

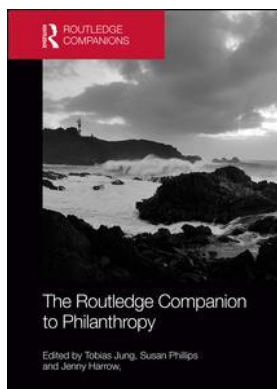
This article was downloaded by: 10.2.97.136

On: 01 Apr 2023

Access details: *subscription number*

Publisher: *Routledge*

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## **The Routledge Companion to Philanthropy**

Tobias Jung, Susan D. Phillips, Jenny Harrow

### **Philanthropy at the community level**

Publication details

<https://test.routledgehandbooks.com/doi/10.4324/9781315740324.ch8>

Michael D. Layton

**Published online on: 17 May 2016**

**How to cite :-** Michael D. Layton. 17 May 2016, *Philanthropy at the community level from: The Routledge Companion to Philanthropy* Routledge

Accessed on: 01 Apr 2023

<https://test.routledgehandbooks.com/doi/10.4324/9781315740324.ch8>

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# Philanthropy at the community level

## Supporting community empowerment

Michael D. Layton

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The word philanthropy usually conjures up images of a wealthy individual dedicating some part, sometimes a very significant part, of a great fortune to a noble cause. More often than not, the philanthropic practices of such individuals seem to draw inspiration from a perspective articulated by Andrew Carnegie more than one hundred years ago, of the millionaire as a trustee of the poor, ‘administering it for the community far better than it could or would have done for itself’ (Carnegie, 1901: 18). From this perspective, it is precisely the rich and powerful who are in a position to be philanthropic, tackling social problems more ably than communities by using the same skills and talents that allowed them to amass their fortunes to tackle social problems ‘far better’ than the community itself could. Bishop and Green (2008: 13) go so far as to call today’s philanthrocapitalists ‘Carnegie’s children’, and claim that giving them a copy of Carnegie’s *Gospel of Wealth* could help them along.

The concept of community philanthropy turns this thinking on its head. It embraces the idea that those embedded in the community, and thereby closest to its problems, are in a unique position to address shared challenges. The assumption is that they can do this ‘far better’ than external millionaire donors. The European Foundation Centre (EFC, 2004) offers a comprehensive definition of the concept:

Community philanthropy is the act of individual citizens and local institutions contributing money or goods, along with their time and skills, to promote the well-being of local people and the improvement of the community in which they live and/or work.

The EFC also distinguishes between the ‘informal and spontaneous’ and the ‘formal and organized’ ways in which this phenomenon occurs. The former is illustrated by collections during natural disasters, the latter by citizens giving contributions to local organisations. These organisations can then use these resources for initiatives improving the local community’s quality of life on a long-term or permanent basis (European Foundation Centre, 2004). It is important to emphasize that the concept includes contributing time and skills, as well as money, and that there is an explicit goal of building and empowering community leadership.

This chapter focuses on the more informal and spontaneous expressions of community philanthropy. It leaves the discussion of the more formal and organized expression of community philanthropy – community foundations – to Chapter 19. The goal of this contribution is to

explore the forms of philanthropy at the community level that tend to spring up in the developing world or in more marginalized communities of the developed world, and which often do not find more formal, institutionalized expressions. To borrow a metaphor from Smith (2000: 12), this might be considered part of the 'dark matter' of the philanthropic universe, as a very significant phenomenon that is often overlooked by traditional scholars (Chen, 2010).

At first blush, community philanthropy is a very appealing concept in terms of community self-help: neighbours helping one another are the embodiment of empowerment. It fits nicely with our democratic sensibilities. The key idea is that each person can contribute and that this collective action could offer a firmer, more balanced basis for the funding of social causes. Here is a deeper issue underlying the difference between what one might call Carnegie-style philanthropy and community philanthropy. As Robert Reich has argued, philanthropy has at best an 'uneasy', if not a 'rocky', relationship with equality (Reich, 2006). The philanthropy of the wealthy is precisely a function of the accumulation of great fortunes and hence inequality. In his contemporary review of *Gospel of Wealth*, the Methodist Bishop Hugh Price Hughes characterized the proliferation of millionaires as 'an anti-Christian phenomenon, a social monstrosity, and a grave political peril'. He asserted, 'millionaires at one end of the scale involved paupers at the other end, and even so excellent a man as Mr. Carnegie is too dear at that price' (quoted in Nasaw, 2007: 352).

