

Philanthropy and Social Movements

Sarah Hobson

Funding for Movement Building

Matching money with movement building is a challenging task. While traditional funding requires a single recipient organization, precise accounting, formal systems, and layers of controls, movement-building involves large numbers of people and organizations that need flexibility, inspiration, and a good deal of risk and courage to bring about change.

Of all the money awarded by the US philanthropic sector, only a very small proportion is given to support social movements and on-the-ground initiatives, including those led by smallholder farmer organizations, indigenous peoples' organizations, and rural women's associations. Of the limited amount of funding that is available to movements, a very small percentage is dedicated to agroecology and the creation of equitable food systems. However, interest in food issues is growing among funders as they see the impacts of climate change and a growing world population. Donors are becoming aware of the links between the unhealthy global food system, an increasingly poisoned planet, and the prevalence of cancer, diabetes, heart disease and various forms of malnutrition affecting populations around the world.

A Sector Tied to the Markets

The term 'philanthropy' in the US includes all those individuals and institutions involved in providing money for non-profit purposes, with accompanying tax advantages. More than 85,000 foundations have assets of over \$700 trillion dollars and award about \$50 billion dollars a year.¹ Two thirds of this money comes from individuals and families, and is closely connected with the interests, personalities and wishes of the donors. In broad terms, the majority of the funding goes to US organizations for education, health, religious institutions and environmental and animal welfare. International giving remains proportionately small, and indeed showed a decline of 7% in 2013, particularly in the area of international disaster relief.

¹ Foundation Center: Key Facts on US Foundations (2014 Edition)

http://foundationcenter.org/gainknowledge/research/keyfacts2014/pdfs/Key_Facts_on_US_Foundations_2014.pdf

Philanthropy as a sector is closely linked to the financial sector, and reflects the current flows of capital around the world. Since foundation assets are for the most part invested for maximum financial returns and strong growth, this can lead to uncomfortable dilemmas and contradictions in terms of a foundation's mission and principles. As an example, a foundation with a commitment to funding climate change mitigation may find itself in a dilemma if it has large profitable investments in oil companies. A campaign calling for foundations to 'divest from fossil fuels' is gathering momentum in the US, but the next difficulty is where to invest instead. While foundations may seek to invest in companies that have socially equitable and environmentally sustainable practices, the options are not always available at the necessary scale or with comparable returns, resulting in continued investment in a system that advances the wealth and power of corporations and the private sector.

Another growing trend in the philanthropic sector is 'impact investment' whereby foundation dollars are used for initiatives that are intended to improve people's lives and have a positive impact on society. These are not grants, but investments that have to be repaid, perhaps with a small amount of interest, over a number of years. This means that the investment goes to a business enterprise that will make sufficient revenue to be able to repay an investment. This can be very valuable in providing support to emerging businesses that benefit communities, but it can have the effect of reducing funds available to communities for essential non-profit activities, thereby leading to increased austerity for those with the least resources.

In the shadow of the global financial crisis of 2007-8 during which many foundations lost up to 40% of their assets and had to slash grantmaking programs, there is still unease among foundations about what new shocks they will face in the future and how this will impact their work. One response is to collaborate with other like-minded foundations to share thinking, develop joint strategies, and combine resources to have more impact, particularly when getting funds to grassroots organizations that are making a difference on the ground.

Breaking the Mold: Collaborative Funder Initiatives

Several funding initiatives have been started recently that support farmer organizations, agroecology social movements, and healthy food systems.

The Joint Action for Farmer Organizations in West Africa builds on the 2014 International Year of Family Farming. It is led by a French foundation in collaboration with two Italian foundations, a US foundation, and an African foundation based in

Senegal. The initiative aims to link farmer organizations at local, national, and West African levels. It promotes the priorities and interests of smallholder farmers in particular. The initiative envisions and supports a dynamic and equitable farmer movement in West Africa, and enables organizations of smallholder farmers, pastoralists and fishing communities to create and manage quality local food systems benefiting families and communities in their region in ecologically sustainable ways. The farmer movement promotes local and regional policies for ecological solutions, and enables the leadership of women, indigenous peoples and youth.

The five collaborating foundations recently held a consultative meeting in Senegal with representatives of 18 farmer organizations from four countries (Burkina Faso, Ghana, Mali and Senegal), to identify priorities for funding. The group identified the following as priorities: building the capacity of farmer organizations, supporting the development of local food systems, and enhancing advocacy to affect local, national and regional policies and practice.

Another collaborative initiative is the AgroEcology Fund (www.agroecologyfund.org) which started in 2012 and has nine contributing donors, of which seven are from the USA and two from Europe. To date, the AgroEcology Fund has provided more than \$2 million in grants to 14 collaboratives made up of a total of 85 organizations in 16 countries, including Mexico, Ecuador, and Brazil. The fund defines agroecology as a way of life based on agroecological principles and practices that integrate culture, knowledge, health, livelihoods, and gender.

The AgroEcology Fund seeks to increase the volume, collaboration, and long-term effectiveness of research, advocacy, and movement-building for agroecological solutions, sustainable food systems, and policies which mitigate the negative effects of climate change. Its current priorities include deepening farmer knowledge and practice; broadening the agroecological movement; increasing research and document innovation, especially when it is grassroots-driven; and enabling pro-agroecology public policies and programs locally, nationally and internationally.

Another example, the Global Alliance for the Future of Food (www.futureoffood), is a coalition of North American and European foundations committed to leveraging its resources to help shift food and agriculture systems towards greater sustainability, security, and equity. Its work is led by three working groups, one of which is the Agroecology Transitions Working Group, which seeks to strengthen the practice and voice of agroecology, to uphold the integrity of natural systems and the human right to

food, and to advocate for trade and investment policies that respect diverse and local food systems.

Current projects of the Agroecology Transitions Working Group include supporting social movement leaders to attend the FAO Regional Meetings on Agroecology taking place in Senegal and Thailand in November. Another project will identify and expand funding streams to support community-led initiatives that strengthen local seed systems and increase agro-biodiversity.

More US Funds for Social Movements

For social movements and local organizations wanting greater access to US foundations and their funding, a number of factors are important in order to be considered. US foundations need to make grants to an organization that is financially stable, has well defined financial systems and can provide accurate and timely financial reports. Foundations have to report to their own boards and meet stringent requirements by their government and tax authorities for financial and legal reporting. In addition, US foundations seek organizations that can demonstrate responsible and reliable governance, effective leadership, and programs with vision and a track record of accomplishments.

Foundation boards and staff are also concerned that they are making the best use of their money, with well documented outcomes that can demonstrate what has changed and who has benefited. Ideally, results are documented and communicated with quantitative data as well as with stories and images. Foundations like to know that a grantee organization has strong relationships and networks that amplify and advance the work being funded. When an NGO can show that a significant proportion of its grant is being given to and managed by community organizations, with documented results, foundations can then accurately claim that they are having an impact on the ground.

Many national and international NGOs, as well as research and educational institutions, receive large grants from US foundations, but it is rare for these organizations to allocate some of that funding to community-led initiatives. Their accounts and financial statements rarely show how much of their grant reaches and is autonomously managed by the people and organizations it is meant to benefit. Highlighting this issue and asking larger institutions for audited accounts is one way to draw attention to the paucity of funds that directly reach social movements, peasant networks and community organizations. Requesting larger institutions to allocate a proportion of

their funds to organizations doing on the ground work as a matter of policy and principle is another way possibility. When more grassroots organizations involved in social movements have the authority to make decisions over money, it changes the nature of relationships and enables a more equitable power balance.