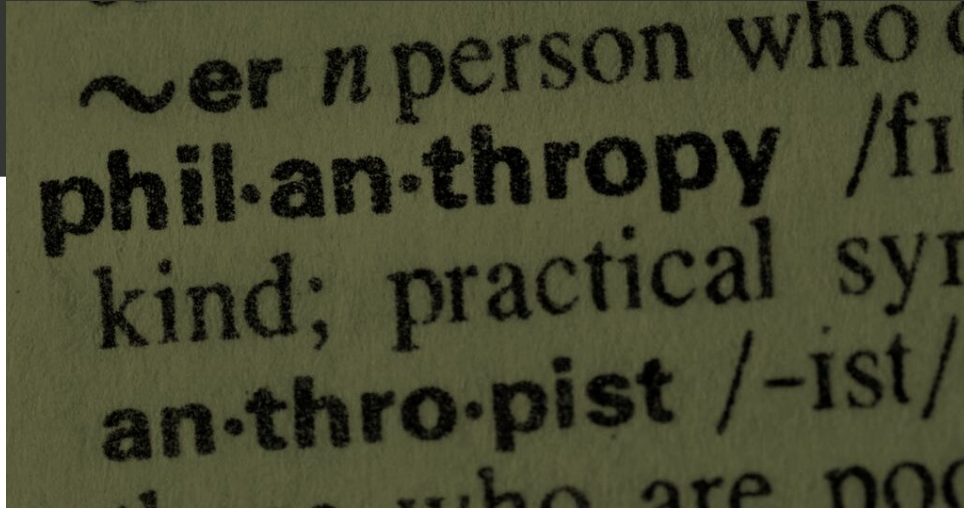




NONPROFIT

Philanthropy Thought Leaders: Hot Topics

06.24.19 | Linda J. Rosenthal, JD



As we choose the topics for each month's blog posts, there are certain items that miss the cut-off for no reason other than we have too much to write about – not too little. In the online feeds that each day bring us so much tantalizing information, there are often intriguing articles and writings that have a philosophical “big-ideas” tone.

We've selected several noteworthy ones here for a brief mention – and convenient link if you're interested in taking a peek.

- [*Critiques of Philanthropy Are Important, but Some Have Entered the Realm of the Absurd*](#)
(May 20, 2019) Phil Buchanan, President, Center for Effective Philanthropy

While experts consider how charitable organizations and foundations can tackle pressing issues like income inequality, some commentators have taken a more radical stance, arguing that institutional philanthropy may have inadvertently been complicit in the continuance – and worsening – of societal problems. One of the most outspoken critics is Anand Giridharadas, author of *Winners Take All: The Elite Charade of Changing the World*.

Mr. Buchanan, while approving generally of aggressive critiques of the philanthropic sector, calls foul on some commentary as taking the criticism too far – into the “realm of the absurd” – as it were. He lobbies volleys in particular at some of Giridharadas's pronouncements. For instance, while lauding the generosity of billionaire Robert Smith in paying off the student-loan debt of Morehouse College graduating seniors, Giridharadas loudly laments that we shouldn't have to rely on philanthropy to remedy the societal failure to provide affordable higher education.



Giridharandas takes aim, too, at institutions that take or keep “tainted money,” arguing that “philanthropy launders bad reputations” too often. He also recently [claimed on MSNBC](#) that “nonprofits are a very crucial part of how the rigged system gets rigged ... as enablers for plutocrats to continue to harm society.”

Buchanan joins Giridharandas in the view that government should be stepping up to the plate more often to fund important needs. “But,” Buchanan writes, “in the meantime, here we are” and “[w]e should recognize and respect the work of nonprofits, and ... encourage, not deride, the instinct to give back.”

- [*Philanthropy Has Changed How It Talks — But Not Its Grantmaking — in the Decade Since NCRP’s ‘Criteria’ Was Released*](#) (May 10, 2019) Aaron Dorfman, president & CEO of National Committee for Responsive Philanthropy

Ten years ago, the NCRP – the nation’s “independent watchdog of foundations” published its [*Criteria for Philanthropy at Its Best*](#). The pushback was immediate; “more than a few people [were] aghast” we had the “temerity to assert that any set of criteria be applied to the field of philanthropy, let alone criteria grounded in [the] belief that grantmakers needed to prioritize marginalized communities and support grassroots-led problem solving...”

Ten years later, according to Dorfman, “few would bat an eyelash” if the same document were released. “Philanthropic sector discourse” now accepts and parrots the concepts presented by NCRP a decade ago, but “the money didn’t follow.” Recent data shows that foundation grantmaking over these years “for the intentional benefit of marginalized people” has inched up only a few percentage points.

Dorfman highlights four foundations that have made remarkable progress in adopting not just the talk but also the walk of the Criteria for Philanthropy at its Best. He concludes by emphasizing that the “way money and power moves in philanthropy” must change.

- [*Philanthropy is at a turning point. Here are 6 ways it could go*](#) (April 29, 2109) Rhodri Davies, Head of Policy, UK’s Charities Aid Foundation

“This is a difficult time for philanthropy” with global challenges like climate change “demanding collective action on an unprecedented scale.” New technology and “shifting demographics ... [are] changing our notions of community, society and nationhood beyond recognition.” But at the same time that these issues loom large, “the very concept of philanthropy is coming under attack.”

Nevertheless, “[f]or those who continue to believe in the value of philanthropy – the idea that private assets used for public good can be a powerful force to shape society for the better – there is a lot of work to be done.” New efforts are needed in this new reality. Davies presents six categories for consideration:

- [*Acknowledging how money is made.*](#) Recent debates about “tainted money” point out that, historically, the source of many philanthropists’ wealth was unsavory or exploitative. “How money is given away can no longer be separated from how it is made.”



- *“Embracing structural change.”* Some observers assert that philanthropy – as part of the problem – can’t be the solution, and are “an unhelpful distraction from the real work to be done in driving structural change.” Davies disagrees that philanthropy is incapable of addressing these challenges. Many people are “working to craft approaches ... that can deliver genuine structural reform.”
- *“Democratizing philanthropy.”* If philanthropy is to address inequality, it cannot be “seen as merely a tool for the powerful to entrench their advantage.” It must give away “not only money, but also power.”
- *“Reflecting diversity.”* Philanthropy must reflect societal diversity and “the people and communities it serves.”
- *“Innovation and discovery.”* Philanthropy can drive discovery, “but this may raise difficult questions within the context of a democracy.” When the mega-rich place “philanthropic big bets,” they are “taking risks and driving innovation in a way that the government cannot.” But critics see it as “self-indulgent crusades by donors whose view on issues is entirely shaped by the industries in which they made their money.”
- *“Transparency and openness.”* A challenge for philanthropy will be ensuring transparency in the face of a trend by ultra-rich donors to choose other than “traditional philanthropic structures” like LLCs.

Conclusion

In future months, we’ll select and bring you more thought-provoking commentary and opinion from experts in philanthropy.