Could community philanthropy, then, represent a more democratic alternative to the philanthropy of the few? While the practice might assuage our democratic sensibilities, the serious challenge for community philanthropy is whether this practice can address the deep issues of social injustice and marginalization that plague the poorest of communities. If the community is not, say, Medina, Washington where the Gates' mansion is located, how can it mobilize resources to overcome the worst aspects of poverty given that the defining characteristic of an impoverished community is precisely its lack of resources? This is a key point of Jeffrey Sachs' (2005) thinking on the problem of development: the necessity to import capital from wealthy to poor nations. Conversely, if philanthropies outside the community offer their assistance, might this intervention undermine the indigenous processes of mutual support and solidarity?

This chapter first explores diverse practices of community philanthropy. The goal is to capture some of the variety without pretending to offer an exhaustive account of the phenomenon. This exploration teases out some of the key common underlying elements, and leads to a discussion of its main challenge: gauging the impact of community philanthropy. I argue that the main focus of this impact is the empowerment of those who give, rather than a change in the situation of the recipient. Documenting and quantifying the impact of community philanthropy is a key open challenge for practitioners and for researchers.

It is important to note that much of the material published on the issue of community philanthropy is generated through projects supported by funders interested in promoting community philanthropy, especially its more formal expression in community foundations. Studies by Knight (2012), Wilkinson-Maposa and colleagues (2005), Bearman (2007), the European Foundation centre (2004) and the 2006 articles in *Alliance* magazine (Kingman and Edwards; Mirciu; Yamsuan) were either commissioned by funders, or written by practitioners. While this is not to disparage the quality of the research, it is important to note that there are few strictly scholarly studies of the field. This fact creates an important opportunity for future research, especially in terms of the impact of community philanthropy.

## Diverse practices of community philanthropy

There are perhaps as many expressions of philanthropy at the community level as there are civilizations and ages in human history. While taking into account the fact that the word

'philanthropy' has developed specific Western connotations and understandings, it is safe to say that the expression of philanthropy is a near universal aspect of human behaviour across cultures and across time, frequently linked to religion (Ilchman *et al.*, 1998; Berry, 1999; Mottiar and Ngcoya, Chapter 9). The goal of this section is not to present an exhaustive review but a sample of the diversity of the practices of community philanthropy, to be followed by a discussion of its most essential aspects.

In the US, formal campaigns to promote community philanthropy were initiated by the US Sanitary Commission, a private relief agency established by Congress in 1861 to assist those wounded in the Civil War (Zunz, 2011: 44–45). At the turn of the twentieth century, there emerged in the US a new expression of the philanthropic impulse – what Zunz (2011: 44) terms 'mass philanthropy' or 'people's philanthropy' – which gave philanthropy 'even more of a central place in modern American life' than the dedication of fortunes to social causes by Carnegie and Rockefeller. Zunz argues that this novel effort combined the invention of mass campaigns with the creation of a new culture of giving, tapping what one reformer termed 'large subterranean pools of benevolence' (quoted in Zunz, 2011: 45). The most successful and novel US campaign at the time was the sale of Christmas seals to support the fight against tuberculosis. In essence, this involved the selling of additional stamps or 'seals' at post offices. Rather than having a postage value, the proceeds from selling these seals went to care and research surrounding tuberculosis. Imported from Copenhagen, where the idea had been pioneered in 1904, a national US programme was set up in 1908 that was initially jointly run by the National Association for the Study and Prevention of Tuberculosis (NASPT) and the American National Red Cross. The success of this effort, as well as a multiplicity of local fundraising efforts, led to the community chest movement. According to Zunz (2011), the leaders of these efforts wanted to circumvent the wealthy, as well as local ethnic groups and instead draw upon a notion of 'metropolitan community'. The most intense effort was to come during relief efforts linked to World War I, and helped to 'reinforce the perception that giving was part of being American' (Zunz, 2011: 56). A key feature of the growth of these two key manifestations of mass philanthropy – the community chest and also the March of Dimes during the administration of Franklin Delano Roosevelt (Helfand *et al.*, 2001) – was the active engagement and support of the federal government and high profile philanthropists and fundraisers. In a sense, this involvement underlined the tension between community philanthropy and its *ethos* of community empowerment on the one hand, and mass philanthropy on the other.

