerry and Rien’s idea to provide a safe space for a continuing discussion with concerned peers in a transatlantic retreat on the state of philanthropy. We each have a lot to learn, from each other and about the new world in which we all operate.

Marjorie Craig Benton



20

A global strategy for a divided Europe: Philanthropy without borders

By Massimo Lapucci

Secretary General **Fondazione CRT**
Chair **EFC**

Change Highway



During the 2019 EFC conference in Paris, French illustrator Plantu showed us a shrewd vignette with a clear message: “Before 1989 one could not even meet, today everything is possible.”

In times past it was the Berlin Wall that divided people in Europe, now we see walls being constructed in the shadow of the EU flag, fuelling the risk of (even greater) inequality, poverty and discontent. It is within this Europe of new walls – often facilitated, it must be said, by the European institutions that struggle to give unitary answers to the legitimate demands of citizens – that I wanted to highlight during the EFC conference a strategy for a new “ecosystem” of institutional philanthropy.

When I first joined Fondazione CRT, arriving from the world of finance, I could not have imagined that five years later I would be sitting here as the Chair of the EFC, reflecting on the past and future of this organisation as it marks its 30th anniversary. I must admit to being honoured by this opportunity.

I am also grateful as this experience has further reinforced my conviction that for an economic and social system to flourish, the common good must be put at its core, and that system must be built upon the values of sustainability, integration and inclusion.

It is about a radical change of gear in comparison with the “traditional” financial lessons of my personal background, and more broadly in comparison with the world before 2008: This new awareness is the consequence of a completely changed situation for Europe and other parts of the developed world.

We all know that crises herald the arrival of new opportunities. What is important is that we know how to seize them.

A common house

First of all, we must find the courage to “reconsider” our roles as organisations within a sector. That is, to identify those structural changes that would lead to a stronger, more effective European philanthropy ecosystem. In doing so, the aim would be to maximise the skills and excellence of each actor while at the same time maintaining clarity of vision and purpose. All the while keeping it simple.

A simple yet streamlined structure would enable us to optimise our ability to “advocate for good”, to speak with a strong, clear voice to both the European institutions and national governments, and to maximise the impact of institutional philanthropy and its resources for collective public good.

Of course, a more cohesive, authoritative and effective philanthropy is a winning formula not only for our sector but for Europe itself. We need to strengthen the principles on which our common house is based and evolve towards a more equitable and supportive society. In other words, to provide an antidote to those who want to divide rather than unite, to raise barriers rather than tear them down, and whose aim is to ensure that the European project regresses rather than progresses.

The second pillar of a global strategy for philanthropy requires a greater hybridisation between business and social, between profit and non-profit. The latter, without diminishing its own nature, must evolve to pay greater attention to managerial efficiency, to the creation of value for its own stakeholders, and to transparency.

At the same time, foundations must maintain (or otherwise develop) their duty to be innovative and courageous in their use of resources for creating social impact; in amplifying their work with the use of impact investing tools, such as the European co-fi-

nancing mechanisms of “patient” capital through the guarantee fund of the InvestEu 2021-2027 programme; and with a better interpretation of big data for the common good. Today the amount of data we produce doubles every year: In 2017 we generated as much data as was created in the entire history of humanity up until 2016. Within five to seven years, we will have 150 billion sensors connected in a network, equal to 20 times the number of people on Earth. At that point, the amount of data generated will double every 12 hours, rather than every year: a revolution.

The third pillar is our ability, as Europeans, to grasp the transformations of philanthropy in other areas of the world. This starts with China and Africa, but we should also foster greater integration between US and Asian organisations by building networks of trust, lasting knowledge and awareness, working alongside European institutions and national governments.

Building bridges, not walls

The last action concerns the effective diffusion of the principles of the European Philanthropy Manifesto, which represents a bridge between the European legislature that has just ended and the new one that has just begun. To the newly-elected Parliament we will reaffirm the call for a Single Market for Philanthropy, incorporating the full guarantee of all fundamental freedoms that, paradoxically, are still missing a quarter of a century after the Maastricht Treaty. Just as the latter has had a profound impact on the prospects of European integration, so too would a Single Market for Philanthropy create a favourable environment for the development of the sector, with clear and tangible benefits for citizens, communities and society as a whole.

In fact, it is clear that philanthropy would be able to improve its own mission of rebalancing inequalities – in a world where the 1% possess more wealth than the remaining 99% – where there

would no longer be any barriers between states for the circulation of private non-profit resources for the common good.

Let us hope that Europe begins soon to bring down some of the walls Plantu’s cartoon depicted.

Massimo Lapucci



21

The path forward for philanthropy: Harnessing the powerful voices of the young

By Michael Mapstone

Director of International
Charities Aid Foundation

Thoughtful Avenue



The EFC was borne of a moment of historical optimism – from the Berlin Wall to the first steps towards an end to Apartheid to a return to democracy in Brazil and Chile – there was a palpable sense of new beginnings. The European project was well underway and the invention of Tim Berners-Lee’s World Wide Web heralded a new technological era that would galvanise a world eager to engage in the project of democracy.

Fast-forward 30 years and it feels that the democratic challenges of the 1980s have been replaced with a stark menu of new reasons to fear for not only the European project, but a general public that is increasingly reluctant to stand up and be counted.

Research signals that we have a silent but overwhelmingly liberal and progressive majority out there, but it either doesn’t want to engage with the system or is being ignored by it.

The voice that is emerging, however, is that of the young. They are selecting their issues and engaging both locally and globally. Their focus, understandably, is on the climate emergency, but also on the migrant crisis and the reluctance of wealthy nations to offer a safe harbour to those risking everything to flee war and famine. Closer to home, they see the rise in homelessness and the ever-growing gap between the poor, including the working poor, and the extremely wealthy.

This begs the question of those of us working in institutional philanthropy: How do we both re-energise those who share our belief in the values of civil society while simultaneously tapping the vigour of young future leaders?

At CAF, our data clearly shows that young people care; they’re just turned off from the system. Globally, they want to play an active role in addressing injustice and, bucking the global trend of decline in trust, they do trust the social sector to help them deliver. Our research shows that they are more likely to join pres-

sure groups, political parties and take part in demonstrations and they’re willing to campaign for broader social issues that might not directly affect them.

But before we run off and develop theories of change, log frames and calls for proposal, let us please pause and think about our audience – people like my 13-year-old son.

Like most people his age and a bit older, he doesn’t know what civic space is and probably couldn’t name an SDG. That said, he gets the unfairness that eight men on our planet have more wealth than half the world’s population, he sees the need in the world around him. His is a world motivated by feelings, where excitement, mobilisation and commitment are at the forefront and facts and policy perhaps matter a bit less. For inspiration we only need to look at Greta Thunberg, a teenager at the centre of a global movement that draws in people of all ages.

Institutional philanthropists perhaps need to regroup. Have we become too focused on being organised, professional and strategic – all good things – while tipping over into being something that is now viewed as the domain of the wealthy and powerful? Are we disconnected from civil society, from everyday folk?

If we want to push back on the erosion of democracy and our liberal values, we need to harness and unleash people’s generosity and remember that people give because they are inspired. Big philanthropy’s job in the coming years must be to protect civic space and promote giving in all its forms and allow the Gretas of the future the space and support to take action. We must encourage and foster without forcing or dictating.

I have no doubt that it will get messy and often end up with strategic missteps along the way, but that’s okay. Civil society is messy and chaotic because it’s based on real people, complete with their emotions, convictions and their mistakes.

Thirty years ago a handful of organisations, CAF among them, helped create the EFC, which has become one of European philanthropy's most important institutions. CAF's investment was down to the simple fact that we value the essential building blocks that create effective giving, big and small, and promote civil society – the very foundation for stable democracies.

Above all, giving and civil society embody a simple idea; that people come together to make the world a better place. At a time of political turmoil and economic uncertainty, that is something worth fighting to protect, however messy.

Michael Mapstone



22

From challenge to change to catalyst... via collaboration

By Miguel Ángel Cabra de Luna

Director of Alliances,
Social and International Relations

Fundación ONCE

Change Highway



We are immersed in a society that has changed radically in the last 30 years. Digitalisation, sociodemographic changes, migration, the role of women in society, new technologies, access to information, management of knowledge, new communication models, social networks, new economic models... are just some of the challenges we face today and that have a direct impact on our lives, both from our work as foundations, and in our day-to-day work and personal lives.

The role of the European Union and the different Member States with respect to it, despite current uncertainties, has changed the reality of many countries, and, without a doubt, Spain. The influence of Europe from the geopolitical, normative and economic point of view has been and will continue to be vital for the development of our mission as foundations in search of the common good and also in the exercise of our rights and duties as citizens.

To this we must add the fact that in recent years we have been mired in a deep crisis that has affected all levels – political, economic, financial and social – and has resulted in a gradual dismantling of social and economic policies and a serious regression of the value of solidarity and social rights in general.

The EFC has always known how to adapt to changing times and challenges, keeping in mind the essence of foundations as entities that work for the general interest, identifying trends and challenges, seeking collaboration as an instrument of strength of the sector and society. The EFC and its members have always been clear about our essence and our mission, and of course that our work is essential in Europe.

