

Part I: Two Worlds, One Vision

Donors Ourselves: Rural Development Philanthropy from East Tennessee to East Africa and Beyond

Katharine Pearson Criss, Center for Rural Strategies

There is a movement afoot on every continent around the world. It is a movement to create indigenous philanthropy rooted in rural communities — not just from the gifts of the wealthy, but also from the least fortunate — that enable citizens to take charge of the development of their communities and shape their own destinies.

Rural communities face enormous challenges. Even in the wealthiest countries of the developed world, rural communities have fewer opportunities for advancement than their urban and suburban neighbors.

In developing countries, rural communities are at the frontlines of sustainable development challenges. Their water, education and infrastructure are minimal. Yet in developed and developing countries, there is promise and possibility in initiatives taking place at the local level.

Much has been written on methods, best practices, successes and failures in the field of rural community development. How to channel resources effectively to assist the poorest rural areas is the subject of much debate. This essay explores one aspect of this thinking, from my personal experiences over the last 20 years with two community foundations in East Africa and East Tennessee where I was involved as a staff member, board member, grantmaker and donor.

The background image shows two women standing in a rural, arid landscape. The woman on the left is wearing a white headscarf and a light-colored, patterned dress. The woman on the right is wearing a red headscarf and a yellow and blue patterned dress. They are both looking towards the camera. The text is overlaid on this image.

S n a p s h o t: Meru, Kenya

Intense poverty and a failing agricultural infrastructure have left approximately 40 percent of the population of Kenya's Meru region without enough access to food. What began as a series of small local efforts to fight poverty has grown into a powerful force that connects local communities to their resources in new ways. Through the South Imenti Development Association (SIDA), the Meru central district created a local microfinance institution, an AIDS control project, an education fund that includes scholarships for orphans, a rehabilitation of the lagging coffee industry, a dairy goat project and several community water and electrification projects. SIDA also has a fund at the Kenya Community Development Foundation and has had success in attracting new donors from outside the region to fund its community-driven efforts.

These foundations, the East Tennessee Foundation and the Kenya Community Development Foundation, brought community development and philanthropy concepts together in a new way as inseparable forces for change. Call it what you like, community development, community philanthropy, indigenous philanthropy or rural development philanthropy. By any name, this work can give rural communities the wherewithal to transform themselves into viable, desirable places to call home, and do so in a way that is powerful enough to set large-scale institutional philanthropy on its ear.

RURAL DEVELOPMENT PHILANTHROPY: A KEY INSTITUTION FOR COMMUNITY

In any community, there are key institutions that maintain viability and sustainability: schools, businesses, places of worship and charitable institutions. We know that charitable institutions fill the roles that government or business cannot. They provide relief in times of dire need, new opportunities for partnerships and new ways to bring community citizens together in safe, non-threatening ways to overcome differences and solve problems. However, many smaller rural communities, though they may have traditions of mutual self-help, lack institutions

It is like an idea you cannot stop. It has come to a point where it has to work. I think it's across the world — everybody's talking foundation, foundation, foundation. And... we're going to go to very great heights.

Atia Yahya, board member, Kenya Community Development Foundation

that use contemporary financial management tools to enable and sustain collective philanthropy. It is as if a key piece of the picture is missing. Rural development philanthropy puts that piece into place, and binds it so tightly to the economic and social forces of a community, that it is almost impossible to tell where one ends and the other begins.

Rural development philanthropy is not about building the biggest endowment. It is about combining the tools of *community development* and *philanthropy* in a way that truly serves what is best and most just for a community. It is about organizing residents of a community to identify and address their most pressing needs. It changes the *status quo* in ways that push beyond the donor-serving model of many community foundations in the United States, and, instead, engages donors and spurs them to action. It offers them new ways to see what can be and how things can change for the better in their communities.

In most communities, external philanthropy is often doomed to failure before it begins. As Terry Holley, my longtime colleague and vice president for Programs and Regional Development at the East Tennessee Foundation, says, “A lot of foundations decide how they want a community to be different, and say, ‘here’s what we want to see as an outcome, here’s the money, make it change.’ Those things are sort of like a big forest fire. They start with a little smoke, boom into a fire and they leave you with a very desolate place.”

