Imagining the Future of Philanthropy Research in Europe

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Introduction

Why is it important to research philanthropy and establish a closer relation between research and philanthropy? Why is it important to have an infrastructure to enhance critical thinking, underpin new trends and contribute to good judgment in the philanthropic sector?

The way that philanthropy develops and the role that it plays and is supposed to play, namely, to be concerned about complex and sometimes even global problems in society, have a direct bearing on the relation between philanthropy and research. The transformation from charity and financial handouts to strategic philanthropy equipped with a large toolbox of instruments ranging from donations to social investments, requires more in-depth insights into the root causes of problems, in alternative strategies for solving such problems and ways to develop advocacy and narratives that influence policymaking and the public discourse.

For this reason, closer cooperation between philanthropy and philanthropy research is now more important than ever before.

Research should not just serve the immediate needs and interests of the philanthropic sector. It is as important that research can explore the issues around the corner; issues that are not yet seen by foundations as relevant. Foundations should value the fact that research can play this "look-out" function. Furthermore, it should be seen as enlightened self-interest when philanthropy stimulates research to be its critical alter ego and questions missions, strategies, and instruments.

Forging a closer relationship between research and philanthropy is exactly what the International Philanthropy Research Conference wants to achieve. But foundations must realise that there is no such thing as a free lunch, that it is smart to spend part of their financial resources on that broader concept of research. Universities must follow suit and support philanthropy research instead of just looking upon philanthropy as an attractive additional source of institutional income. My plea is to create national knowledge platforms in Europe that bring together the relevant stakeholders to fund philanthropy research. At European level, this could take the form of a very special knowledge platform: the European Foundation for Philanthropy Research.

Definitions

I define philanthropy in the context of this paper as institutional philanthropy. The essence of philanthropy is that private resources (money, goods, time, rights, expertise) are used to pursue the common good in an independent and voluntary manner. This can be done in the form of donations or as social investments. "Institutional" means philanthropy done by organisations such as foundations. Foundations comprise both endowed foundations and foundations that seek grants to make donations or social investments. Institutional philanthropy is broader than just foundations and includes corporate giving programmes (not through corporate foundations), impact funds, giving circles, fiscal sponsorship schemes and other institutional forms of giving/investing.

What have I excluded from my approach in this paper? First, I have excluded private giving by individual citizens, because participants at this conference (besides researchers) represent institutional philanthropy. I have also excluded not-for-profit NGOs and civil society organisations that are not engaged in philanthropy but are, broadly speaking, operating organisations, such as early childhood centres, museums, or medical research programmes.

There are of course some grey areas between what I have included and excluded from my approach. I have excluded private giving, but legalised schemes of periodic donations form a grey area. I have excluded operating organisations, but some organisations/foundations are both operating and grant making and, thus, have a hybrid nature. An example of the latter is the European Cultural Foundation in Amsterdam. They are also in a grey area where boundaries are blurred.

Philanthropy research is defined as the study of the history, theory, and practice of private contributions of money or other resources with the primary goal of serving the public good.

Private money increasingly gets blended with public resources in interesting private/public partnerships, and I believe this is also an interesting subject of research.

The context and the relevance of philanthropy research

Liberal democracies in Europe are faced with huge policy challenges in areas such as public health, migration, inequality, environment, social cohesion, and aging. What is the role philanthropy can, want and is expected to play with respect to these complex issues? The philanthropy sector itself strongly believes that with private money for the public good there is an important role to play. Philanthropy has a big agenda; it wants to be ambitious and more relevant and wants to become more visible. At the very moment that the philanthropy sector (and this indeed includes social investing and impact investing) is increasingly seen as an important partner to address complex problems in society, it is also challenged to look at its added value, its impact, and its license to operate. We are not always trusted by politicians, governments, the public and the media. People question the choices that are being made by philanthropy and the process (governance) that leads to these choices. People question the source of income and capital of foundations (greenwashing), and criticise the fact that philanthropy is not transparent about its activities and its agenda. They even question the effectiveness of philanthropy.