It is true that now we are more, many more. Around 147,000 philanthropic organisations are counted in Europe as a whole, a figure that was unthinkable 30 years ago. This growth of the European sector of foundations sends a clear message of dynamism, unmet needs, innovation and social commitment and solidarity,

which has outgrown the legislative framework which must be modernised and adapted to today's reality.

When it comes to the challenges for the next 30 years and beyond, we cannot escape the fact that our society is in a profound process of transformation. Foundations have to be prepared and be able to adapt to them quickly.

The challenges we face are many and very different in nature, but they offer us an opportunity that I believe we cannot and should not miss. We are a brave, innovative and committed sector. We are not only able to adapt to new realities, but should also be a reference and influencer in this mission. Among these many challenges I would like to highlight the fight against climate change, which is critical for the future of our planet and has many ramifications (economic, social, humanitarian, business, cultural, educational, etc.).

Foundations are called to play a leading role as agents of change, and we must demonstrate a special responsibility and commitment to ensure that the change of model occurs before it is too late.

In a globalised world alliances are essential: collaboration is also encouraged with public or private institutions; information and knowledge are exchanged; synergies are created... However, the different realities and national legislations in many cases restrain the transnational activity of foundations, filling the road with obstacles that hinder and raise costs when they want to work beyond their borders.

I think it is also crucial to improve the information and data related to the sector, in terms of its characteristics as an integral part of the social economy and also in terms of what philanthropy entails within the framework of the European economy. We should evaluate the social impact of our activities, obtain quantitative and qualitative information, and be leaders in transparency

and good governance. We need to communicate better to society what we are, what we do and what our mission is, and the goals that we must aspire to as a sector.

How can European philanthropy tackle these challenges? Collaboration, communication and innovation are fundamental values of our sector and the EFC must be our reference and essential action framework. We have a lot of work to do in this regard, since we must increase society's confidence and knowledge of our sector. This communication is also necessary to defend, reaffirm and make visible the fundamental role that foundations play. This is especially important in periods such as the recent economic crisis, when the ability of foundations to fill the gaps that neither the public sector nor the private sector have been able to fill has been revealed. With our initiatives, projects and proposals, European foundations have collaborated to solve major problems that affect important sectors of society, and it is very important that this work is known.

We have seen this, for example, in the field of disability, where the EFC's Disability Thematic Network has, for two decades, been contributing to obtaining advances for people with disabilities at a European level. It has worked towards improving the accessibility of cities, increasing EU funding dedicated to the employment of people with disabilities, and helping to create a more favourable regulatory framework.

How can we move forward? In comparison with other actors, the contribution of civil society is generally not sufficiently articulated, which often prevents it from being able to defend everything that would be necessary for the interests of the most vulnerable groups.

In my opinion, European foundations find in the EFC an organisation that, without undermining the identity of each of its members, raises positive awareness of the sector, fosters internal

cohesion and synergies, and constitutes a powerful, representative and collaborative platform with real capacity for dialogue, influence and co-responsibility.

Foundations perform an important task, an innovative function necessary for social change. And the EFC, in this sense, acts as a powerful loudspeaker where our role is defended, where issues of common interest are raised and debated, where a collaboration that develops and reinforces our sector is built and where the barriers that prevent an active philanthropy are overcome.

From an organised, strong and cohesive sector we as foundations will be able to continue carrying out our mission successfully.

Miguel Ángel Cabra de Luna



23

Philanthropy: Past, present and future

By Moira Sinclair

Chief Executive
Paul Hamlyn Foundation

Thoughtful Avenue



It may be a bit of a cliché to suggest that the world moves a lot faster, that the pace of change is greater now than 30 years ago, when the EFC was founded. I'm increasingly of the view that it's a feeling rather than a reality. Yes, technology is having an impact, and the way in which we communicate and hear about change is much quicker than it used to be (remember the days when fax was the biggest innovation in getting information across the globe...) But, in many instances, the changes in society, in people's circumstances, in improving lives are glacially slow, and it certainly seems today that some of our past progress is actually stalled or reversing.

For me, the predominant characteristic is not so much of change, but of profound uncertainty. And it is in this context that I am considering the role of foundations and of philanthropy, and the need to challenge and improve our own practice.

Questions are being asked of us all – not least with what legitimacy we have to act, how we make sure we are connecting with the very best, most relevant organisations to fund, and whether we are fleet enough and rigorous enough in this environment. And rightly we are being challenged in how we are using all the assets at our disposal to safeguard those organisations against market volatility. I, and my UK peers, recently had a robust conversation with colleagues at the Charity Commission about what role we all play in supporting a resilient civil society. And I have just finished Robert Reich's "Just Giving", which looks at what he sees as the undemocratic nature of wealth and philanthropy, and argues for considerable changes to make giving more transparent and accountable in service of democratic values.

Darren Walker of the Ford Foundation says that, "We must practice a better vision of philanthropy, one that improves itself and the societies of which we are members", and I agree with him. For some time now, at Paul Hamlyn Foundation, we have been ex-

ploring just how to make that aspiration authentic and tangible. I believe that the EFC can usefully provide the space and time for all of us to come together, to listen and learn, and it's in that spirit that I share some of the ways in which we are beginning to do things differently.

Trustees and staff asked that we do more than notice the need on our own doorstep in London's Kings Cross. Our new Neighbourhood Fund will tether some of our capital locally, committing 1% of our grant funding to forming deep relationships with the charities working within a mile of our office, who really know their local circumstances. It is early days for this approach, but we hope that we can offer our people and our building as assets in addressing the hardship which is evident in the streets around the Foundation.

Things are changing inside too. With the appointment of two young people to our advisory panel and staff with lived experience of the fields in which we operate, our assessment and decision-making processes feel even more relevant and informed. Diversity in our organisation is not a matter of "nice to have" – it is a business imperative. Our grantee and applicant survey last year told us how important the quality of those relationships was to everyone who comes into contact with us, and we are taking steps to improve them. That also means building in time to develop our people and to make sure they have the confidence, time and information to have really excellent, open and honest conversations.

And, with our trustees' full backing, we are extending our commitment to long-term funding and to providing core support, with a suite of funding approaches from support for R&D through to endowments. Our Backbone Fund, underpinning the policy, advocacy and membership services for our sectors, is now well established. And we are experimenting with ten-year grants that free up talented charity leaders to show the way by delivering

best practice in the fields we care about. We are also collaborating more with partners because we can see that the problems society faces are complex and need concerted effort.

None of this, in itself, is rocket science. But when taken together, it does represent a response to the challenge, one we first articulated in 2015 when I joined Paul Hamlyn Foundation and we launched a new strategy. Some four years on, the vision for a more effective philanthropy is starting to be realised, one that is, I hope, truly supportive of and useful to the pioneers, leaders and organisations pressing for a more equal and just society.

Moira Sinclair



24

Philanthropy for the 21st Century

By Pierre Calame

Former President of the Board
**Fondation Charles Léopold Mayer
pour le progrès de l'Homme**

Rue Existentielle



When in the early 1980s I became part of the Charles Léopold Mayer Foundation for the Progress of Humankind (FPH), then in 1986 its General Director, I had nearly 20 years' experience in French senior civil service and would share my original community's cautionary views on philanthropy. How could the wealthy, or even the extremely wealthy, claim to be definers by themselves of the public good? Was this not the public authorities' responsibility, under the people's control?

I was nonetheless stimulated by my new professional and militant adoption. I had in fact discovered a few years earlier the still rather discreet crises of the states and of representative democracies. We were facing challenges that were clearly increasingly global and we recognised the necessity of approaching issues comprehensively with inclusion of all the players. We were also facing the need to design long-term strategies to change the economy, governance, and society itself, given the increasingly obvious deadlocks of "modernity," which had been forged between the 16th and the 18th centuries and that had given birth to the industrial revolution, and which was responsible for humankind's increasingly massive impact on the biosphere. It was clear that states were no longer the proper scale at which to address these issues – their fastidious sovereignty was a major obstacle to taking account of inter-dependencies, and the compartmentalised organisation of public policies was a congenital weakness when what was required was systemic thinking and action.

As for representative democracy, even if in the past it had shown its capacity to consider the long term, more and more often it seemed to come under the pressure of public opinion, to be locked into a short-term logic geared to the next electoral deadlines. In sum, we had a world to reinvent and institutions inherited from the past that were incapable of doing so.

This inclination to be locked into short-term views and the goals of interest groups was not, at that time, exclusive to public institutions. The "neoliberal revolution" – symbolised in the early 1980s by Ronald Reagan's rise to power in the United States and Margaret Thatcher's in the United Kingdom – emphasised the shareholder's value, which companies were to serve exclusively, at the expense of the long-term strategies that had thus far been supported by the techno-structures.

Finance was undergoing the same evolution. Since the end of World War II, the retention rate of company shares is five times less and financial flows have hugely increased, progressively breaking away from the real economy in favour of increasingly generalised speculative approaches facilitated by a growing interconnection of the financial markets and by the development of computer science and algorithms. There too, I could see the mounting disconnect between humankind's needs and the workings of large institutions.

I then discovered that private foundations, though small compared to states, multinational companies, or world-class financial institutions, had two outstanding features: complete independence and the possibility, as long as their capital was wisely managed, of making very long-term commitments. In the institutional landscape, I see no other organisation, including within civil society, having these two privileges.

