Abstract

Philanthropy has until recently played only a minor role in Germany. The role of women in philanthropy is particularly obscured. There has been no systematic or comprehensive research effort to trace women's philanthropic part in building the German nonprofit sector after World War II.

Philanthropy has been regarded as a predominantly private virtue that supplements gaps in state-provided services. While traditional women's associations still primarily rely upon volunteerism, autonomous women's projects are heavily dependent upon government money. In my paper I will analyze the effects of the government dependency in funding on the development of women's organizations in Germany which have characterized the majority of these groups up to now. I will also investigate why and how philanthropy and fundraising recently have started to play more important roles. My research is based upon qualitative interviews with feminist activists.

As a result of the government dependency in funding the many women's organizations that exist in Germany are relatively quiet and invisible to the general public. They are primarily known to insiders only. The reasons for this are: It is difficult to criticize your major funder openly because this could endanger future funding. Also, by not engaging in securing the financial support of individual women and other private funders through fundraising activities the organizations have failed to build larger constituencies. On the contrary, the responsibility for the survival of the organizations and in a way the ownership, too, has been shifted primarily to the government.

Since the earlier Nineties more and more women's organizations have started to explore whether and how they can tap private funding resources. However, this as a rule involves some major changes within the organizations. The building of
Fundraising has to be accepted as a management task. For many organizations these are major challenges. In most cases there is a severe lack in resources to get started on the necessary changes. Nevertheless, there is a growing number of organizations which despite these hurdles have begun to develop their fundraising potential.

As to the potential funders' side, positive signs can be noticed, too. There is a huge untapped potential for philanthropy in Germany in general, and for women's causes in particular. Many women are prepared to support women's issues when properly asked. A network of women with inherited wealth is in the process of development. Over the last few years, women have started to create women's funds the mission of which is to support women's organizations and women's issues. To foster philanthropy by and for women in the future will mean a strengthening of civil society in Germany.

Introduction

The word philanthropy, the giving of gifts of time or valuables ... for public purposes" (Salamon, 1992) is rarely used in Germany because social welfare provision is basically considered a government responsibility (Bauer, 1991). In the course of industrialization, the state actively assumed responsibility for social services, health care, education, science and culture. There is philanthropy in Germany but compared to the United States it has so far played only a minor role. The share of private giving to nonprofit organizations in the U.S. is 19 percent, in Germany it is only 4 percent (Salamon and Anheier, 1996, 61).

Research on philanthropy and private giving in Germany is still in its initial stages, and the history of the role of women in German philanthropy remains to be written. The general assumption is that the focus of women's philanthropic activities have been gifts of time, not money. This is also underpinned by various studies (Riemann 1985, Jakob 1993) on women and volunteerism. That, however, is about to change. Women's organizations have started to become more active in their fundraising and try to win women as donors. Women with inherited wealth have started to become philanthropists and to create their own foundations.

The first part of my paper is a brief overview about the history of the role of women in German philanthropy. In part two I will analyze why women's organizations became dependent on government money in their funding and the effects of that. In part three
I will talk about the reasons why fundraising was a rather small field in German women's associations up until recently and how it has started to grow. In part three I will outline the private funding sources available in Germany and talk about the opportunities of women's organizations here. In chapter six I will describe what the most important fundraising practices used in Germany are and which of those are already used by women's organizations.

1. The Role of Women in German Philanthropy: A Historical Overview

It is necessary to make a distinction between the time before the Nazi regime and the time after World War II. Apart from a few exceptions, the Nazi time can be viewed as a period when most civil society activities came to a halt and even private donations where channeled into supporting the regime and its activities.

1.1 Women and Philanthropy in Germany after World War II

There has been no systematic or comprehensive effort to trace women's philanthropic part in building the German nonprofit sector after World War II. After the War Germany was divided into two separate states: the Federal Republic of Germany (FRG) in the West and the German Democratic Republic (GDR) in the East. In 1990 Germany became one country again. The trends before the unification described here primarily focus on the situation in West Germany. Because East Germany was dominated by the state and the Socialist party, only rudimentary forms of a private voluntary sector existed in form of religious and church-related organizations. Today the third sector in the former GDR is no longer much different from its West German counterpart (Haibach, 1996).