Rather than simply criticising and debunking these allegations by making our added value more explicit, we should also take them to heart. We should in a way do some soul searching, reinvent ourselves and show our added value. It should not be taken for granted that foundations have the right to exist; we must demonstrate the added value of private money for the public good. This implies an important role for research. Research should possibly determine whether the distrust is with philanthropy as such or with philanthropists. New actors such as Jeff Bezos, Richard Branson and Elon Musk, with their large egos and macho styles of competing with each other in the conquest of outer space, based on the argument of giving breathing space to mother earth, cause eyebrows to be raised. They do not serve the positive reputation of the philanthropy sector. On the other hand, more important than this disputable behaviour of a few male philanthropists seeking a public platform, are the numerous foundations and community groups all over the world that are seriously concerned with social justice, solidarity and decolonialising philanthropy. Unfortunately, super-rich people are more in the limelight and dominate the perception of philanthropy. We should take up the challenge of nuancing this perception and shedding light on what is called in the 100th Issue of Alliance Magazine the “democratic universe” of philanthropy. In this context, the work of Beth Breeze of the University of Kent UK is relevant. She is engaged in some interesting research on the topic of philanthropy versus philanthropists and the related public image and perception.

In my opinion it is clear (based on contacts with numerous foundations and NGOs), that the foundation sector during Covid-19 has gained respect and credibility thanks to its approach. While governments are often caught up in fragmented approaches with bureaucratic attitudes, many foundations were able to react to the pandemic in an agile and creative manner.

It is good to notice that distrust does not only exist with respect to institutional philanthropy, but also with respect to government, politics, the media, and the judicial system. Research regarding the legitimacy of philanthropy would do well to take this broader dimension of popular discontent regarding important institutions of our society into consideration.

Besides the philanthropy paradox (philanthropy becoming more important but at the same time being questioned and sometimes being distrusted), there is another cluster of reasons philanthropy research is more relevant now than ever before.

First, philanthropy claims certain characteristics, while in practice there are doubts whether the foundation sector lives up to these characteristics. For instance, it is said, that foundations can take risks and profile themselves as an innovative force in society; that philanthropy has its roots in local communities and has therefore the potential to arrive at deep engagement and sustainable solutions. Does the sector live up to these expectations in reality? This needs to be researched; conventional wisdoms need to be demystified, when justified.

Second, there are fascinating, new opportunities for philanthropy: aligning foundation work with the SDGs (as a moral compass for the sector and to measure progress of foundation activities towards sustainable development); collaboration with other foundations and stakeholders (including governments and corporates); and fiscal sponsorship arrangements. Research is required to explore and operationalise these opportunities.

Third, disruptive thinking, due to Covid-19 or stimulated by it, affects the mission, strategy, and instruments of philanthropy. Conventional wisdoms are being challenged, and evidence-based philanthropy is met with scepticism, as existing evidence is outdated. It means that philanthropic institutions must go back to the drawing board and ask themselves some fundamental questions.

Thus there are many relevant developments that lend themselves to further study, such as: big data mining, the use of algorithms and artificial intelligence; providing loans or guarantees that better serve grantees than donations; impact investing becoming a new “asset class” in endowment management; questioning the perpetuity assumption of endowments and foundations; connecting the mission of foundations to the overarching issues of climate and environment; introducing new styles of grant making, based on granting more flexibility and institutional support to grantees. It is evident that all these developments will influence the role and agenda of philanthropy research.

Philanthropy and research both under scrutiny

Not only are philanthropic institutions under scrutiny, the same holds true for the research world. In the public discourse, there seems to be a suspicion about facts and the role of science. There is a politicisation of science. Now that everybody has access to information through the Internet and social media, research is sometimes seen as “just an opinion”. Average citizens often form their opinions by consulting Internet and social media and consider what they read and hear as established facts. Research on the other hand tends to be prudent, refers to “growing insights”, which tends to feed the doubts about its relevance.