More recently in the US, researchers have detected nostalgia for more direct involvement in giving. Beginning in the early twenty-first century, the creation of 'giving circles' became an important movement which also spread to Canada. Eikenberry (2006) and other academics have identified this as a manifestation of the beginning of a 'new era' in American philanthropy. They argue that,

this "new philanthropy" is unique in that it is more engaged, guided by individual donors with an emphasis on collaboration; hands-on, unconventional modes of giving and volunteering; and a focus on small organizations and grassroots, entrepreneurial problem solving.

*(Eikenberry, 2006: 517)*

The organizational form that embodies this new philanthropy is the giving circle. A group consisting of anywhere between five and 500 individuals comes together to pool their resources – both time and money – and identify worthy projects in their community (Bearman, 2007: 1). Their activities take place in living rooms, rather than foundation boardrooms, and often entail significant volunteer labour and engagement as well.

According to a recent survey, these entities have appeared in 44 US states, plus the District of Columbia, as well as Canada, with at least 400 giving circles in which 8,000 individuals participate, although firm numbers are hard to come by due to their grassroots nature (Eikenberry, 2006: 520; Bearman, 2007: 6–9). This tendency seems to bring the practice of community philanthropy full circle in the US, with initial expressions of the human philanthropic impulse occurring at the community level, then finding a more institutionalized expression in community foundations, and, with giving circles, seeing this tendency come back to its roots. Participants in giving circles bring a certain sense of ambivalence to the question of evaluation. As Bearman (2007: 18) reports: ‘assessing impact is hard without asking for additional reporting from grantee organizations – something most giving circles hesitate to do’. The capacity of giving circles to ‘build community’ is seen as one of their most important contributions or impacts.

While giving circles are a recent innovation in North America, other nations are also experimenting with distinctive forms of community philanthropy. In the Philippines today, there is a practice similar to the community chest movement in the US but on an even smaller scale. *Pondo ng Pinoy (PnP)*, which can be translated as the Filipinos’ fund, uses a strategy called ‘gathering crumbs’ to promote poverty alleviation. The idea is that people donate 25 centavos, less than a US penny, in numerous collection bottles placed throughout the country. While critics liken such giving, compared to the scale of the problem, as ‘shovelling snow with a spoon’, the project’s founder, now retired Manila Archbishop Gaudencio Rosales, ‘sees filling up a bottle with 25 centavos coins not as fundraising but as what he calls “developmental evangelization” – ... it is the aim of *Pondo ng Pinoy* to have individuals realize that they can develop themselves and, in the process, help others develop’ (Yamsuan, 2006: 33). Since its founding in 2004, the practice of giving the equivalent of a penny a day has rapidly spread from a single village to a national effort. The founder chafed at the idea that the program should be transformed into a ‘corporate-style’ system of ‘promotion, collection, disbursement, and evaluation’, and argued that its nature was to be ‘a programme for the poor that changes not just the receiver but also the giver so that the cycle of love is never broken’ (Yamsuan, 2006: 33). This criterion of success defies easy assessment. One concrete measure is the amount raised. During the annual campaign that ended in June 2012, the effort raised nearly one million USD, a ten percent decline from the previous year’s total (Macairan, 2012). This decline was attributed to the retirement of the founder, and might indicate that this is a more hierarchical and leadership-centred effort than an expression of community philanthropy.

