

Bookshelf

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Charity Law and Social Inclusion: An International Study

By Kerry O'Halloran
Published by Routledge, New York. pp. 437, paper \$44.95

REVIEWED BY BOB WYATT
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When most of us hear there's a new book about charity law, our minds go immediately to *Pemsel*, *Guaranty Trust*, or *Vancouver Society*, or to texts such as Picarda's or the loose-leaf series that are available. We wonder what else there is to say.

In his new book, Kerry O'Halloran takes an entirely different approach, looking at how various countries use charity law to promote social inclusion. An adjunct professor at the Centre of Philanthropy and Nonprofit Studies at the Queensland University of Technology in Brisbane, O'Halloran looks, in turn, at the framework of charity law in England and Wales, Ireland, Australia, New Zealand, the United States, and Canada.

After arguing that "charity law ... is explicitly stamped with the obligation to address the needs of the socially disadvantaged," he asks the rhetorical question: "As legislatures make time to process rafts of anti-terrorism laws, what evidence is there of a proportionate legislative interest in addressing poverty?"

His conclusions are rather clearly laid out in his introduction: "If it's not to fail in its central mission, the law governing philanthropy in all its modern guises must now be made to fit contemporary manifestations of need, domestic and global."

O'Halloran's concept of "social inclusion" goes well beyond poverty, although that is clearly a component. He breaks down the "social inclusion agenda" into three categories: domestic, international, and indigenous people.

Domestically, he argues that each of the countries surveyed (and presumably others) need to address issues related to poverty, immigrants and refugees, and inequality, particularly for minority groups "such as the disabled, the elderly, the mentally ill, the drug-dependent, disaffected youth and the gay and lesbian community."

On the international front, O'Halloran examines aid to underdeveloped countries as well as issues related to trade and terrorism.

The agenda for indigenous people is familiar to anyone who has spent any time examining issues faced by Canada's First Nations peoples: poverty, health, housing, and education.

As he surveys the landscape in each of the countries under consideration, O'Halloran finds virtually all of them lacking, with the exception of England and Wales. He points to the changes made last year that, in his view, modernized the law and made it easier for charities to support and promote social inclusion.

With each of the other countries, he finds the state of charity law lacking, at least insofar as it relates to what he considers one of the most important roles of all charities, promoting social inclusion.

Before undertaking his analyses, O'Halloran spends about half the book looking at the question of social inclusion and philanthropy's role in addressing it, how social inclusion is a "public benefit" as that term is used in charity law, and legal functions related to social inclusion.

Heady and heavy, these chapters provide a good grounding for the headings under which the later analyses will take place. One of the benchmarks that O'Halloran establishes for comparing charity law in different jurisdictions is restrictions on advocacy and political activity, of which he is clearly not a fan.

Such common-law constraints, he suggests, have "become a serious obstacle to effective philanthropic intervention in a modern social inclusion context." He argues that charities are at a specific disadvantage when they are prohibited from using techniques that the public has come to expect when asked to change attitudes.

Proceeding to his analyses of each of the chosen common-law jurisdictions, O'Halloran gives a brief (and arguably superficial) description of the country, its charitable sector, and outlines its "social-inclusion agenda" and the need for a more inclusive agenda. This latter topic is an area where O'Halloran risks losing some of his readers; his basic premise is that each of the countries requires a more inclusive agenda. While many will agree, it is not difficult to anticipate that those of a more conservative bent will dismiss his book on the basis of that premise alone. The loss will be theirs.

O'Halloran goes on to describe some of the legal and legislative highlights of charity law in each of the countries, the legal structure which surrounds charities, the regulatory framework, rules related to trading or commercial activity by charities, and the constraints—common-law and statutory—that, in his view, prevent charities from carrying out their obligation to promote social inclusion.

Each chapter goes on to discuss and critique changes being considered or proposed in each of the countries.

Of Canada, O'Halloran notes that recent reviews of charity law could be taken as a positive sign. But, he notes, "progress to date reveals little awareness of the

current misfit between the law and the particular pattern of social need in Canada or willingness to engage in a more fundamental rethink of the federal institutional framework for philanthropy.”

“If anything,” he argues, “what is currently emerging most clearly is government retrenchment; a falling back to a defensive position with a focus on anti-terrorism legislation accompanied by an emphasis on measures that provide for the closer scrutiny of charities (sic) finances rather than facilitate their effectiveness.”