Philanthropy research is faced with this new reality, but it is also faced with another legitimacy problem. How relevant is philanthropy research for the field? What is its added value? Is research aligned with the needs of practitioners? Do researchers listen to the needs of practitioners, or do they pursue their own interests? Why is it that foundations frequently take their research questions to the McKinseys of this world rather than to academic research organisations?

Steps to further cooperation

It should be mentioned that philanthropy research has geared up over recent years to become more united among its representatives in Europe, to form a community and to reach out to organisations like EFC and Dafne (now merged into the new organisation called Philea) to discuss cooperating. In 2009, I was part of a small group with Judith Symonds and John Healy that investigated the creation of an "effective framework to enhance and extend opportunities for study and for learning to improve the practice of philanthropy". We were an informal steering group inside EFC, together with the Adessium Foundation, the Pears Foundation and ERNOP, and we commissioned a mapping and situation analysis to David Carrington. His excellent report "The Application of Learning and Research to the Practice of Philanthropy" is still worth reading. Maybe we were too early; the time was not ripe for such an initiative. This is reflected in a decision of the Governing Council of EFC in May 2009. The Governing Council said that "there was a risk that the EFC could find itself more involved than it wishes to be in this informal steering group." "It could have unwelcome resource implications." Fortunately, times have changed. With ERNOP and the underlying research centres/chairs of philanthropy/knowledge institutions, there is definitely an emerging ecosystem for supporting institutional philanthropy. ERNOP has brought considerable cohesion to the scattered philanthropy research landscape in Europe, and its founder Prof. Theo Schuyt must be commended for it.

In June 2019 a memorandum of understanding was signed between EFC and ERNOP and it is proof that times have changed indeed. The MoU states that "EFC and ERNOP share the vision that coordinated European research on philanthropy is important to produce knowledge on this growing phenomenon in Europe". "EFC believes that academic research on philanthropy can further help profile and professionalise the European philanthropy sector, increase its impact and enhance its legitimacy." And "ERNOP acknowledges the need that academic output should pay attention to its practical implications. Researchers should design research projects that are rigorous and relevant for philanthropy practitioners without losing academic quality."

The Memorandum of Understanding contains a few other relevant points: "ERNOP and EFC agree that philanthropy needs research to be taken seriously by governments, to build smarter regulations of the sector, and to enhance its impact". "ERNOP and EFC consider better data on philanthropy in Europe important, and better collection of data and its coordination should be stimulated."

With the International Philanthropy Research Conference in Turin on 23 September 2022, Compagnia di San Paolo, together with Philea and ERNOP, wants to contribute to the next steps in forging a better relationship between European philanthropy and European philanthropy research.

Philanthropy research: Policy content or process items

Philanthropy research can focus on the *content, the policy issues* that are being addressed by philanthropy, such as: climate change, migration, poverty, digital divides, racism, artificial intelligence etc.

Research can also be less content oriented and more focused on the essential *process items of philanthropy*.

When research focuses on the *content/policy issues* addressed by foundations, the scientific disciplines involved depend on the specific nature of the issue.

When research focuses on the *process items of philanthropy,* the scientific disciplines involved range from business administration and social sciences to management studies, law, political sciences, economics, and philosophy. Normally an interdisciplinary approach is required and practised. If the focus of research is on the process items of philanthropy, we should realise that the deeper rationale is to better engage with the content/policy issues.

Although I will deal in this paper primarily with research focusing on the *process items of philanthropy*, philanthropy research does have a role to play with respect to the *content/policy issues* that are being addressed. It can look at issues like migration and inequality through the lens of philanthropy: What is the distinct role private money can play in relation to these issues? What partnerships can be forged?

