

**Philanthropy in Brazil and the UK:
Wealth, Responsibility and the Pursuit of Social Change
by Economic Elites**

Jessica Sklair Correa

Thesis submitted in fulfilment of the requirements
for the degree of PhD in Anthropology.

Goldsmiths College, University of London.

2017

Declaration of Authorship

I, Jessica Sklair Correa, hereby declare that this thesis and the work presented in it is entirely my own. Where I have consulted the work of others, this is always clearly stated.

Signed: _____

Date: _____

Acknowledgements

This thesis has taken an unintentionally long time to come to fruition. Many people have influenced the development of my ideas and provided invaluable practical (and emotional) support along the way. Firstly, I am deeply grateful to everyone in my fieldsites who agreed to be interviewed, to let me work or volunteer alongside them, to show me around their organisations and projects or just to chat about the topic of my study. The trust, openness and curiosity of these many participants in my research made this project possible.

In Brazil, particular thanks to the staff working on the *Programa Nova Geração* (PNG) while I was in the field (especially Tatiana Piva, Ana Biglione and Marina Magalhães Oliveira) and to Tatiana Antunes de Andrade and Cindy Lessa. Claudio and Beca Rezende Barbosa were exceptionally generous with their time, and my conversations with them had a deep influence on my thinking. Most of all, my thanks go to Daniela Nascimento Fainberg, co-founder of the PNG, who opened countless doors for me in the field and has been consistently supportive of my work and research on elite philanthropy for over a decade.

In the UK, thanks to everyone then working at the Institute for Philanthropy, and especially to Sal LaSpada and Fenella Rouse, for giving me the opportunity to see the philanthropy sector from the inside. Thanks to Beth Breeze for showing me around the philanthropic sites of Canterbury, and drawing my attention to the reality that “philanthropy is everywhere”. The friendship of both Kelly Michel and Katherine Lorenz began in my fieldsites, but has lasted far beyond them. Both have been invaluable in teaching me (and challenging my ideas) about philanthropy, wealth and the family dynamics of both.

Steve Nugent has been an unfailingly patient and supportive supervisor, guiding me in the right directions and never losing faith that I would get there in the end. Thanks to my colleagues at Goldsmiths (especially Eeva Keskula, Martin Fotta and Theodoros Rakopoulos), and to Heitor Frúgoli Jr. and Anna Catarina Morawska Vianna, for

keeping me in the academic loop in Brazil. Thanks also to Paul Gilbert, who was a source of much intellectual inspiration and encouragement in the final stages of writing up this thesis. I am also very grateful for the financial support of the Royal Anthropological Institute (Emslie Horniman/Sutasoma Award 2008) and the University of London Central Research Fund during the fieldwork stage of this project.

Thank you to my parents, Leslie Sklair and Doro Marden, for teaching me how to look critically at the world and for help in all shapes and sizes (including a lot of grandparenting) during this project. Thanks also to my sisters Aphra and Tillie Sklair - not least for reflection on shared experiences in the philanthropy sector – and to their partners, Al Tempest and Joe Wykes, and to Denise Gomez.

Roberto Correa deserves my greatest thanks for his steadfast love and support, in both languages, during the research and writing up of this study. Finally, thanks to our twins, Frida and Beatriz. Their arrival derailed this project temporarily, but since I got back on track, they have reminded me every day of why it matters.

