



## Welcome to the September 2023 Newsletter!

Hey there philanthropoids,

Welcome to the September newsletter. As I suspected, things have very quickly ramped up again after the summer, and it looks set to be a busy autumn - with lots of events, meetings, articles to write and podcasts to put out!

I won't overly prolong this intro, as there is plenty of actual content to cover this month in the form of news, updates from WPM and interesting snippets from around the philanthro-sphere, so you don't need me rambling on.

Suffice to say, thanks for subscribing to the newsletter (if you have), thanks for reading it (if you do), and if you have any thoughts or feedback, please do feel free to drop me a line at [rhodri@whyphilanthropymatters.com](mailto:rhodri@whyphilanthropymatters.com). It's always great to hear from you, and I'm genuinely keen to know what people find useful about this stuff, as that's very much what keeps me doing it!

Best,

Rhodri

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# PHILANTHROPY IN THE NEWS

## Kiva La Revolución?

There was a really interesting [long read this month in MIT Technology Review about controversy surrounding the microfinance lending platform Kiva](#). This came as news to me, as although Kiva was very much a go-to case study for me back in the late 2000s (and I even invested through the platform myself a few times), I haven't really thought about it for a while.

The current controversy centres around the dissatisfaction of a growing group of long-time Kiva lenders, who feel that recent changes to the way the platform distributes money to borrowers, as well as increasingly lavish salaries for Kiva executives, suggest that the organisation has lost sight of its original mission and ethos. These lenders have called a "strike", in order to try and force Kiva's management into addressing their concerns, but so far there seems to be little appetite for compromise.



Image by [Cheon Fong Liew](#) on Flickr, [CC BY-SA 2.0 license](#)

One interesting question for me is whether this is just a story about the specific case of Kiva, or whether it reflects any wider truths about the challenges that come when trying to combine profit and social purpose. Is there always a danger that the former ends up dominating at the expense of the latter?

There is certainly some evidence from history that this has been a problem in the past: the Charitable Corporation was a high-profile example of what we might call social investment in early C18th London, for instance, offering loans at below market rates to the disadvantaged. However it became clear that many of the loans were in fact being made to people who were already moderately well-off. As Peter Brealey recounts in his excellent paper about the history of the Charitable Corporation (available here: <https://www.jstor.org/stable/24429771>):

*"Sadly any actual charitable sentiments were only fleeting. 'Damn the poor,' the director Dennis Bond is said to have declared, 'let us go into the City where we may get money.'"*

There was also gross mismanagement (and probably outright fraud) at the top of the organisation, which eventually led to its implosion, leaving thousands of investors out of pocket. This was a big scandal at the time, even giving rise to satirical cartoons like this one:





Image from [British Museum image collection](#). CC BY-NC-SA 4.0 License

In more recent times, criticism has grown of once-vaunted figures like Muhammad Yunus, founder of Grameen Bank, and of the whole idea of microfinance. In light of this, and the additional controversy now surrounding Kiva, do we need to think more critically about the risks and potential limits of combining profit and purpose?

## **GiveDirectly Past Go, Do Not Stop, Do Collect \$200K**

While we're on the subject of controversies at widely-lauded platforms in the cross-border giving space, it emerged this month that former UK politician Rory Stewart is stepping down (or sideways?) as President of the direct cash giving platform GiveDirectly after only a year in the post. Stewart will remain with the organisation as a "Senior Adviser", but will not have direct executive involvement any more.

The [statement from GiveDirectly about the move](#) is fairly terse, and probably raises more questions than it answers, so it is hard to tell at this point whether this is fallout from [the scandal that emerged earlier this year about large scale fraud suffered by GiveDirectly in DRC Congo](#),



or whether it has more to do with [Stewart's burgeoning career as a podcaster](#) getting in the way of him being able to commit properly to this role. I'm sure all will become clear in the fullness of time....



[Official Parliamentary Portrait of Rory Stewart by Chris McAndrew. CC BY-BY 3.0 License.](#) (And no, they still haven't sorted out his collar...)

**Charities & Politics (Again...)**



There was good and bad news this month in the never-ending UK debate over the involvement of charities in the 'political' sphere and the legitimacy of their right to campaign on issues.