My colleagues and I have found this to be especially true in small rural communities where the key element missing is genuine community participation and buy-in. For effective rural development philanthropy, it is imperative to find local resources to design and implement the philanthropic and community development agendas. This ensures the rights of communities to set their own priorities.

Philanthropy Grows From a “Sense of Place”

Although there are many ways East Africa and East Tennessee are vastly different, when it comes to local philanthropy, those differences hardly

matter at all. What is important are the similarities that these communities and practically all rural communities share — their sense of place. Noted Kentucky author Wendell Berry wrote, “If you don’t know *where* you are, you don’t know *who* you are.” The land that we live on shapes us into the people we are and the people we will become. It gives us our sense of connectedness to the earth and to the community. It’s what makes a particular location on our planet feel like “home.”

The residents of East Tennessee and East Africa have a fundamental, deep-seated relationship with the land and all things pastoral and agricultural. Both have long-standing traditions of farming and grazing that diminished as opportunity moved to the cities. Yet few residents seem to claim a love for the pavement. Most of the poorer urban dwellers in Nairobi left the country to come to the city to earn a living. They speak of their desire to make money, to return home, and to buy some land of their own. In the great migration from Central Appalachia in the 1970’s, to places like Detroit and Cincinnati, people created neighborhoods that reflected their rural roots and culture.

By celebrating these deep ties to rural agricultural and cultural assets, local foundations grew successfully in both regions.

It's sort of harkening back to our early days when, as independent pioneer types, we settled this land and we took responsibility for ourselves and we took responsibility for doing what we did well.

Gregg Jones, former chair, East Tennessee Foundation

The Kenya Community Development Foundation (KCDF) made it easier to reach out to small rural communities and help them begin to create their own economic and philanthropic wealth. KCDF was created in 1997 as a project of the Aga Khan Foundation, the Ford Foundation and a local advisory committee. It became an independent foundation in 2001. It promotes awareness of local resource mobilization as a key ingredient in sustainable development. By working on the ground in rural communities in Meru and Makutano, KCDF is helping local residents design and implement their own plans for assembling philanthropic funds that drive community development.

The East Tennessee Foundation (ETF) was formed in 1986 as a traditional community

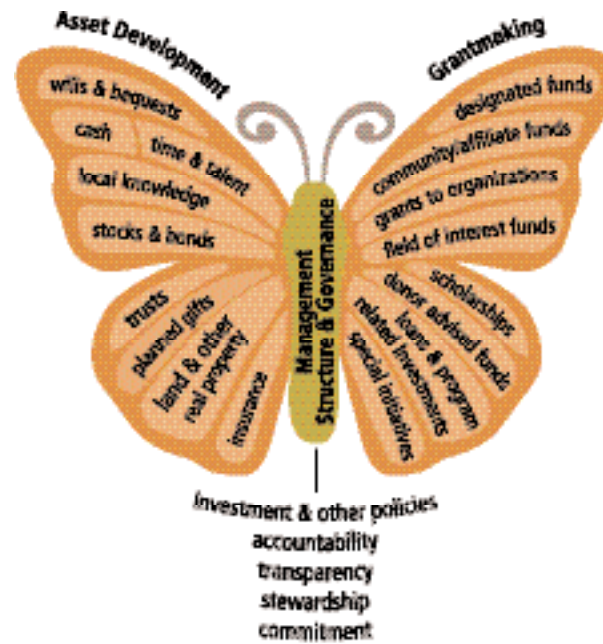
foundation. Over the years, it became a proactive force for helping small mountain communities shape their own futures. In the small, isolated Tennessee communities of Coker Creek, and in towns like Greeneville, ETF helped communities identify and leverage their assets to build a stronger economic base, as well as establish their own community funds within the Foundation.

