

QUICK QUESTION

What's the right relationship between philanthropy and government?



Read more on this topic in GrantCraft's upcoming guide.

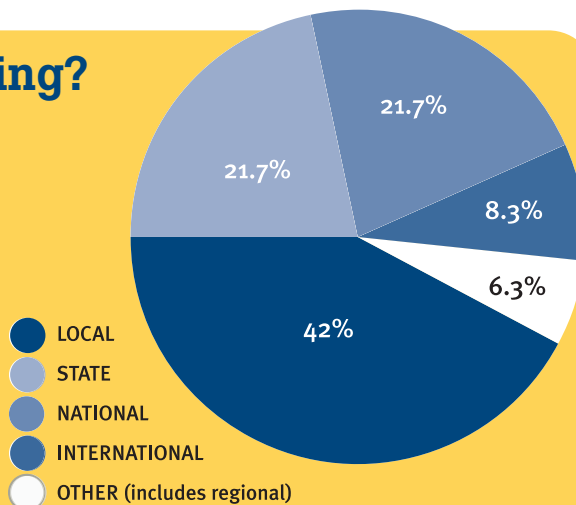
It's practically a given these days that philanthropy and government ought to work together. But what should the relationship look like? How can grantmakers collaborate formally or informally with partners in government to advance the common good? And does everyone think this is such a good idea?

To explore those questions, we invited eight foundation leaders to reflect on the current state of foundation-government collaboration and asked GrantCraft readers to say which statements resonated for them. Well over 1,500 people completed the online survey – and a majority took the time to write substantive responses. That fact alone confirms our view that collaborating with government is very much on the minds of grantmakers in all kinds of foundations.

The quotations from foundation leaders clearly got people thinking, so we've decided to share them again in the next few pages. We've also attempted to distill the outpouring of advice and practical wisdom that came back – mainly from grantmakers, but from experienced government and nonprofit partners, as well.

Who's collaborating?

Among grantmakers who've been involved with at least one foundation-government collaboration, healthy percentages said that they work "mainly" at each of the following levels: local, state, national, and international. In short, although collaborations involving larger private foundations and the US government have gotten a lot of attention of late, the true picture is far more diverse.



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On research and informing policy debate

From Karen Davis, The Commonwealth Fund: "Foundations can make a difference by bridging the worlds of research and policy – encouraging research that is relevant to timely policy issues and making sure that information reaches those who can effect change."

- Foundations can provide credibility to good information and convene diverse stakeholders around its use. This work can either provide cover for a politician or hold his or her feet to the fire to use the information for shaping policy.
- Cutting edge research can inform policy, but the key is to put the research into the right hands so that it doesn't sit on a shelf and gather dust.
- While this sounds all very well and good, in my experience the goals of the policy change tend to come before the actual research – in other words, I fear the deck is stacked.
- Maybe the two most important questions in public policy are, "What works?" and "How do we know?" Philanthropic investment in finding answers to those questions fills a gap that often exists in the public sector. The result can help bridge partisan differences and lead to important policy innovations.

On working with public leaders

From Christine DeVita, Wallace Foundation: "Foundations that aspire to bring about beneficial change must be willing to work with public leaders who have the power and authority to create change."

- There are many ways to work with public leaders – sometimes by opposing them, sometimes by joining forces. In either case their power and authority cannot be ignored. A foundation that turns its back on public leaders is likely to find its contribution trivialized.
- Foundations need to spend time building relationships with elected officials, who often do not understand how foundations work and what we do.
- Go where the power is. Why reinvent the wheel when you can use the strengths of both private and public entities to accomplish similar goals?
- I agree, but I also believe that foundations must be willing to work with everyday people, who, in my view, also have the power and authority to create change.

On maintaining healthy skepticism about government

From Chester E. Finn, Jr., Thomas B. Fordham Institute: "When you team up with the government, you compromise your ability to be critical of the government, and sometimes you compromise your ability to do controversial and maybe unpopular things with your money."

- Even though I don't like it, I find this to be a true statement. In partnering with our city, we found it harder to be true to ourselves.
- Far too often, government funding seems to come with restrictions that jeopardize innovation.
- Actually, government needs foundations to be critical and do controversial and unpopular things. When we in government collaborate with private organizations, we are often looking for someone who can be controversial where we can't be.
- As an independent funder, we often make grants to NGOs which are otherwise reliant on government funds in order to give them some spare capacity to be critical of government when necessary.
- We work with lesbian, gay, bisexual, and transgender people. This quote is especially true for these communities, as their interests are not always in line with governmental policy, as can be seen most acutely today with the issue of marriage.

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On coordinating with government without getting co-opted

From Vartan Gregorian, Carnegie Corporation of New York: "Foundations cherish their independence, but we live in difficult times. When appropriate, foundations must coordinate their actions with each other, as well as with state and federal governments, provided they don't lose their autonomy and independence in the process."