This is not a book for reading beside the lake. It is dense and, at times, complex—much like charity law itself. But in offering it to us, O’Halloran has demonstrated that, indeed, there is more that can be said about charity law.

Generations: The Challenge of a Lifetime for Your Nonprofit

By Peter Brinckerhoff

Published by Fieldstone Alliance (www.FieldstoneAlliance.org), Saint Paul Minnesota, 2007, pp. 219. US \$34.95

REVIEWED BY LESLIE WRIGHT

Executive Director, The Agora Foundation

The Great Law of the Six Nations of the Iroquois Confederacy states, “In our every deliberation we must consider the impact of our decisions on the next seven generations.”

This new book is an accessible and useful resource for anyone in the nonprofit sector who is planning for and managing generational change. It offers insights into the different generations.

The book is organized into practical chapters that provide useful examples and hands-on ideas that can be applied within organizations. Each chapter ends with discussion questions that can be used to facilitate conversation within your organization.

Five generations are discussed in the book:

- Greatest Generation (Born 1901 -1924)
- Silent Generation (Born 1925—1945)
- Baby Boomers (Born 1946—1962)
- Generation X (Born 1963—1980)
- Generation @ (Born 1981—2002)

The book looks at each of these generations and the issues that the nonprofit sector needs to be thinking about in terms of staffing, boards and volunteers, the people we serve, marketing, technology, and financial implications.

Leaving the final word to the author: “The title of this book notes that generational change is the challenge of a lifetime. ...[L]isten to your different generations speak, watch for things through generation sensitive eyes, and you and your organization will be fine.”

Taking Philanthropy Seriously: Beyond Noble Intentions to Responsible Giving

Edited by William Damon and Susan Verducci

Published by Indiana University Press, 2006, 245 pp. Cloth: \$68.09

REVIEWED BY JOY S. ROBERTS, PH.D.

Even from the moment one picks up the book, *Taking Philanthropy Seriously* admits the possibility of doing otherwise and immediately gets to the point: if we don't take philanthropy seriously, a lot of harm can be done. What follows is a welcome analysis and discussion of some fundamental issues and trends in philanthropy, always keeping in sight the imbalance of power that occurs when money changes hands. That this exchange often results in powerful interventions in peoples' lives—and that those on the receiving end are “overwhelmingly disgruntled”—only adds urgency to our need for a deeper understanding of the issues.

In a field experiencing rapid change, accompanied by a plethora of guides and handbooks, this volume is a refreshingly clear discussion based on extensive research. Previously, those interested in considering some of the more philosophical issues raised by philanthropy have had, with a few notable exceptions, to settle for wading through stacks of publications offering information on tax laws or the best recipes to ensure success at a bake sale. Only the self-help and new age sections of bookstores seem to be growing more rapidly.

Edited by, and with contributions from, William Damon and Susan Verducci, *Taking Philanthropy Seriously* consists of a preface and 15 essays organized into three parts, two of which have their own introductions. Most of the essays grew out of the Good Work Project,¹ “a broad exploration of how it is possible for professionals to acquire moral integrity and excel in their work during times of rapid change and indeterminate incentives.” Damon states that the primary purpose of this book is “...to examine the new currents sweeping through American philanthropy at the present time.” Its second major purpose is “...to take a hard look at today's approaches to see how well they are serving philanthropy's essential mission of promoting the public good.”

Each essay stands on its own, providing insight into one particular topic of interest for those concerned with fundraising, giving away money, or running organizations that support either of these important efforts. Taken together, the essays demonstrate the seriousness of the endeavour to understand the public good and

the complexity of the effort to improve it. Many of the authors, led by Diamond's own call to action in the introduction, call for philanthropy to become "a domain of knowledge and practice that is commensurate with the seriousness of its ancient mission." However, consensus on standards has eluded those who have tried. And while many excellent suggestions are given to help create practices that would reduce the likelihood of causing harm, the book's own articulation of myriad complexities leaves this reviewer thinking that the effort to achieve standards is more desirable than the actual achieving of them. But before talking further about conclusions, a brief summary of each chapter, if somewhat lacking in justice to the authors, may serve to entice prospective readers to a book that will almost certainly leave them with a clearer understanding of the issues—and the responsibility—that go with giving, getting, and grantmaking.