Already then, I intuitively saw responsibility, more than rights, as the backbone of 21st century ethics, because it is the corollary of interdependence, power, and freedom. The idea of universal responsibility, proportionate to the power of each person and each institution, gave rise to a responsibility, in foundations, equal to their two privileges, independence and long-term planning.

My first steps in the world of philanthropy led me from one surprise to another, from one disappointment to another, and

these two sentiments flowed rather than ebbed from one decade to the next. In the early 80s, the FPH had the unique opportunity of being able to redefine its goals and vocation. To do so, we took the precaution of asking ourselves what foundations usually died of and identified two fatal diseases: goals irrevocably set by the founder, which had lost their relevance as time went on; and an insufficiently rigorous management of its assets, subsequently melting away under the sun. This led us to give the FPH as vague a vocation as we wished: “To be at the service of humankind, research, and social progress.” This would allow us, over time, within the framework of defining ten-year strategies, to choose, depending on continuously renewed contexts and challenges, to find the best ways to act.

I discovered that the “conventional wisdom” of the world of philanthropy, the one imparted to new foundation board members or programme managers, was practically at opposite ends of our founding intuitions. The dominant features of this conventional wisdom seem to be encompassed by some of its keyword concepts: funding per project; niche-oriented approach; emphasis on impact assessment; spending pressure.

First, funding per project. Most foundations develop, in terms of the goal they have set once and for all, prerequisite criteria on the basis of which “projects” submitted by potential beneficiaries, most often closed in on themselves, including outer limits, a beginning, and an end. Is this little piece of social reality, of space and time cut out of an interdependent, ever-changing world in any way genuinely relevant? I immediately expressed serious doubts, considering that a thousand “solidarity-based projects” would never build solidarity-based development, that our refusing or being reluctant to fund organisations in the long run by taking charge of their overhead costs cornered foundation “partners” into engaging in exhausting, perpetual “project hunting,” entail-

ing two deviations that can also be observed in public funding: an inclination to scheme, because of the imperative need, whatever the true goals, to pretend to comply in full with the foundation’s prerequisite criteria; and a bonus, not for genuine competence in the matters being addressed but more prosaically for a good command of the procedures and the wording that will condition access to funding.

Second keyword concept: niche. It is a reflection of both the prevailing influence of the managerial world of private companies on many foundation boards, and of the hubris afflicting any major philanthropist. It includes securing a “market segment” – another fetish keyword – in which one will be able to “make a difference”, and, if possible, solve a problem on one’s own. This hubris, which characterises someone like Bill Gates, for instance, might make sense when like him, one can put a billion dollars a year on the table. But the great majority of foundations cannot, so they will tend to seek a challenge “made to their measure”. I used to call this “inverting realism and idealism”. For many foundations, being realistic is to take up a challenge suited to their size; but as I see it, this projection of one’s dimension on the world as a substitute for the real world is the very definition of idealism.

Third keyword concept: impact assessment and measurement. These two terms are usually advanced as obvious requirements. Must we not make sure that we are acting rightly? And how to do it if not by measuring the impact of our action? We need to stop and think for a second. Is it possible, is it reasonable, in an interdependent world crossed by long-term evolutions to isolate the short-term impact of a project of a few years? In fact, as a rule, it is impossible. We therefore need to wonder where such a widespread impact-assessment requirement comes from and what its consequences are on the nature of what is funded by foundations. My answer to these two questions, confirmed over time, is that the im-

pact-assessment requirement stems from the ambiguous relations, even mutual suspicions, between those holding the legal power in foundations, namely their board members, and the members of their permanent team, mainly those in charge of the programmes, who are in continuous contact with reality and with the partners. The distance between the two worlds is often all the greater as the foundations, concerned with their respectability and reputation, tend to seek out, for their foundation board, well-known figures from academia or the business world. The downside of this is that foundation board members devote little time to this activity. Many foundation board meetings are conducted as smoothly as company general meetings. A foundation board will want to make quick decisions based on application files. Relations between the permanent team and the funding beneficiaries are inevitably closer than what transpires from the cold assessment of the compliance of funding requests with the criteria set by the foundation board. But will such familiarity lead to an improper transfer of power from the foundation board to the permanent team? In any case, many foundation boards fear that it will. Requiring an impact assessment is their way of reasserting their power.

Last keyword concept: spending pressure. This stems from US law stipulating that expenses related to implementing foundation goals must be proportionate to their assets. But as these latter are subject to much fluctuation from one year to the next depending on the state of the financial markets, the annual budget fluctuates in the same proportions, which is very damaging for the continuity of actions in partnership.

In my view, all this “conventional wisdom” is at opposite ends of the objective responsibility of foundations, which as I mentioned, stems from their independence and their ability to act in the very long term. A symptom of this is in fact that at a time when the question of the responsibility of actors is gaining ground in

every sphere – scientific research, local authorities, companies, financial institutions, higher education, etc. – the world of foundations has been among the most reluctant to reflect collectively on its responsibility. We get off with the usual trick, whereby ethics are replaced by simple professional deontology – action complying with the bylaws, fair competition among potential beneficiaries and objective decision-making criteria, impact assessment – and voilà!

At the Charles Léopold Mayer Foundation for the Progress of Humankind, action through project funding, which at first was adopted to imitate more experienced foundations, did not even last five years. By 1990 we had become aware that we were rushing forward blindly, through increasingly numerous projects and a mechanical selection protocol, so we decided to stop and make ourselves take a long sabbatical break, of about one and a half years, to review what we had funded so far. We came out of it with a conviction that has remained unchanged for nearly 30 years, namely that what we needed to try to assess was not the impact, but the relevance of our action. Is it covering the right subjects? Is it supporting the right players? Have these latter, often supported for more than a decade, learned as time has gone by to behave as strategists, by combining long-term vision with seizing often unpredictable opportunities? Have we on our side learned from experience? Do we make the best of our freedom to combine actions of very diverse natures and levels and to fund what is both critical and difficult to fund for other public and private institutions?

This new approach unfolded in two stages. Between 1991 and 2002, we organised our action around seven major challenges that we had discovered to be “orphan” challenges because they could not be reduced to the traditional areas of philanthropic action, such as health, education, agriculture, housing, the fight against poverty, or the environment. The seven challenges gave birth to

seven programmes: “to live in peace in a world of diversity”; “to achieve people’s empowerment in scientific and technological developments”; “to invent an art of peace”; “to change governance”; “to address the root cause of social exclusion”; “to contribute to strengthening small-scale farming in the context of globalized exchanges”; and “to face major technological risks.” These programmes took us far out of our comfort zone, and led us to support in practically every case the emergence of international networks, prompting collective approaches to capitalising experiences, discovering the need to do better, to question the worldview, and the conceptual and institutional framework that constituted the daily setting of our action.

Then one of the programmes, the seventh, took off; through it a question was indeed emerging, which in 2019 is on everyone’s mind but was only just emerging at the time, namely: How can a systemic transition, without which humankind is heading for disaster, be designed to include all the players and all societies, and how can it be led? This is the ultimate question, and it can only be answered through a new kind of dialogue among societies that will allow us to find the right answers while we still have time. It is the question that cuts across every milieu and challenges each of them on its responsibilities. It is the ultimate strategic question: How can the efforts of the whole of humankind be federated around a small number of major challenges to be taken up jointly?

For a rather small-sized foundation – with a yearly budget of roughly €9 million – is not raising a question of such scope precisely a sign of the hubris I was just denouncing? Quite the opposite! We are radically preserved from it by the disparity between the scope of the challenges and the smallness of our size, which forces us to own this disparity, to be just a small player but keen on getting the most out of our independence and our action in the long run. This is what led us, in 1994, to launch and support the

Alliance for a Responsible and United World, a both “artisan” and pertinacious approach to inventing a prototype for dialog among societies, among players, cutting across concrete challenges, failing which the transition everyone is calling for will turn out to be impossible to conceive and to conduct.

The culmination of this dynamic took the form in December 2001 of a unique World Citizens Assembly, consisting of 400 attendees, 10 days, and quotas per world region and per socio-professional sphere ensuring, as opposed to major so-called “global events” such as the World Economic Forum or the World Social Forum, that “the world was there” in all of its diversity. Thirty-five languages were used in the workshops thanks to several hundred volunteer interpreters, because allowing everyone to express themselves in their own language was an indispensable condition for escaping the illusion of a “world” conference reserved for only those who speak fluent English.

The outcomes of the Assembly were produced from the summaries of the dozens of workshops that were held during the ten days and gave birth to a document entitled “Agenda for the Twenty-first Century.” The Agenda shows that leading the great transition supposes taking up, in the coming decades, four major challenges. The small number is essential to conducting a strategy that requires getting to the heart of the matter. This means: 1) inventing mechanisms for dialogue among societies that will bring about a global community of destiny, without which we will be unable to overcome our selfishness, resentments born from history, misunderstandings, and conflicting interests; 2) founding the 21st century on a renewed ethics of responsibility, summed up in a Universal Declaration of Human Responsibilities; 3) conducting a revolution in governance in order to move from the current segmented systems to an overall approach to managing societies; and 4) inventing a new economic model, which I call “the great forward

comeback from economy to œconomy”, because before the industrial revolution, œconomy was the word that was used, with its transparent etymological meaning, that is “the rules for managing the common house”, which requires us to invent forms of organisation of the economy and society that will enable us to ensure the well-being of all within the limits of the biosphere.