Both the Coker Creek and Greeneville rural communities are built on agricultural and natural resource-based economies. Both weathered the vicissitudes of extractive industries and colonizing forces. And, both were battered by contemporary social and economic trends that denigrate rural traditions and limit opportunities. Yet in the face of these changes, each retained a strong “sense of place.”

“THE BUTTERFLY”: CREATING COMMUNITY DEVELOPMENT PHILANTHROPY

When I first started talking about building a community foundation in East Tennessee, and later in Kisumu, Kenya, trying to explain the complex concept was a struggle. On one hand is the importance of identifying and gathering assets. On the other is the challenge of finding the most effective and equitable ways to distribute grants within the community. At the center of these two dimensions, local governance and accountability hold the other two functions in balance. A few years ago, as I was scrawling notes on a board before a group of community leaders in Greeneville, and trying to explain this approach, I circled each of these three elements and “the butterfly” was born.

While the butterfly model is simple, it is easy for a foundation to lean too heavily toward



one side or the other. This throws the model off balance and hampers its ability to take flight. For example, many community foundations in the United States, especially those in urban areas, have concentrated heavily on the asset development side during the past several years. Further, they have concentrated only on building financial assets rather than the less tangible assets of land, labor, ideas and community relationships. While this model may be effective in cities, it will ultimately fail in rural areas where financial assets may be the least prevalent asset.

In contrast, large global foundations that concentrate on community development work bring outside sources to local communities. Too often, this robs those communities of the ability to determine their own courses of action and grow their own assets.

To be successful, community development foundations must not only pay equal attention to both sides of the butterfly, they must do

so in a way that is transparent, trustworthy and inclusive of everyone in the communities where they work. And, perhaps most importantly, they must be committed to this work for the long haul.

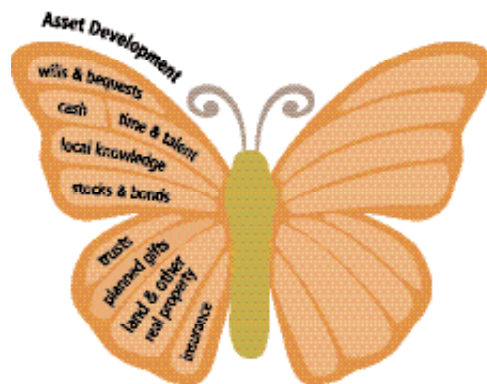
Finding and Mobilizing Community Assets

These days, there is an emerging consensus among grantmakers and community developers that every community — no matter how poor — has assets. Finding these assets is about knowing what people in a community value, what they aspire to and believe and how they feel about the place where they live. Alice Loftin, director of heritage projects at Rural Resources in Greeneville, understands how to get to the root of a community better than almost anyone I know. She says, “It’s about helping folks to understand their own values and to have the courage to value them.”

“Suppose,” she muses, “that community development is not just a matter of the buildings we build, or of the people we bring into a community to work for an industry or live

there as retirees. Maybe part of community development is developing the soul of a community, and the soul of a community is at least partly located in its sense of place and its sense of history. That’s important if we are not going to lose the character, the feeling, the essential qualities that make a place a place, and that identify in people’s minds and hearts that this is somewhere they love to be.”

Because of strong ties to the land in both East Tennessee and East Africa, finding community assets is often synonymous with finding what will restore the land. In Meru, Kenya, it all came down to reviving the agricultural traditions, traditions nurtured by the areas’ fertile land and temperate climate. In Coker Creek, the key assets are found in historic art forms like pottery, woodworking and quilting, which are based on local natural resources and reflect the local environment. In Makutano, Kenya, the first step in building the community was to create a common water source closer to the village. In Greeneville, the crux of a common community vision turned out to be the community’s shared pride in its agricultural history.





Snapshot: Coker Creek, Tennessee, USA

Surrounded on all sides by national forest land, this isolated community knew it would have to grow from within. It began a series of local craft and arts workshops, for which the demand from local residents and tourists grew by leaps and bounds. Today, Coker Creek has a regular schedule of classes for artisans, a new community center with retail space for selling local creations and dramatic growth in local entrepreneurship and property values. They were also able to keep their Post Office, a fact that kept them on the map — literally. Most importantly, those who locate and invest in Coker Creek do so to help preserve the town's character, not to change it.

