

## **Six Propositions to Start the Thinking About Philanthropy and Florida's Civil Society**

**By Frank Karel<sup>1</sup>**

Tonight, to start us thinking about what we're here to do, I'm going to offer six propositions relevant to our conference mission. You may not agree with some or even all of what I propose. That's fine. I offer these propositions not as an agenda, but with the intention of kick-starting your thinking and talking about propositions and perspectives of your own.

We in the world of philanthropy don't put much effort into educating others about ourselves and what we do. This is not very smart in an "industry" regulated by government and vulnerable to its manipulation. We also are not terribly precise in our own terminology.

A case in point -- I'll bet anyone here a lottery ticket that less than one percent of the people in this state -- or in any state in the country, for that matter -- could give an accurate interpretation of the title of our conference -- *The Role of Philanthropic Organizations in Florida's Civil Society*.

I won't ask for a show of hands tonight by those who are sure they know exactly what it means, because I don't want to embarrass myself. I had to call Lynn Leverty, who wrote the excellent pre-conference essay with the same title, to ask for an interpretation.

In the foundation world where I've spent most of my career, the term "philanthropic organizations" usually refers to philanthropic grantmaking organizations, whether nonprofit or part of the business sector. But not always. Sometimes it means grantmakers and all other nonprofit organizations -- which together with individuals who volunteer and make charitable contributions are often referred to as the independent sector.

See what I mean about ambiguity and confusion?

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<sup>1</sup> Keynote address delivered 5/13/04 in Orlando, FL at a conference on *The Role of Philanthropic Organizations in Florida's Civil Society*, organized and conducted by the University of Florida's Askew Institute on Politics and Society. Mr. Karel resides in Washington, DC and is a consultant on social and institutional change.

And how about philanthropic? The Minnesota association of foundations made a wonderful little film some years ago that depicted people on the street answering the question, what is philanthropy? Replies ranged all over the map. My personal favorite was -- “I think it’s a disease of the hands.”

Lynn allowed as how, for the purposes of this conference, “philanthropic organizations” should be inclusive – grantmakers and other nonprofit organizations working in the public interest. Or serving the public welfare. Or the public good. Or as the dictionary has it, “providing humanitarian or charitable assistance.”

Which takes us to “civil society.”

There is even less agreement about what this is. A veritable thicket of definitions. On close examination, though, most are variants around the theme of individuals and organizations, outside of government and business, working in the public interest.

For our purposes, this is much too limited with respect to who is involved, and too vague and broad in terms of what they do. It might serve as a sound-bite for cocktail parties, but it doesn’t offer any traction for evaluating organizational or sectorial performance and effectiveness.

Googling the Web, I found a characterization of civil society that helped me think about what we’re here to do. I made it my first (and longest) proposition: We’re here to explore and shed light on what grantmakers and other nonprofit organizations might do in Florida to enhance and strengthen “...limited government, popular elections, and the rule of law; free association and expression; regulated, but open and market-oriented economies; aid to the poor, orphaned, elderly, sick, or disabled; and finally, civic cultures that value pluralism and individual liberty but also respect human needs for community and shared visions of the common good.”<sup>2</sup>

That’s a tall order. But think about it. We in organized philanthropy each have our own ways of making the case for we do, but all of it can be reframed within these terms. It’s also too much for foundations and other nonprofit organizations to take on alone. And from that observation came

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<sup>2</sup> Civil Society International’s Web site <[www.civilsoc.org](http://www.civilsoc.org)> About CSI, Our Mission.

the second proposition: Civil society can only be created and maintained by government, business, and philanthropy – each doing its part within its sector, and, as necessary, working together in common space.

The pre-conference essay states that by 1975, “clear roles for government, business, and the [nonprofit] sector had been established.” In my experience that’s a bit of an exaggeration, but understandable, considering how much worse the situation has become. Today, sectorial roles are ambiguous, vague, overlapping, conflicting; given to bursts of hot-potato-passing that usually add to the numbers and pain of our most vulnerable populations. Think the medically uninsured, the rural poor, the families of so many of our regular military and activated reservists.

Give our society a failing grade on the civil society component, “aid to the poor, orphaned, elderly, sick, or disabled.” Government at all levels and virtually everywhere in our country is cutting back. Given that people know so little about philanthropic organizations, it’s not surprising that public officials often call for us to fill the resulting gaps, despite the fact that we don’t begin to have the resources required, and don’t see ourselves playing the leading role in meeting these needs.

This muddle over roles is an impediment to effective deployment of society’s governmental, business, and philanthropic resources supporting civil society. So the third proposition: A priority agenda item for the three sectors in common space is to take stock of capabilities and capacities and then come closer to consensus on the roles of each in supporting and carrying out the various functions of our civil society. And then adjusting their priorities and strategies accordingly.

I believe our thinking at this conference about the role of philanthropic organizations in civil society would be enhanced if we do it within a context of what complementary roles business and government might play.