On the negative side, along with conkers and golden leaves, autumn has once again brought renewed attacks on the National Trust. The opaquely-funded Restore Trust group is once again pursuing a strategy of [trying to get its entryist candidates elected in forthcoming elections for the NT Council](#) so that they can push back on the [perceived "wokery"](#) of the Trust's efforts to do "radical" things like... er... acknowledge the historical reality of slavery, or make LGBTQ+ people feel welcome at their properties. Elements of the right-wing press (notably the [Daily Telegraph](#) and the *Spectator*) have rallied to this call to arms by publishing various comment pieces/screeds about how [the NT is "betraying" its original purposes](#) or the wishes of its founders- all of which betray varying degrees of ignorance of history and/or charity law. For its part, the NT does (in my opinion) a pretty remarkable job of responding in a dignified yet forceful way to these attacks. Unfortunately it will probably have to do so for a while yet.



[Image by Elliott Brown. CC BY 2.0 License.](#)

On a more positive note, life for the NT and any other charities engaging with issues that run the risk of dragging them into culture war controversies may get slightly easier (online, at least), following the release of new [Charity Commission guidance on the use of social media](#). There is still a lot of discussion about whether the guidance is clear enough, and how it might be interpreted in various difference situations, but in an interview with the *Guardian* ahead of its launch, [Charity Commission Chair Orlando Fraser made a number of comments that will undoubtedly be welcomed by many charities](#). In particular, Fraser was clear that he would “robustly defend charities’ right to campaign lawfully, even where such campaigning covers sensitive or politically divisive ground.” He also added that “I would discourage people outside the sector from attacking charities for being too ‘woke’ because it has no meaning for us in regulatory terms and I don’t think it is helpful.”

At a time when the right of charities to campaign is constantly under threat, and the weapon of choice is increasingly culture war attacks about “wokery”, these are important statements from the head of the regulator for the charity sector in England and Wales, so bravo for that.

## **A Big Loss for the UK Charity Sector**

In far less positive news for the UK charity sector, it was announced this month that [Children England, the collective body for UK charities, was to close after more than 80 years](#). In a [powerful blog explaining the wider context for the decision](#), Children England CEO Kathy Evans detailed the existential challenges that more than a decade of austerity followed by recent sharp rises in inflation had posed for the organisation. I’m certain this resonated acutely with others in the charity sector who read it, as I know from many conversations I have had that current economic situation is creating huge difficulties for a wide range of organisations - and that those operating at an infrastructure level are perhaps finding it hardest of all.

The disappearance of Children England will certainly be felt at an individual level, as the loss of its voice and its support for children’s



charities will leave a real gap. But it also highlights a much wider set of challenges for the charity sector as whole as we look ahead to at least a few years of economic turbulence.



## **A Slap in the Facebook**

Many charities and nonprofits were given a nasty surprise this month, with the [news that Meta is making significant changes to its policies on fundraising and donations through its flagship platform Facebook](#). As a result of a new partnership with PayPal Giving Fund, Facebook will no longer offer fee-free donation functionality; instead donors will be given the option of covering the processing costs, and if they choose not to, those costs will be passed on to the recipient charities.

There are two key angles to this story to my mind. The first is whether donation platforms should charge processing fees. This has been a recurring point of controversy in the UK, often following a particularly emotive disaster when a politician or other critic decides to take issue with the fact that a donation platform is “siphoning off” money from empathetic givers that should be going “straight from the front line”. Criticism along these lines of the major donation platform JustGiving

following the Manchester Arena bombing in 2017 [saw the platform remove all fees from emergency and disaster appeals, and then subsequently remove fees from all transactions](#) (moving instead to a donation-based model).

I have somewhat mixed feeling about this, as in a previous life I spent quite a lot of time thick in the policy weeds on the question of donation platform fees, and always felt that pandering to the idea that platform donations should somehow be “free” was not necessarily the best idea, as it plays into a sense that charitable infrastructure can somehow be provided for nothing. That being said, in the case of a vast commercial organisation like Meta, it’s easier to make a case that they should perhaps cover the cost of processing fees as part of their CSR or social mission, and thus keep it free for donors and charities. Unfortunately this kind of thinking seems to have fallen out of fashion, as the demise of first BT MyDonate (in 2019) and Amazon Smile (in 2023) demonstrates. But perhaps if the ability to offer giving functionality to users becomes a point of competition between platform operators, this might change again in future...?



[Image by PJ Rey. CC BY 2.0 License.](#)

The other important angle to this story for me is what it says about the dangers of platform dependency in the digital age. Yes, these platforms often provide valuable (if not vital) tools and infrastructure for communications and transactions, but they are not public utilities, and



the companies who own them are not necessarily your friends. Charities who make their comms or fundraising strategy too dependent on one platform expose themselves to significant risk that future changes in company policy or terms of service will leave them facing increased costs or reduced capabilities. In the case of Meta, most charities probably suspected that at some point they would look to introduce processing fees, so the fact they have done this is not necessarily a surprise. What was a surprise was the speed and lack of consultation with which it was done, and that has left many organisations struggling to get to grips with what to do next.