Looking at the *process items of philanthropy* it is useful to fit the various research items into a logical framework. In this respect, the philanthropy framework approach developed by Rockefeller Philanthropy Advisors (RPA) is helpful, namely research with respect to:

- *the social compact of philanthropy*: the dimensions that constitute a license to operate; including accountability, legitimacy, transparency, direction of influence on society, independence/interdependence, approach to risk
- *the charter*: the organisation's scope, form of governance and decision-making protocol
- *the operating models*: craft of grant making; the approach to the resources, structures and systems needed to implement strategy

There are other frameworks that can be used to assess and research the world of institutional philanthropy. In this context I want to mention the Philanthropy Insight Frame developed by the Maecenata Foundation in Germany. Their breakdown consists of five categories:

- *Commitment*: compassion, understanding, respect
- *Public purpose*: goals, responsiveness, integrity
- *Relevance*: sustainability, effectiveness, impact
- *Performance*: state of the art practice, leadership, dialogue
- *Accountability*: transparency, responsibility, compliance

Such frameworks help us to disaggregate institutional philanthropy into components that lend themselves to research irrespective of content/policy.

Philanthropy and research working together: Matter of enlightened self-interest

Institutional philanthropy should regard research as important for its strategy and should apply the knowledge gained by research to its activities. At the same time philanthropy research should feel a responsibility to contribute to the solution of real-life problems of institutional philanthropy.

A cooperation between philanthropy and research will make both stronger and will enhance their joint capacity to contribute to society by:

- helping to solve problems and to bring about strategic impact and even systemic change;
- improving advocacy and informing politics;
- informing the public.

The starting point is to formulate appropriate research questions and thus construct a joint research agenda. It takes cooperation between researchers and philanthropy to achieve this and that is exactly the purpose of the International Conference in Turin.

It is enlightened self-interest for philanthropy and research to work towards a better understanding and explore ways to cooperate more closely. Together they must tackle serious problems in our society, identify root causes and potential strategies to respond to challenges, discuss side effects etc. The programmatic concerns of research should be aligned with the concerns of institutional philanthropy about the added value of private money for the public good. Philanthropy research can help institutional philanthropy with both interdisciplinary approaches analysing existing validated and relevant sources of research and international experiences, and collecting and analysing new data. Both research and philanthropy could be more intentional about enforcing the lenses of equity, social justice and participatory problem-solving across their remits.

Mindset and preconditions to work together

There are enough arguments for research and philanthropy to forge a closer relationship, as I have outlined above, but it requires a certain mindset on both sides. Certain preconditions are required. On the side of philanthropy there ought to be a curiosity about the root causes of the problems they address; a curiosity about the effectiveness of the interventions they support. Effectiveness should not be assumed but should be tested and analysed.

On the side of research, the mindset/precondition should be a curiosity about the daily and real problems foundations are faced with.

In other words, foundations should not just trust their gut feelings and assume that their activities constitute an adequate answer for the problems they want to solve. They should realise that their sense of judgment can be improved. After all it is critical thinking and good judgment that will determine the effectiveness of the philanthropy sector and even its raison d'être.

Researchers should not be satisfied with an output that consists of scientific papers in acknowledged journals; outputs that will enhance their ranking in the academic world. They should feel committed to getting their research translated into practical recommendations and can contribute to problem solving.

In fact, I feel that there is a parallel between the position researchers find themselves in and the position of management/staff of foundations. Researchers may be judged on the number of publications/citations in scientific journals instead of on their contributions to solving problems in the world of practice, but foundation people may be judged by their Boards on their capability to have a portfolio of concrete projects funded with foundation money instead of on their contribution to the development of knowledge and thought leadership. The societal impact of researchers must be appreciated much more; in the same way that the contribution of foundations to the experiential knowledge base should receive higher appreciation.

More than ever practice requires relevant and profound research, and, vice versa, research can benefit from access to real life data and experiences. A cooperation between philanthropy and research can be mutually beneficial. A good example is the relation between LTI/Unito and EFFIO. LTI/Unito is a think tank/research organisation in the Collegio Carlo Alberto, an initiative of the University of Turin and the Compagnia di San Paolo. LTI/Unito studies the characteristics of long-term investors. EFFIO is a joint venture of larger European foundations interested to learn from each other with respect to endowment management. They collect data from participating foundations on an annual basis. Working together meant that LTI/Unito had access to real life data and that EFFIO could have a more profound analysis of their own data.