In Romania, another expression of community philanthropy takes a distinct approach, emphasizing the role and responsibility of educated elites in community betterment. In the 1970s, boys and girls from rural villages who showed promise received state-sponsored scholarships to attend a university. These *fiii satului* (or village children) went on to have successful careers in urban centres. With the fall of communism and the return of land to its original owners, ‘many *fiii satului* groups became more active in village life’ (Mirciu, 2006: 47). A study of this phenomenon found that this philanthropy was largely top-down, however, with *fiii satului* supporting local capital improvements or festivals celebrating local customs, and that few projects were ‘developmental – let alone transformational – in character’ (2006: 47). This weakness in the nature of the projects supported reflects the motivation of the donors, which is related to enhancing their image and status: ‘It is more about the need of the giver to be seen than about producing real change in the community’ (Mirciu, 2006: 47).

A similar effort can be found in the African Women’s Development Fund (AWDF) in that it supports women’s organizations in Africa who ‘are seeking ways in which to engage the high net worth and middle class African women who have thus far been rendered largely invisible in the global discourse on finance and resourcing for gender equality’ (Mukasa, 2011). Their efforts to

mobilize resources based on the community of sisterhood include workplace giving, creation of social enterprises, building endowments and donations to feminist organizations and initiatives. But in this case there is an explicit goal of encouraging the empowerment of women via strong organizations:

Organising that builds strong social movements of women and institutions who are able to define their own agenda and develop appropriate responses that encompass the breadth and depth of women's realities on the continent, and that holds the state and other duty bearers accountable for their commitments to women's rights. *This approach suggests a shift from regarding our constituencies as beneficiaries to working with them as active and autonomous citizens.*

(Mukasa, 2011, *emphasis added*)

This effort identifies the provision of financial support through community philanthropy as part of a strategy of empowering women to participate more fully in the process of development so that empowerment becomes a key criterion of success. The measure of success applies to the involvement of donors in philanthropy and of recipient organizations. In its report on grantmaking for 2012, the AWDF related that it awarded over \$2 million to nearly 200 organizations from 32 African countries, across the following categories: Women's Human Rights (34 percent), Economic Empowerment and Livelihoods (21 percent), Governance, Peace and Security (14 percent), Reproductive Health and Rights (six percent), and Arts, Culture and Sports (five percent) (African Women's Development Fund, 2013). The report provides no further analysis or reflection upon the impact of that support, beyond the notion that involving women in philanthropy is in itself empowering.

But the potential of community philanthropy for community empowerment is not always realized. In a field study of philanthropy in China during the 1990s, Shue (1998) describes the phenomenon of establishing local foundations and charity drives to galvanize private support to assist the 'deserving poor' via entities that technically are established as *minjian* (popular) organizations but are primarily staffed by state agencies (Shue, 1998: 340). In an interview, a functionary from the Civil Affairs Bureau in Hangzhou explained that they engaged in this corporate sleight of hand because 'under Chinese conditions, it is necessary for the State to take the lead' (Shue, 1998: 341). Another Civil Affairs official in Qingdao put it more bluntly, 'the intention is to use the force of the State to mobilize the forces in society'. Shue insightfully observes that while fundraising was important, officials placed equal or greater emphasis upon 'using these charity campaigns to raise the tone of social life, to "raise the quality of the people" ... a phrase one hears everywhere in China today, to set a good example, and to promote social stability' (Shue, 1998: 342). More recently, Shue (2011) has turned her attention to a new phenomenon in China, the 'charity supermarket'. This is an attempt to adapt a variation of the Good Will Store model of facilitating donations and the sale of low-cost goods for resale to the needy. Rather than relying on local donations of used goods, the stores tend to rely upon government budget allocations and goods from state agencies. Although academic evaluations of these stores have found much to criticize in their operation, Shue (2011: 761) remains optimistic that the stores 'could serve to focus and raise people's sense of solidarity, mutual aid, and humane compassion'. Her goal in recounting this development is to demonstrate 'how tough and elusive actually attaining an authentic "mutual empowerment" of state and society in the Chinese context still remains' (Shue, 2011: 753). With the state exercising such a strong influence, it is difficult to envision how empowerment can occur, but the emphasis upon the moral impact of giving upon the giver is noteworthy.