(For more on the 'platformisation' of philanthropy [check out this episode of the Philanthropisms podcast](#)).

## **Not Dirty Money, Just Oily...?**

I came across an article this month from the website Eco Business, [reporting on some fascinating comments made by former UN climate chief Christina Figueres at this year's Philanthropy Asia Summit](#). The main point picked up in the report was her suggestion that we shouldn't spend our time "pointing the finger at philanthropists whose fortunes came from oil". The basis for this argument seems to be twofold: firstly that we need to bear in mind historical context, since making money from fossil fuels was generally agreed to be OK at the point where many philanthropic fortunes were created, so we shouldn't necessarily apply the standards of now in assessing them. And secondly, just straightforward pragmatism: in her view, we need a lot more philanthropy going towards climate issues so it would be better to focus on getting the money flowing than spending time arguing about where it came from.

(My own views about tainted donations, and the relationship between sources of wealth and the legitimacy of philanthropy are complicated, but if you are interested in more you can read this [WPM short guide](#) or listen to [this episode of the Philanthropisms podcast](#)).

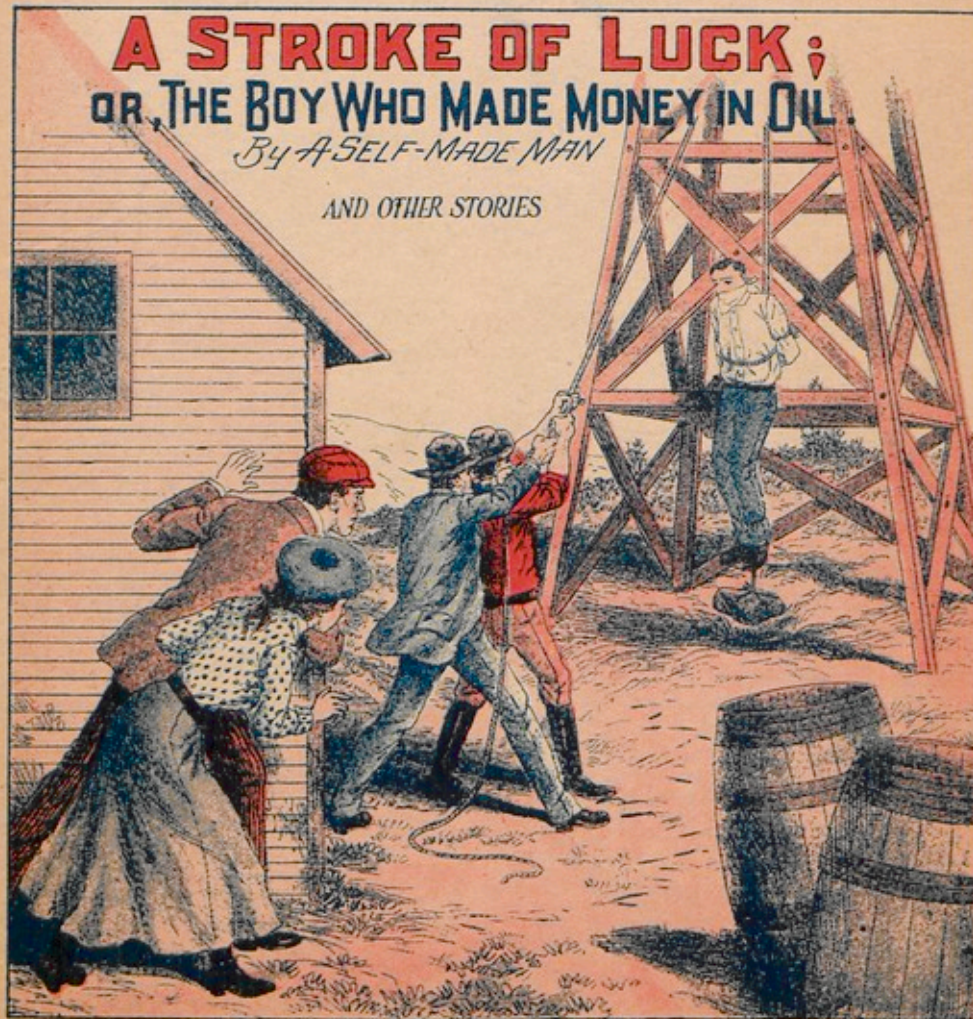
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# **FAME AND FORTUNE WEEKLY.**

**STORIES OF BOYS WHO MAKE MONEY.**



"Now then, up with him!" cried Red O'Connor. He and Sandy hoisted the unfortunate Tom off his feet. At that moment Flynn and Jennie came upon the scene. "Run for help, Jennie," whispered Tim, and the girl darted away.