Independent and forward-looking research is important

During the ceremony held to celebrate the 30 years of the EFC in Brussels in 2019, a number of researchers encouraged foundations to express their needs, stating that they (the researchers) could deliver the answers. After years during which philanthropy practice and research were often described as running along separate tracks, this may have sounded like a godsend. Research would finally be there to serve philanthropy. This is incorrect in my view. Based on discussions with practitioners and researchers, it is clear that philanthropy research should not just ask foundations what their needs are and formulate its research agenda on that basis.

This would be too simple an approach for two reasons.

First, research should not just be driven by the present demands of foundations. It is also the role of research to anticipate future demands and lead the way with respect to new, relevant, and emerging knowledge. There should be room to focus research on issues that are not yet on the radar screen of foundations. Research, including data collection and data mining, has proved that it can bring new knowledge to the world of philanthropy. For instance, research on behavioural economics could contribute to a proper discussion about risk appetite and risk aversion in the world of philanthropy; artificial intelligence could enhance the capability of foundations to predict certain situations and respond to them. In short: supply can create a demand.

Second, research should also take an independent perspective and be able *to take a critical stance* vis-à-vis the sector. In other words, it is important that alongside research *for* the sector there should be room for research *about* the sector. Research *for* the sector is often identified with the academic disciplines of management studies, finance, economics, and law and often produces tangible outcomes such as guidebooks and checklists. Research *about* the sector draws on other disciplines like social psychology, sociology, and anthropology. It deals with issues of legitimacy, the relationship with government and the distinctive characteristics of philanthropy that explain its added value.

Foundations should applaud research that is critical as it forces them to self-reflect and avoid complacency. And they should welcome activities that deal with issues not yet seen as relevant for foundations, the issues that are around the corner and do not reflect upon their immediate needs.

Therefore, it is important that foundations are prepared to go beyond the direct funding of research relevant to them. They ought to contribute to the general funding of research institutions to allow them to pursue research on topics that do not seem to have an immediate relevance to the foundation sector, and which allows them to conduct research *about* the sector. Such research should be seen as a common good.

Examples of issues on the joint research agenda

What then are in my opinion some of the interesting topics to be considered for a joint research agenda for the future of philanthropy?

1. <u>Gathering data about the sector.</u> The foundation sector has grown dramatically in terms of the number of foundations and the size of individual foundations. There is a great variety in grant making strategies, in the instruments used and in the approach to measuring results, outputs and impact. There are also many different approaches to

endowment management and to working in partnership with other foundations and stakeholders. Because of this it is important that data is gathered, kept up-to-date and analysed. The size of the sector (approximately 50 billion euros in annual spending by European foundations) justifies serious research about its nature and characteristics.

2. Using of data and data mining for foundation activities. Analysing data is important because it allows us to answer questions of all sorts. What data you collect is indicative of what is seen as important. If your interest is advocacy rather than impact measurement, your data collection requirement may be quite different. For advocacy, there is possibly a more limited requirement for data, but the data must be very recent and accurate. Mapping existing data in isolation from the questions to be answered is not efficient. The purpose drives the process: advocacy, policymaking, impact measuring, etc. Using more than one method to gather data on a topic (so-called "triangulation") is an important way to improve the validity of research. Data are needed to describe and understand situations but also to have a look-out function and investigate the future.

3. Diversity of the sector and the boundaries of philanthropy. Diversity expresses itself in the typology of philanthropic institutions: family foundations, corporate foundations, private foundations, lottery foundations and community foundations. Institutional philanthropy is much broader than just foundations. There are social enterprises, private giving programmes (not through a foundation), crowd funding initiatives, family offices, donor advised funds; cooperatives; mutual benefit societies, impact funds, fiscal sponsorship programmes, philanthropy circles etc. The boundaries between all these forms of institutional philanthropy are blurred. "How do differences between them play out in serving the public benefit?" is only one of the research questions.