In the postwar decades there was no active women's movement in Germany but as early as in 1945 several women's associations, mostly successor organizations to those existing before 1933, were refounded on the local and regional level. In 1949 Deutscher Frauenring (DFR) was formed as an umbrella organization of various religion-based, professional and cultural women's associations. In 1951 14 women's associations (among them DFR) formed a new umbrella organization which today is called Deutscher Frauenrat (German Women's Council). It currently consists of 50 associations with a total membership of 11 million women. One of it major purposes is to lobby for women's interests at the state, federal and international level. The work of the Deutscher Frauenrat and most of the women's associations under its roof
heavily relies upon volunteerism. Most of their expenses are covered by membership dues but there is no philanthropic tradition when it comes to raising money beyond that (Haibach, 1996).

Currently, there is no reliable data available on the extent and scope of private giving in Germany. This also applies to women as donors. According to an annual survey by EMNID, a polling institute, 39 percent of all Germans make charitable donations. The percentage of women who give is higher (40 percent) than that of men (38 percent). The survey does not include data of the amounts of money (Haibach 1998, 147).

When it comes to the foundation world in Germany, it is necessary to keep in mind that before 1991 when the first comprehensive directory (Bundesverband Deutscher Stiftungen, 1991) on Germany foundations was published, not much was known about foundations in this country. German foundations are not obliged by law to publish anything about their work. Although there are quite a few foundations that are named after a woman or a couple (man and woman), if a German woman were asked if she knew the name of an active female philanthropist the answer would probably be No". Perhaps she would come up with the name of the wife of the German President, Christiane Herzog, because she like many other wives of politicians dedicates a lot of her time and her energy to raise money for a charitable cause in the health field and for this purpose a foundation was created which is named after her (Haibach, 1998). Nevertheless, there are a few examples where women in Germany created small foundations as a means to advance women's rights. One example is the Helga-Stoedter-Foundation in Hamburg which was founded in 1988 with the goal of bringing more women into positions of leadership in corporations (Haibach, 1997).

1.2 Women and Philanthropy in Germany before World War II

The role of women in German philanthropy is even more obscured when it come to the time before 1945. Only recently a study (Doelle 1997) revealed that women's philanthropy in form of gifts of money and fundraising played quite an influential role in the first women's movement in Germany (between 1865 and 1933). Several women from wealthy families used their time, energy and money to support the work of women's organizations. One example is Hedwig Heyl (1850-1933), a female entrepreneur based in Berlin, who did not only contribute a major part of her money to the women's rights movement but also raised funds from individuals and businesses. Her father was a wealthy entrepreneur from Bremen, and her husband, Georg Heyl, was an entrepreneur who owned a major industrial company in Berlin. When he died
in 1896, in his will he conferred all responsibilities for managing his business to his wife. She developed into a very accepted and renowned entrepreneur herself. At the same time she became an active philanthropist. In addition to supporting several women's associations, she did a lot for a variety of social service organizations in Berlin many of whom would have gone out of existence without her support (Doelle 1997, 70). Another example is Alice Salomon (1872-1948) who came from a wealthy Jewish family. She devoted her time and money to create Soziale Frauenschule in Berlin, a school for female social workers. Today, she is considered the founder of social work as a profession in Germany (Doelle 1997, 24).

There are also several examples of foundations created by women between 1870 and 1925. One example is Helene-Lange-Stiftung. Helene Lange (1848-1930) was the leader of the moderate wing of the women's movement and active in various women's associations. She did not come from a wealthy family and earned her living as a teacher. As she led a frugal way of life, she was able to save quite some money (Doelle 1997, 37). After several years of objections, in 1912 the government authorities in Berlin approved the creation of Helene-Lange-Stiftung the purpose of which was to support female students at universities. Helene Lange herself gave 39,000 Marks from her savings but the major part of the endowment money (total 100,000 Marks) came from donations and fundraising activities by other women activists (Doelle 1997, 159).

The memory of most of these activities has been buried. After 1933 when Hitler came to power all existing women's associations were requested to join a Nazi-led women's federation or to dissolve itself. The BDF, the federation of German women's associations, dissolved itself in 1933 in order to avoid its submission to the totalitarian regime. In the course of this process Helene-Lange-Stiftung was closed down, too (Doelle 1997, 192) but several of BDF's member associations became part of Deutsches Frauenwerk (German Women's Corps) which was created by the Nazi regime.

2. The Government Dependency of German Women's Organizations

In terms of finances, the state and nonprofit organizations in Germany are closely interrelated. Because of the principle of subsidiarity (which defines the division of work between state and welfare associations) the state has to provide financial support when a welfare service provider's own resources are not sufficient. 68 percent of the total nonprofit income in Germany comes from the public sector compared to 30
percent in the U.S. (Salamon/Anheier 1996, 61).