Ever since 2001, these four challenges have been at the core of the foundation’s strategy.

And in my opinion, dealing collectively with these four challenges should be the common perspective of foundations in the 21st century.

Pierre Calame



25

EFC: Indispensable partner in the ecosystem of philanthropy

By Rien van Gendt

Vice-Chair of the Supervisory Board
European Cultural Foundation

Thoughtful Avenue



Amazing to realise that this year it is 30 years ago that, following the fall of the Berlin Wall, the EFC was created. I have participated 29 times in the EFC's annual conference. Not 30 times, because when I started as Executive Director of the Bernard van Leer Foundation (BVLf) on 1 January 1989, my predecessor, Willem Welling, honestly felt that it was the Hague Club, founded by a few European foundations like the BVLf, that would be the key player for organised philanthropy in Europe and not "that initiative of John Richardson and Raymond Georis supported by Mott" (as he would refer with a certain "disdain" to the EFC). It took me one year to convince the board of BVLf, that we should belong to both the Hague Club and the EFC.

Networks of foundations are important, because they help individual foundations to achieve their objectives. Networks can stimulate foundations, allow them to grow and to learn, to form partnerships on content or methodology and to leverage their resources. Networks imply that by joining forces you can protect yourself as individual foundations and as a sector against threats from the outside (e.g. from the erratic decisions of the political system).

For me the Hague Club, a selective club of about 30 executives, offered the intimacy, the comfortable space to discuss common challenges. The EFC, not a club but a much broader membership organisation, was for me the knowledge centre, the generator of new ideas, the voice of philanthropy in Europe and the broker with the international world outside Europe on issues of philanthropy. I enjoyed these last 29 years and was active in the board of the EFC, the International Committee, chairing the first Code of Conduct Committee, chairing the Nomination Committee, founding the European Foundation Financial and Investment Officers Group (EFFIO) and being active in many other ways. I enjoyed working

together with John Richardson and subsequently with my friend, Gerry Salole, and with the staff of the EFC over the years.

Thirty years have passed, and rather than looking back and feeling gratified by the many good things that the EFC brought to European and global philanthropy, I want to look forward. I know that, at the time of writing, there is a report in the making about the European infrastructure of organisations like the EFC, DAFNE, EVPA, NEF and others. I do not want to be influenced in writing this blog by such reports when they get published and just want to share – based on practical experience – my personal thoughts on the present situation and the way forward for the EFC (because this piece is specifically meant for the 30th anniversary of EFC).

I would like to pay attention to two distinct and relevant developments that will, in my opinion, influence the next stage of the EFC. First of all, the context within which philanthropy is functioning has changed dramatically. Foundations have become more relevant and more visible. There has been a rapid growth in the number and types of foundations inside and outside Europe. And foundations are increasingly seen as an important stakeholder in addressing complex problems of our society. However, this positive development has also led to more distrust from politicians, media and the general public. Questions are being raised about the legitimacy of using private money (particularly when there is a tax break) for the public good. During the World Economic Forum in Davos at the start of this year a Dutch journalist (Rutger Bregman) raised, in one of the panels, the issue of large-scale tax avoidance by wealthy people presenting themselves as philanthropists. Although one could easily challenge this position, the mere existence of such allegations begs the question: What indeed is our added value? Why is private money for the public good sometimes better for society than having more tax money available on the side of the government?

The second equally important development deals with the landscape of philanthropy infrastructure (including venture philanthropy and social investments). The landscape of networks has changed dramatically over the last years. While the EFC was in 1989, perhaps with the exception of the Hague Club, the main player of the philanthropy infrastructure in Europe, at this moment we are experiencing a fragmented picture with a wide array of organisations. I am not just referring to DAFNE, but also to organisations that either appeal to foundations because they represent a thematic interest (like Ariadne) or that appeal because they represent an approach or style of grantmaking or investing (like EVPA and Edge Funders). Unfortunately, this landscape is quite confusing, even for the foundations that are supposed to fund these networks. Organisations compete with each other for scarce financial resources and hegemony in the European ecosystem of philanthropy. Resources are scarce, because foundations (except for a very few enlightened ones) unfortunately do not look at financial contributions to associations and support organisations as a valuable investment to relevant infrastructure. No, on the contrary, they regard it often as an administrative cost, while there are strict rules (though often self-imposed) on the maximum level of such administrative costs/overhead for a foundation. And strangely enough, overhead is seen as negative, as a burden instead of contributing to the environment in which one operates. The fragmentation of the landscape with organisations like the EFC, EVPA, DAFNE, NEF, Ariadne, Edge Funders and others competing with each other, means that we do not have an ecosystem of philanthropic infrastructural organisations in Europe, because, for me, an ecosystem assumes coherency. And we lack coherency and a capability to work together. Networks should step beyond their own ego and figure out what it takes to arrive at a decent and effective ecosystem.

The combination of these two developments provide in my opinion the beginning of a discussion about the future role of the EFC, because foundations deserve a well-functioning coherent ecosystem of philanthropy to address the existential questions they and the sector are confronted with. I want now to concentrate my contribution on the relation between DAFNE and the EFC. DAFNE is a great organisation that has helped me tremendously in my past role as Chair of the Association of Foundations in the Netherlands. DAFNE is in a good position to represent European foundations and to be their voice because of the number of foundations related to the national associations that form their constituency. However, in order to represent and to be the voice you also need substance and elaborated content. This is where the EFC comes in, not only because of its accumulated wealth of knowledge, but also because the funding base of the EFC is different from the one of DAFNE. The core funding resource of DAFNE are the contributions of the national associations that by their nature will be limited. Individual foundations, like at present, may top it up but one may seriously wonder whether this is a sustainable funding model. The EFC on the other hand can draw on much higher membership fees of foundations as core funding.

Hence my opinion is that DAFNE and the EFC are equally dependent on each other and ought to work together much more closely, being aware of their complementarity. Together they could be a powerful player combining representation with content – a killer combination!

Let me make some final remarks on why, in my opinion, leading content is fundamental for the functioning of networks. There is a tremendous need to add relevant content to the debates foundations have both internally, and with each other and with other stakeholders. Networks provide a platform for foundations to meet, to allow for peer-to-peer learning and to advance the body

of knowledge. I regret to say that over the years I have been many times involved in discussions of infrastructural organisations, where I did not have the impression that I could advance on the learning curve of philanthropy and social investment. Too many times the exact same discussions were held, treated as if they were brand new and the same arguments were exchanged without any progress in the body of knowledge available. It seems that we can stay forever in circular arguments and keep reinventing the same things, as if they were new and cutting edge. Hence there is a huge need to add, with respect for the past, high quality content to debates organised by networks.

That is why my dream for the immediate future of the EFC would be to exploit the experiential knowledge and academic knowledge of the sector and focus on issues like the legitimacy of the sector vis-à-vis government and the corporate sector; to deal with thematic issues in depth (like migration, independence of public media); to deal with dimensions of philanthropy like endowment management (e.g. EFFIO) and with data mining (with the US Candid as an example).

There is a huge need for an organisation that could provide the substantive underpinnings to our discourse in the future. The EFC could be exactly that kind of an organisation.

Rien van Gendt



26

How not to lose trust and miss a window of opportunity

By Rupert Strachwitz

Chairman of the Board
Maecenata Foundation

Thoughtful Avenue



As the general set up of Europe underwent fundamental changes in 1989, it seemed that European foundations were getting their act together to help trigger them. One might remember this as we celebrate the EFC's 30th birthday, which unintentionally coincided to the day with the fall of the Berlin Wall. What an opportunity! Philanthropy, one of the oldest and most consistent cultural achievements of mankind, seemed prepared to have a real role in mapping and shaping the future of European society. But did it?

When I first got to know the EFC, nearly, if not quite 30 years ago, European philanthropy was very different from what it is now. I remember meeting in Brussels to try and establish a European foundation database – and realising that databases (of sorts) at national level existed in only two countries (Poland and Germany). There was no way to compare foundations in different legal environments as virtually no research had been done, and most Europeans probably did not know what a foundation or trust was. Besides, even the largest European foundations hardly knew each other. Civil society as a concept, while not as a reality, was only just emerging, and most foundations would not have seen themselves as belonging to this exciting and highly relevant societal arena. In most European countries, the surge of new foundations had yet to start, and few existing foundations were prepared to actively contribute to social change or be part of deliberative democracy. They would stick to their own traditions and not care very much about what was going on outside their immediate scope of activity. In short, not many foundations made the best use of the opportunity awarded them in 1989.

Thirty years on, philanthropy in Europe is arguably different. The attitudes and outlooks of foundations have changed. Empirical and theoretical research have been carried out. The long history of foundations has been studied, and some attention has

actually been paid to the big question of whether modern democracies should or should not favour private philanthropy. However, the more foundations there were around, and the more visible and active they were, the more obvious it became that they were not beyond criticism – not only for what they were doing, but also for being too powerful, too influential, too set on preserving social inequality.