4. Legitimacy themes. The legitimacy of the sector vis-à-vis the government, the corporate sector and the church is a strategic research theme, particularly as the sector is under scrutiny. What is our added value? Do we deserve the tax-exempt status that societies have granted us? Is the foundation sector a threat to existing political systems or is it complementary to them? Is there an optimal size for foundations to fulfil their role in society? What effect does philanthropy have (do we make a difference) in that role? What drives the decisions of foundations? What is their agenda (link with SDSGs as a moral compass)? How transparent and accountable should they be? Liz McKeon from the Ikea Foundation prepared an interesting paper for this conference and shared some first slides during the June 2021 webinar with a research focus on philanthropy's license to operate and the legitimacy challenges to that license.

5. Endowment management. There are many different topics in this area that lend themselves to research: the essential characteristics of a long-term investor; spending rules in relation to risk/return policies; investment styles such as passive and active styles; currency hedging; leveraging portfolios; how much illiquid investment a foundation can afford to have in its portfolio; the alignment within foundations between the management of their endowments and the values implied in their spending policy; impact investing and the blended value proposition; investing in a low interest environment; perpetuity or spend down. The governance of endowment management is an important issue to be researched. Why and under which circumstances do foundations choose the option of fiduciary management? Why should they build up in-house capacity? Should foundations work together to create their own investment vehicles (like Common Fund and TIFF in the US)?

6. Finger on the pulse of society. Listening to the communities with whom we work is of vital importance. Foundations should have their finger on the pulse of society because the ultimate beneficiary owners of a foundation are citizens, with their dreams, their aspirations, and their initiatives. This should be a no-brainer for foundations. They can facilitate this process by working with civil society organisations/grantees that function in turn with the communities. Civil society organisations/grantees have a better view of the problems to be addressed, the effective instruments, the context within which they operate. Foundations can create the conditions for success. What are the implications if foundations are serious about listening to the voice of communities/citizens? How can this be structured? How can attentive listening to beneficiaries and being flexible as a foundation be combined with the ambition to be pro-active and strategic? These are interesting topics for research. Volker Then from Heidelberg University is engaged in fascinating, longitudinal research on this topic that started in 2011. It provides a good insight into how beneficiaries look at foundations in terms of their flexibility, being strategic, transparent, reliable, innovative, demanding and having clear goals.

7. New ways of grant making. The Ford Foundation started a programme called "Build". This initiative holds at its core that funds should pursue big, long-term and flexible goals. Such initiatives implicitly lead to funding the organisation behind the project. They also lead to long-term and engaged partnerships, where the foundation is not dictating the strategy with NGOs being the implementing agencies. On the contrary, there is more equality in the donor-grantee relation. The different ways in which decisions can be made by foundations about their grant making and, related to this, the different forms of governance lend themselves to interesting research topics. "New ways of grant making" comprises a range of interesting research topics, such as institutional funding instead of just project funding, convertible grants and forgivable loans, guarantees, challenge grants, rolling commitments, recoverable grants etc.

8. New ways of fundraising. Civil society organisations and foundations that seek grants to make donations experience that traditional fundraising strategies are under pressure. Let me mention two reasons such fundraising mechanisms must be reviewed. As a substantial part of the donations to grant seeking organisations comes from foundations, the changes in fundraising strategies are relevant for them. Hence, these changes deserve the attention of philanthropy research. The first reason existing fundraising mechanisms are under pressure relates to the role and potential of new technology. For instance, direct giving stimulated by new technology and search engines allows donors to bypass fundraising organisations as intermediaries. They will be forced to demonstrate their added value in this new era. The second reason to reconsider existing fundraising strategies is that the marginal cost of such strategies is increasing. It becomes more expensive to raise the same amount of money over time. For the Dutch Kidney Foundation this was the reason to reformulate its strategy and invest together with other foundations, the corporate sector and knowledge institutions in developments that are tangible and have a visible impact on the daily life of their target audience (e.g the development of a portable artificial kidney). In this way the money raised from the public was leveraged.