Abstract

This thesis explores the philanthropy of economic elites in Brazil and the UK, positing their practice as part of a global elite philanthropic project. It argues that this project serves to further the aims of global capitalism, while attempting to mitigate the negative effects of capitalism's fallout. Although the historical development of elite philanthropy in Brazil and the UK has been markedly different, accounting for technical differences in contemporary practice in these countries, recent decades have seen attempts to build an institutionalised philanthropic sector in Brazil based on British (and American) models. Today, the conceptual and ideological framework for the design of philanthropy in both countries is remarkably similar. In ethnographic enquiry into this common project, practices under the banners of 'philanthrocapitalism' and 'strategic philanthropy' emerge as the expression of deeply held ideologies of social change. These relate to the transposition of corporate strategies to philanthropy, to market-based solutions to social problems, and to attempts to eradicate poverty via better incorporation of the poor into existing economic structures. This enquiry, however, reveals how other aspects of elite experience also become entangled in the philanthropic project. In Brazil and the UK, elites use philanthropy to forge positive identities of wealth, and as a tool for managing inheritance. Among Brazilian family businesses, historical family narratives of philanthropy and corporate social responsibility aid business succession processes, in attempts to keep family firms – and family capital – intact with the passing of time. Finally, this thesis explores the work of philanthropic intermediaries, and the central role played by philanthropy advising and donor education programmes in shaping and disseminating philanthropic trends. Ethnography among intermediaries, however, reveals myriad ambiguities in their work. These serve to highlight elite philanthropy's inability to confront the structures of inequality inherent to global capitalism, and the corresponding limits to its own project.

Table of Contents

List of Figures	10
List of Abbreviations	11
Glossary	12
Introduction: Connections Between Elite Universes	15
Fieldwork Settings: São Paulo, Rio de Janeiro and London	16
Thesis Outline and Key Themes	19
Elites in this Study: Definitions	22
Research on Economic Elites	25
Philanthropy: Concept and Practice	28
Debates on Elite Philanthropy	32
Parallel Perspectives: Elite Philanthropy in Brazil and the UK	37
Anthropology of Elites: Critique vs. Ethnography or Critical Ethnography?.....	39
PART ONE: Elite Philanthropists and Their Practice in Brazil and the UK ...	43
Chapter 1: The Development of Elite Philanthropy in Brazil	44
Origins of Elite Brazilian Philanthropy	45
Elite Philanthropy and the Emerging Third Sector: Opposing Objectives	47
Elite Philanthropy and the Third Sector under Neoliberalism	50
The Emergence of CSR and Institutionalised Philanthropy	53
Promoting Philanthropy: The Intermediary Organisations	56
The Consolidation of Institutionalised Elite Philanthropy	60
Chapter 2: The Development of Elite Philanthropy in the UK	64
Origins of Elite Philanthropy in the UK	65
The Golden Age: Philanthropists in Victorian Britain and Beyond ...	67
Consensus Politics, the Welfare State and the Voluntary Sector	70

Philanthropic Foundations in the Twentieth Century	71
The End of the Post-War Consensus: Ascendancy of the Super-Rich and the Emergence of CSR	73
Welfare and the Voluntary Sector under New Labour	76
The Continuing Rise of the Super-Rich	77
New Labour and a New Philanthropy?	79
Chapter 3: Size, Scope and Subsidies: The Philanthropic Landscape in Brazil and the UK	83
Data on Philanthropy in Brazil	83
Data on Philanthropy in the UK	87
Foundation Philanthropy in Brazil, the UK and the USA: A Comparative Overview	91
Legal Frameworks for the Transfer of Wealth: Inheritance and Inheritance Tax	95
Brazil: Exclusivity in the Tax Incentive System for Charitable Giving	96
The UK: Regressive Incentives for Giving	99
Broader Implications: The Philanthropic Privilege of the Wealthy .	102
PART TWO: Wealth and Philanthropic Identities	104
Chapter 4: Ways of Giving and Ways of Being Wealthy: Philanthropy as an Expression of Elite Identity	105
Beyond Altruism vs. Self-Interest: Theorising Gifts from the Wealthy	109
Being the Right Sort of Wealthy Person: ‘Giving Back’ and ‘Making a Difference’	113
Legitimacy and Significance in Philanthropic Identities	119
Philanthropy Behind Closed Doors: Rejecting Identities of Wealth..	122
Inheriting Wealth: Philanthropy as a Meaningful Response	124

