L'Année PhiLanthropique
The PhiLanthropic Year

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PhiLab

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À propos du PhiLab | About PhiLab

Le **Réseau canadien de recherche partenariale sur la philanthropie** (PhiLab), anciennement Laboratoire montréalais de recherche sur la philanthropie canadienne, a été pensé en 2014 dans le cadre de la conception de la demande de financement du projet développement de partenariat CRSH intitulé « Innovation sociale, changement sociétal et Fondations subventionnaires canadiennes ». Ce financement a été reconduit en 2018 sous le nom d'« Évaluation du rôle et des actions de fondations subventionnaires canadiennes en réponse à l'enjeu des inégalités sociales et des défis environnementaux ». Depuis ses débuts, le Réseau constitue un lieu de recherche, de partage d'information et de mobilisation des connaissances des fondations canadiennes. Des recherches conduites en partenariat permettent la coproduction de nouvelles connaissances dédiées à une diversité d'acteurs : des représentants gouvernementaux, des chercheurs universitaires, des représentants du secteur philanthropique et leurs organisations affiliées ou des partenaires.

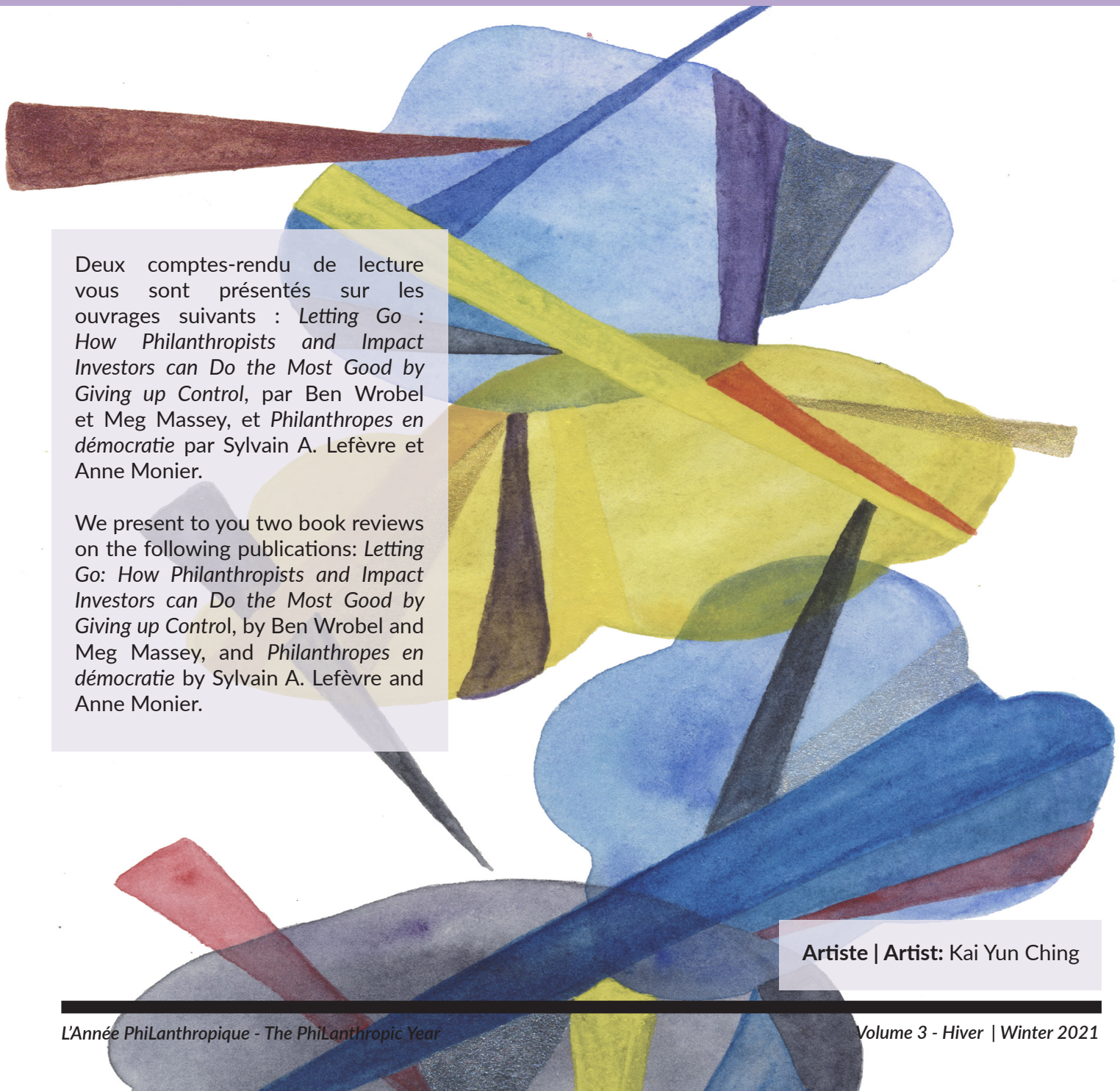
Le Réseau regroupe des chercheurs, des décideurs et des membres de la communauté philanthropique à travers le monde afin de partager des informations, des ressources et des idées.