*Deutscher Frauenrat*, the umbrella organization of German women's associations, receives money by the federal government in order to support its office and its staff whereas most of its member associations primarily rely upon membership dues and volunteer work. Many of the *Frauenprojekte*, autonomous women's projects that have developed at the local level as offsprings of the modern women's movement in Germany offer services in the area of social welfare, health care, education and culture. They are incorporated as nonprofit associations. In the beginning the work was done by volunteers but many of the women involved had the goal in mind to create jobs for themselves in their projects. As membership dues and client fees did and still do not account for large sums of money, women started to discuss whether the necessary financial resources could be provided for by government funding. This issue was quite controversial. On the one hand women argued that equality and safety are constitutional rights the government has to guarantee for women; therefore women's projects which work towards that end have a right be get funded. On the other hand many women's projects feared to lose their autonomy through money from the state. As there were no other choices available there was hardly any women's project which after all decided not to go for government money (Haibach 1996).

However, the problem was that local, state or federal governments were not prepared to fund these new projects. In the beginning many of the problems raised by feminist projects like violence against women had a hard time before they were accepted as public issues. Also, the ideas that developed in the context of the feminist projects in order to solve these problems were not taken seriously. Whereas the work and funding of the traditional welfare associations is based upon legal provisions, this is not true for these new areas. In spite of the hurdles many women's projects were successful in securing government support but this primarily happened in cities or states with progressive governments (Social Democrat and Green Party). In the beginning many women's projects had a lot of problems to deal with the bureaucratic rules which they had to meet when receiving government money but in the course of time they got used to them. Even if most women's projects still refer to themselves as autonomous projects, they have become heavily dependent upon government money (Haibach, 1996).

The government dependency has had depoliticizing effects on the projects. Many of the former self-help groups have grown into professional service providers. While in the past politicians and government officers had felt threatened by the aggressive feminists and their "noisy activities", women's projects now have turned to normal
(quiet and collaborative) styles of communication. A major consequence of the
government dependency is the fact that women's issues disappeared from the public
agenda. At the same time, the achievements of the organizations have by and large
remained invisible. Because the organizations did not engage in raising funds from
individual women and other private funders, they failed to build a constituency of
supporters. Many former feminist activists no longer have any direct ties to women's
organizations. Many women's projects are locked in an institutional ghetto. Most
outsiders think that the funding of those organizations is being taken care of by the
government (Haibach, 1996).

Currently, many women's projects are affected by the cuts in the budgets of local and
state governments; quite a few organizations struggle for their survival because it has
hardly ever been the case that women's projects have been organizations with huge
budgets. On the contrary, they have to be very creative to make ends meet. The fact
that the funding of their services is not based upon laws but depends upon the
discretion of the politicians who pass the budgets is the reason why women's projects
were among the first nonprofit organizations that had to experience cuts in their
government grants. Because of the lack of a broader constituency, there is no major
public outcry against the cuts (Haibach, 1996).

Although government funding is accompanied by financial accountability to the
government, cost efficiency or controlling are foreign words to most organizations.
Many of them have become rather inflexible and have not adapted the services they
offer to the changing needs in their environment. A problem that stems from that, too,
is that many organizations have a severe problem to attract younger women because
they do not offer services appealing to them or are able to talk in a way attractive to
those.

3. The Growth of Fundraising

Due to the financial crisis of the German welfare state, philanthropy and fundraising
have started to play more important and visible roles in Germany since the early
Nineties. Because of the German tradition of state-oriented nonprofit funding, most
women's organizations so far have neglected to tap or to develop private funding
resources to a larger extent. Fundraising does not enjoy a high status in German
nonprofit organizations. Women's organizations are not an exception here. It is not
done on a systematic or regular basis and many fundraising opportunities remain
unused. Most organizations do not have any staff in charge of fundraising. Private
donations only account for 4 percent of the overall income of nonprofit organizations in Germany, while in the United States they account for 19 percent (Salamon/Anheier, 61). In the German culture, fundraising does not yet enjoy acceptance. It is considered as begging and often associated with fraud. This view is to be found in many nonprofit organizations, too. Most of them, among them women's organizations, focus on their product", i.e. on delivering services in a quality as good as it can get. The flip-side of this is that not much attention is paid to marketing. In order to win the support of private funders, it is necessary to talk about the achievements of the organizations and the solutions to problems. In the past it required different strategies to get government funding. In order to convince the politicians in charge to support an issue and to help providing money for it in the budget, personal lobbying and public lamenting about the seriousness of the issue and the problems worked best (Haibach 1996, 1997, 1998).