In both indigenous North American communities and the Indian subcontinent, the expression of a philanthropic impulse is difficult to disentangle from ongoing social relations and the understanding of what it is to live in a community. According to Grim, 'Native American' philanthropy entailed being generous and helping others, ideas woven into the fabric of community life as part of the one's integration of the whole and thus deeply grounded upon the 'inherent cosmological values of particular (indigenous) peoples'. Thus, 'philanthropy is not separated out from the socioeconomic lifeway of the people' but is a seamless aspect of community life (Grim, 1998: 49). Anderson (1998: 75) notes that in India, particularly regarding the Hindu traditional teachings of giving of gifts, such action is often seen as an obligation and is undertaken in pursuit of merit, with the roles and obligations of the giver and receiver heavily defined by context: 'The transactional quality in the Hindu comprehension of the gift demands analysis of motives of self-interest as well as an analysis of community'. In both cases, the act of giving is an integral part of community life, and it is not subject to an evaluation of its impact beyond maintaining community bonds.

Another tradition of community self-help emphasizes a universal contribution of labour – rather than goods or cash donations – for community betterment. In Mexico, *Tequio* or *faena* is

the unpaid work of indigenous people, which is done for the benefit of the community, as decided upon by the community or by its formal authorities, and the failure to perform such work may result in the imposition of certain social or legal sanctions.

*(Saldaña, 2006: 2, author's translation; Bonfil Batalla, 1996: 31)*

These sanctions might include fines or even incarceration, and such a tradition can be viewed as a form of taxation or involuntary servitude. In fact, the Indigenous and Tribal Peoples Convention, (Convention 169), of the International Labour Organization (ILO), recognizes this problem. Article 8 states, 'These peoples shall have the right to retain their own customs and institutions, where these are not incompatible with fundamental rights defined by the national legal system and with internationally recognised human rights,' while Article 11 states, 'the exaction from members of the peoples concerned of compulsory personal services in any form, whether paid or unpaid, shall be prohibited and punishable by law, except in cases prescribed by law for all citizens' (International Labour Organization, quoted in Saldaña 2006: 6). The inclusion of an explicit regulation of unpaid labour in an official ILO document speaks to the importance and widespread nature of this practice. The question arises here as to whether, due to its mandatory nature, this can be viewed as a philanthropic contribution despite being unpaid labour for community improvement that in turn generates social capital.

Community mobilization is also a central feature of *harambee*, a uniquely Kenyan tradition as the word even appears on the national coat of arms. It is from Swahili, translated literally as working together or pulling together, and has come to mean a collection for a community project – seemingly an ideal form of community philanthropy (Chepkwony and Gemelli, 2009). Its practice has evolved in a rather ironic manner over the course of the twentieth century, from its first meaning of collective efforts to clear land or harvest crops; to its second, a more formal and participative development effort, where government and project beneficiaries would each contribute; until today, when *harambee* is a very public and publicized charitable collection that largely aims to put on display politicians' generosity in an effort to influence votes. In short, it has been bastardized from a bottom-up development practice to a top-down form of electoral corruption (Chepkwony and Gemelli, 2009). Transparency International Kenya undertook a study of the practice and found that politicians, from the President on down, take a prominent role in organizing and donating to *harambees* and that the amounts collected spike upwards

during election years (Ndii and Waiguru, 2001). The report calls for greater transparency in terms of both who is donating and use of funds. This unfortunate evolution of *harambee* vitiates its potential for community empowerment.