Part One: Defining the Problem

1. In Search of an Ethic of Giving, by James Allen Smith

Because the gift is such a powerful instrument, and because inequality is inherent in the gift relationship, we must constantly ask ourselves why we give. The real object of philanthropy is to sustain cohesive social relationships. Smith turns to ancient authors for enduring advice and a look at the role of government as it relates to the public good.

2. Philanthropy and Its Uneasy Relation to Equality, by Rob Reich

Philanthropy is thought to be linked to equality and liberty. Reich is a political theorist looking at political institutions and how public policy shapes philanthropy; he asks if an individual gift can be understood outside of tax laws² and goes on to show how the very structure of philanthropy can be harmful in that it favours liberty over equality, with benefits to the wealthy and no differentiation between the social benefits of one cause over another—an especially problematic situation when one considers that the majority of charitable giving is to religion (even after religious social services are excluded), which acts as a mutual benefit society. He goes on to give an example of private funding of public schools to demonstrate that philanthropy can actually generate inequality

In a provocative call to ponder the incentives in public policy, Reich makes his point without denigrating the value of philanthropy. Readers can decide for themselves where they come down on this complex issue. For example, the philosopher John Rawls, in his now-classic 1971 *A Theory of Justice*, accepts that these inequalities must be allowed to exist in any practical solution. He posits two basic principles underlying a just society: 1) there must be equality in the assignment of basic rights and duties, and 2) social and economic inequalities—for example, inequalities of wealth or authority—are just only if they result in compensating benefits for everyone, particularly the least advantaged members of society. The second principle, which he calls the *difference principle*, is permissible only if increased social or economic inequalities would make disadvantaged and working segments of society better off than they were before.

3. The Politics of Doing Good: Philanthropic Leadership for the Twenty-First Century, by Leslie Lenkowsky

Lenkowsky explores the political questions of doing good through private means and the implications for government responsibilities in an era of growing philanthropy. He also documents the increasing scrutiny of the sector and decreasing public confidence, a significant change from '80s and '90s. He analyses possible reforms and asserts the importance of maintaining the equilibrium of public and private organizations that is so vital to preservation of democracy.

4. Toward Higher-Impact Philanthropy, by Thomas J. Tierney

As a businessman experienced in getting results, Tierney wants donors and foundation executives to understand that achieving social impact requires a complex network of players and that there is a need to break the cycle of high-cost “feel good” philanthropy. He notes that the knowledge corporate leaders have about how to make their businesses excellent doesn't come with them into the boardroom of foundations or when they are making personal donation decisions. In a refreshing change from emphasizing business efficiency, Tierney emphasizes the importance of investing in people.

5. The Lonely Profession, by Laura Horn and Howard Gardner

Among 1,200 interviews of people engaged in various roles in the philanthropy sector, grantmakers stand out as not identifying with philanthropy as a career. The three main reasons for this are: they have a career identity elsewhere and only do grantmaking as a hiatus or before retiring; they have dedicated their lives to a particular mission and see grantmaking as one of many avenues they could pursue to advance that mission; and they believe that grantmaking is really a way of being a generalist, of applying their ability to think broadly, and of pursuing a wide range of interests. In addition, they neither own the money nor the work that gets done with it. As intermediaries, they feel isolated and without social value. They have less power than board members, and donors' whims can trump their expertise. They are always in the uncomfortable position of having to evaluate the sincerity of each interaction. Relying on exceptional people to find their way in professional grantmaking is not a sustainable strategy for good work in philanthropy. The authors suggest that a few effective trajectories, set out as models, could provide professionals with the framework to carry out their best work while still respecting the value of multiple philanthropic models.

Part Two: Cases of Good Work in Contemporary Philanthropy

Introduction, by Susan Verducci

Verducci summarizes the harms discussed in Part One; namely, how power influences can corrupt the gift-grant relationship; the debilitating amount of human resources sometimes required to raise money; philanthropy's narrow focus on innovation and systemic change; the difficulties of trying to measure impact; and the pervasive influence of business models in contemporary philanthropy, sometimes for good and sometimes for ill. After introducing the case studies

that will follow (involving venture philanthropy, e-philanthropy, and ideational philanthropy), she begins with a case study that demonstrates a lack of transparency: an organization, known for high-quality work gets significant funding and pressure to expand—then suddenly closes its doors.