The **Canadian network of partnership-oriented research on philanthropy** (PhiLab), previously called the Montreal Research Laboratory on Canadian philanthropy, was thought up in 2014 as part of the conception of a funding request by the NRCC partnership development project called "Social innovation, social change, and Canadian Grantmaking Foundations". From its beginning, the Network was a place for research, information exchange and mobilization of Canadian foundations' knowledge. Research conducted in partnership allows for the co-production of new knowledge dedicated to a diversity of actors: government representatives, university researchers, representatives of the philanthropic sector and their affiliate organizations or partners.

The Network brings together researchers, decision-makers and members of the philanthropic community from around the world in order to share information, resources, and ideas.

Social Sciences and Humanities Research Council of Canada
Conseil de recherches en sciences humaines du Canada
Canada

COMPTES-RENDUS DE LECTURE | BOOK REVIEWS



Deux comptes-rendu de lecture vous sont présentés sur les ouvrages suivants : *Letting Go : How Philanthropists and Impact Investors can Do the Most Good by Giving up Control*, par Ben Wrobel et Meg Massey, et *Philanthropes en démocratie* par Sylvain A. Lefèvre et Anne Monier.

We present to you two book reviews on the following publications: *Letting Go: How Philanthropists and Impact Investors can Do the Most Good by Giving up Contro*l, by Ben Wrobel and Meg Massey, and *Philanthropes en démocratie* by Sylvain A. Lefèvre and Anne Monier.

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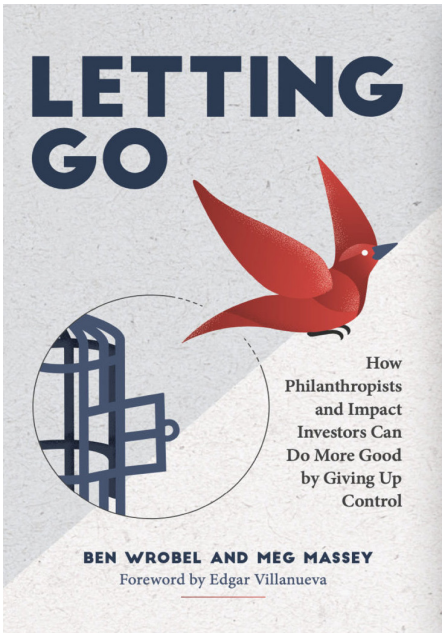
COMPTES-RENDUS DE LECTURE | BOOK REVIEWS



Letting Go: How Philanthropists and Impact Investors can Do the Most Good by Giving up Control

Par Leigha McCarroll,PhD Candidate in Public Policy at Carleton University

Leigha McCarroll is a doctoral candidate in Public Policy at Carleton University, with an interest in the nonprofit sector's role in policy development and implementation. Her research looks at community foundations – traditionally place-based institutions – and their shifting conception of community in the context of the Sustainable Development Goals.

"Good intentions cannot make up for disproportionate power."

This musing is shared by Ben Wrobel, Communications Director at Village Capital, and Meg Massey, a social sector journalist, in their 2021 book, "Letting Go: How Philanthropists and Impact Investors Can Do More Good By Giving up Control." They are referencing power in the context of endemic problems with philanthropy and impact investing as they are (and have historically been) practiced which is to say – from a top-down, donor-centric, paternalistic approach. As they write, philanthropy has long been a "rich man's game," with the good intentions of many a billionaire philanthropist often overshadowed by ego and rigid control over decision-making. Writing for a grantmaking audience, the authors bring this dynamic into sharp relief throughout the book, first offering a critique of the decision-making process that guides most traditional philanthropic efforts, then defining the concept of participatory grantmaking, and finally, sharing stories of funders that have opted to take a more participatory approach.