Chapter 5:	“Social Responsibility is in our DNA”: Philanthropy and CSR in Family Business Narratives	130
	Campo Doce: Case Study of a ‘Socially Responsible’ Family Business	132
	The Figueira Family Narrative: Philanthropy in the <i>Colônia</i>	134
	Obligations, Benevolence and Corporate Interest: Blurred Boundaries in the Family Narrative	138
	Labour Rights: Challenging Relationships of Hierarchy and Paternalism	145
	New Labels for Old Practices: The Arrival of CSR	149
	Philanthropy as a Defining Family Value: Narratives of Social Responsibility in Family Business Succession Processes	154
 PART THREE: Ideology and Strategy in the Elite Philanthropic Project		159
 Chapter 6:	 Always Have Faith in the Market: Elite Ideologies of Social Change	 160
	Profiting from Social Change	161
	Making Profits ‘Responsibly’: Discourse on Corporate Sustainability	164
	Providing ‘Opportunities’: Incorporating the Poor into the Free Market	167
	Entrepreneurship and the Philanthropic Transformation of the Poor	169
	Unequal Contenders for Philanthropic Support: Winning the Grants	173
	Distorted Reflections: Locating Entrepreneurship among Brazilian Elites and the Beneficiaries of their Philanthropy	179
 Chapter 7:	 The Apparatus of Philanthrocapitalism: Elite Philanthropic Strategies	 184
	Strategic Philanthropy	184
	Charity vs. Strategic Philanthropy	187
	Philanthrocapitalism and the Business of Changing the World	190

Whose Logic? Critiques of Philanthrocapitalism	193
Measuring Social Change: Evaluation in the Philanthropy Sector ..	196
Audit Culture: Technologies of Neoliberal Governance in the Third Sector	205
Layers of Uncertainty: Critiques of Evaluation Practices Within and Beyond the Field	210
Internalising the Value of Audit: Power and Neoliberal Governance in the Philanthropy Sector	213
 PART FOUR: Donor Education and Advising in the Philanthropy Sector ...	217
 Chapter 8: Transforming Philanthropists and their Practice: The Work of Philanthropic Intermediaries	218
Overview of the Sector: Activities and Services	220
Intermediary Experiences	223
Teaching Elites how to do Philanthropy: Different Approaches within the Intermediary Sector	226
Philanthropy as Wealth Advice: Coutts Bank (London)	226
Philanthropy as Strategy: Institute for Philanthropy (London) & GIFE (São Paulo)	228
The Philanthropy Workshop	231
Looking Towards the Future	237
(Gentle) Challenges to Elite Worldviews: Instituto Geração (São Paulo)	241
Transforming the Philanthropists	249
 Conclusion	252
Diverse Manifestations of a Shared Project	252
A Global Philanthropic Elite?.....	253
Critical Ethnography and Elite Philanthropy	254
 Bibliography	259
Appendix 1: Organisations in this Study: BRAZIL	281
Appendix 2: Organisations in this Study: UK	299

List of Figures

Figure 1.	Statistical summary of institutionalised philanthropy in Brazil	84
Figure 2.	Top six thematic areas of activity for GIFE members and Brazilian NGOs	86
Figure 3.	Numbers, spending and asset size of UK trusts and foundations	88
Figure 4.	Comparative overview of foundation philanthropy in Brazil, the UK and the USA	92
Figure 5.	Contextual timeline of Campo Doce’s philanthropic and CSR activities	140
Figure 6.	Campo Doce Foundation activities and management structure	153
Figure 7.	Hedging-Griffo Foundation: philanthropic transformation	169
Figure 8.	Participation rates for Hedging-Griffo Foundation’s Youth Market Programme	198
Figure 9.	Brazil Foundation: project data	199
Figure 10.	Brazil Foundation: key metrics and fundraising	200
Figure 11.	Vidigal Foundation: project evaluation indicators	202
Figure 12.	Vidigal Foundation: project evaluation results	203