6. *The Role of Relationships in the Funding of Teach For America, by Susan Verducci*

Verducci describes a 21-year-old Princeton student, Wendy Kopp, whose senior thesis envisioned a national service corps to help the most disadvantaged students. Her organization, Teach for America, raised tens of millions of dollars and recruited more than 12,000 talented senior students. Kopp was a charismatic leader, relentless in relationship building (a 76-year-old donor recalls being in hospital when Kopp and her 6-day-old baby came visiting). The relationships with donors fell into three categories: *parents*—funders who gave more money and made longer-term giving commitments than with any other cause, provided challenge grants, leveraged their connections, and, on occasion, even met the organization’s payroll from their own family foundations or corporations; *partners*—funders who were highly engaged in the work of the organization, offered operating assistance as well as money, and provided business skills to help the organization grow “to scale”; and *sponsors*—funders who gave money and trusted that it would be used appropriately. Verducci goes on to explore the themes and problems across these relationships, including the alignment of personal mission and values, the emphasis on funding innovative projects that often send organizations off their path, and the problem of a charismatic leader who builds relationships personally and not for the organization or other players.

7. *Journeys in Venture Philanthropy and Institution Building, by Carrie James and Paula Marshall*

Beginning in the late ’90s with a first written articulation in the *Harvard Business Review* (1997; *Virtuous Capital: What Foundations Can Learn from Venture Capitalists*), venture philanthropy began with the aim of building the capacity of nonprofits by providing long-term financial and management assistance. Venture philanthropists, many of whom have a “can do” attitude and new-technology wealth, are seeking a strategy for doing good without doing harm and want to marry best practices and principles from business with promising social change efforts in the nonprofit sector.

After early missteps—which included: an overly dismissive attitude to professional grantmakers, a failure to define in advance how to execute the model, difficulty selecting appropriate grantees, and unrealistic expectations about scaling and exit strategies—many express regret and admit they pushed due diligence but didn’t practice it. As a result, they picked the wrong grantees or under-appreciated the resistance. They also learned that growth isn’t always helpful and that good relationships are more important in philanthropy than they are in business. Using the example of The Edna McConnell Clark Foundation, James and Marshall describe the transition from a traditional foundation to a capacity-building

foundation, based on venture philanthropy principles. After changing staff and finding new grantees, the foundation learned how to become a learning organization. But venture philanthropists lead with their methodology, raising the question of why—for what social purpose?

8. Ideational Philanthropy: The Impact of Funding Social Ideas, by Liza Hayes Percer

Ideational philanthropy—philanthropic work that focuses on funding and disseminating ideas that influence public policy—traces its beginnings to the mid-70s and the start of the neo-conservative movement when Irving Kristol published articles in the *Wall Street Journal* (and William Simon wrote the book *Time for Truth*) calling for a stronger private sector. A few conservative foundations with modest resources set about, with a determinedly intellectual strategy, to transform public policy in the U.S. in a major and lasting way. Kristol suggested that donors use their philanthropy to shape public policy, promote free enterprise, and limit government. These smaller foundations took this advice to heart and focussed on supporting the few who could influence the many, giving operational support over long periods of time to those with the potential for political leverage. They had an impact far beyond what their giving capacity would suggest. While large foundations were spending huge sums on practice-based projects that were prone to disappear when funding ended, ideational efforts supported by the smaller conservative foundations were being leveraged many times over in their impact on social and political policy. Percer goes on to give strategies for funding ideas that are counter-intuitive to the practices of most funding organizations today—and ones that have reframed public debate and national policy for at least a generation.

9. Funding on Faith: Boston Ten Point Coalition, by Laura Horn

Using the example of a Boston church's effort to help black youth stay out of crime, Horn focuses on how religious organizations get money from a secular world while not compromising Christian faith. She documents the way in which they translate their language to "faith neutral language" and "logic," asking for strategic grants for operation/infrastructure support—for capacity building. Horn treads softly but ends with a recommendation that the role of faith be discussed with potential donors.