> The result: projects with high opportunity costs that are often out-of-touch and overlook the lived realities of the very communities they are designed to serve.

Wrobel and Massey posit that the decision-making process for status quo philanthropic grants and impact investments is flawed for two primary reasons: most decision-making tables lack diverse perspectives; and most philanthropists and impact investors operate in

an insular sphere with low accountability to the outside world. The result: projects with high opportunity costs that are often out-of-touch and overlook the lived realities of the very communities they are designed to serve. Take the example of Mark Zuckerberg's 2010 $100 million donation toward creating an education fund in Newark, New Jersey. A cautionary tale in top-down philanthropy, the authors explain how six years after the initial funding announcement, the project ground to a halt after failing to make any significant progress. Concerned at the blatant lack of community engagement by the funder, citizens had been raising alarm bells about the project since its inception, and many attribute its downfall to the funder's neglect of the community voice.

The onset of the COVID-19 pandemic laid bare and, in many cases, exacerbated fundamental issues related to equity in strategic philanthropy and impact investing spheres. This moment, for the authors, presents an opportunity to undertake the structural reforms to the sector that many critics have long called for. They point to progress in the realms of grantmaking (i.e., a Council on Foundations pledge by over 750 foundations to convert restricted grants to general operating support) and impact investing (i.e., the delaying of interest payments and the suspension of loan payments) as promising evidence. This argument is less strong; the examples the authors provide speak more to emergency measures than long-term changes to structures and their underlying systems. Nevertheless, it is clear that the heightened urgency of issues in the context of the pandemic has forced many funding organizations to adapt rapidly.

To contextualize the structural reforms they call for, the authors take a step back to offer a historical perspective on trends in strategic philanthropy that brought us to this place. Operating primarily from a US context, they illuminate chronic issues with representation, especially of disabled people, with participation, and with restricted funding. They also trace the rise of impact investing, distinguishing the model as derived from finance as opposed to philanthropy. Briefly touching on philanthropy's fraught historical connections to colonization and exploitation, they argue that the sector is facing a reckoning.

Enter participatory funding models, which, per the authors, hold the key to "shift[ing] the decision-making power to people with lived experience of the problem at hand" (Wrobel and Massey, p. 37). The authors rely on Sherry Arnstein's 1967 Ladder of Citizen Participation, a seminal framework for engaging community members in decision-making for civic initiatives, to contrast typical to participatory funding. As they remark, typical funding typically sits low on the ladder in the realm of *non-participation* or *tokenism*, while participatory funding has the potential to reach the top of the ladder, thus fulfilling Arnstein's vision of authentic community engagement or *citizen power*.

> As they remark, typical funding typically sits low on the ladder in the realm of *non-participation* or *tokenism*, while participatory funding has the potential to reach the top of the ladder (...)