List of Abbreviations

English

CFN	Community Foundation Network
CSR	Corporate Social Responsibility
HNWI	High Net Worth Individual
IfP	Institute for Philanthropy
KPI	Key Performance Indicator
NGO	Non-Governmental Organisation
QUANGO	Quasi-Autonomous Non-Governmental Organisation
TPW	The Philanthropy Workshop
UHNWI	Ultra High Net Worth Individual

Portuguese

ABONG	<i>Associação Brasileira de Organizações Não Governamentais</i> (Brazilian Association of NGOs)
GIFE	<i>Grupo de Institutos, Fundações e Empresas</i> (Group of Institutes, Foundations and Businesses)
IDIS	<i>Instituto para o Desenvolvimento do Investimento Social</i> (Institute for the Development of Social Investment)
IG	<i>Instituto Geração</i> (Generation Institute)
ISP	<i>Investimento Social Privado</i> (Private Social Investment)
MST	<i>Movimento dos Trabalhadores Rurais Sem Terra</i> (Landless Workers Movement)
ONG	<i>Organização Não-Governmental</i> (Non-Governmental Organisation)
PNG	<i>Programa Nova Geração</i> (New Generation Programme)

Glossary

Types of Organisation Featured in this Study

Corporate Philanthropy Programme Programme of philanthropic activities carried out within a business that does not run a foundation.

Corporate Sustainability Programme Programme designed to address issues of economic, social and environmental sustainability throughout the activities of a particular corporation.

Foundation Charitable organisation serving as the most common vehicle for institutionalised philanthropic activity. Foundations can be funded: by their founders; via an endowment (invested capital which generates income) and/or by contributions from other individuals, businesses or charitable organisations. Foundations usually operate under the title *fundação* or *instituto* in Brazil, and are often called charitable trusts in the UK (reflecting their legal status in this country). They can be grant-making (funding other organisations and individuals) or operating (designing and carrying out their own programmes), or a mixture of the two. The foundations featured in this study fall into four different categories:

Community Foundation

Community Foundations serve as a bridge between third sector organisations and potential funders (individuals, families or businesses), within a particular geographical remit. They help funders to identify the organisations they want to support, and manage the grant-making process on their behalf. They may also

offer other services within the community (and third sector community) in which they operate, e.g. research and consultancy.

Corporate Foundation (family business)

Foundations created and governed by family-owned businesses. These are funded by the businesses that found them and usually have a professional staff, which may or may not include family members.

Corporate Foundation (non-family business)

Foundations created, funded and governed by non-family businesses, with a professional staff.

Family Foundation

Foundations created, funded and governed by an individual philanthropist, or by several members of the same family, with a professional staff that may or may not include family members. These are not connected (financially or in terms of governance) to businesses, even if the family in question is a business family.

Giving Circle

A group of philanthropists that collaboratively select and fund third sector organisations. In some giving circles members are required to make a regular minimum contribution to a collective fund for grant-making, while in others members choose which projects to fund from a selected portfolio, or fund through a mixture of the two systems.

**Intermediary
Organisation**

Organisation offering some or all of the following to corporate, family and individual philanthropists (and sometimes the staff of their foundations), to help them

design and carry out their philanthropic activities: philanthropy advising; consultancy services; financial and technical services; networking and peer-support activities. Intermediary organisations may also carry out activities designed to strengthen the field of philanthropy, e.g. research and advocacy.

Memorial

Called *memoriais* in Portuguese, these are usually created by members of the third or fourth generation of successful business families. Their main function is to build and disseminate an archive of the family's history, particularly that of the business' founder(s), in the form of photographs, videos, letters, notebooks, documents and oral accounts, etc. Alongside this function, memorials often design and carry out philanthropic activities, usually connected in some way to the construction of this narrative.