10. Network for Good: Helping the Helpers, by Tanya Rose and Sarah Miles

Network for Good (NFG) is an Internet Intermediary, started in 2001, by three pioneers in Internet economy (AOL, Yahoo!, and Cisco Systems). As with venture philanthropists, these entrants into the world of philanthropy are mostly business people who want more effectiveness and efficiency in the nonprofit world. Like venture philanthropists they have learned lessons along the way and been resourceful in adapting. They want to increase the percentage of philanthropic giving online. NFG has distributed over \$45 million to thousands of nonprofits and has matched tens of thousands of volunteers. It is perhaps best known for

responding to the tsunami with a home page, a comprehensive list of charities and organizations acting for the relief effort, resources to learn more about earthquakes and tsunamis, and sites for photos. Americans gave \$1 million in a single day. This portal allows both individuals and groups to access one another for donating, volunteering, and citizen advocacy. It also includes information from an expansive database of charities and has to be able to give advice to nonprofits, donors, and individuals alike. Rose and Miles provide a fascinating look at the challenges of Internet Intermediaries: they have a double bottom line—to maintain a presence online they need a financial return, but they also need a social return to be functional; they have to keep up with immediate needs of those they serve, but they also have to stay on top of crisis relief efforts. All of this requires them to cooperate with outside organizations to share expertise and meet demand. A few statistics: 53% of nonprofits did not use the Internet in 2003, down from 66% in 2002; of those organizations using the Internet, 61 % raised more in 2003 than in the preceding year.

11. Power and Mission in the Funding of Social Entrepreneurs, by Lynn Barendsen

Barendsen attributes the term social entrepreneurs—individuals who use business knowledge and an entrepreneurial approach to tackle social problems directly—to William Drayton, one of first to use it in 1980. These are people who keep moving at all costs and who are impatient with the time it takes to get things done in the nonprofit world. All under 45 years of age, they have a strong sense of obligation to their work and the people it affects. They also have a particular kind of drive and deep convictions that make them feel they have no choice. They, too, have learned along the way that fundraising takes time and that funders and grantees working together often get results that are worth waiting for. They are so intimately connected to the social problem that it's hard to find successors and ensure the long-term future of the organizations. Barendsen provides interesting examples of these problem-solvers and those who invest in them.

Part Three: Further Strategies for a Domain of Responsible Giving

12. Philanthropy's Janus-Faced Potential: The Dialectic of Care and Negligence Donors Face, by Paul G. Schervish

Speaking to wealth-holders who wish to be “wise rather than injurious” in their philanthropy, Schervish recommends a process of self-reflection that results in care and friendship—what he calls the true end of philanthropy, tracing its roots to Aristotle and the Greek origin of the word, *phileo* (love or friendship), and *anthropos* (humankind). He addresses three strategies of business-oriented philanthropy, evaluating their benefits and potential harms. On the topic of anonymous giving, Schervish shows how it causes mischief, often resulting in social engineering—knowing what is best for someone else and manipulating without the accountability that comes when the subtle responsibilities of friendship are in play.

13. The Foundation Payout Puzzle, by Akash Deep and Peter Frumkin

This chapter presents statistics on the U.S.'s 60,000 grant-making foundations (they control \$600 billion and disburse about \$30 billion in grants each year; half the grants are made by the 300 largest institutions) and shows that while they are a small part of the country's nonprofit sector, they play a critical and—with a projected \$40 trillion transfer of wealth in the coming decades—growing role. Deep and Frumkin then work through the policy options governing the annual payout rate required of U.S. foundations.³

The authors show that political bargaining, not economic reasoning, has produced these policies in the U.S. and that tests for two principles should be considered: is the policy demanding enough to ensure that foundations use their assets to benefit the public, not just themselves; and is the policy flexible enough to allow institutions to select a payout rate that is strategically aligned with their missions? Their analysis shows a failing grade in both cases.

Deep and Frumkin lay claim to the first comprehensive and reliable database on the management and use of foundation assets⁴ to show that foundations have grown over time and that there is no correlation between payout rate (most kept to the minimum required) and investment returns. They explore the reasons for this homogeneity when there is such a diversity of missions. They also give reasons for increasing the payout rate and reasons for keeping it as it is. In the final analysis, they recommend eliminating the excise tax but admit there are tough choices to make on a policy for payout rates.

Overall, the discussion of this thorny issue is thoughtful, based on economic reasoning but always with an eye to meeting more effectively the mission of the foundations and the nonprofit organizations they support.