Looking at today's EFC membership, you realise a lot has happened. The number of members has mushroomed, as have joint activities. Younger, more proactive foundation executives and staff, and indeed a number of foundations like my own that consider themselves think tanks rather than grantmaking bodies, have emerged and aspire to have a voice at both European and international level. "To make a difference" has moved up on many foundations' agendas. Some long-standing habits have been challenged: Should foundations really demonstrate how innovative they are by never working with a partner for more than three years? (Europe is littered with the ruins of projects that could not have possibly survived after three years of funding.) Does it really make sense to limit oneself to funding a project and refuse to even consider funding overheads, let alone the partner's organisational development? (Civil society could be so much stronger and resilient today, if funders had helped CSOs to develop.) And should foundations be as keen as some are to co-fund government programmes? (Doing so may carry some perks and honours, but is that really the point of philanthropy?)

Some trends have come and gone: One that has become less popular is to follow the American model. Not only has general disenchantment replaced post-WW II transatlantic solidarity but more important, it has become evident that European foundations have a long tradition of their own to build on. For a while, another fashionable trend was that foundation activity should make an

impact. This was certainly called for at a time when many did not really care what happened after they had made a funding decision – based quite often on personal relationships and matching attitudes, rather than on the merit of the project itself.

Today we realise that impact alone cannot serve as a foundation's unique proposition and will not save it from being mistrusted, as all large organisations are at this point in history – largely by their own fault, by behaving arrogantly, not listening, and not being respectful to others. Like other institutions, foundations today face the challenge of preserving, and in some cases, regaining trust. Their licence to operate depends on showing that their contribution is different and needed. To this end, impact alone is not sufficient. On the contrary, focussing on impact may well serve to underpin the criticism that is increasingly being voiced – incidentally, on both sides of the Atlantic. Trust, which famously arrives on foot and leaves at a gallop on horseback, depends on an amalgam of rational and emotional reasonings. Besides, as Europe has lost its status as the centre of the world, relating to other global regions on a level playing field has become one of the essentials on which trust is built.

In an attempt to face these challenges, my foundation, being devoted to the study and empowerment of civil society and philanthropy, is now working on a new project: *Philanthropy.Insight*. Guided by former OECD executive Rolf Alter, we want to work with foundations worldwide, and with experts from academia, think tanks, and civil society in looking at philanthropy under five sets of criteria: commitment, public purpose, relevance, performance, and accountability. Each of these ranks equal in determining whether and to what extent a philanthropic institution deserves the trust it needs to fulfil its mission and to be considered legitimate. In a first phase, we have defined three sub-criteria for each of these criteria, and three questions for each of the

sub-criteria. The findings have been published and are available online. In a second phase, we now wish to put these 45 questions to a number of foundations worldwide, while inviting them to do the same on their own. In doing so, this category model will be put to the test and hopefully improved on. What we would hope to see happening is that foundations will use this model to discover their strengths as well as their weaknesses, and work on their opportunities as well as their threats.

Our goal is to invite trust to come to, and remain with, the world of philanthropy in these challenging times and thus render it more resilient. We strongly believe there is a very specific role for foundations in a time when private initiative is finding it increasingly difficult to compete with government and corporate action and funding. Ultimately, as history teaches us, creative initiative brought to the fore by self-empowered individuals and comparatively small entities is what moves the real issues forward. Foundations should be one of these, or be at their side and enable them to move. Shaping Europe, for one, is a window of opportunity. Unlike in 1989, they should make the most of it.

Rupert Strachwitz



27

Solidarity through diversity

By Sara Llewellyn

Chief Executive
Barrow Cadbury Trust

Based on Sara Llewellyn's acceptance speech for the Compass Award at the 2019 EFC annual conference, "*Liberté, égalité, philanthropie!*"

Thoughtful Avenue



I am a great believer that awards and honours are symbolic of the achievements of many hands and not of one person alone. In our foundation we work on structural change for social justice ends across a variety of disciplines. Structural change can never be brought about without many hands working together over a sustained period of time augmented with hefty doses of savvy, luck and timing. So an award to me is an award to all those many hands we work with in our own foundation, in other foundations and in civil society and beyond.

As an award though, this also comes at an opportune time, showing solidarity with us in the UK who remain determinedly European in the face of our impending changing status in the European Union. Thank you to the many of you who have extended the hand of friendship to us. And, of course, this is an award for all us women who have contributed to philanthropy over time and to the EFC itself over the past 30 years.

My first EFC board meeting was the 20th anniversary nearly 10 years ago. I was shocked to find only 3 other women in a roomful of 30 or so men. I want to pay tribute to those women – Ingrid Hamm, first Vice Chair, Suzanne Siskel and Betsy Campbell, who looked after me that week and have been a source of inspiration since. And to the men who supported us over the intervening years and even at times stood aside.

EFC governance has changed dramatically since then. Our first woman Chair, Ewa Kulik-Bielińska, brought a freshness to the role as a central/eastern European. Many other women colleagues have stepped up and contributed greatly. This diversity is crucial as I passionately believe that no good things flow from poor governance, wherever or whatever we are doing.

We are living in difficult times and facing many challenges. As we have explored over the past couple of days, there are threats to liberté and égalité which we must all play our part in changing.

We started the conference by equating “philanthropie” to fraternité and I will add sisterhood to that and frame them together as solidarity. Sisterhood is powerful! As Antti Arjarva reminded me we are a broad church working in a wide variety of fields: research, climate change, culture, medicine, education and much more. Yet the key European values of liberté, égalité and solidarity can and must run through them all.

So let us all go back to work next week seeking to work in a spirit of equality and solidarity, using all the assets at our disposal to protect liberty, to increase equality and to keep improving the governance of our own organisations and that of those we support.

Sara Llewellyn



28

Championing collaboration in an era of isolation

By Stephen Heintz

President
Rockefeller Brothers Fund

Rue Existentielle



In February 2019, hundreds of diplomats, heads of state, cabinet ministers, parliamentarians, and high-ranking military officers gathered in Germany to discuss the fractured state of geopolitics and the daunting question it poses: Who will pick up the pieces?

This was the theme of the 2019 Munich Security Conference, an annual event I have attended each year for the past decade. As the president of a philanthropic foundation, I'm something of an oddity in this crowd. But the ambassadors, the politicians, and the generals won't be able to pick up the pieces alone.

A literal and figurative rising tide of global challenges, even civilisational crises, presages a future haunted by destruction and strewn with debris. Conflicts rage in Afghanistan, Yemen, Syria, Venezuela, and elsewhere in the Global South, causing humanitarian crises that have displaced millions of people and created a steady flow of refugees seeking safety. Pervasive anxiety plays into the hands of autocrats and demagogues around the globe who stoke fear to achieve, wield, and consolidate power. And surging temperatures and rising seas may soon leave little to fight over, as the world's scientists warn that catastrophic consequences of global warming are now nearly unavoidable.

The international order, too, resembles the melting icecaps, with great pieces breaking off and drifting away. Ethnonationalism and authoritarianism are dividing Europe spiritually. Brexit, a looming question at the time of this writing, threatens to divide Europe materially. And a widening transatlantic rift has already divided Europe diplomatically from its once most trusted ally. According to a recent Pew Research Center poll, citizens of Germany and France have greater confidence in the leaders of China and Russia than they do in the leader of the United States. Division is the reality of our age.

Civil society must step in where conventional politics have failed. The challenges of today require radical new conceptual thinking. Philanthropy can provide for this task the much-needed convening space to nurture shared values, resources for innovative solutions to shared challenges, and commitment to shield against shared risks.

This is why, thirty years after its founding, the EFC has never been more important. Its vision of Europe champions collaboration and diversity of voices at a moment when identity is becoming a centripetal force in European politics, threatening to catapult its nations into a future of isolationism.

Cross-border European philanthropy can help realise the vision of a strong and united Europe that the world desperately needs. But, whereas the free movement of people, goods, and capital across borders is foundational to Europe's modern identity, philanthropy is still largely governed by national, rather than EU, law. Cross-border philanthropy is often fraught with legal peril. The EFC is one of the few resources available to help.

The EFC's substantive work to define and bolster an environment that will enable human progress also reaches beyond the philanthropic sector and beyond continental boundaries. European and US philanthropy have different histories and are governed by different laws, but they are premised on the same Enlightenment and humanist values. Transatlantic philanthropy can help reaffirm those values at a time when they are under assault.

The Rockefeller Brothers Fund shares this commitment to collaborative philanthropy across borders – and across oceans. I am proud that the RBF has supported the EFC since its earliest days and that we are one of the few US foundations represented on the EFC's Governing Council today. We have gained much from this longstanding relationship: It has been critical to deepening our understanding of global challenges and their manifestations across

Europe, to developing constructive partnerships with numerous European foundations, and to guiding our modest resources to where they are most needed and have the greatest impact.

The highlight of this year's Munich Security Conference was Angela Merkel's speech. Imploring Europe to take control of its own destiny, the famously reserved and soft-spoken politician delivered a passionate defence of multilateralism and western values. "Who will pick up the pieces?" she asked.

"Only all of us, together."

We all have a role to play in reimagining a new future. Philanthropy must stand at the ready to nurture this effort and, together with organisations like the EFC, preserve and model the shared commitment it demands.