A lot of sparks have taken place, and as a result, individual people no longer depend on other donors, but have become donors to their own projects.

Titus Masika, board chair, Makutano Community Development Association

A community's culture is vitally important in determining how and what residents value as a basis for determining community assets. Culture builds the regional memory and consciousness that informs the current sense of place. The community's food, music, dance and art all reflect its particular context and history, and help to define its culture.

The perceptions shaped by culture may have little to do with the current economic reality, but connecting to the culture is a viable way to engage citizens. In Greeneville, Rural Resources helps current generations of community members remember and understand the importance of farming and preservation of land. "Few people can make a living totally from farming anymore. But farming is still at least a part of the livelihood for many, many families in this area," says Loftin. "My work has been a process of getting people to tell stories, to think about the past of their community and to frame those memories in a way that can help preserve them, but also use them as building blocks for making the kind of future we'd like to have."

Monica Mutuku, KCDF's founding executive director, has noticed a distinct difference in the way philanthropy is connected to the community in the United States as compared to Kenya. "In my meetings with community foundations in the United States, I had the impression it was very much about rich people doing things they cared about," she says. "And that's okay; we also have wealthy people here. But right from the beginning, we said we were going to build an institution to promote community development. Community development is about people doing something for themselves. The key thing really is about people being in control of their own development processes. People being able to say, 'We want to deal with issues of education as a community' and 'We are very concerned about the lack of water in this area, and we want to do something about it' or 'This is what we think we need, this is what we feel we need to do.'"

In addition to participation and buy-in, building a lasting pool of philanthropic community development funds often requires a fundamental

shift in the way community members think about giving money. They must change their focus from raising money for immediate needs to envisioning long-term investment and building endowments. In Kenya, this transition is aided by capturing metaphors from the farming communities. KCDF first introduced the idea of charitable investment by explaining that money donated to or within communities was like using sugar — once you use it, it's gone. They suggested, instead, that communities look at their charitable efforts as planting a seed that will grow to bear fruit continuously. By explaining the concept of saving the community's resources for one of the inevitable drought years, or by beginning with simple seed banks in which farmers contribute seeds from each year's harvest to ensure the next year's crops, the leaders of KCDF began to change the way that local communities thought about themselves, their assets and their possibilities.

Another big challenge for leveraging newly discovered (or rediscovered) assets, is helping citizens learn how to ask for money locally to get their efforts off the ground. In both East Tennessee and East Africa, there is a strong sense of taking care of oneself. People in these communities are not in the habit of asking for money, especially “charity.”

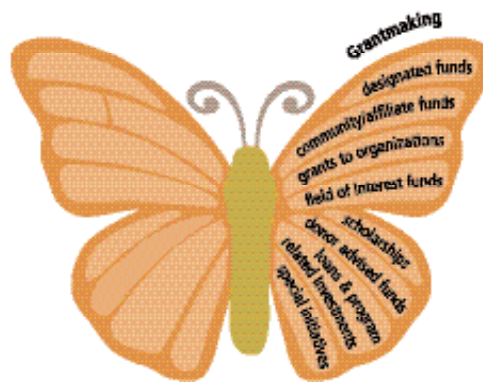
It is much easier to go to New York, or some other place, and ask a large foundation for money than it is to ask your neighbor, especially if you don't like the way they made their money or disagree with their politics. In Kenya and East Tennessee, absentee landowners have money, but are not necessarily welcomed by the community. In both parts of the world, the same relationship might exist between a community and its resident corporate farmers, developers or representatives of mining interests. But, learning to ask often is a first step in bridging gaps between community groups and eventually brings more members of the community to the table.

Therefore, rural development and foundation building requires the ongoing cultivation of donors from the local community. To do this, communities must be aware of and sensitive to the motivations of donors. In both places, the idea of “giving back” to a place that has nurtured your success provides the motivation needed to grow rural development philanthropy. While donors in the United States have the benefit of tax deductions for charitable contributions, no such benefit exists in Kenya. Yet, even without a financial advantage, donors continue to give at an increasing rate due to a cultural practice of taking care of yourself and your neighbors.