14. Old Problems, New Solutions: The Creative Impact of Venture Philanthropy, by Nick Standlea

Standlea's research project defines venture philanthropy (VP) as a bundle of practices that include use of performance measures, a focus on organizational capacity building, increased length of relationships, increased amounts of funding, highly engaged relationships with grantees, and articulated risk-orientation and exit strategies. Although VP only accounted for 0.2% of all dollars given in the U.S. in 2002, Standlea shows that it has caused a ripple effect, influencing practices in traditional foundations and furthering a strategic shift across the philanthropic sector. Using a systems model definition of creativity, he provides a chart showing the impact of VP on five long-standing foundations—William and Flora Hewlett, Rockefeller, Kellogg, James Irvine, and Carnegie—by tracking the degree to which each had adopted the six basic practices.

Of the five foundations studied, only Rockefeller moves from some indication of VP concepts to a complete avoidance.⁵ Standlea also compares these traditional foundations to the Roberts Enterprise Fund—a traditional foundation that from 1996 to 2002 transitioned into a venture philanthropy foundation.

Standlea then goes on to assert that VP, as well as having creative impact, has also influenced classical foundations to establish a bridge between philanthropy and management, specifically Peter Drucker's "management by objective" philosophy.

Readers can review his arguments and decide for themselves if Standlea's final points add to, or weaken, this chapter's offerings. Certainly Standlea adds to the call for standard principles and practices or, at the very least, a sharing of best practices, to help strengthen the field of philanthropy. Overall, this reviewer was left wondering if setting objectives and adopting good management practices and principles are really going to lead to "results never seen before." Solving social problems has proven, time and again, to be immune to matrices and charts-and-graphs thinking.

15. Ethical Standards in Philanthropy, by Jenni Menon Mariano and Susan Verducci

Verducci and Mariano point to the growing pressures for national standards in philanthropy, suggesting field-wide standards, such as accountability, as well as personal standards, such as humility. Based on their research at the Good Work Project, they assert that national ethical standards could promote self-regulation, protect the field from abuses that threaten reputation, and create a sense of consistent expectations across the field. Particularly with the rapid growth of the sector, Mariano and Verducci suggest that standards would help transmit wisdom and acculturate and train new workers, at the very least creating a framework for determining best practices.

When one remembers the findings reported in the Introduction—that most grantees are disgruntled, for example—combined with Horn and Gardner's findings (chapter 5) that only the very exceptional people find their way in professional grantmaking, that venture philanthropists want results today for intractable social problems, this discussion takes on a new urgency. After an extensive discussion of the pros and cons and examples of previous attempts to develop a "domain" for philanthropy—a notable attempt at articulating common standards resulted in the conservative sector splitting off over the definition of public interest and creating their own Philanthropy Roundtable—the authors provide many useful suggestions but admit there is no real consensus in sight.

While many of the authors note that the trends sweeping through philanthropy have been evolving, that venture philanthropists and social entrepreneurs, for example, are learning lessons and adapting, no one discusses the development of open source philanthropy or "profit-making philanthropy" best exemplified, perhaps, by Google.org.

Since the book doesn't miss much of what is happening in the field, it may simply be that the book went to press before H. Peter Karoff published his paper on open source philanthropy in June 2005.⁶ Like the authors in *Taking Philanthropy Seriously*, those advocating open source philanthropy want to bring to the fore

the notion of the public good. They go even further, however, in pushing against a culture that over-emphasizes individualism and the need to be proprietary. They point out that the emphasis on high-impact and on taking nonprofits to scale is based on the business paradigm of competition. Instead, open source philanthropy (another borrowing, this time from software development) aims to make collective action the norm, building on the networks that started in the '80s and '90s and have proliferated since. It distinguishes individual and organizational self-interest from the public interest by asking what works for the individual and for the community being served. As Karoff says, "The best philanthropic and charitable work is at the intersection of ambitious vision, informed by the voices and passions from the bottom up combined with leadership from the top that utilizes outside catalysts for change."

Google.org, as a profit-making venture, doesn't have to abide by charity law; it can decide for itself, for example, which causes are worthy of its support without regard for whether or not the organizations have a charitable registration number. As billions of dollars are devoted to important social causes, making money as they improve the world, questions are beginning to be asked about tax benefits for this kind of "philanthropy."