One of the major reasons why women's organizations did not engage in asking other women to support their work is that money is a difficult subject for many women. They idealize their work because it serves a noble cause whereas for them money has to do with power and other concepts women have negative feelings about. Another problem is that many women have difficulties to ask others for money because they fear rejection and they also have a problem with what they see as taking advantage of their relationships with people. Women have less difficulties asking for government money because this is considered institutional money and there is a feeling that women's organizations are entitled to get support from the government because of the equal rights principle guaranteed by the federal constitution. The fact that in the past marketing and fundraising were rather foreign concepts to women's organizations has and this is true for other nonprofit organizations, too  led to the situation that they are often quite self-centered and sometimes even self-serving.

Currently, most advocates and doers of philanthropy and fundraising in Germany do not come from women's organizations but from other areas within the nonprofit sector where the leadership positions are held by men (e.g. environmental issues, private education, youth welfare). One reason for this is that in most women's projects women who have the time and know-how to do fundraising are not available. However, things have started to change. In 1996 a network of female fundraisers formed within the German Fundraisers' Association, BSM (Bundesarbeitsgemeinschaft Sozialmarketing). The percentage of female members of the association has grown from 30 percent when it was created in 1993 to almost 50 percent in 1998. Most women's organizations are still in their early stages as to raising funds from private sources and putting someone on the staff in charge of that responsibility but there are
quite a few that have started to get more professional in their fundraising activities. One problem is that many among them have a small staff which makes it difficult to redirect part of their time to fundraising. Also, most of them do not have a volunteer base that could be activated for fundraising activities. One reason for this is that the percentage of German that engage in volunteer work is relatively small (between 13 and 18 percent, Salamon/Anheier 1996, Gaskin 1995). In addition, currently there are no funders in Germany that are prepared to support small organizations to develop their fundraising capabilities. As these organizations often cannot afford fundraising counsel, one way to at least partly overcome their lack of fundraising know-how is to attend fundraising training courses which are offered at relatively reasonable prices by several educational institutions.

An additional hurdle that makes fundraising difficult in Germany is the fact that fundraising considerations do not play a role when people are nominated to sit on nonprofit boards in Germany (including those of women's organizations), i.e. there is a lack of persons that may enhance the fundraising resources and potential of the organization. Especially those organizations with a staff usually have rather weak boards.

4. The Funding Sources: A Huge Potential Not Yet Tapped By Women's Organizations

The willingness of private funders in Germany to support charitable causes is influenced by the predominance of public nonprofit funding and a political climate which does not encourage giving. Taxes in Germany are high, in addition money that goes to churches is levied in form of a tax, too. Many people are of the opinion that through paying taxes they have already given their share to public causes and that government is in charge. On the other hand the tax deductibility of private donations is rather limited (Haibach 1996, 1998).

Nevertheless, there is a huge untapped potential for philanthropy in Germany in general and for women's causes in particular. In spite of its budget problems Germany is a affluent society. When wars or natural catastrophes get enough public attention through the media, there usually is a generous flow of private donations. Also, there are quite a few other examples of private fundraising events or campaigns. However, the problem is that the majority of these donations can be classified as traditional charity because their purpose is to alleviate the suffering but not to find long-term solutions to the problems. Fundraising for progressive causes or social change
organizations is not well developed in Germany (Haibach 1996, 1997, 1998).

The few nonprofit organizations that address more progressive segments of society with their fundraising (e.g. Greenpeace) are very successful. Up to the present women's organizations have not started any large-scale fundraising campaigns. In the early Nineties abortion was a major public issue in Germany but no fundraising was done around that issue. But there are several examples which prove that many women are prepared to support women's causes when they are asked to do so. When the mass rape of women in Bosnia became public, huge amounts of donations started to flow almost immediately. Then same thing happened when a few months ago a TV women's magazine reported an the circumcision of women in Africa and asked for donations (Haibach 1996, 1997).