Perhaps the greatest contribution to systematic thinking about community philanthropy, theoretically sound and empirically grounded, comes from the co-authors of *The Poor Philanthropist*. As part of the Building Community Philanthropy (BCP) Project, this research was conducted in four countries in Southern Africa: Mozambique, Namibia, South Africa and Zimbabwe. As in many parts of the global south, the term ‘philanthropy’ does not have the same meaning that it does in the north (see the discussion of the concept of *ubuntu* by Mottiar and Ngcoya, Chapter 9). Horizontal philanthropy or ‘philanthropy of community’ (PoC) which is associated with the networks of mutual self-help and solidarity is distinguished from vertical philanthropy or ‘philanthropy for community’ (PfC) which refers to transfers from rich to poor as reflected in development assistance and charity (Wilkinson-Maposa *et al.*, 2005: 4). PoC embodies a moral philosophy of *collective* self, offering a networked and reputation-mediated system of mutual assistance that affords self-respect and mutual survival. This phenomenon is an integral part of life in the communities studied:

Help between poor people is widespread, deeply embedded, morally grounded and operates as a vital element for both survival and progress. Rather than random or disorganised, horizontal philanthropy is part and parcel of the social fabric. It follows proven, unwritten, acculturated rules with associated sanctions for non-compliance.

*(Wilkinson-Maposa et al., 2005: x)*

Rather than arising from abundance, this form of PoC arises from a sense of interdependence and potential vulnerability to the vicissitudes of life. As one study participant observed, ‘someone who doesn’t help you is someone with everything’ (Wilkinson-Maposa *et al.*, 2005: 74). While in Carnegie’s vision, it is precisely those ‘with everything’ who are in a position to be philanthropic, in this formulation, the same position from which traditional philanthropy arises essentially precludes participation in philanthropy of community.

The idea that philanthropy of community can go beyond sharing the basics of survival to promoting development is then debated by the same authors. Although their fieldwork shows that most helping behaviour is aimed at resolving issues of basic survival, they find a potential for this form of community philanthropy to enhance the recipient’s life chances. Wilkinson-Maposa and colleagues (2005: 115, emphasis added) identify this as an opportunity for research: ‘a much clearer picture of the extent to which “help” provides for movement in developmental directions, and how this can be achieved, is a critical area for further exploration’. Another critical issue open to question is the relationship between PfC and PoC. The tension resides in whether outside efforts at promoting development can effectively complement more indigenous work to the same end, or if outside support crowds out or drowns out more local traditional relationships of mutual self-help. We will return to this issue later in the chapter. A meeting convened by TrustAfrica has raised the biggest issue for this and all forms of philanthropy of community. As the resulting report states:

Giving amongst people with little “keeps the lid on poverty” just as much as it speaks to a deeply rooted culture of mutual aid and reciprocity. A key theme in the East Africa philanthropy convening was if and how African philanthropy could more effectively grapple with structural and systemic issues of poverty and injustice.

*(TrustAfrica and the WINGS Global Fund for Community Foundations, 2008: 2)*



In other words, can community philanthropy in the poorest contexts do more than just help people get by; rather can it provide the means for community empowerment and for social justice?

From this brief review of activities that have been called community philanthropy, it is obvious that the term is applied to a wide range of phenomena. Returning to the definition offered by the European Foundation Centre (2004), however, each example complies with the chief characteristic, that is, contributing money, goods, time or skills to enhance the well-being of local people and improvement of their community.

### Is community philanthropy really 'philanthropy'?

In describing systems of mutual aid and material support among poor communities, are we talking about 'philanthropy,' or something else? In a provocative essay Kingman and Edwards (2006: 44) make the argument that allowing the term 'community philanthropy' to expand too much undermines a distinctive universe of behaviour, such as 'features of mutual aid and solidarity systems ... institutions and cultural norms based on shared values, shared commitment to a cause, or simply membership. Are we afraid of this language?' Their response is worth quoting at length:

We believe that the dominance of neo-liberal economic orthodoxy, and with it the culture of individualism, is now so deeply embedded that the language of mutual aid and solidarity, even of "cooperation" in its institutional sense, has been effectively banished. ... A natural response to articulating forms of giving that do not fit the dominant definition of philanthropy is thus to widen the definition. But this temptation should be resisted, as should any attempt to promote "community philanthropy" that might risk weakening solidarity mechanisms.