Stephen Heintz



29

The right time to do right is always right now

By Truus Huisman

Chief Communications Officer
IKEA Foundation

Change Highway



The EFC is turning 30, an accomplishment in its own right. Yet, we can think of far more than 30 reasons to celebrate achievements by philanthropy in Europe. Past EFC conferences and ongoing progress within its 2016-2022 Strategic Framework show us to what extent institutional philanthropy has matured and professionalised over the past decades. Examples abound demonstrating the sector's crucial role in tackling the systemic challenges the world faces, as articulated in the 17 Sustainable Development Goals. But the ambitious 2030 deadline combined with an estimated funding gap – of at least \$2.5 trillion annually in developing countries alone – begs the question: How can philanthropy leverage its catalytic power even better? Now more than ever is the time to question whether we, as philanthropists, are doing enough to ensure that there is more than 30 years left on a liveable planet.

This was a key question for the IKEA Foundation this past June as we celebrated the 10th anniversary of our charter to support projects that directly benefit children and families and presented our strategy going forward. The IKEA Foundation is just a third of the EFC's age, but after taking stock of what we have learned so far and reviewing the important work of many EFC members, we knew we had to ask ourselves how we could have greater impact in tackling the two biggest threats to children's futures: poverty and climate change.

Better futures on a liveable planet

This resulted in two commitments that now guide our grant-making. First, we help families living in poverty afford better everyday lives. Second, we work towards creating a carbon-neutral planet. Families need both financial stability and a healthy environment if they and their children are to thrive. The problems can seem overwhelming, but we decided to look past these challenges. We began by committing to continue collaboration with partners

who help people – especially young people, women and refugees – earn a sustainable income and fight for a liveable planet.

We plan to achieve real progress by focusing on four inter-related thematic areas: supporting income generation through agriculture; employment and entrepreneurship; improving access to renewable energy; and taking climate action. Our journey has already proved to be rich with lessons, and we expect to learn much more along the way. One of the important lessons has been that in times of increased vulnerability, whether to natural or human-made disasters, humanitarian systems must be strong and prepared. That means they must be able to cope with climate-related and other emergencies as well as have the capacity to promote opportunities for people to rebuild their lives in a sustainable way.

To explore how we can all enhance the catalytic power of institutional philanthropy, we can – and indeed must – learn a lot more from each other. The EFC's work has well exemplified how we can:

1. Learn from innovations in development and humanitarian systems: The 2020 EFC conference will discuss the need to innovate philanthropy in the new normal. This is a good moment to build on our collective experience in the area of achieving social impact – for example, by using new financial instruments, such as impact bonds and other blended finance instruments – and to ask ourselves how we can better leverage them to achieve scale.
2. Learn from new types of collaboration: The complexity of the many challenges we are facing requires new, unprecedented collaboration between businesses, civil society, governments and citizens. The We Mean Business coalition embodies the role philanthropy can

play in bringing together partners to enable the shift to more sustainable business models. Philanthropy must do more to create openness among stakeholders and improve the process of breaking down silos and sometimes deep-rooted antagonisms.

3. Learn to leverage our communication and advocacy power: Nurturing close relationships across all parts of society, philanthropy is uniquely well positioned to inspire, engage and mobilise. The EFC Communications Professionals in Philanthropy is a community of practice that meets regularly to discuss the importance of communicating philanthropy's value and legitimacy, a significant step towards exploring how we can collectively achieve greater impact.

The next 30 years

When 16-year-old Greta Thunberg, speaking at the 2019 World Economic Forum Annual Meeting, said, "Act as if the house was on fire, because it is," she put us business, political and civil society leaders in our place. Greta's words, reports by the Intergovernmental Panel on Climate Change, warnings by many scientists, and natural disasters already unfolding all urge us to turn lessons into action – to be effective immediately. No other area with such far-reaching effects on humankind requires the urgency and scale of interventions than climate change. As such, we have a collective interest and – in the IKEA Foundation's opinion – a duty to protect current and future generations by securing a liveable planet for all.

So thinking about the next 30 years, the IKEA Foundation invites you, as EFC members, partners and supporters, to reflect with us on what we are all doing to decarbonise our society, or at least to understand the potential impact of our work on climate change. With less than 2% of global philanthropic resources de-

voted to climate change, isn't it time to decide what more philanthropy in Europe can do to advocate for change? And what can we all do, individually and collectively, to reduce our own greenhouse gas footprints?

Philanthropy in Europe has been a catalyst for social change in its long history. Together we can make a difference in climate change, too. By supporting collaboration between businesses, governments, NGOs, and national and global organisations, we can create a brighter future for our children and their children. At our foundation's recent 10-year anniversary event, the 24-year-young Amsterdam artist Benjamin Fro gave a spoken word performance that expressed convictions squarely in line with Greta's. He said, "It might be hard, we might not always know how. But the right time to do right is always right now."

Truus Huisman



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The European foundation sector has come a long way

By Vinit Rishi

Director of Administration
Oak Foundation

Thoughtful Avenue



The early days

I am somewhat in awe of the pioneering vision and optimism shown by the foundations that came together to found the EFC in 1989 and also of the ones that gave it a physical permanence and home in the form of Philanthropy House in 2013. As with all such endeavours it is as much about the people and leaders that gave these ideas form as the foundations which allowed and supported them to do so. Many (if not most) of these individuals remain an active part of the EFC community and continue to serve and to lead in various committees or the governing institutions. They were and are the Changemakers for the sector and are our own “EFC Fellows”.

As a relative newcomer to the EFC I enjoy and am inspired by hearing the stories about how all of this happened and the characters that were involved. Part of it almost sounds like myth with clandestine meetings in dingy bars with hidden entrances – or perhaps that is just my mind distorting a story I heard after a few glasses of wine at an AGA! Whatever the truth of the matter, the EFC and the community have come a long way since then to the impressive annual conference held in May 2019 in Paris where one of the founding members – the Fondation de France celebrated its own 50th anniversary.

What a difference a decade makes

My own story with the EFC starts in 2007 with a visit to Brussels accompanying my boss Brad Smith, then President of Oak Foundation, to meet with Gerry Salole, then and current Chief Executive of the EFC. Brad and Gerry had both been at Ford and I realised how close-knit the philanthropy sector can be as they caught up on what was happening at various foundations and with common acquaintances. They spoke a language that I was yet to become familiar with, and I wondered if I would ever be quite the

insider these two were. The purpose of our visit was to get connections with other foundations in Europe from whom we could learn more about operating models, systems, and processes as Oak Foundation was on a rapid growth trajectory.

Four months later not much had come out of our efforts in Europe so we decided to change course and set off to the US where Brad had a lot of contacts, and organised philanthropy was well established. The welcome and openness of our US colleagues to sharing information and lessons learned was heart-warming and something I had never seen in any other sector. What an incredible opportunity to save time, energy, and useless effort. How wonderful to be able to collaborate on common objectives. We were after all seeking similar social outcomes grounded in “rights”, “justice”, and “liberal values”. It was going to take a village of foundations to make a difference and we had to work together to achieve it.

The sector in Europe did not seem quite there yet. There was a greater sense of discretion and with it a paucity of information. It was difficult to make connections and networks were weaker. As I flew back from the US I felt strongly that the foundation sector in Europe needed to develop stronger collaborations both within Europe and across the Atlantic. In my personal experience, much has changed since that time in 2007 with the EFC acting as a catalyst or facilitator. European foundations have become more comfortable being in the limelight and more transparent about the work they do. They have signed on to the Principles of Good Practice of the EFC as well as similar charters established by their national associations. They are more engaged with global issues such as climate change and pan-European issues such as immigration which demand greater scale and require collaboration. The EFC has filled a need in creating space for these collaborations. Oak is an active participant in many of the EFC’s thematic networks and considers collaboration with peers to be essential to its pro-

grammatic work and its own organisational effectiveness. We have for instance worked with like-minded foundations and the EFC to establish the Operations Professionals and the Communications networks and continue these efforts in other domains.

Future philanthropy

Global megatrends suggest that both the concentration of wealth and the need for private money to address societal issues will increase.

A couple of the drivers for wealth concentration are:

1. The digital revolution and financialisation continue to create massive wealth concentrated in the hands of a few.
2. A vast inter-generational transfer of wealth is underway. Estimates show that \$16 trillion of household wealth will transfer between generations in the next 30 years.

Private resources will be needed due to:

1. The impoverishment of governments as neo-liberalism continues to dominate and result in a downward spiral of competitive corporate tax cuts.
2. Increasing migration from the Global South to the Global North because of the concentration of wealth in the rich world (North America and Europe represent 64% of global net wealth while being home to 15% of global population). As the Global South experiences growth in youth populations with a lack of correlation between GDP growth and job creation, migration is likely to further increase.
3. Increasing impoverishment of the lower and middle classes in the rich countries due initially to a shift in manufacturing jobs to Asia followed by the disappearance of numerous jobs because of technological

evolution (AI, robotics and other technologies). An Oxford study from 2016 predicted job loss rates of up to 47% in developed countries within the next 25 years.

Philanthropy is clearly a growth industry and an essential one. It must be stronger and better organised to face the challenges that we already see on the horizon. It is likely that many more philanthropists and foundations will be established in the coming years and the community must proactively reach out so that we stand shoulder to shoulder.