Established local philanthropy can also attract local, national and expatriate donors, and re-connect them with the lives of their home communities. Says Aleke Dondo, KCDF board member, “We are creating an avenue for people who are better endowed materially, and who would like to contribute to community development, but don’t know how. We are creating a vehicle through which they can channel these monies that they wish to contribute to charity. I think we are appreciated. It will take some time for people to fully understand what we are trying to do, and to fully trust us. But, I think as we go on and create these funds, they will come through.”

Grantmaking for Sustainability in Rural Development Philanthropy

Creating lasting change requires careful thought and consideration of the distribution of charitable resources — to make grants for ongoing development projects in a way that both engages all community members and is true to the community’s evolving vision. It means staying in touch with



Part of what gives communities encouragement, part of what builds local philanthropy, is to stay on that journey with them...to build those relationships and that trust. You’ve got to be there for the long haul.

Terry Holley, VP Programs and Regional Development, East Tennessee Foundation

the real issues in a community such as the on-the-ground impact of AIDS in African villages, the need for AIDS education or the need to improve the status of women. Local philanthropic funds can do this much more effectively than philanthropy from outside ever could. For example, “The women’s group phenomenon is very common here in Kenya,” says Mutuku. “In rural areas there are women’s groups just about everywhere. They are a force that can help turn things around. Addressing the AIDS epidemic also requires the leadership of local residents who understand the cultural taboos and can lead a community around those taboos. You can’t go there and tell people, ‘you have to change this.’ You make change only if the community discusses it and agrees, ‘yes, there is something wrong here.’”

S n a p s h o t: Makutano, Kenya

When local residents in this community gathered to discuss how to help themselves, access to potable water was the primary concern. After discussion and exploration, the community decided to build a dam to catch and hold rainwater. The new dam makes water more accessible for residents, livestock and crops, and eliminates a trek of several miles that village women were making every other day. To this first victory, the community has added several other agricultural-based projects, including a seed and food store for stockpiling grains during good years, soil and water conservation programs and training for dairy farmers and beekeepers. The community has also turned its energies beyond farming to build a new school and develop new programs for youth development and HIV/AIDS awareness. The Makutano Community Development Association also has a designated fund at the Kenya Community Development Foundation.

Local groups can be especially good at investing small amounts for large impact. In East Tennessee and Kenyan communities, a small grant can do wonders. As little as \$500 (U.S.) can often initiate an important project when combined with the kind of capacity building that rural development philanthropy demands.

Capacity building, an over-used term in the community development and foundation realm, is nevertheless a real consideration for successful rural development philanthropy. It takes many forms and should be predicated on the current abilities and interests of the community. Dondo knows this well. “I would say that one reason that Africa is under-developed is the lack of capacity in main areas. On the high end, you can talk about technical capacity in various fields. But, on the lower level, communities lack the capacity to do what they want, to do it better or to do it more efficiently. So, even capacity in bookkeeping and information gathering, capacity to develop boards and better village governments, all of this is very critical to the development of our country, particularly at the grassroots level.”

Learning from other communities is also a key factor for long-term success. Through support from the Ford Foundation, KCDF and the East Tennessee Foundation were extremely fortunate

to participate in a unique kind of community foundation cross-cultural exchange, visiting one another’s operations to gain new ideas and insights for their work in their respective countries. But, local communities can also gain similar benefits by learning from one another.

In Coker Creek, East Tennessee Foundation staff asked residents what single most important service the Foundation could provide. Their top request was to bring residents together to learn from one another, and then to learn from other communities. As Holley, says, “They asked to rotate meetings through different communities. They want to see tangible results, talk to people in other communities, see what it’s like there, talk about where they come from and ask for advice. That seemed to be one of the single most important things, especially if there’s not money available.”