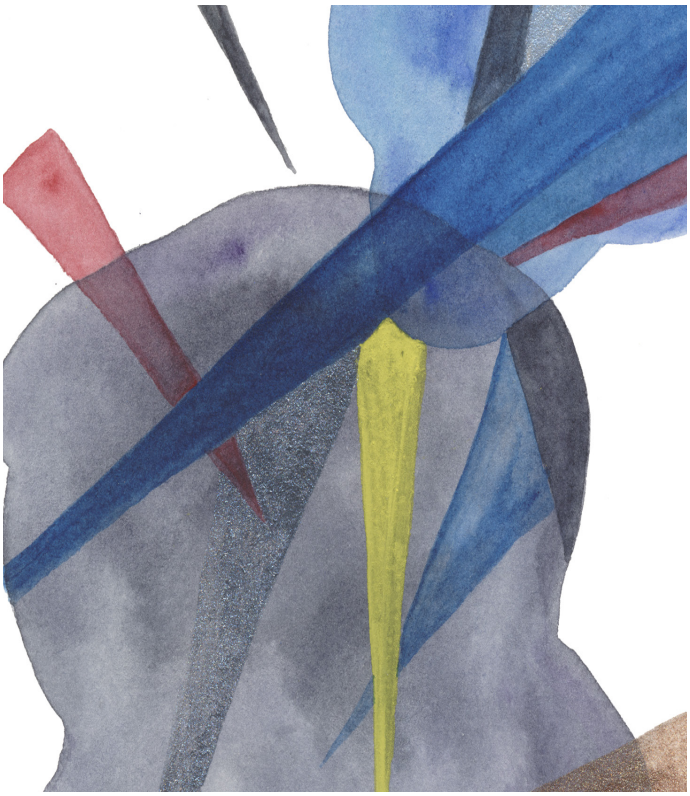
In the second half of the book, the authors trace the roots of grassroots grantmaking in the US back to the late 1960s. Wrobel's and Massey's own case for the model is informed by their interviews with over 100 stakeholders – ranging from investors, to academics, to activists – as well as key insights from civil society experts like Edgar Villanueva and Anand Giridharadas. They draw on this rich data to offer several compelling examples of participatory funding in action and illuminate some early successes that many initiatives are seeing with this model. For Wrobel and Massey, participatory funding holds the key to infusing the philanthropic process with more equity, namely through its potential for directing funding to groups who do not normally receive funding, for democratizing fundraising skills, and for positioning funders as connectors and supporters as opposed to givers and deciders. Participatory funding is not without challenges, however; many influential institutional players may continue to demonstrate reluctance to the model, and the splintered nature of modern philanthropy makes mainstreaming participatory funding a major undertaking. In order for this model to move beyond a "fad" status, the sector must adopt it – and its underlying feminist, decolonial ideologies – as ethos as opposed to a simple mechanism.

For Wrobel and Massey, mainstreaming participatory funding in practical terms will require adjustments in the grantmaking design process, and they position Theory of Change development, pipeline-building, and vetting as key decision-points wherein grantmakers can incorporate participatory principles. To this end, they offer a series of tools corresponding to each of these decision-points as a roadmap for founders, philanthropists, grantmakers, and policymakers. These tools are expanded upon with straightforward, if slightly vague, ideas that have floated around the philanthropic sector for some time, such as the importance of questioning assumptions and engaging rather than informing when interacting with grantees. While practical, Wrobel and Massey's offerings are somewhat limited in ambition in that they assume that the individual on the "granting" side is coming from a place of deep recognition of their own positionality, and potential complicity in inequitable systems and power structures that have perpetuated oppression. The authors do not acknowledge that dismantling white supremacy and anti-blackness in philanthropy will necessitate going beyond questioning assumptions and will require that grantmakers engage intentionally in anti-oppressive practice. Making changes to the funding design process can only go so far; in order for participatory grantmaking to fulfil the authors' vision of a funding model that is feminist, decolonized, and reparations-focused, grantmakers must not only have the emotional intelligence to recognize cognitive biases and heuristics and set aside ego, in many cases, they must give up their place at the table altogether.

Furthermore, while Wrobel and Massey set out some preliminary steps for the average citizen not falling into the grantmaker, founder, or policymaker categories, these are directed at community members looking to support participatory initiatives that are already ongoing. They miss an opportunity to explore more explicitly steps for those who recognize an issue in their community and wish to pitch a participatory fund. Who should they speak to? How can they connect into the sector? How can they develop their own assertiveness as a co-equal in the funding process? Finally, the book could benefit from an acknowledgement that many community members at the grassroots might rightfully be reticent to engage in any form of partnership with institutions that might have previously perpetuated the very endemic problems that the authors outline.

> (...) grantmakers must not only have the emotional intelligence to recognize cognitive biases and heuristics and set aside ego, in many cases, they must give up their place at the table altogether.

For many grantmakers, this book will illuminate several timely issues to confront in order to build in their institutions an enabling environment for more participatory and, ultimately, more equitable funding models. For Canadian readers, the recommendations outlined in this book serve as an important prompt to further explore what participatory funding looks like from the perspective of truth and reconciliation, and what aspects of "letting go" will be most fruitful on the path toward decolonizing philanthropy in this country. Despite the book's lack of engagement with the theoretical underpinnings of a radical, anti-oppressive approach to funding, it represents a solid first step for the traditional funder looking to broaden their knowledge with respect to the promise of participatory fundraising,



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