Introduction:

Connections Between Elite Universes

Why have I chosen elite philanthropy as the topic of this thesis? In the first instance, the answer to this question lies in my interest in the relations of power and inequality upholding the capitalist economic system that defines contemporary social relations around the globe. The practice of elite philanthropy – designed by wealthy elites to ameliorate the negative effects of the structures of inequality upheld by their activities in other spheres - has always seemed to me an intriguing lens through which to explore these relations. Ethnographic fieldwork among philanthropic elites, however, taught me two important things that (as I will argue throughout this thesis), are essential to a better understanding of this practice. First, that most philanthropists themselves do not see a contradiction between capitalism and philanthropy, or conceive of the latter as a means of compensating for the negative fallout of the former. On the contrary, elite philanthropy is *part of* the contemporary capitalist project and is predicated on its underlying ideology. Second, my ethnographic fieldwork revealed a host of more intimate and personal (if no less political) aspects of elite philanthropy. These had to do with inheritance, the impact of money on family relationships, the dynamics of family businesses, the experience of being wealthy and the role that the wealthy see for themselves within wider society, all of which influenced the ways in which philanthropy was designed and carried out in my fieldsites.

Ethnography provides a means to explore how these different concerns and objectives are woven through the everyday practice of elite philanthropy, and my appreciation of their interconnectedness often came at unexpected moments during my fieldwork. One of these was on my return from a trip to visit a Brazilian sugarcane plantation, owned by the family of Fábio (not his real name), one of the participants of my research. I had e-mailed Fábio to thank him for taking me to see the plantation. He e-mailed back saying it was he who should thank me for inspiring him to revisit his family history, and to think about the relationship between ‘political’ decisions taken by his grandparents during the first generation of the family business (such as moving

the workers' settlement off the plantation, and supporting the foundation of a new town to accommodate it), and ...

... individual or family decisions, made within a private universe, but which have a big economic impact on the surrounding society. This made me think about the connections between these two universes, and what took place in my family within this private universe, at a time when the relations upholding the surrounding social structure were becoming more complex, and how this is a story determined by details.

(personal e-mail communication, my translation from Portuguese)

Fieldwork experiences such as this revealed the complexity of the elite landscapes in which I was carrying out my research, and helped me to appreciate the parallel importance of personal and family experiences and concerns, alongside wider ideological, structural and historical factors in understanding what wealthy elites are doing when they practise philanthropy. Throughout this thesis, I have attempted to demonstrate as such that philanthropy is not an isolated activity, but a practice closely integrated into and influenced by other spheres of elite activity. In consequence, I suggest that the study of philanthropy might throw some small light onto the wider experience and influence of wealthy elites within society, and the range of mechanisms through which they contribute to the upkeep of the global capitalist economic order and their privileged position within it.

In this introduction, I provide details of the fieldwork activities on which this study is based, followed by an outline of the structure of my thesis. I then look at a series of concepts and debates that are key to discussion throughout the chapters that follow. These are: definitions of and research on economic elites; philanthropy as concept and practice, and debates on philanthropy among the wealthy; the comparative structure via which this thesis looks at philanthropy in Brazil and the UK, and finally, a short discussion of critique and ethnography in the anthropology of elites.

Fieldwork Settings: São Paulo, Rio de Janeiro and London

This thesis builds on a prior research project, carried out for a Master's degree in urban anthropology at the University of São Paulo. This looked at three philanthropic

projects and how they related to patterns of socio-economic segregation in the city (see Sklair 2010). In the current thesis, I have moved away from these urban themes to look more broadly at the practice of elite philanthropy in Brazil and the UK. One Brazilian organisation that I had studied during my Master's degree, however, served as the point of entry for my PhD fieldwork in Brazil. This was the *Instituto Geração* (Generation Institute) in São Paulo, which ran the *Programa Nova Geração* (New Generation Programme) promoting social responsibility and philanthropy among young members of the Brazilian elite. Contacts there provided a gateway into the landscape of elite philanthropy when I returned to São Paulo, and I also worked for the *Instituto Geração* as a volunteer intermittently throughout my fieldwork.¹