*(Kingman and Edwards, 2006: 44)*

In short, they fear that this expansion of the definition of philanthropy encroaches on territory that is best characterized as mutual aid and cooperative societies, and that this is much more fertile territory for development efforts. Kingman and Edwards (2006: 43) then go on to define philanthropy 'as giving outside of one's family' and community philanthropy as 'catalysing and raising resources from a community on behalf of a community' and observe that it exhibits 'a significant element of selflessness'. They further argue that one of the key advantages of these systems of mutual aid is that they promote processes of community engagement that can effectively defend and advance the rights of disadvantaged communities – processes that are more self-sustaining and less reliant upon outside resources.

What Kingman and Edwards seem to be talking about is a form of community organizing that aims at generating social capital. Putnam (2000: 116–117) explains that while it is important to distinguish social capital ('doing with') from philanthropy ('doing good for other people'), he also observes that 'social networks provide the channels through which we recruit one another for good deeds, and social networks foster the norms of reciprocity that encourage attention to others' welfare'. His conclusion is that formal and informal giving and volunteering are all strongly predicted by social capital, but that the two should remain distinct concepts

Is philanthropy selfless, as Kingman and Edwards contend? If we return to Andrew Carnegie, his claim was that philanthropy by the wealthy could bring about peace on earth, concluding that philanthropy would solve the problem of the rich and poor in a manner such that, 'the laws of accumulation will be left free; the laws of distribution free. Individualism will continue, but the millionaire will be but a trustee for the poor' (Carnegie, 1901: 18). That seems to be

not exactly selfless, coming from one of the world's greatest capitalists. So, perhaps community philanthropy and more traditional philanthropy are not so far apart after all: they both seem to reaffirm existing social relations.

In a study of precolonial Africa, Feierman (1998: 4) offers a rebuke to those who overestimate the possibilities of reciprocity, 'the world never existed where reciprocity was a constant and reliable safety net'. He then offers a succinct description of the social context in which mutual aid took place:

Sub-Saharan Africa, in the centuries before colonial conquest, was a region where voluntary giving was, in a majority of cases, grounded in reciprocity, and yet where inequalities existed, where kindly help was as double-edged as it is in the philanthropic West – a *peculiar combination of caring and dominance*.

(Feierman, 1998: 4; *emphasis added*)

In this case, the practice of community philanthropy is more akin to traditional Western philanthropy, but in an uncomplimentary way. The author de-mythologizes and de-romanticizes the practice of mutual aid and reciprocity as an uncomplicated cardinal virtue among the poor and places it in the context of complex and hierarchical social relations, at the same time 'helping the weak and preserving privilege' (Feierman, 1998: 7). At least at first blush this is consistent with what Carnegie had in mind.

### Conclusion: The impact of community philanthropy

This chapter began with the claim that community philanthropy had an advantage over more traditional or Carnegie-style philanthropy, that those embedded in the community and closest to its problems are in a unique position to address shared challenges; that they can do 'far better' for themselves than a traditional philanthropist ever could. Yet, the survey of community philanthropy has provided mixed evidence regarding its impact.

In general, the impact of philanthropy is two-fold, affecting both the recipient and the giver. On his definitive work on philanthropy, Frumkin (2006: 18) identifies two key functions of philanthropy, a public function, which has four goals (change, innovation, redistribution, and pluralism), as well as a 'private, consumptive, and expressive function of philanthropy [which] is directed at meeting the psychic and social needs of donors'. He goes on to elaborate the benefits of philanthropy for the philanthropist and how these benefits are an integral element of its rationale:

Philanthropy exposes donors to new ways of seeing the world and brings givers into contact with people whom they otherwise would never meet. It also allows givers to translate passions and commitments into action and worldly deeds, a process that can be profoundly satisfying. In this sense, it is impossible to talk about the functions or purposes of philanthropy without recognizing that it has an important impact on the giver that must be considered part of the core rationale for philanthropy.

(Frumkin, 2006: 19)

In stating that philanthropy 'brings givers into contact with people whom they otherwise would never meet', Frumkin implies that he is not discussing philanthropy of community as it is normally considered and practised. Yet advocates of community philanthropy would endorse the notion that its practice 'allows givers to translate passions and commitments into action and worldly deeds', but largely within their own communities.