9. Move from output and outcome to impact. Many issues are worth exploring much further. Under which circumstances is it worthwhile to move from output and outcome to measuring impact? Has impact been too closely identified with quantifiable targets

and KPIs? What is the importance of narratives, longitudinal studies, and tracer studies versus KPIs? Does the search for impact imply that foundations should combine grant making with their own operating involvement? Wanting to have impact is intimately related to the appetite to take risks. Foundations can take risks with private money, but do they live up to this expectation? Gian Paolo Barbetta prepared a paper on this topic for the March 2022 conference and prepared some sheets for the November 2021 webinar. He concluded that if foundations want to stimulate/support innovation, impact assessments are required. He posed the intriguing question of whether foundations, to underpin their legitimacy, should produce more evidence on what works in issues crucial for social well-being.

10. <u>Covid-19 and philanthropy research.</u> Covid-19 can be seen as a catalyst in a process of looking at the transformation of the philanthropy sector. While it is in general important to look at the relationship between philanthropy and research, it is particularly opportune following the Covid-19 pandemic. The pandemic causes us to reflect upon new ways of conceiving problems, formulating policies and strategies, and implementing policies, and new ways of thinking about effectiveness. In other words, Covid-19 may very well turn out to be the factor that will disrupt the functioning of the foundation sector and force foundations to adapt their licence to operate, their charter and their operating models. It is putting pressure on the process of reconsidering what we do, how we do it and why we do it. The entire notion of evidenced based philanthropy must be revisited, as the existing evidence has become obsolete. There are many interesting topics that lend themselves to research. What were the observed strengths of philanthropy during the pandemic? What were the challenges foundations faced and what were the creative responses? Is there an inverse relation between being strategic and being flexible? Will changes with respect to operating style and practice be maintained post Covid-19? Covid changed the filter through which we look at communities/grantees: more respect, more flexibility, more responsiveness. Can we sustain this mindset? Will Covid-19 indeed be a disruptor in our way of operating vis-à-vis the communities that we want to serve?

During the November 2021 Philanthropy Research Webinar, Rene Bekkers, holding the ERNOP Research Chair, provided an excellent overview of 15 years of European research on philanthropy. He further elaborated his findings in a paper for the March Conference. During the webinar in November 2021 two issues for the healthy future of philanthropy research in Europe were mentioned: the need for better and more data, for a consistent data infrastructure, and the need for funding research facilities and capability. The latter issue will be discussed in one of the following chapters, while with respect to the availability of data on the European level we should consider organising a meeting with Eurostat, the statistical office of the European Union, to see whether reliable data on the European foundation scene can be collected and analysed. I did make such an attempt in 2002 on behalf of Dutch foundations, but without success. The lack of financial resources was an important factor for Eurostat's decision not to pursue this request. With the much stronger voice of Philea compared to the umbrella organisations of the past, this may be the time to reconnect with the relevant officials in Brussels.

Effective relationship: Requirements and caveats

An effective relationship between philanthropy and research requires:

- taking stock on a permanent basis of what the situation is on both sides (what are the issues where philanthropy feels the need for research, and what are the issues that are being investigated by research) and to define the important research lacunae to explore with an eye to the future
- defining who is setting the agenda for research
- deciding on the dissemination of research findings in an effective way
- deciding on a systematic collection of relevant data and data mining
- learning from best practices, both current and past best practices
- having an interdisciplinary approach on the research side
- having an international approach that considers contextual differences

In all of this, there are caveats, there will be factors that may hamper a closer relation between research and philanthropy:

First, foundations, and particularly their founders, often want to have a personal connection with donations; there is sometimes less interest in effectiveness and rather an interest in having the right feel with the implementing organisation and its leadership. Under these circumstances, there is not really a deep-felt need for research. The approach is more driven by experiential knowledge.

Second, the research interest is particularly strong with foundations that want to be strategic, have an evidenced-based approach and take a proactive stand with grant making. However, the pandemic has taught many foundations to become more flexible and to deal with uncertainty. There is more emphasis on being agile, resilient and taking risk, more emphasis on intelligent muddling through than on strategic planning. Being agile and taking risk is also now more rewarded in the legitimacy debate about philanthropy. This may have a negative effect on the need for research felt by foundations.