- I work on the government side of the fence. Sometimes a foundation is useful precisely because of its autonomy; it can do things governments cannot do themselves.
- Not having a seat at the table means running the risk of not having a voice in the decision making – which will happen with or without us.
- Coordination is potentially higher value than collaboration. Coordinating can mean covering all the bases through various strategies and ideas, while collaborating with government can result in compromise.
- Not surprisingly, the political world is political. Government makes political decisions that the facts can't sway. It is a balancing act and requires great relationships to figure out how best to work collaboratively with someone on a project while you're advocating for them to change policies or practices in another area. Sometimes we have to be willing not to take a public position on something so as not to jeopardize something else that's more valuable.
- Partner when possible, vigorously oppose when necessary!

On developing closer relationships with government

From Gara LaMarche, Atlantic Philanthropies: "Philanthropy has too often in the last several decades kept an arm's length relationship with government and public policy. That has to change if we are to have any hope of making real progress on many of the leading challenges of our time."

- I agree, with the caveat that we need to be sure that we aren't simply carrying the water for government or being used to fund programs and activities that the government should do.
- For philanthropic investments to have any impact on government action, we need to understand in pretty deep ways the potential range of actions government can take and the constraints within which it operates.
- I think philanthropy has kept an arm's length from government because of the interpretation of the laws governing advocacy. There is too little clarity about what actions are acceptable, so foundations steer clear.
- Philanthropy has never kept a true arm's length relationship. Conservative foundations and investors were intertwined in the social and political life during relevant administrations, and likewise the more liberal and progressive foundations and investors.

On resisting cynicism about government

From Handy Lindsey, Cameron Foundation: "My cynicism and suspicion were long ago dispelled by the remarkable effectiveness of these alliances and the scale of community benefits that were derived."

- A few of the really effective initiatives our foundation is currently funding involve partnerships among local and regional governments, nonprofit organizations, and post-secondary institutions. The nonprofits are taking the lead, and they could not make the headway they are without the decision-making authority of the government partners.
- Foundation leaders must be optimists and problem-solvers. You cannot give up on any sector, problem, or person. If you do, it may be time to get out of the business.

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- Our partnership sounded fraught with problems until we experienced the freedom (really) we had, and the immense benefits we could bring to our communities. I am especially referring to international work.
- We all go into situations with preconceived ideas or notions about those who work in a bureaucracy or the bureaucracy itself. An open mind is the best approach, but the next best is to understand your biases before you start.

On the hard work of working with government

From Gail Nayowith, Laurie M. Tisch Illumination Fund: "Foundations and government share an obligation to solve problems and meet social needs, so it makes sense for them to work together. In practice, partnering with government is hard work, but it offers rich returns."

- Some of the most critical issues facing American communities cannot be addressed by a private-sector solution, be it a marketplace solution or a philanthropic one. Education is a prime example: foundations could invest until the end of time and not make any measurable difference unless government embraces change.
- Working with hierarchical organizations can be difficult for newer philanthropists who have created foundations. Their entrepreneurial desire for results often clashes with the way government works, yet government has a distinct role in spreading innovative ideas.
- Foundations need to develop a body of good practice for how to use their financial resources, convening power, knowledge, etc., to work with government. There's not enough talk about good and bad practice in this area.
- It's hard, no matter how clearly both sides see the potential of collaboration. Government is used to setting the agenda and is good at co-opting foundations. On the other hand, government has a right to be distrustful of funders who are also supporting advocacy work that is publicly critical of government – although that's an essential role of philanthropy.

On risk capital and testing ideas that can go to scale

From Luis Ubiñas, Ford Foundation: "Philanthropy's resources are modest when compared with the complex problems we seek to solve. So foundations must act strategically – providing 'risk capital' to test ideas and demonstrate new solutions that can be brought to scale through partnerships with government and business."

- Public dollars will produce significantly higher returns on investments when programs have been nurtured, or rejected, on a small scale by philanthropy, then supported over time. We lack processes across systems to incubate, grow, monitor, and sustain quality.
- Combining resources from foundations, government, and businesses is the best model I've seen for weathering the ebb and flow of funding streams. Each entity brings valuable ideas to the table that improve service delivery systems. Relying on only one funding source is program suicide.
- This is a popular notion among foundations now, and I think it's a good one, as long as it's not the only one. We need to consider the importance of supporting small, effective, ground-level non-profit efforts that cannot be served by government and should not be scaled up.
- Philanthropy needs to stay edgy and do the courageous work that governments wouldn't touch with a 10-foot pole because of polls, elections, and constituent backlash.
- The idea of "risk capital" is great – something foundations can do with their more nimble governance structures and different calculation of institutional risk. The idea of scale-ready solutions, however, is the toughest nut to crack.