The other organisation that was central to the current study was the Institute for Philanthropy (IfP) in London. I carried out an internship at the IfP in the summer of 2008, to work on the planning of a week-long 'learning journey' to Brazil for a group of elite philanthropists from around the world. In October 2008, as I was preparing to leave for Brazil to start my fieldwork, the IfP offered me a permanent position as Director for Research, with several periods of unpaid leave to enable me to carry out my research in Brazil. I accepted this offer and broadened the scope of my research proposal to include aspects of elite philanthropic practice in the UK.²

Over the next two years I carried out three research trips to Brazil (October 2008 to January 2009, August to September 2009 and April to June 2010), totalling eight months. Between these trips I worked at the Institute for Philanthropy and carried out independent research among UK philanthropists and intermediaries. Most of my fieldwork in both countries took place within the landscape of institutionalised philanthropy, and I carried out research (a mixture of interviews, visits, voluntary work and participation in events) within 31 different philanthropic and intermediary organisations in São Paulo and Rio de Janeiro, and 14 organisations in London. In

¹ I also have some personal connections in this field, through my mother who is a member of the progressive giving circle the Network for Social Change (see chapter 4), which helped me access philanthropists and philanthropic intermediaries in Brazil and the UK.

² Throughout this thesis I refer to elite philanthropy in the 'UK', despite having carried out my fieldwork almost entirely in London. While I acknowledge that research in parts of Scotland, Wales and Northern Ireland may have produced different findings, my use of the term UK reflects the fact that London is home to the majority of the country's philanthropists, foundations and intermediary organisations, and can therefore be considered representative of the country's wider philanthropic landscape.

Brazil, I carried out 65 interviews, mostly with founders and staff of these organisations, and some with other philanthropists and advisors within the sector. In the UK, I carried out a further 14 interviews (independently of my work at the Institute for Philanthropy), and interviewed 22 London-based philanthropists and intermediaries (and many philanthropists in other countries) in my capacity as Director for Research at the IfP.³

The organisations included in this study (which are listed in Appendices One and Two) give a sense of the different ways in which institutionalised philanthropy is currently practiced in Brazil and the UK. They also reflect my experience in the field, as contact with one person or organisation, or participation in a particular event, led organically to another.⁴ While this selection of organisations does not, therefore, provide a systematic representation of the landscape of institutionalised philanthropy in Brazil and the UK, it does demonstrate something of the variety of organisations present within it.

The organisational and financial information provided in the Appendices to this thesis also show the myriad ways in which the landscape of elite philanthropy is connected to other realms of elite (especially corporate) activity in both countries. An example of the mapping of such connections is provided by sociologist William Domhoff (1967, 1983), who has carried out detailed empirical studies of the business, social and political networks of the American upper class showing how individuals move between different elite institutions within these overlapping realms. Domhoff's work shows how this tightly knit group of powerful individuals and families maintain their exclusivity, through ties to a series of schools, clubs, resorts, social activities, marriage patterns, occupations and political activities, (putting paid to the North

³ In accordance with research ethics, I have only included organisations in the table in Appendix 2 if I carried out interviews with their members outside of my role at the IfP (i.e. if I identified myself to them as an academic researcher and made it clear that any information gathered might be used in my PhD thesis). Similarly, in the text of the thesis, I have only drawn on interviews conducted in my role as employee of the IfP where material from these interviews was subsequently used in publications by the IfP available in the public domain, and have quoted the relevant source.

⁴ Not all of the organisations and individuals I visited and interviewed are mentioned in the text, as some escaped the remit of elite philanthropic practice that is the focus of this thesis. Allowing the 'snowball effect' to bring me into contact with some of these other third sector organisations, however, enabled me to gain a broad sense of the field and how elite philanthropy is embedded within it.

American mantra that anyone can climb the ranks of the social system with enough determination and hard work).

Philanthropy might be added to Domhoff's realms of interconnected elite activity. As the tables in the Appendices show, even within the small sample of philanthropic organisations discussed in this thesis, multiple connections can be traced between people and organisations within the philanthropic landscape, the corporate sector and a host of other traditionally elitist (and powerful) professional fields, including law, politics, the media, banking, private equity and other financial services. The table in Appendix Two also shows that in the UK, elite philanthropists often rub shoulders with royalty, via the royal patronage of philanthropic organisations and the bestowing of royal honours upon particularly prolific donors. As I will explore in the chapters that follow, ideas, events and behaviours in these different realms of elite activity often bear influence on one another.