[Image by North Illinois University Digital Library. CC BY-SA 2.0 License.](#)

## **WHAT WE'VE BEEN UP TO**



Here's a quick update on what we've been up to over the past month at WPM.

## **Does Philanthropy Make You a Good Person?**

Listening to the BBC's new Good Bad Billionaire podcast (as mentioned below) inspired me this month to write a long read about the relationship between philanthropy and our perceptions of whether people are morally good.

Does giving make you a good person? Or do you have to be a good person already in order to give? Do we judge those with lots of money more harshly, even if they are giving more?

Thoughts on all these questions, and more, can be found within...



[Read the article](#)

## **The Expanding Landscape of Doing Good**

I also decided to set myself a new challenge this month (for reasons that seem slightly hazy now...), of writing a new essay series exploring the question of whether the "landscape for doing good" is expanding, and if so what this means for philanthropy and traditional nonprofits.



I wrote a short article to explain why I think this is such an interesting and important question, and what I am hoping to cover in the series. Now I just need to actually deliver on that...



[Read the article](#)

### **On the Philanthropisms podcast**

The Philanthropisms podcast returned this month after a bit of a summer break. For our first episode back we talked to Lorena Gonzalez and Jes Olvera from the Young Center for Immigrant Children's Rights about their work supporting unaccompanied child immigrants and what it means to put justice at the heart of approaches to philanthropy. We also talked to Aaron Horvath from Stanford University's Center on Philanthropy and Civil Society, about how nonprofits have responded to increasing demands for measurement over the last few decades, sometimes in surprising ways...



## Lorena Gonzalez & Jes Olvera

[Listen](#)



## Aaron Horvath

[Listen](#)

### Events this month

**RSA Fellows event:** Some of you may have attended the online event discussing my book *What is Philanthropy For?* (and if so, thank you!) I gave a bit of a presentation about the book, and three respondents on the panel (Dr Rupert Graf Strachwitz, Helen Chambers, Tom Ward - big thanks to them too!) gave their thoughts before some Q&A with the audience. The quality of discussion was really great, and there was enough disagreement to keep things interesting (which I always think is good!) The event may have been recorded, although I don't know yet whether it will be made public.

**Philea PLP China-Europe Exchange:** I also had the opportunity to make a fairly swift round trip to Brussels this month to contribute to a really interest week-long exchange between European and Chinese philanthropic funding organisations organised by Philea. I gave some thoughts on how philanthropy might be evolving (particularly the impact of emerging tech, and the blurring of lines between business and philanthropy), and fielded some really great questions from the participants!

## UPCOMING EVENTS:



### Charity Law Association panel

On **12<sup>th</sup> October** I will be in London to take part in a keynote panel on charities and the culture wars at the Charity Law Association annual conference (which should be fascinating!)

### UK Community Foundations conference

On **Thursday 19<sup>th</sup> October at 11.30am**, I will be taking part in a virtual panel session on philanthropy and social justice for the UK Community Foundations Together 23 conference.



[Sign up here](#)

### ACOSVO Annual Conference

On **Wednesday 22nd October**, I will be in Edinburgh to talk about AI at the ACOSVO annual conference. So if you are a Scottish charity sector leader, I may see you there!



[Event info](#)



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# OTHER GOOD STUFF

Here are some other things that caught my attention this month as I sat in my panopticon at the centre of the philanthro-sphere, which didn't make the news but which you may find interesting.

## **Good Bad Billionaire Podcast:**

One thing I have been really enjoying this month is the BBC's new podcast *Good Bad Billionaire*, in which presenters Simon Jack and Zing Tsjeng take a look at some of the world's wealthiest people - exploring how they made their money and what they do with it, and then assess whether they are, on balance, "good" or "bad". One of the criteria used in to assess billionaires in each episode is philanthropy. So far, Jeff Bezos has fared very poorly on that measure, getting a zero out of ten, whilst Chuck Feeney managed a Spinal Tap-Esque eleven out of ten.

The Feeney episode in particular is fascinating for anyone with an interest in philanthropy, as there is a lot of discussion about his giving (since it was such a big part of his life), but I would recommend the whole series too!