Also during our time together, we might want to consider what areas of work ought to have the highest priority within our sector to do our part in improving and sustaining Florida’s civil society.

In the spirit of sparking thought and debate, let me suggest some of the areas for which philanthropic organizations are especially positioned and suited:

- building leadership and management capacity within our community of philanthropic organizations
- convening groups around problems and issues of civil society
- developing and testing better ways to deliver essential services
- monitoring and evaluating performance of government – federal, state, and local
- providing useful, nonpartisan information to policy makers and to those responsible for public and private institutions and agencies supporting various aspects of civil society; and
- giving society's most disadvantaged groups a voice in public discourse and the development of public policy.

Thinking about trying to do these things in today's climate led directly to a fourth proposition: Philanthropic organizations must do their part to reduce the anger, hostility, and contentiousness that so mars public discourse in our society.

Right at the top of my list – today's nonstop trashing and bashing of government on talk radio, on television, and on the Web; 24/7. And it's not just the media -- even presidential candidates for almost three decades have sought to outdo one another in distancing themselves from government.

What's going on here? This is *our* government – remember of, by, and for the people? Government ensures our safety – what could be more fundamental than that? And let's not forget it's also government that is our instrument for making and enforcing the rules ensuring business and philanthropic organizations, as well as government itself, function in ways acceptable to society.

If government drops the ball – the foster care system, just for instance – then let's pitch in and help the responsible agencies identify their weaknesses and acquire the needed resources – budgetary and human. Government shifting responsibility onto for-profit contactors without adequate government infrastructure to oversee their performance is no answer! Neither is our sector's sitting around and complaining and hand wringing!

Government's ability to perform its essential functions and to attract and retain its share of good people for career positions and elected office is being undercut by this constant denigration.

Even within the independent sector, over the past couple of decades there is a growing tendency for foundations and other nonprofit organizations to form themselves into hostile camps along ideological lines. The defining ideology can be political – conservative vs. progressive is the current formulation – or by approaches – such as in vouchers vs. improving public education. Sometimes the open warfare between the groups rivals the mindless, verbal trashing of government; sometimes it's simply unproductive, ostrich-like behavior. I remember one national program planning session in which a number of foundation representatives stood up and threatened to boycott the conference they were planning if a certain conservative individual with otherwise impeccable credentials was asked and agreed to be a plenary-session panelist.

Let's turn now to two points made in the pre-conference essay – Florida's ranking 39<sup>th</sup> in the nation in terms of tax filers making charitable gifts and the finding that 61 percent of the funding provided by Florida foundations goes out of state in accordance with the wishes of founders or donors.

Proposition five: Florida's foundations and other donors need to organize and support a highly targeted campaign to increase charitable giving and to foster in donors and those in a position to create foundations the desire to do more in Florida where they have come to enjoy the good life.

Such a campaign could be designed so that it also informed influential audiences in the state about the dimensions and contributions of philanthropy and their importance to Florida's civil society and economy ... which, incidentally, would help inoculate against future tendencies to foist off on philanthropy what has been or might better be the responsibility of business interests and government.

I suspect many of us can recall headlines in the past year describing self-dealing by the officers and trustees of a very large, national environmental nonprofit. Regrettably, as I'm sure even more of us have observed, this hasn't turned out to be an isolated instance of reported wrongdoing among

nonprofits. True, only a miniscule portion of our organizations have been involved, but it's become a steady, corrosive drumbeat.

Most recently a number of abuses of the public trust by foundations have come to light. Just this morning I read another, a featured article in the current issue of *Florida Trend* magazine. David Odahowski, president of this conference's sponsor, the Edyth Bush Charitable Foundation, and Pam Peters, executive director of the Florida Philanthropic Network, and the magazine itself did a terrific job of getting the good side of philanthropy also included in this article, but it's a tragedy that this had to be done within the context of an article titled, and about, "Philanthropy: Running Scared."<sup>3</sup>

Last month Dot Ridings, the Council on Foundations president, in her annual conference address on the State of Philanthropy, didn't mince words: "...things were worse than many of us had believed, in terms of the reality of excess, malfeasance and self-dealing we were reading and hearing about. Million-dollar-plus foundation salaries. Jet planes and luxury cars bought at foundation expense. Skimming of foundation accounts. Clear self-dealing."<sup>4</sup>

The issue transcends the scope of this conference. But it's a reminder that we cannot be effective working on civil society or any other aspect of the public interest with dirty hands. I'll end my remarks with this sixth and final proposition: Foundations and other nonprofits alike, individually and collectively, must put our houses in order and keep them that way. We must demand that our various associations rid themselves of any philanthropic organization that balks at reform. We must restore public trust and regain the added value that integrity confers on organizations that have it and are perceived to have it.

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<sup>3</sup> Also available on the Web at <[www.floridatrend.com](http://www.floridatrend.com)>

<sup>4</sup> Available on the Web at <[www.cof.org](http://www.cof.org)>