Thesis Outline and Key Themes

Part One of this thesis provides a contextual analysis of the historical development and contemporary landscape of elite philanthropy in Brazil and the UK. Chapters One and Two look at Brazil and the UK respectively. In each, I explore the emergence of contemporary forms of institutionalised elite philanthropy and the philanthropic intermediary sector, against the broader backdrop of the development of the third sector in each country.

In the first part of Chapter Three, I examine available statistical data on the contemporary landscapes of institutionalised philanthropy in Brazil and the UK, and the contribution of these to the funding of the wider third sector. I also provide a brief comparative overview of this data in relation to the philanthropy sector in the USA. I then look at tax incentives for philanthropy in Brazil and the UK, and the ways in which these contribute to the philanthropic privilege of the wealthy to decide how public funds are used in the third sector.

Part Two examines the relationship between philanthropy, elite identities and the creation of historical family narratives in business-owning families. Chapter Four explores the ways in which economic elites in Brazil and the UK use philanthropy to realise ambitions for shaping the world around them, give form to ideas about social responsibility and create meaning for their lives and for the experience of being wealthy.

In Chapter Five, I look at philanthropy within the context of Brazilian family businesses. I use a case study to explore the role played by discourse on philanthropy and corporate social responsibility (CSR) over three generations of one family business. In the historical family narrative created by living family members and their employees, philanthropic practices are presented as evidence of the family's innate commitment to social responsibility. Historical and ethnographic research on this family and firm, however, reveals the myriad ways in which these practices have been appropriated (and re-signified) at different moments in the family's history, blurring the boundaries between obligation, benevolence and corporate interest. Philanthropy thus emerges as a form of currency for the negotiation of labour relations, as a means to engage with national and global CSR movements and, most recently, as a tool for the management of inheritance and family business succession, aiming to keep the family businesses productive – and family wealth intact – as its control moves to younger generations.

Part Three explores the ideologies of social change underlying the design of elite philanthropy, and how these ideologies are brought to bear on the work of philanthropists through the use of specific practices. In Chapter Six, I explore how elite philanthropy serves to further the project of global capitalism by promoting the ideas that philanthropy and profit-making are compatible endeavours, looking particularly at how this idea is developed in discourse on the related practice of 'corporate sustainability'. I then go on to examine ideas about social change among Brazilian and British philanthropists and philanthropic advisers, in particular the idea that the alleviation of poverty can best be achieved by the incorporation of the poor into existing market structures. Crucially, this philanthropic project is accompanied in both countries by attempts to transform the poor into self-reliant and entrepreneurial individuals. I go on to present two short case studies to illustrate how the adoption or

rejection of these ideologies also determines which third sector projects receive elite philanthropists' support. In the last part of this chapter, however, I examine the contradictions seen in the ways that elite philanthropists talk, on one hand, about entrepreneurship among the poor beneficiaries of their philanthropy, and on the other, about the entrepreneurial spirit of themselves, their fathers and grandfathers in building the family firms that are the source of their wealth.

In Chapter Seven, I discuss the emergence of discourse on 'strategic' philanthropy, 'businesslike' philanthropy and 'philanthrocapitalism' in the UK and the USA (and related practices of *investimento social* in Brazil), posited on the idea that philanthropy and the work of third sector grantees should be modelled on practices from the corporate sector. I explore how these ideas are manifest in practice in my fieldsites, before going on to examine critiques of these trends. In the second part of this chapter, I look at the central role played in these trends by evaluation practices, especially in relation to growing demands for the demonstration of results by philanthropic grantees. I investigate connections between these practices and the rise of 'audit culture', identified in critiques of technologies of neoliberal governance in the UK and around the world. I end this chapter with an analysis of how uncertainties surrounding these practices within my fieldsites reflect unease with the broader entrenchment of audit in the public sector and beyond. In prescribing adjustments to these practices to make them more accountable, however, critics within and beyond my fieldsites fail to see the governance technologies at play within them.