The data available on giving in Germany is rather poor. There is no equivalent to Giving USA The Annual Report on Philanthropy. The figures published are not as comprehensive and detailed, and they are based on vague estimates. According to these guesses, the total annual giving in Germany ranges between 4 billion and 15 billion Marks (approx. 2.2 billion and 8.3 billion Dollars). Deutsches Spendeninstitut Krefeld (DSK) estimates the total giving at 10 billion Marks (5,5 billion dollars). According to Deutsches Zentralinstitut fuer Soziale Fragen (DZI) the total in the area of human services and health is 4 billion Marks (2.2 billion dollars). In his recently published dissertation, Willy Schneider (1996) presents an estimate of a total of 15 billion Marks (8.3 billion dollars). Official tax statistics show that in 1992 (the last year analyzed) German individuals claimed charitable tax deductions totaling 4 billion Marks (2.2 dollars). These statistics are, however, incomplete because not all donations are included in the tax declarations. As to corporate donations, the only figure available is 741 million Marks (412 million Dollars). This again is derived from the official tax statistics and includes all charitable tax deductions German corporations deducted in 1992. The situation regarding the grant-making of foundations is even poorer. Foundations in Germany are not obliged to publish any data on their financial situation, including their grant-making. The total in this area is estimated at 3 billion marks (1.6 billion dollars) (Haibach 1998).

For many years, the same figures have been used in public. In the future, with the growing relevance of private giving, more accurate and detailed data on giving will become even more necessary. However, currently there is no institution in place to take care of that necessity. The standard belief is that giving in Germany stays approximately at the same level every year. Hopefully, the growth of fundraising in general and professional fundraising in particular will contribute to the growth of
giving, too. One precondition is, however, that more Germans will understand the importance of private philanthropy and their own giving for the public good.

4.1 Private Individuals

Individuals account for the major part of private giving in Germany, according to guesses from fundraising practitioners between seventy and eighty per cent. In 1997, 39 per cent of all Germans gave to charity, 38 per cent of the men, 40 per cent of the women. The share of donors in the West was 40 per cent while it was 35 per cent in the East. The average annual donation was 250 Marks (140 Dollars) in West Germany, and 160 Marks (90 Dollars) in East Germany. Compared to the USA where 1996 68.5 per cent of the household gave an annual average of 1,107 Dollars and of 1.2 per cent of their income to charity, the level of individual giving in Germany is low. However, it should not be overlooked that there is a church tax obligatory for all church members levied for the churches by the government together with the income tax. While Germans only donate 0.31 per cent of their annual income to charity, this percentage goes up to 1.12 per cent when including the church tax. Because of the fact, that many people gave up their membership status in one of the churches and this tendency is growing, individual giving may gain weight in the future. This may be even more true in East Germany where the percentage of church members is much lower than in the West. However, in the East the economic situation still is difficult for many people.

At the top of the preferences of individual donors in Germany are human services and health issues. As to specific recipient groups, children are at the top. Many of the human service organizations are afraid of losing a major part of their donors in the near future and try to think of ways to prevent this. The majority of their donors are senior people, mostly women, born before the end of World War II who experienced in their lives extreme misery, who are church-goers and who make donations in order to help others in need. Currently, bequests from these group of donors represent an important share of the charitable income of human service organizations. Currently for nonprofit organizations in general, it is a major challenge to win and keep the philanthropic support of the baby-boom generation, and what is more to motivate all Germans to get more active in their giving.

Women's organizations need to develop new approaches in order to win individual women as donors. This will only be possible when they get more professional and aggressive in their fundraising. The Nineties are a decade when billions of German
marks will change their owners through inheritances. Many major charities already try to conquer" their share of these financial resources but women's organizations are not yet among those active in legacy fundraising.

4.2 Corporation

Traditionally there was a big ideological barrier between the business world and the nonprofit world in Germany. Corporations were considered by many people, especially by those working in the field of social welfare, as the cause of all evil, whereas especially those nonprofit organizations that developed from social movements were seen as radical leftists by business people. The same applies to women's organizations and their relationship with the business world. Both sides are suspicious of each other but at the same time they do not know much about their opponents". Concepts like corporate citizenship, corporate responsibility, and corporate community investment are still unknown to most Germans. Even when it comes to German translations, it is difficult to find adequate words. Also, the notion that corporate leaders may sit on nonprofit boards is still foreign to many people in this country.

Nevertheless, most of the major corporations in Germany have supported nonprofit organizations with their donations money or in-kind, especially in those communities where their plants are located. Small businesses are also engaged in giving but to a lesser extent. As to the different sections of the corporate world, banks in particular are quite active. Quite a few of them created foundations in order to manage their corporate giving in a more effective way in terms of selection of the recipients but also as to using their giving for the enhancement of their own images. While local savings banks tend to focus their support on human services, the range of support given by major banks and big corporations is broader. Common fields of support include the arts as well as research and education at the university level. An interesting institution in the area of corporate giving is Stifterverband fuer die Deutsche Wissenschaft. Quite a few entrepreneurs and corporations created their foundations under the auspices of this institution the focus of which is primarily research and education in universities.

