



## Rural Development Philanthropy: Building Community, Advancing the Field

*Barry Gaberman, The Ford Foundation*

*Barry Gaberman recently retired from the Ford Foundation after 35 years, serving as senior vice president since 1996. He began his career as a Foundation program specialist in Indonesia and has since held a variety of leadership positions including director of Program Related Investments and deputy vice president for U.S. and International Affairs. Mr. Gaberman has served on many boards of organizations dedicated to strengthening civil society and building philanthropic institutions including the Independent Sector, the Council on Foundations, BoardSource and the European Foundation Center. He is the founding chair and chair emeritus of WINGS, the Worldwide Initiatives for Grantmaker Support.*

**I**nstitutions are springing up around the world to help channel the universal charitable impulse into meaningful community development endeavors. This collection of essays shows how a particular slice of philanthropy, community-based foundations serving rural areas, value and assemble individual and community assets and put them to use, with guidance from local leaders, to fulfill community needs and aspirations. They represent an emerging movement that is becoming a key feature of civil society world wide. What do these experiences bring to the wider field of philanthropy and what are the challenges going forward?

Katharine Pearson Criss' extraordinary journey from East Tennessee to East Africa, traced in her introductory essay, advances a vision of rural community empowerment in two very different places based on a celebration of rural agricultural and cultural assets. Joining her in building the East Tennessee Foundation and the Kenya Community Development Foundation, Monica Mutuku, Terry Holley, Joyce Malombe, Janet Mawiyoo and Mike McClamroch share a conviction that these local foundations are uniquely positioned to respond to real needs, employ the best of local wisdom, prudently introduce new ideas and maintain high standards of accountability. They are bringing long overdue recognition to age-old giving traditions, taking to heart lessons learned over years of community development experience, and celebrating the places they love.

Personal engagement is a hallmark of these rural development philanthropies as are direct accountability to a web of community relationships and attention to the smallest forms of social organization that are the bedrock of community. Their small, incremental investments — a scholarship fund for orphans, a rotating dairy goats scheme where the offspring are given to community members, weaving and wood-working classes — are building social capital, the

social bonds and community relations that comprise the civic culture of a place. As the stories in this collection of essays show, support for these forms of social organization can break down the isolation of the poor, strengthen relationships that provide security and support and encourage the community investment in local organizations and individuals. Local philanthropies that attend to this kind of social capital are no less important than the “strategic” philanthropy of larger foundations. In fact they often excel where strategic philanthropy is most challenged: achieving both greater interaction between giver and recipient and measurable results. Rural development philanthropies have a natural advantage as their actions are built from the outset on local personal relationships and they are directly accountable for the results.

The stories in this book include the seasoned insights of community development practitioners who know from experience that externally motivated and financed development has real limits and genuine local participation in all aspects of project design, funding and implementation is key. Monica Mutuku's story of the Peace Corp volunteer who returned to find his well project had fallen into disrepair and a community so sorry that his pump was broken aptly illustrates the void that these foundations aim to fill.

Within the “Donors Ourselves” notion there is a strong sense of sovereignty and self-confidence and a conviction about the power of a development agenda defined and financed from within communities. These foundations are also clear about the support they need from others, setting the stage for effective collaboration. One of the goals of Arif Neky's Aga Khan Foundation in East Africa is to contribute to “a changed social condition that provides momentum for them to take care of their own development needs.” By combating dependence and providing a vehicle for collaboration, rural development foundations, he believes, will prove to be “a critical link between a stronger civil society, pluralism, and democracy.” Local foundations, such as the PUMA Foundation described in Betsy Campbell's piece, are pioneering grant-making practices that enable local people to identify problems and build their capacity to craft and manage solutions. These foundations follow community development principles on the asset development side as well. This may be their true genius. As East Tennessee's Terry Holley notes, “building an affiliate fund is community development...creating a vehicle for local decision-making and establishing a process...and pathway for dollars and resources to go into projects.”

These community philanthropies are fresh participants in the debates alive in the broader field of philanthropy, equally challenged but with a unique perspective. They begin where the field in the United States appears to be shifting: from the institution to the community and from managing financial assets to long-term leadership. Where many national and international foundations struggle with how to enter and leave a place, sector or strategy, local foundations are committed to their places for the long term. They are already engaged in balancing the views of traditional authorities with the visions of younger leaders. They understand Martin Leffeldt's concern about asset building successes subverting the commitment to community having seen money corrupt too many times. Like the diversity of foundations world wide, some of the foundations described here wrestle with increasingly restrictive enabling environments while others operate in a policy context that does not acknowledge their special role. Few benefit from tax incentives to build their assets, but they have thought hard about tapping traditional giving mechanisms. All must manage the activism of local leaders pushing for change without threatening their acceptance by the larger political system in which they operate.



Likewise, all foundations are concerned with adhering to donor intent, achieving discernable impact and, of course, setting a course for sustainability. Woven through all of these concerns is the need for accountability. In the case of community development foundations, these imperatives are at their doorstep requiring a locally sanctioned balance of rigor and trust. In the debates about benefits and unintended consequences of the professionalization of the field, these foundations show the importance of not losing sight of good sense and natural leadership. As Gerry Salole

cautions, the trend in philanthropy towards increasing bureaucracy to guard against corruption instead of relying on the personal relationships that characterize community philanthropies takes away the stake that people have in seeing that the resources are used correctly. His cautions are echoed in Janet Topolsky's story about how the Humboldt Area Foundation staff trusted local innovators who devised a simple plan to use local fish resources to help feed the elderly based on local wisdom without an elaborate planning process.

Looking back over my past 35 years at the Ford Foundation, I am particularly proud of our support for emerging philanthropies and related networks and associations of grant makers world wide. These foundations and support organizations have often been the first of their kind in their counties, countries or regions and they have benefited greatly from opportunities to exchange ideas with similar institutions around the world. They know they are taking up steep challenges and promising an elusive mix of authenticity, independence and sustainability in an increasingly jaded world. I recall first getting to know Katharine and the East Tennessee Foundation (ETF) when they participated in the Ford Foundation's Leadership Program for Community Foundations in the late 1980s. One of the most valued aspects of that Initiative was its annual meetings that enabled executives and board members to exchange ideas with like institutions and build their skills. ETF later participated in the Rural Development and Community Foundations Initiative where it forged links with the nascent Kenya Community Development Foundation (KCDF), one of several efforts to extend the exchange of information and experiences to the international domain. In 1998, I addressed a group of emerging foundations in Africa, KCDF included, at one of the gatherings of the Africa Philanthropy

Initiative. At that time I underscored for them my sense that their efforts were crucial to the growth of a vibrant civil society across the continent. In the ensuing years many have contributed to the progress made, particularly in Africa, Asia, Latin America and Eastern Europe, in cultivating an international network of innovators and leaders in philanthropy.

In 2005, the Ford Foundation launched a new International Initiative to Strengthen Philanthropy supporting 18 organizations in 12 countries. This new initiative builds on an important lesson learned from previous efforts. Often new philanthropic organizations clear the hurdles of getting legally established, transforming an organizing committee into a functioning board, recruiting the first institutional leader, developing a programmatic strategy, refining an asset accumulation plan and beginning to demonstrate an effective track record. Yet having done so, they still remain modest players within their operating contexts because of limited financial resources and institutional capacity. It is easy to lose heart at this point and this new initiative, based heavily on the power of peer-to-peer learning, is an attempt to work on the next stage of asset and capacity building. The hope is that these new institutions and many others thrive and change the face of philanthropy across the globe.