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Title
Principles for Philanthropy in the New Gilded Age

Abstract

Much has been written about the new Gilded Age and what can be done about it. However, what role philanthropy can play in this program of social inclusion has received much less attention. This neglect is historical. Although many social reformers, such as Henry George, recognised some role for philanthropy, they did not spell out the nature of this role. Also, the Holy Quran and the Holy Bible emphasise social justice and charity, but they do not spell out what the role of charity must be. David Suárez (2012) has detailed ‘the emergence of social justice philanthropy’ often in the form of young and small foundations. However, they are distinct only by their use of ‘social justice’ rhetoric and by their support of nonprofits that also employ radical rhetoric. More fundamentally, some of these nonprofits have contributed to growing inequalities and environmental pillage. So, fundamental questions about (a) what principles ought to govern philanthropic giving, (b) what kind of world should philanthropists seek to contribute to creating, and (c) what are the conditions or projects needed to achieve such a world remain unanswered. The vast literature on ‘strategic philanthropy’ could be helpful but, as we show in section 2, it is centrally focused on ‘the business case’ for philanthropy. In turn, this body of research provides no insights on the specific role of philanthropy in the new Gilded Age. Yet, with the growth of philanthropic giving to-day coupled with growing global inequalities, it is important to address these questions.

We argue that philanthropic transfers can usefully be guided by three principles. First, charity must begin at home by sharing rents from the earth. That is, those who have most benefitted from the certain industries such extractive industries, need to share the rents they have extracted with the
wider society, particularly mining communities from which minerals are taken. Second, philanthropists need to move away from institutions that reinforce existing social structures of inequality such as techno-fixes and design programmes with hierarchical governance structures and no explicit commitment to social inclusion and, instead, support horizontal and broad-based alternatives that are environmentally sustainable, socially empowering and economically viable because they generate forward and backward linkages in the economy. Third, philanthropists need to support both the state and social movements in order to create a social state embedded within a socially conscious society. We explicate these principles further by appealing to the ‘intersectionality’ (Crenshaw, 1993) of ideas from Henry George (1883), Albert Hirschman (1958), Richard Titmutts (1950), and Herman Daly (1990). As most of the principles aim at creating a social state; rather than developing a parallel institution to the state, this paper extends the literature on ‘social justice philanthropy’ (Suárez, 2012), which is currently focused only on strengthening non-profit organisations.

This paper critically engages with three global social justice philanthropic projects, namely: (i) the Habitat for Humanity Housing Scheme (ii) the Global Poverty Project, and (iii) the Jubilee Campaign, to illustrate how the principles we proposed are (and are not) implemented in practice.

**Keyword**

philanthropy; social justice; intersectionality