Check out the podcast homepage

Listen to the Chuck Feeney episode

### **The social responsibility of the UK's top 10%:**

One of the most interesting things I read this month was a piece on *The Conversation* by Marcos Gonzalez Hernando from UCL's Social Research Institute, highlighting some of the findings from a book he published earlier this year with Gerry Mitchell, [\*Uncomfortably Off: Why the Top 10% of Earners Should Care about Inequality\*](#). The article looks at the social attitudes of the wealthy (but not necessarily super-wealthy) in the UK and what they think about inequality, their own wealth, taxes, and the state of the world. There are some fascinating findings, and given how relevant these sorts of views are to shaping people's attitudes and actions when it comes to philanthropy, it is definitely worth taking note.

MARCOS GONZÁLEZ HERNANDO  
AND GERRY MITCHELL

# *Uncomfortably* **OFF**

WHY THE TOP 10% OF EARNERS  
SHOULD CARE ABOUT INEQUALITY

*"A fascinating  
insight"*  
John McDonnell MP

*"Electrifying"*  
Polly Toynbee



[Read the article](#)

Charity So White blog:



There was also a reflective and hard-hitting blog post from the campaign group Charity So White this month, exploring why their efforts to push on issues of equity and racial justice within the UK charity sector had slightly hit the buffers. In part this is about the challenges they faced when trying to engage with other organisations, but they are also brutally honest about their own failures and mistakes – some of which might carry important lessons and learnings for other non-hierarchical social justice organisations.

(At times, some of what was said reminded me of the feminist scholar Jo Freeman's classic essay "[The Tyranny of Structurelessness](#)", which I wrote about the ongoing relevance of to today's networked social movements for HistPhil a few years back).

[Read the Charity So White blog](#)

[Read Rhod's HistPhil article](#)

## **Beacon Collaborative report on Bridging Diversity in British Giving**

Hot off the press is a new report from the Beacon Collaborative, which presents the findings of research they commissioned into the views and experiences of giving among people from diverse communities (primarily Black, Asian, Muslim and Jewish communities). I haven't yet had a chance to read it properly yet, but I just listened in on a really interesting launch event so I am looking forward to delving deeper.



## **Bridging Diversity In British Giving**

Engaging donors  
from diverse giving  
communities



CLEARVIEW  
RESEARCH



The Beacon Collaborative

[Read the report](#)

### **Astroturfing & charities:**

I spotted a great LinkedIn article by charity lawyer Tom Harwood, on the dangers that “Astro-turfing” poses for charities. This is the phenomenon

where companies and organisations that represent certain vested interests create and fund groups that sound like genuine civil society organisations, in order to give the impression of grassroots support for policies or actions that those vested interests want to promote. (But they are in reality only fake grassroots- hence “astroturf”...)

This is something I have thought for a while we need to be more concerned about - particularly because technology is likely to exacerbate the challenges significantly. (Something that I explored in an article for Stanford University’s Center on Digital Civil Society a few years ago).

[Read the LinkedIn article](#)

[Read Rhod's Stanford article](#)

### **SBF update:**

If you want to know how things are currently going for Sam Bankman-Fried as he prepares for his trial, then check out this piece in the *New Yorker*. We covered the SBF story and the implications for Effective Altruism a lot when it first broke, and this piece provides a really useful update (including quite a strong philanthropy angle).

[Read the article](#)

### **Magic number philanthropy:**

A piece of fluff first reported in the [New York Times](#) (\$) and then again on *Wealth Management* caught my eye, about how the DAF startup Daffy managed to boost donations on its platform by embracing the significance of the number 18 in Jewish culture (since 18 is the numerical value of the Hebrew word “chai”, which means “life” and represents good luck). By adjusting some of their suggested donation amounts to fit in with multiples of 18, Daffy was able to boost donations to certain nonprofits by over 80%. Which makes it a fascinating example of how behavioural nudges and cultural awareness can be combined to drive



giving. And given its apparent success, perhaps we will see similar examples elsewhere soon...?

[Read the article](#)

## **AND FINALLY:**

In case you ever thought that extremely wealthy people doing bizarre things for semi-philanthropic reasons was a new phenomenon, I recommend this fascinating article from BBC Gloucestershire about the time Henry Ford bought a Cotswold village cottage and had it transported brick-by-brick to Michigan.

Apparently this was, at least in part, driven by Ford's concern that the idyllic rural way of life in the Cotswolds (which he had come to love) was at risk- largely as a result of the very motor car that he had helped to popularise!



[Image by Maia C. CC-BY-NC-ND 2.0 License.](#)

[Read the story](#)

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Well, that's all for this month. Hope to see you all again in October-  
same time, same place.

Rhodri



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