There is much to celebrate for the EFC and its members in this anniversary year and as the pendulum swings back from where it was in 1989 when Francis Fukuyama wrote his essay “The End of History?” even more reason to come together to fight for the values that EFC members stand for.

Vinit Rishi

Syllabus: Thirty years of the EFC – Reading, learning and changing philanthropy

By Judith Symonds

The 30th anniversary of the European Foundation Centre is definitely an event worth celebrating and offers an opportunity for reflection and debate. To encourage this, the EFC invited members to participate in a nearly year-long blog about the changes taking place in philanthropy and the sector in Europe over the past 30 years, the challenges for the next 30 years, and how the EFC could be a catalyst for meeting these challenges. This remit was the framework for this publication.

In the same context, with the same lens, the EFC asked if I would be interested in taking a look at some of the new books and major articles about philanthropy that are changing perceptions and dominating the conversation today – and, in addition, some of the essential reads for a philanthropy syllabus. It is indeed of interest to me since when I created my first course on philanthropy, there were literally no case studies on European philanthropy and very few books. This led me to establish the European Philanthropy Learning Initiative to support research projects in the philanthropy field in Europe under the NEF umbrella.

Despite this continuing lack of attention to education and research from foundations – and institutional philanthropy in general – there have been significant developments in education and learning in this sector in Europe since the EFC was founded 30 years ago. While the philanthropy education and research

infrastructure is small both in density and numbers compared to the United States, it experienced a virtual explosion in Europe at the beginning of the new millennium. Charles Keidan and Cathy Pharoah's report on "Philanthropy Education in the UK and Continental Europe", published in 2014, found 24 higher education institutions in 11 countries offering philanthropy education with 8 dedicated centres of philanthropy including master's degrees and academic chairs. The number of initiatives and activities has increased significantly since that time. In addition, ERNOP (European Research Network on Philanthropy) was founded in 2008 and has more than 250 members from 25 countries and pursues an active agenda across the network. The promising and timely news is that the EFC and ERNOP signed a memorandum of understanding in July 2019 *"in a shared effort towards supporting academic research of European philanthropy, and the sector as a whole."*

From the very beginning, the disjunct between academic research and learning in the philanthropy learning sphere has surprised me. This is not a uniquely European situation, with more philanthropic funding available for professional skill building than for academic research, theoretical reflection and debate. In this context, the UK and US have the most developed academic, associative and think tank infrastructure, reflecting the greater importance of philanthropy and social investment in both countries.

I have often wondered and queried about why the tension between academia and the philanthropy sector persists? *Is it because philanthropy is not a field, possibly not even a sector, according to some experts?* Its multidisciplinary features disqualify it from traditional field typology, yet the actions of philanthropists and foundations have had a profound impact on key historic milestones, and built academic disciplines themselves, such as biomedical and AIDS research, and health policy.

Why don't we have readily available examples to study or tell stories about what worked and what did not in philanthropy despite the fact that there are extensive archive resources? The Rockefeller Archive Center has the largest and most diverse collection of foundation histories, but other archives exist in Europe and elsewhere, ready to be studied and stories recounted. Or might it be that philanthropy *doing* matters more than philanthropy *thinking*?

Why has philanthropy been hesitant, even lax, in telling its story and making the case for even a few of its major contributions to social improvement, systemic impact, and scientific research fields in the last century that surely could have contemporary and future relevance? Why is the focus on learning primarily from relatively contemporary experiences? Part of this can be attributed to cultural factors, attitudes towards talking about money (*a deep contemporary misperception that prevails about philanthropy is that it is uniquely about money*), but another rational and a very real element is that **“the philanthropic sector remains insufficiently known, for lack of reliable, aggregated and comparable data.”** (OECD Centre on Philanthropy, August 2019) The United States leads in data availability and analysis because of IRS requirements to file 990 forms, which is what makes it so much easier to write about and study. Nevertheless, even the US philanthropy sector could benefit from mining other information sources than the 990s **for more pertinent learning for the future.**

The critiques from the surge in books and articles about institutional philanthropy described below make it clear that the future of philanthropy is at risk. One could postulate that this is so, in part at least, because it has not sufficiently made its case and, additionally, because there does not seem to be an awareness in the sector that there is no turning back from the changes taking place in the Anthropocene era. To adapt, and remain relevant, phi-

lanthropy needs to change too, both in form and on the basis of a new social compact that reflects the rapid mutations through all aspects of society. Measuring, scaling impact, and collaborating better without changing the way philanthropy does its business is not enough.

What is, and what will be philanthropy's role in the exponentially growing digital landscape with an increasingly values-oriented and activist new generation and rapidly mutating forms of work and general distrust of government? In this rapidly changing landscape, philanthropy has not done a compelling job of defining itself and its role and historic impact and how it will adapt to this new era. During the time that philanthropy occupied the social purpose space, when the EFC was founded, it did not make the case sufficiently of the unique role of citizen philanthropy (“millions of pennies” in the US) so that the contemporary image of “billionaire philanthropy” is dominating the perception of philanthropy and leaving the sector vulnerable to attack. Distrust of private funders raises questions, particularly in Europe, but now increasingly in the US as to who is the steward of the public good.

A Philanthropy Syllabus

Before turning our attention to a philanthropy syllabus, I would like to emphasise that this is a *personal* and *non-exhaustive* view of what I find worth reading to learn more about philanthropy. It includes academic, practitioner, and journalistic books, studies and newsletters aimed at academics, practitioners, and general public audiences – whoever might be interested in philanthropy, philanthropy policy and the on-going debate about philanthropy.

So, how does one learn about philanthropy through both courses and other means? One challenge, a probable consequence of the ambiguity about whether philanthropy is a field or not is that there are no curricular guidelines, nor is there a “philanthro-

py course reader” in the European space. The Nonprofit Academic Centers Council in the US has produced both of these for the non-profit sector. This does not mean that all philanthropy centres and courses in the US use them, but at least there is a baseline proposal of what is essential from ethics to management, for others to consider.

The syllabi for the different courses I created on “New Philanthropy and Social Investing” were initially inspired by those scholars I respected such as Bruce Sievers, Walter W. Powell, Lucy Bernholz and Robert Reich at Stanford, where I happened to have been in the same undergraduate class as Bruce Sievers. In addition, I consulted Bill Dietel, Joel Fleischman and Lester Salamon and a few others I had known in other incarnations in the civil society space. This helped for the basics, but I discovered that not only does this sector not have comprehensive text books, but that in this dynamic era of change the syllabus must be updated every term (as opposed to a more static history course). There is also a need to balance classical theoretical concepts, and provide an overview of the civil society, philanthropy and the purpose-investment landscapes, the basics about philanthropy (principles, mission, approaches and tools) and the increasingly lively debate about philanthropy.

Another important factor influencing how I prepare a syllabus is that my courses are made up of master’s students often representing from 9 to 12 nationalities at a time. This audience not only knows less about philanthropy, but in addition they do not assume it is a normal part of one’s culture in the way that a US audience would. They are much more critical, questioning, and influenced by national conviction around the roles of the state and the private sector and an assumption of state responsibility for basic rights and services. The course readings are intended to play an important role in opening their minds to alternative approaches to so-

cial challenges and the role of societal actors and how they can make a difference as engaged citizens. Quite frankly, I am certain that half the reason I teach is to stay informed on issues and trends in this diverse and evolving space.

Additional challenges in building a syllabus in this multicultural and “overview” context is to balance some essential “how to” with understanding of motivation, the role of philanthropy across class and cultural differences, and the link between philanthropy and each individual as an engaged citizen, particularly in the era of Millennials and Gen Z.

Thus, the syllabus is a combination of chapters from a selection of books, and articles from scholarly, specialised and general media; complemented by think tank, NGO and consultancy reports. European resources include a few books on the sector, but most of the European sources are on philanthropy statistics, usually nationally based, with periodic European-level survey reports from the Fondation de France Observatoire and CerPhi in France, and from CAF in the UK, as well as specialised reports from other European research centres. Alliance Magazine is a good resource for updates on international philanthropy practice and issues and is an easily accessible source on topical international issues, but the general media only occasionally write on philanthropy and not usually in sufficient depth or with historical understanding of the field.

Media coverage of billionaire donations to Notre Dame is the most recent, perhaps only philanthropy issue that produced a front-page debate in the French media, which reflected French politics and a basic assumption that the French government is the steward of the public good alongside a deep and historic suspicion of private wealth, particularly in the public space. Even US and UK media weighed in as echoes.

Books and articles:

• Basic concepts of civil society, civic engagement and pursuit of the common good:

Bruce Sievers, *Civil Society, Philanthropy and the Fate of the Commons*; Michael Walzer, “A Better Vision: The Idea of Civil Society”, and “Socialism and the Gift Relationship,” *Dissent* (1982); James Madison, “Federalist Paper 10”; Alexis de Tocqueville, “Political Associations in the United States”, *Democracy in America*; “Challenging the Closing Space for Civil Society”, Ariadne, European Foundation Centre, International Human Rights Funders (excerpts 2016).