A recent development in Germany is the discovery of corporate sponsoring for charitable purposes. Commercial sponsoring has been around in sports since the Seventies. In the Eighties sponsoring gained importance in arts and culture. Nowadays, many exhibitions can only take place because of the support of sponsors.
In the late Eighties, several environmental organizations found corporate partners, too, but some of them, e.g. Greenpeace, do not accept any money from corporations in order to stay independent. In the early Nineties sponsoring was discovered as a fundraising instrument in the field of human services. A few spectacular examples of national scope triggered a lot of unwarranted hopes among human service organizations and also women's organizations that corporations would step in and make up for the funds cut by the government. However, they did not realize that in many cases they cannot provide the publicity potential necessary.

Sponsoring will gain further importance in the future. There are guesses that because of the growing resistance towards traditional advertising, sponsoring will experience a disproportionate expansion. So far, sponsoring is predominantly used by major corporations while many local businesses do not yet employ this instrument. Convincing the latter to work with sponsoring might provide new opportunities for local nonprofit organizations.

When German nonprofit organizations want to identify a corporate donor or sponsor, it is a difficult task because in most cases this requires a laborious search. It was not until 1996 when the first directory on corporate giving was published by MAECENATA. The second edition published in 1997 covers about 280 German corporations, i.e. still only a small section of all companies.

Women's organizations have only started to think about how to approach the corporate world as to donations and sponsorships. Unlike in the U.S. women in Germany have not yet used their power as consumers in order to win corporate support. However, there are quite a few examples that show: when the project is not too radical and the corporation's business is in the same area, women's organizations are quite successful in securing corporate support. It is, of course, necessary, to ask in an appropriate way. Often, they need to find an advocate (e.g. a politician) who will introduce them and their project to the people in charge within the company.

4.3 Grant-Making Foundations

In Germany, there is a rich and very old tradition of charitable foundations and trusts. Currently there are approximately 8,000 foundations, among them about 5,000 that make grants. Yet, until the early Nineties foundations as an institution lived in the shadow. This was different before World War II when especially Jewish families
supported human services, cultural and educational institutions through their philanthropy.

In 1991 for the first time a foundation directory, *Verzeichnis der Deutschen Stiftungen*, which included all German foundations was published. On behalf of *Bundesverband Deutscher Stiftungen* (German Association on Foundations), MAECENATA, a private research and consulting institute, gathered all data available and developed a database on foundations. New editions of this directory are published every two years.

Since 1994 MAECENATA publishes its own foundation directory which only covers the 1,200 most important grant-making foundations. MAECENATA has continued to collect data for its database on foundations. Every two years they issue a booklet that is based on an analysis of the database and covers a lot of relevant statistical information on German foundations. Despite of all this progress grant-seekers in Germany still have a hard time to identify possible grant-makers. Many foundations do not disclose any information on their grant-making. The mentioned directories and database do not include any details (whether recipients, sums or the projects funded) on the grants made.

Since the middle of the Nineties there is an increasing public interest in foundations. Every year, about 200 new foundations are created, and this tendency is growing. The reason is that an enormous amount of wealth will change hands within the next few years because the post-war generation leaves the fruit of their labor to their children and grandchildren. One aspect of this development is that foundations were and will be formed to function as owners of companies in order to avoid splitting the capital between several children and other relatives (which often causes a lot of problems). Chances are good that foundations will play a more influential role in the future, especially because of the fact that many individuals entrepreneurs, politicians, journalists, researchers have begun to see them in a new light: as forms of civil commitment and as major players in civil society.

It is not known what the percentage of women in foundation staff and boards is. Women and girls" are not a funding category of foundations in Germany and there is no foundation that is explicitly known for its support of women's programs, although there are several women's projects that received small foundation grants in the course of time. However, a new trends has set in. A network of women with inherited wealth was created in 1997. Among these women there are quite a few who plan to create a
women's foundation operating on the national level. Within the last year two foundations were created by women with inherited wealth who are specifically dedicated to support women's issues.

5. Fundraising Practices

Up until the middle of Nineties (and in many cases even today) fundraising" and direct mail" were used as interchangeable terms in Germany. The majority of those nonprofit organizations engaged in professional fundraising, relied almost totally upon sending mail appeals to their current and prospective donors. Since the mid-Nineties, more and more of the larger organizations have started to diversify their repertoire of fundraising techniques and to develop integrated fundraising programs. One major reason for this are the declining response rates of cold mailings. In addition, because of the fact that more and more organizations try to raise private funds, competition is growing, too. Therefore it becomes increasingly necessary for NPOs to base their work on the concept of relationship fundraising (Haibach, 1998).