As it plans for grantmaking, a rural development foundation must be careful to remain aware of how important it is to include all perspectives at the table, allow for dissenting voices and incorporate local diversity. It must recognize the value of considering outside voices and opinions. In Greene County, the people from Rural Resources initially were seen as trying to stop development. As it has turned out, they are now seen as a group that has kept the rural values of

It is the process. How did [the community] organize themselves? Did the decision-making process involve everybody? Are you ignoring the women...the youth...the poor? Once this process is not right, then you are going to have problems down the road.

Monica Mutuku

farming and agriculture present in the community. Although local philanthropy absolutely needs to remain local, it should avoid becoming myopic. Extreme localism can be a detriment when it comes to embracing diversity of thought or action.

Finally, to be a genuine, distinctive, long-term resource, rural development philanthropy must ensure that a portion of the assets gathered be reinvested into a growing philanthropic pool of funds for future use. As Kenyans in Makutano begin to earn money from the sale of a growing goat herd, part of the funds they earn goes into a collectively managed pool to generate income that may eventually be used to help buy other livestock, build a school, dig a well or do whatever the community decides is needed next. In Coker Creek, money made from tourism revenues at the local arts center goes back into a community fund. The investment income of these funds provides additional resources. Prudent stewardship of these permanent resources ensures grant funds for future priorities.

Creating Accountability

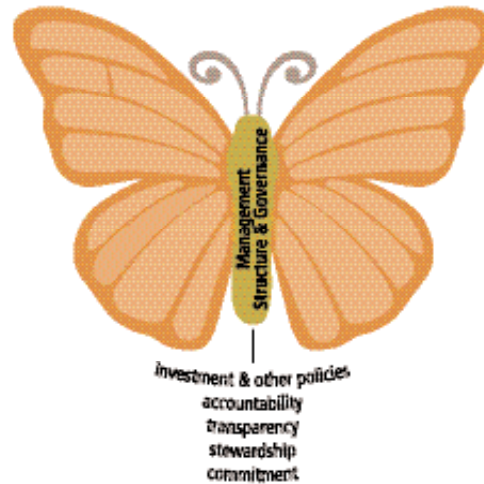
Creating successful rural development philanthropy requires building accountability and trust among community residents and respect between the community and any outside facilitators. Trust within the community begins with conversation. “Once you get people talking together about the things they love, sometimes it’s easier to get them to talk about the things they’re frightened of, or the things they hope for, or the things they absolutely don’t want to happen,” says Loftin. “Then you can move them to a civic discussion of what we can do next, and how we can use this to build what we want our community to look like in ten years.”

Establishing trust and accountability goes beyond just talk for those outside the organization. In the United States and abroad, nonprofits and foundations are under scrutiny for excesses, mismanagement and corruption. One way to establish a means of accountability is to be clear and transparent in management, structure and governance.

KCDF tackled the problem of trust by establishing the KCDF Trust completely separate from the Foundation, with a completely separate board. The community funds raised by the Foundation

are held at the Trust, not the Foundation. The Trust invests them and disburses annual grant amounts according to the processes and recommendations of the Foundation. Community members can review balances at any time. “The existence of corruption in Kenya has worked to our advantage,” says Mutuku. “We’ve been able to go out and sell this model which guarantees that the money isn’t misused. Once I tried to explain this at a meeting, I explained how we provide checks and balances, and was struggling with it when one of the members said, ‘You see your money is safe because once it has gone in there [the Trust] it can’t come out, so these people can’t eat it.’”

The East Tennessee Foundation operates on a traditional United States community foundation model, where one board of directors oversees all investment and grantmaking activity. But, in the case of Greene County, where Greeneville is located, a separate fund was established that allows community members more access and influence. Community members sit on the



advisory board for their fund and, subject to the Foundation board’s final approval, help determine investment strategies and grantmaking activities.

“East Tennessee is a region that is very skeptical and not always trusting,” says Holley. “When we were an extraction economy, people were promised the moon, and weren’t even delivered a star. I think a lot of the trust in communities like Coker Creek has come from people making commitments, doing what they said they would do and working together with the community.”