While the warm glow experienced by Bill and Melinda Gates by giving away billions of dollars is usually viewed as secondary to the impact of their philanthropy upon the eradication of disease in Africa, the sense of empowerment experienced by giving circles in the US or the bonds of community nurtured by horizontal philanthropy in South Africa are a critical aspect of community philanthropy. What community philanthropy does is reaffirm the connectedness of individuals within the context of a geographic or self-defined form of community. Per the discussion above, in the developing world, these relationships might reinforce traditional, hierarchical relationships, but in developed nations they are often more horizontal in nature and reaffirm democratic values, in contrast to the elite-driven nature of traditional or Carnegie style philanthropy.

In an earlier discussion of this 'supply side' of philanthropy, Schervish and Havens (2001: 225) admonish that the public function of philanthropy cannot be ignored, and that 'one of the key questions for reflection is whether your philanthropy will fulfil the needs of others'. At least one leading researcher in the field of giving circles is not sure that this reflection is paramount. As Eikenberry (2008) observes, the public and the private aspects of at least one form of community philanthropy are in tension. While there is a growing chorus of voices who stress the need for greater philanthropic involvement in light of government cut-backs:

The trends in the new philanthropy seem to be headed in the opposite direction, or at least there is strong competition for philanthropy to focus on enabling donors to participate in the community in their own way and for their own benefit instead of to allocate funding where it is most needed.

(Eikenberry, 2008: 150)

Thus the key question remains open, is the empowerment of donors enough to justify the claim that informal community philanthropy empowers communities and represents an advance in terms of social justice?

Although nearly all the examples of community philanthropy discussed claim that donors are empowered, this claim is largely an assertion made without systematic evidence. In the case of *PnP* in the Philippines, its promoter remains optimistic about how those who give a few cents are empowered, but this assertion is untested. In the case of the *fiii satului* in Romania, their empowerment seems to come about with little or no accounting for true community needs. In the case of China, government officials are attempting to promote community involvement and empowerment, but the transition to community engagement has been elusive and power largely remains in the hands of the bureaucracy.

Whether community philanthropy has an enduring impact upon recipients is largely overlooked. While Bearman's (2007) evaluation of giving circles takes up the issue, its recognition of their reticence to seek additional grantee reporting is already noted above, partly arising from the perception that the limited financial resources that they offer should not come with too many strings. For example, one case study in Durham, North Carolina of the promotion of giving circles among African American males documented donations of about \$55,000 to 20 organizations over six years, nearly \$10,000 a year or almost \$3,000 per organization (Community Investment Network, 2011: 22). The very title of the report, 'The Impacts of Giving Together: Giving Circles as a Civic Engagement Strategy', explains that the main influence this form of community philanthropy is upon donors. The sponsor of the report, the Community Investment Network, is a national network of giving circles that 'inspires, connects and strengthens African Americans and communities of color to leverage their collective resources and create the change THEY wish to see' (Community Investment Network, 2011). Thus community empowerment and social justice are at the core of this philanthropic endeavour.

When the goal of community empowerment is realized with the aim of social justice, the full potential of community philanthropy is made evident. When this occurs another advantage of community philanthropy emerges, which is its sustainability. As the authors of *The Poor Philanthropist II* state:

The fundamental tenet is that sustainable impact and enduring change does not lie in the provision of resources. Rather, it rests in people's lives being changed by themselves and not by others. ... External development agencies may command material resources – including money – as well as vast reservoirs of knowledge and experience. But, in the final analysis, the poor have the power to sustain a development intervention and its impact (or not).

(Wilkinson-Maposa and Fowler, 2009, p. xi)

Wilkinson-Maposa and Fowler (2009) contend that the community philanthropy's greatest impact could be achieved by combining, in a mutually reinforcing manner, more traditional and community forms of philanthropy or, in their terms, horizontal and vertical philanthropy. In this ideal scenario, it would seem that participants in community philanthropy can do 'far better' for themselves than a millionaire, or billionaire, ever could. Research has yet to establish the circumstances under which this ideal scenario can be realized.

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