• Civil society organisations, both theory and practice in civil society; and the landscape of philanthropy and purpose-driven investment organisations:

Helmut K. Anheier, *Nonprofit Organizations: Theory, Management and Policy* (2014); Lester M. Salamon, Helmut Anheier et al, *Global Civil Society: Dimensions of the Nonprofit Sector* (1999 and updates); Norine Macdonald & Luc Tayart de Borms, *Philanthropy in Europe* (2008); Joel L. Fleishman, *The Foundation, A Great American Secret: How Private Wealth is Changing the World* (2009); Olivier Zunz, *Philanthropy in America: A History* (2012); P. Wiekking and F. Handy, Editors, *The Palgrave Handbook of Global Philanthropy* (2015) (provides a helpful comparative national philanthropy sketches for the first time in one place, published in 2015. The limitation is that the statistics are not comparably current); Mission Alignment Working Group, “Profit-with-Purpose Business: A New Sector for Social Impact”, *The Social Impact Investment Taskforce* (2014); Big Society Capital “2016 Annual Review. Social Investment Refocused.”

• Philanthropy theory, mission, strategy, approaches, new approaches and tools:

Andrew Carnegie, “The Gospel of Wealth”; George Soros, “My Philanthropy”, *New York Review of Books* (2011); Kenneth Prewitt et al, *The Legitimacy of Philanthropic Foundations: United States and Eu-*

ropean Perspectives (2006); Peter Frumkin, *Strategic Giving: The Art and Sciences of Philanthropy* (2006); Kail, Angela. and Lumley, Tris., “Theory of Change: The beginning of making a difference”, *New Philanthropy Capital* (2012); GrantCraft, “Advocacy funding. The philanthropy of changing minds”, (2005); Hal Harvey, “Why I Regret Pushing Strategic Philanthropy”, *Chronicle of Philanthropy*, (2016); Rob Reich, Chiara Cordelli and Lucy Bernholz, *Philanthropy in Democratic Societies* (2016); Clara Miller, “The Philanthropy Thinker: A Revolution of Capital”, *Alliance Magazine* (2018); OECD, Development Cooperation Directorate, “Social Impact Investment: The Impact Imperative for Sustainable Development – Highlights.”

• The debate about philanthropy

Robert R. Reich, “Philanthropy in the Service of Democracy”, *SSIR* (2019) (synthesis of the book, *Just Giving – discussed in section below on “The Trending debate about philanthropy”*); David Walsh, “Philanthropy and the American Far Right”, *HistPhil* (2018); David Callahan, “Powerless: How Top Foundations Failed to Defend Their Values and Risked Losing Everything”, *Inside Philanthropy* (2018); Edgar Villanueva, *Decolonizing Wealth* (2018); Anand Giridharadas, *Winners Take All: The Elite Charade of Changing the World* (2019).

Newsletters; think tanks, NGO and consultancy reports; general media:

These resources contribute important technical and provocative/debate-oriented content to the course, depending on issues.

• Newsletters

I scan the following, primarily, to stay aware of what is happening in the field; news on studies and major developments; and very selectively for syllabus readings and lecture content: Alliance Magazine, HistPhil, Inside Philanthropy, Stanford Social Innovation Review (SSIR) and The Chronicle of Philanthropy. Among these, SSIR is a good resource for introducing and analysing new

concepts and has enough factual content for student reading. Their topicality does not always allow enough distance to be considered a recommendation or endorsement. HistPhil produces authoritative short studies, and series on single issue investigations among other work. David Callahan, editor of *Inside Philanthropy* and author of *The Givers* consistently raises key questions relevant to the debate about philanthropy and is very on top of current happenings and influential (good and bad) in the philanthropy field – in the US, of course.

• **Think tanks, NGO and consultancy reports**

In general, the reports from these organisations are useful for explaining techniques for management aspects of philanthropy and social investing such as theory of change, evaluation and such. One of the best organisations in this regard is New Philanthropy Capital in London, founded by Peter Wheeler. Among the consultancies, Rockefeller Philanthropy Advisors has a useful set of handbooks on the social investment spectrum for the new philanthropist and special reports on topical issues with an international perspective and key input from within a body of philanthropy thinkers and influencers. Bridgespan produces periodic reports on issues concerning the sector at large. The problem with the majority of studies commissioned in the US is that they generally do not take into account philanthropy norms and practice outside the US. Carnegie UK regularly commissions work on fundamental issues impacting philanthropy, but their reach is UK bound though the issues go much further.

• **General media**

The mainstream media in Europe tend to feature philanthropy only when there is a local event, such as the Notre Dame fire and French popular pushback on billionaire philanthropy, and local celebrities speaking in town. This probably reflects the fact that philanthropy is not an “identity” as it is in the US, nor an in-

tegral part of the civic and social life of individuals at many levels as it is in the US. High profile media coverage of the recent debate about philanthropy has been primarily from US publications such as *The New York Times*, *The New Yorker*, *Wall Street Journal*, *Forbes*, *Quartz* and *Slate*, which all cover philanthropy, but uniquely wealthy, elitist philanthropy, usually personality-based, or reviews of the rare mainstream publications on the field. *The New Yorker* went on a philanthropy binge with a series of summer articles on “Modern Philanthropy”, in the same provocative manner that they published Jane Mayer’s *Dark Money* a few years back.

**The “trending” debate about philanthropy:
What can philanthropy do now?**

The past two years have produced an exceptional harvest of philanthropy-related publications that got mainstream media attention, even if they did not all become the bestseller of Anand Giridharadas’s *Winners Take All* scale. It is important to take into account the qualifier, *related*, because, with the exception of Rob Reich’s *Just Giving* and David Callahan’s *The Givers*, the other books were not about philanthropy per se, but about the dangers of wealth and plutocratic power, influence-grabbing and reinforcing the one percent and other aspects of the inequality paradigm, themes evoked in the other books. Valid though the points made in these books may be, the image of the entire philanthropy sector suffers because only “billionaire philanthropy” is being scrutinised, and the stories of other types of philanthropy and philanthropists are not being told. This surge in writing and commentary is changing the perception and conversation about philanthropy, but generally not for the better and not very constructively.

Many of the reviews are themselves interesting to read as they identify strong and weak points of the books and create a real basis for debate, elaborating on ills and misperceptions of the philanthropy sector, criticizing the approaches and lamenting that

there was not enough in some of the books on how these weaknesses might be addressed. In addition, despite various criticisms that can be levelled at each one, the strength of converging voices is producing some serious reflection and responses from the philanthropy sector, notably The Wellcome Trust and a consultative group of foundations involved in creating a social compact for foundations, among others.

From my point of view, Edgar Villaneuva's *Decolonizing Wealth* provides the most radical proposal for change in all aspects of wealth management, including philanthropy, not just treating parts of the problem when he observes that “*grantmaking decision process, tax code, pay-out percentages are mere symptoms of a virus that has pervaded every aspect, every cell, every interaction.*” He recognises how wealth-driven philanthropy has deviated from mass philanthropy on which the US sector was based, giving them a voice as well. Villaneuva suggests ways, over time, to alter attitudes and behaviour to “decolonize” wealth.

Anand Giridharadas's *Winners Take All* is certainly a good read, albeit somewhat of a rant about the hypocrisy of elite change-makers from all the sectors of the “marketworld”. These change-makers offer solutions to societal ills implicitly designed to maintain the status quo for themselves and like-minded elites. What he writes about is not new to those in the philanthropy sector and while astutely and acerbically describing the behaviour of his friends and others who have shared their thoughts with him does not suggest any way out of the inequality conundrum.

Robert Reich continues to contribute scholarly discipline to consideration of a series of issues about philanthropy, its unjust nature and the increasing danger it poses to democratic societies. His unique contribution in his recent book, *Just Giving: Why Philanthropy is Failing Democracy and How it could do Better*, is to propose a political theory of philanthropy. By doing so, he places philan-

thropy in the context of government policy that makes it possible, and comes to similar conclusions about its nature as a plutocratic exercise of power without accountability. Reich, as well, leaves one frustrated by not going further with his political theory to suggest policy alternatives.

David Callahan marshals his exceptional ability to ask the right questions about philanthropy in his book, *The Givers, Wealth, Power and Philanthropy in a New Gilded Age*, which slightly preceded the above titles. *The Givers* provides a more comprehensive overview of the contemporary philanthropy landscape while coming to the same conclusions concerning wealth and influence pushing its way into the public sphere as his fellow authors and clearly frames the dilemma around who is the steward of the public good.

Judith Symonds

Judith Symonds is an Adjunct Faculty Member at Sciences Po, Paris and an advisor in institutional strategy, philanthropy and civil society issues. She created the first philanthropy course in France and Master-level courses including: *New Philanthropy and Social Investing* and *Discovering Philanthropy, Discovering America*. She has been president of two foundations, one in Washington, D.C. and another in Warsaw, Poland.

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About the curator, Diana Leat Ph.D.

Diana has held research and teaching posts at a variety of institutions worldwide including LSE, UCLA, Demos, Cass Business School London, Deakin University Melbourne, Carnegie Trust, QUT Brisbane, St Andrews and The Rockefeller Archive Center, New York. She has published over 120 articles and books on philanthropy, social policy and cross-sector relations. Diana was a trustee of the Diana, Princess of Wales Memorial Fund and is now on the boards of Art Squat and the Blgrave Trust. Her latest academic book "Philanthropic Foundations, Public Good and Public Policy" is published by Palgrave Macmillan.

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