According to Ken Burnett, a well-known British fundraising consultant and author of the book *Relationship Fundraising*, the key to relationship fundraising is the creative use of an organization's database. However, as to using the potential computers offer regarding fundraising, most nonprofit organizations in Germany are still at a beginners' level. At least, more and more groups manage the names and addresses of their members and donors in a database. Many women's organizations still have major problems in this respect.

5.1 Direct Mail

During almost two decades direct mail has been the predominant technique to raise private donations in Germany. However, it was not before the Nineties that more and more organizations have started to use it in an extensive way. The leading organization among the early pioneers that used and advanced this method during the Eighties was Greenpeace. The German branch of this organization was founded in 1980. During the second half of the Eighties an increasing number of organizations active in the field of social services and relief assistance, e.g. the Red Cross, started to employ direct mail.
In the early years of using direct mail, response rates of mailings to cold addresses were astonishingly high (up to 10 per cent) because people were not used to receive personalized letters asking them to donate to a cause. However, this has changed. Over the years, the response rates have been declining. Nowadays more and more people respond in a negative way to receiving cold mailings because the number of pieces they get increases every year. Today, the response rates range between zero and two per cent, the average is about one per cent. Renewed direct-mail donors stay with an organization for an average of seven years. The response rate to the house list is regularly about 10 per cent or even somewhat higher. Organizations lose about 20 per cent of their current donors annually. It is difficult to mention any amount as to the average donation because there are huge differences between the various organizations. For most cold mailings it ranges between 30 to 50 marks.

Despite the declining response rates of cold mailings, direct mail will remain an important tool in German fundraising, especially when it comes to donor renewal. Now, this technique is mostly used by organizations of national scope. Currently there is hardly any women's organization that uses direct-mail. Some sent out occasional letters, but these were neither tailored to specific groups nor was is done on an regular and ongoing basis. Recently, a few local women's organizations have started to use direct-mail in a more extensive way. They do not use cold addresses but compile all warm addresses they have access to. The results show that this is a promising way of increasing their income from donations. The response rates are much higher than those major organizations have with their cold mailings.

5.2 Major Gifts

Major donor fundraising is still in its early stages in Germany. While most of those organizations involved in direct mail also receive some bigger donations, this in most cases happens by coincidence, i.e. a donor decides to make a major gift without specifically being asked for it. Apart from sending personal thank-you notes, perhaps signed by the executive director or the chair of the board, most organizations do not use fundraising techniques directed to major donors in particular. Only recently, several of the big organizations have started to put someone in their fundraising staff in charge of major donors. This person's responsibility is first of all to nurture the relationships with current major donors in a more personal way; for example, by sending handwritten holiday greetings to them or by organizing specific events. Several organizations have started to offer specific programs for high donors. They are not called donor clubs but set up similarly. One example is WWF. Donors who are prepared to give at least 600 marks annually over a period of at least five years can
become Paten, sponsors, of specific projects. In return, they are entitled to receive regularly reports containing background information on the project (Haibach, 1998).

Capital campaigns are not yet used as a fundraising technique in Germany. Nevertheless, experts like Dr. Gerlinda Melchiori, a capital campaign consultant with Brakeley Europe who works in the U.S. and in the German-speaking countries of Europe, believes that it is only a matter of time before this technique will be used in Germany, too (Haibach, 1998). One positive sign towards this direction is the raising of funds for Dresdner Frauenkirche. This, however, is a very special case and not a real capital campaign.

There are a number of organizations that have a Kuratorium, a committee consisting of a limited number of people who agreed to make a substantial major gift, e.g. 5,000 marks, annually. However, prospect research as well as actively tracking and approaching major donors is still uncommon in Germany. One major reason for this is that wealth is a taboo in this country. There are quite a few rich people, and the tendency is growing but to talk about one's assets in public is unseemly. When rich people give, they mostly do this in a silent manner. Most people on the givers' and the recipients' end consider it inappropriate to make a personal ask for a major gift.

As to women as major donors, whether to gender-specific projects or to other causes, this is still an underdeveloped field in Germany. Those organizations that get major donations report: two thirds of their major donors are men, one third women. When it comes to bequests to nonprofit organizations, it is the other way round. This is primarily due to the fact that on an average women live longer than men. In the years to come it will be a main challenge for women's organizations and nonprofit organizations in general to include active major donor fundraising into their practices. Due to the transfer of assets by bequests, the number of wealthy people and the amount of wealth will continue to increase.