As Damon and his colleagues at the Good Work Project found, "good work" is most likely to occur when professional standards, peer behavior, internal values, and social values all tell us to do the same thing. But when conflicts arise between these different instructions, one can get easily confused. Since the ideal conditions for "good work" don't come along all that often, maybe the U.S. Congress is right: it holds the view that the public interest is best served by a lot of people doing a lot of things. Isaiah Berlin—one of the great liberal thinkers of the twentieth century—would no doubt concur. He asserts that there are benefits to our society in social or political collisions. In fact, Berlin goes so far as to say that these collisions are a "precondition for decent societies and morally acceptable behaviour."⁷

In a final word, Mihaly Csikszentmihalyi, one of the principal investigators of the Good Work Project, reviews the issues and asks, pointedly, if we are going to exercise due diligence or simply hope for the best. While *Taking Philanthropy Seriously* doesn't provide the answers, it certainly provides motivation to keep looking.

If Canadian readers are wondering about the entirely American nature of this work and its relevance to the Canadian context, it's probably good to remember just how much of an influence American philanthropy has had on Canadian society. Another worthy book, *Rockefeller, Carnegie and Canada: American Philanthropy and the Arts and Letters in Canada*, by Jeffrey Brison (McGill-Queen's University Press, 2005), makes the case that American philanthropy facilitated the transformation from a private, localized system of cultural, intellectual, and academic patronage to a complex, nation-based system of incorporated patron-

age—a system in which the major patron was the federal state.” But this scholarly work is material for another discussion.

In the meantime, *Taking Philanthropy Seriously* provides a powerful assessment of a complex set of issues that are critical to the nature of our societies.

NOTES

1. The Good Work project was started in 1995 by Mihaly Csikszentmihalyi (also a contributor to this volume of essays), William Damon, and Howard Gardner, who posed the question, “How do individuals who desire to do ‘good work’—work that is at once excellent in quality and socially responsible—succeed or fail at a time when unmodulated market forces are extremely powerful and the search for ever greater profits pervades the society, there are few if any comparable controlling forces or counterforces, and our whole sense of time and space is being altered in our technologically oriented global society?” Over 1200 interviews were conducted with professionals in journalism, genetics, theater, and business, and now with those in higher education, philanthropy, and the law, medicine, and pre-collegiate education. Investigators probe for personal goals, the mission of the profession, the strategies being used to achieve goals and mission, the obstacles encountered and how they dealt with them, and the individual’s sense of the major trends in the chosen profession. They also probe a number of ancillary areas, which include formative influences (such as mentors and anti-mentors), the role of religion or spiritual orientation, attitudes toward technology, and the entities to which the individual feels most responsible. In many cases, they also use more targeted methods, such as an inventory of values and responses to ethical dilemmas. So far the study has taken place primarily in the U.S., with some connection to a parallel study in Scandinavia, and hopes to expand to other countries. www.goodworkproject.org
2. Canada has implemented a tax credit approach for individuals.
3. The Canadian disbursement quota has undergone significant changes in recent years. For further information about these changes, see Maria Elena Hoffstein and Theresa L.M. Man, “New Disbursement Quota Rules Under Bill C-33,” *The Philanthropist* 20(4).
4. Their data base includes 169 foundations from 1972 through 1996, randomly selected from those reporting assets over \$5 million in 1970 and for which at least 10 years of data was available.
5. Supporting Standlee’s assertion that venture philanthropy will have an even bigger impact in the future, and demonstrating how quickly the field is changing, Rockefeller has, just since this volume went to print, moved aggressively into venture philanthropy. The Rockefeller Foundation has hired Judith Rodin, previously known as the world’s highest-paid university president. She says the “new Rockefeller” is returning to its roots, to the “scientific philanthropy” of its founder, a philanthropy that attempts to get at root causes and values such things as “strategic” and “leveraged” activities, ones that will make use of “partnerships” and be focussed on “impact.” An indication of the extent of the changes at Rockefeller: she will be doing it without 58 of the staff she inherited (about one third of the total).
6. Open Source Philanthropy—Social Change in a Flat World. <<http://www.synergos.org/05/opensourcephilanthropy.htm>>
7. Isaiah Berlin, *The Crooked Timber of Humanity* (New York: Alfred A. Knopf, 1991), p. 12.