The Brazilian Strategic Philanthropy Field: recent developments and challenges

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In the 90’s, Brazil went through the so-called third-sector boom, as the country shifted back to democracy after two decades of dictatorship. The civil society organizations increased in number (41,5% of the 338.000 foundations and associations in Brazil were created in that decade (IBGE, 2008)), and new concepts and approaches began to strengthen, seeking to distance themselves from the charitable and paternalistic practices of the traditional philanthropic and nonprofit sector. Expressions such as professionalism, legitimacy, accountability and results measurement gained relevance in the sector’s vocabulary.

These transformations have been accompanied and also influenced by the emergence of a new type of actor in the philanthropic arena: foundations, institutes and businesses that began to identify their practices under the concept of “private social investment”, which is similar to what may internationally be called “strategic philanthropy” (TPI, 2009, IDIS, 2008, Smith, 2004; The Economist, 2008).

Such organizations began to cooperate with civil society organizations, businesses and governmental agents, seeking to build a kind of social action that combines professionalism and results, in a citizenship and strategic perspective (Fischer, 2003). This movement was gradually articulated around key umbrella organizations, particularly GIFE (www.gife.org.br) – an association of large social investors in Brazil, and IDIS (www.idis.org.br) – an organization that provides technical support on the sector in Brazil.

Despite its recognition in the Brazilian social field and media, there are still few academic studies on this movement, especially on management strategies and organizational structures of strategic philanthropy. Given this context, the paper’s purposes are:

**General purpose:** to conceptually and empirically describe the field of strategic philanthropy in Brazil, especially that of a corporate and family nature, in order to understand its development in the last 15 years and identify trends, opportunities and challenges to be faced in coming years.

**Specific purposes:**

a) to describe the emergence and construction of the concept of private social investment in Brazil (here considered as a synonym of strategic philanthropy, not as a socially responsible way to invest private resources, endowments etc.);

b) to characterize different types of strategic philanthropy in Brazil (corporate, family, community and Diaspora);
c) to systematize and analyze data on 80 GIFE’s member organizations, regarding their management structures, traits, priorities and investment strategies;

d) to discuss the challenges and trends in the practices of private social investment.

Among the reasons that justify this study are:

- despite recent advances in Brazil’s social and economic areas, there are still problems to be tackled, especially the persistent inequalities throughout the country’s history. There have been few studies on the potential of strategic philanthropy in addressing these issues;

- due in fact to such advances, international donors are leaving Brazil to concentrate their efforts on poorer countries, which increases the responsibility of Brazilian social investors, who need to occupy approaches and agendas traditionally maintained by those organizations, such as the field of human rights;

- the topic of strategic philanthropy has not been heavily researched in Brazilian academia, which has focused on investigations related to social movements, NGOs and corporate social responsibility;

- the findings may be of interest to researchers and managers from other countries, considering that management tools and concepts developed by Brazilian organizations for social economics, minimum income and corporate social responsibility, for example, have been acknowledged and used in other contexts. Local leaders have become involved in recent years on international movements such as the World Social Forum and in defining the ISO 26000 standards of social responsibility. In terms of strategic philanthropy, the superintendent of GIFE has been since 2008 the chairman of WINGS board (the Worldwide Initiative for Grantmaker Support).

The study begins with a theoretical approach, exploring the emergence and consolidation of private social investment concept and its articulation with others, such as third-sector, philanthropy and corporate social responsibility (Falconer, 1999; Landim, 1999; Paoli, 2002). In addition of bibliographical and documentary research, interviews with researchers and practitioners are conducted, in order to identify trends and challenges on the field. An empirical base is also explored: a census carried out by GIFE in 2007 e 2008, with data on 80 Brazilian donors (a group that jointly donates approximately 500 million dollars/year, between 20% and 25% of all private donations to the social sector (GIFE, 2008)). This data allows us to better understand the management structure, strategies and investment priorities of such organizations.

Is expected that the study contributes to broaden understanding of relationship between management concepts and practices in the strategic philanthropy field. Among other findings, is observed the tendency to diversify social investment models and to articulate learning networks on the topic, with the engagement of different sectors. Parts of data will also be comparable to publications from similar organizations, such as the Council on Foundations (USA) and European Foundation Center.

References