Knowledge platforms and the financial dimension

We can all easily adhere to statements about the importance of philanthropy research, but the proof of the pudding is in the eating. It boils down to the question "are we prepared to finance philanthropy research in a sustainable manner, and how will we go about it?". The first instinctive reaction will be to look at funding by universities themselves. They have the choice to appoint academic scholars, dedicating their time to philanthropy research. But it is and will be complicated to finance such research out of university budgets, as there are a few hurdles in this respect:

First, philanthropy is not yet seen as a distinct academic discipline. Philanthropy research is interdisciplinary and is therefore difficult to grasp and difficult to finance. In his recent book (2021) Theo Schuyt makes a strong plea to develop a distinct science of philanthropy, called philanthropology. This new academic discipline draws on existing disciplines as a basis to define a new global theoretical frame of reference.

Second, academic scholars and universities alike have an interest in improving their academic ranking by publications in acknowledged academic journals and thereby contribute to both their own status and the status of the university. There are few obvious journals with an academic reputation in which philanthropy researchers can publish. Hence, it is complicated to improve their academic ranking in this domain, except for the existing system of peer reviews.

Taking this together, it can be said that philanthropy research is faced with a challenge to be seen as a priority by universities themselves. The system is not very conducive to philanthropy research being regarded as of vital importance, and therefore its funding is complicated. An example is the research done by a small philanthropy research unit at the Free University, Amsterdam on “Patterns of Giving in the Netherlands” (Geven in Nederland). Since its inception this valuable research work for the philanthropic sector and civil society in the Netherlands could never count on financial support by the university. Funding had to come from interested government departments and from some foundations, but even that was complicated.

We should certainly continue with the attempts to channel more university funding to philanthropy research, but we should also be realistic and try to blend such public resources with private funding from foundations, philanthropists, and corporates. With respect to funding by foundations, the drawback is that foundations are especially interested in contract research on specific topics. A change in mindset is required on the part of foundations, philanthropists, and corporates. They should be willing to build and maintain the sector of philanthropy research, including unrestricted funding for what I called earlier “research *about* the sector”. The ideal picture at the end of the day for funding philanthropy research should be a combination of university funding and private sources, partly earmarked and partly discretionary. I do believe that foundations should step forward to put sophisticated pressure on universities to allocate resources to philanthropy education and research. It is slightly bizarre that universities become increasingly active in creating internal infrastructures to generate philanthropic funding for their broad range of activities, while neglecting a proper and dedicated funding for philanthropy education and research.

What could be a way forward? Let me describe the contours of my ideas that should be further discussed, elaborated and amended. My suggestion is to create national knowledge platforms on philanthropy in Europe (the legal form could be a foundation), that bring together a selected number of relevant universities, national associations of foundations and a few prominent private partners (foundations, philanthropists, corporates). In my opinion, we should avoid each university trying to establish such a knowledge platform on its own and thereby starting to compete with other universities at national level. However, this system should not become too rigid. A country could have more than one knowledge platform. In specific circumstances, one university could have a thematic platform. A good example of the latter is the cooperation among approximately 10 corporate foundations and researchers from Erasmus University in Rotterdam; the research questions, data gathering, data analysis and implementation strategies were the fruit of this knowledge platform.

The development of knowledge platforms at national level must be in sync with the developments at European level. It is a great achievement that, after years of discussion, EFC/Dafne and ERNOP were able to conclude an MoU about their cooperation. My hope is that this MoU will lead to the creation of a knowledge platform at European level. This could take the form of a European Foundation for Philanthropy Research. This foundation should have as one of its tasks to relate to the EC and gain access to contract research budgets for issues relevant to the sector (like the Eufori Study in the past) and access to discretionary funding for the support of the European ecosystem of philanthropy.

The ambitious agenda and increased visibility of philanthropy, together with its legitimacy questions, makes philanthropy research more relevant than ever before. It should be the joint ambition of philanthropy and research to create a knowledge platform where both are able to give and take; for philanthropy the inner drive is to improve its judgment about what it does and for research the inner drive is to improve on relevance.

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