5.3 Special Events

Special events for fundraising purposes are not new in Germany but in the past major events were the exception, not the rule. Special events, in particular crafts auctions, were more or less confined to local organizations. The only publicly known major event that has been around for many years is Ball des Sportes (sports ball) which is offered by Stiftung Deutsche Sporthilfe (German Sports Support Foundation). The
entrance fee is 1,400 marks, 700 marks of which are a donation. In 1997 2,500 guests participated and the amount of actual donations was over 2.5 million marks.

Since the early Nineties more and more organizations have started to include special events in their range of fundraising techniques. The most common models are dinners, music and theater shows, bazaars, and auctions. In several cases, public events with a sportive character, e.g. running, have turned out to be particularly successful. As to women's organizations only a very few have started to invite their potential supporters to a special event. Those who did it, particularly on the local level, were positively surprised by the number of women that showed up and by the income they made.

5.4 Telethons

In Germany cold telephone contacts to private individuals for fundraising and for direct marketing purposes are illegal. Therefore, telethons cannot be used as a fundraising technique. Nevertheless, it has become more and more important for nonprofit organizations to include the phone into their range of fundraising methods since the mid-Nineties. It is permitted to make phone calls to those private individuals with whom a relationship was established in the past. An increasing number of organizations makes use of the telephone in order to win back elapsed donors or members who announced to give up their membership. The phone is also used in order to upgrade high donors by inviting them to support special projects. Several big organizations also use to phone to win new donors or at least their addresses. As they are not allowed to call people, this can only be done by publicly announcing a phone number, e.g. in a TV spot or even in a TV show, so that those interested can call in themselves. The number of people who call is high, however, especially those who call during TV shows often remain one-time donors.

In spite of many objections expressed initially by the leaders of NPOs, the results show that when used in a cautious way, including the telephone in an organization's fundraising practices is enhancing its potential to raise money. However, women's organizations have not yet started to include the phone in their repertoire of fundraising techniques.

5.5 Annual Funds
There is no equivalent term to annual fund" used in German fundraising. Nevertheless, many organizations try to win supporters who make their payment on an annual basis and who renew their donations year by year. One popular strategy is to offer membership as the primary choice for somebody interested in the work of an organization. Another way which comes close to membership but is a less formalized way of commitment is to convince people to become *Foerderer* (supporters). Both members and supporters are offered special benefits (e.g. regular newsletters, sometimes tickets at reduced prices or similar things). There is a broad range as to the average annual contribution. In the case of human service organizations it is often rather low (between 24 marks and 60 marks) whereas with cultural organizations it may range between 60 and 240 marks. For foster children in developing countries the amounts range between 50 and 60 marks per month, i.e. 600 and 720 marks annually.

Members and supporters are also asked to give the organization a permit to debit the amount (either annually, quarterly or monthly) from their bank accounts. Although some people do not like to give such permits, a major part does because it is easier for them. They do not have to remember when to make their payments. Another argument often used by the organizations is that this way of payment is less costly and therefore more money is left for supporting the cause. Although the debiting system is a very effective way of renewing donors, it is necessary to cultivate these donors, too, because otherwise they may cancel their pledges. For many organizations this represents a major challenge. Some organizations send regular direct mail appeals to those donors, others argue that this may annoy them and possibly cause them to withdraw their support.

Most women's organizations are set up as associations, i.e. they have a membership base. This is, however, rather small in most cases because not much efforts is put in winning new members. Also, not enough care is paid to keep the current members. The members are hardly ever asked for additional contributions. Some organizations that have recently started to do this were positively surprised about the results.

**Conclusion**

Over the past two decades, women's projects (and other alternative nonprofit organizations have succeeded in breaking the monopoly position of the traditional welfare associations with the German nonprofit sector. The third sector in Germany has become more heterogeneous and pluralistic. In the beginning the activities of the new associations grew from political motives. Although these motives continue to
influence their work, service provision has gained to priority. This seems to be the typical career" of women's organizations (and other voluntary associations) in Germany. The issues are identified and brought to the public agenda by women's philanthropic activities (mostly by volunteer work). Government funding seems to guarantee the co-optation of trouble-makers" and their depolitization. A positive effect of the declining government funds and the necessity for many nonprofit organizations to diversify their funding could be that more philanthropy will have the effect of making nonprofit organizations less dependent on government support. To make hitherto unknown philanthropic activities by women publicly known and to foster philanthropy by and for women in the future will mean a strengthening of civil society in Germany.

References


