

PHILANTHROPY & PUBLIC POLICY: *NOT WHY, BUT WHY NOT?*

It would be difficult to name a major social issue in America today that is not the focus of at least one major philanthropy.

Health care, education, the environment, the needs of children and families, public health, affordable housing, race relations, immigration... in these and many other arenas philanthropy is actively seeking to meet the needs of citizens and communities.

But in America and abroad, much of philanthropy aims to do more than meet needs. Assertive philanthropy seeks to create lasting social change. And that, inevitably, requires strategic public policy work.

Philanthropy, historically, has been an influential force in public policy. In the early 1900s, the Rockefeller Foundation worked to improve educational opportunities. In the 1960s, Carnegie Corporation's Commission on Educational Television in the 1960s led to creation of public television. In the 1990s, the Robert Wood Johnson Foundation was a leader in research and advocacy that led to a decline in the use of tobacco products.

For much of the 20th century, this public policy work was the province of a relatively small subset of private foundations in America. In the last 25 years, however, philanthropy in America has experienced significant change and, consequently, so has its participation in the policy arena.

In sheer size, philanthropy has grown dramatically. In 1980, there were 22,088 private and community foundations in America. In 2006, there were 72,477. More than 60% of today's active foundations have been established in the past 18 years. Foundation giving, not surprisingly, has increased from \$2.81 billion in 1980 to \$42.9 billion in 2007.

Meanwhile, government at all levels has steadily moved away from provision of large-scale social services, looking instead to private entities - business, the faith community and the nonprofit sector - to support and sustain these efforts.

These shifts in resources and expectations have both pushed and pulled philanthropy into a larger role on the public policy stage. Today, a host of major philanthropies - and many smaller organizations that operate at the regional or local level - routinely engage in a broad spectrum of public policy work.

Still, many in philanthropy are hesitant.

In 2005, leaders in the field gathered at Georgetown University to discuss why foundations engaged in - and avoided - advocacy and public policy work. The sense then was that many foundations:

- ❖ Lack sufficient understanding of what the law permits in the realm of advocacy and public policy work;
- ❖ Are intimidated by the prospect of criticism of their stance and the conflict that might ensue;
- ❖ Prefer to focus on the tidier work that can be evaluated and measured;
- ❖ Lack the confidence that they can effect change.

While the landscape likely has not changed dramatically since 2005, there is a growing chorus of voices urging those in the sector to take a more active role in advising public policymakers.

The Atlantic Philanthropies devoted the inaugural issue of Atlantic Reports, released this year, to a call for foundations to support advocacy work. “Funding advocacy and advocates is the most direct route to supporting enduring social change for the poor, the disenfranchised and the most vulnerable among us, including the youngest and the oldest in our communities,” wrote President and CEO Gara LaMarche.

Similarly, the James Irvine Foundation commissioned a report on Foundations and Public Policy Grantmaking for use by its trustees in mapping new avenues of grantmaking and shared the report publicly earlier this year.

At the 2008 Philanthropy Summit, a convening of private foundation, community foundations and family foundations in May, foundations were urged to overcome their reluctance to advocate for public policy changes. “The IRS encourages philanthropy to be engaged in public-policy issues,” Timothy Wirth, president of the United Nations Foundation and a former U.S. senator, told the attendees.

The options for public policy work are diverse. For some foundations, the work is limited to public awareness or education campaigns, polling, voter education and outreach. For others, the work involves community organizing and mobilization, coalition building. Still others engage in research and analysis, or participate in the development of regulations or model legislation. Whatever the tactic, the point is to share the knowledge and perspective of people and communities - knowledge and perspective that philanthropy gains in its everyday work - with those who establish and implement public policy.

Public policy work goes to the heart - the franchise, if you will - of philanthropy, that altruistic concern for human welfare and advancement. It also speaks to the challenges of the day: an increasingly dense social fabric and increasingly complex frameworks for decision making. In such a climate,

policymakers need more, not less input - and they need input that is credible, that is grounded and that is not wrapped in hysteria.

Public policy work also speaks to the growing demand for efficiency and effectiveness from philanthropy. What is more effective - responding to endless and unwavering need or working to alter the forces creating need? Public policy work is solution focused, proactive rather than reactive.

Finally, public policy work reflects the core of our democratic (lowercase d) traditions. The people have a place and a voice in the halls of power.

Some may argue that philanthropy, with its billions of dollars, is about as far from “the people” as one can get. And yet it is uniquely positioned in the power triumvirate. Unlike the for-profit sector, philanthropy is not motivated by financial gain. Unlike the public sector, philanthropy is not motivated by acquisition and perpetuation of power. Philanthropy just exists. (And, in most cases, it exists in perpetuity.) It is motivated by mission - mission that is rooted in the people and communities in which it invests.

What legitimate objection can policymakers offer to having philanthropy at the policy table?

Indeed, philanthropy must be there. The task remaining is that of convincing those organizations not yet engaged to join the movement, to recognize their opportunity - perhaps, their obligation - to participate wisely, thoughtfully and effectively in the formulation of public policy for their communities, their nation and the world.

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