“I think that building an affiliate fund is community development,” Holley adds. “Not only do you provide a catalyst for people to come together to create a vehicle for giving, but you’re also looking at ways for people to get to know each other for local decision-making, establishing processes in that community and pathways for dollars and resources to go into projects.”

As a grant recipient of the East Tennessee Foundation, Alice Loftin can see the difference in

A photograph of a barn interior. Several brown cows are visible, some standing and some lying down. A person wearing a blue shirt and a blue hat is kneeling in the foreground, working with a wheelbarrow filled with hay. The barn has wooden walls and a high ceiling with exposed beams. The lighting is bright, suggesting natural light from windows or doors.

S n a p s h o t: Greeneville, Tennessee, USA

As Greene County began to lose its historic farmland to industrial and suburban encroachment, it also began to lose part of its soul. To protect its future, the community turned to its rich tradition of farming and began to reclaim its roots. Now, community farmers meet in local grazing clubs to learn and discuss sustainable and profitable farming methods. Local children attend farm day camp to learn about their historic relationship with the land. An oral history project has helped reinstate the community's sense of place. Local residents also contribute to the Fund for Greene County, which is housed at the East Tennessee Foundation.

having a local fund. “People will trust local donors more and feel better about the projects that are funded more locally or regionally than they will about projects that are funded by, say, the federal government.”

It is the same in East Africa. “For me,” says Mutuku, “community development has come to mean being able to reach people and being able to help people organize and mobilize around issues that are of concern to them. And, we know the power of organized people. You can change just about anything if people make a decision that ‘we are going to deal with this issue.’” Accountability can be a natural outcome of this kind of community organizing.

REAL CHANGE TAKES A LONG TIME — AND LOTS OF FLEXIBILITY

For national and international foundations and international aid agencies, supporting rural development philanthropy requires a long-term commitment. There is a great deal for communities to absorb and act upon when it comes to understanding the concept of long-term investment. They learn to listen and trust one another and work out plans of action. “You have

to spend a lot of time,” says Holley. “I have spent over a year helping one community decide what a mailing address would be, believe it or not. The kind of change we’re talking about is not going to happen with one or two or three grants and it’s not going to happen in one or two or three years.

Holley continues, “One of the most important things we gave to the communities we worked with was a sense of hope, an ability and opportunity to build trust. They knew we would be there, whether they were successful or not, always working beside them to help them reach their vision...I’m not saying that you have to put millions of dollars into anything. Money is great, but it’s really about relationships. It’s about staying the course. It’s about being honest and true to supporting not your vision, but their vision.”

Mutuku echoes Holley’s sentiments, maintaining that a commitment to rural development philanthropy is about staying focused and helping communities to do the same. “It’s not necessarily about money,” she says. “To me, first and foremost, the key to community development is the people — giving people a sense of who they are, giving people the capacity to deal with issues that are important to them and giving people the capacity to transform their

We may not have done everything right,
but we have succeeded in very many things.

*Gitonga Mutunga, South Imenti Development Association,
Meru, Kenya*

circumstances and change their environment. If you can get that right, then all the other issues will follow. As a foundation, if you get it right, then the people don't say 'this is a foundation project.' They say 'this is our project.' Then, a few years down the line, you don't even have to be there and things will continue to happen."



The bottom line is that rural development philanthropy does not have to look like any particular community development model in existence, like a United States community foundation, like KCDF or like anything else for that matter. What it does have to do is be driven by, answer to and sustain the people who live in the community it serves. As my friend, colleague and executive director of Rural Resources, Sally Causey, has said, it takes a funder who "can really go along with our new and nutty ideas."

Giving individual communities the lead to determine their own destinies takes understanding, commitment and a healthy dose of humility. But, if you really believe that every community has what it takes to improve itself, then you can do this work. My colleagues and I have seen, from first-hand experience in East Tennessee and East Africa, that the results are incredible and inspirational. Developing and sustaining rural communities through local foundations combines the best of community development and grassroots philanthropy in a way that truly serves what is best and most just for rural communities. As human beings, can we really afford to do anything less?