Part Four (Chapter Eight) focuses on the work of philanthropy advisors and other intermediaries within the institutionalised philanthropy sectors in Brazil and the UK. I explore the different ways in which the role of the philanthropic advisor is framed within different intermediary organisations. These include a private bank, which sees its philanthropy services as part of a broader slate of 'wealth governance' services offered to clients, and two 'donor education' programmes which attempt – in different ways – to teach philanthropists how to become more strategic and effective. Attempts within these organisations to transform philanthropists and their practice reflect different ideas about the role of philanthropy, and the presence or absence of efforts to explore elites' own roles in the maintenance of structures of social and economic inequality. The previously discussed themes of ideologies of social change and the

meaning and implications of ‘strategic philanthropy’ re-emerge here from a different perspective, as intermediaries seek to define their own objectives in influencing the development of philanthropy. This exploration of the ambiguities present in the work of intermediaries ultimately highlights the contradictions underlying elite philanthropy. Within the broader context of the structural mechanisms, upheld by elite activity in other spheres, that are responsible for the maintenance of social and economic inequalities around the globe, elite philanthropy emerges as both a system of mitigation against real systemic change and a handmaiden to the ongoing project of global capitalism.

Appendices One and Two list the organisations that feature in this study, showing the year they were founded and details on their activities, income and spending. These tables also give financial information on the fortunes of the philanthropists and businesses that founded these organisations (where this is publicly available). This information was gathered in the field, or subsequently from the organisations’ websites and annual and financial reports.⁵ Within these tables, organisations are classified into groups, and the glossary at the beginning of this thesis provides definitions for these different organisational types.⁶ While not integral to the argument of the thesis, these tables provide reference information on the philanthropists and organisations discussed throughout.

Elites in this Study: Definitions

‘Elite’ is a slippery term, subject to different definitions depending on where and by whom it is used. The elite subjects of the current research project are defined here primarily by their wealth, and I refer to them as the ‘economic elite’. This social

⁵ In these tables I have provided real names and information on the participants of my research and their companies and foundations. In the text of the thesis, however, all names of individuals (and some companies and organisations) have been changed in order to maintain confidentiality around interview material and (private) activities I observed during my fieldwork. Where I quote directly from literature produced by these foundations and companies (and available in the public domain), I do provide the true source of these quotations.

⁶ I have opted to use my own classifications here in order to facilitate comparison between the British and Brazilian organisations featured in this study, and to reflect the full range of organisations I encountered in the field. In doing so I have drawn (and expanded) on the definitions supplied by GIFE (2010: 21) and Philanthropy UK (2008: 141-142).

group is the result of the excessive accumulation of wealth by a very small number of people across the globe over recent decades, mostly through increasing profits made in finance, business and associated trades (especially law and banking) and celebrity professions. Often referred to as the ‘super-rich’, ‘super-wealthy’, ‘wealth elites’ or ‘the 1%’, they have begun to attract growing attention within the social sciences.

Theorists have applied varying definitions in deciding who does and does not sit within the ranks of this group, but some common criteria have emerged, based principally around the concepts of the High Net Worth Individual (HNWI) and the Ultra High Net Worth Individual (UHNWI). According to the annual *World Wealth Report*, published by wealth advisers Capgemini and Merrill Lynch, in 2010 (the year in which the research on which this thesis is based was completed) there were 10.9 million HNWI's around the globe, each holding financial assets in excess of US\$1 million.⁷ Within this group, there were 103 thousand UHNWI's, each holding financial assets in excess of US\$30 million (2011: 4). As geographer of the super-rich Ian Hay notes, these HNWI and UHNWI figures represented 0.158 per cent and 0.0015 per cent of the 2010 global population respectively (2013: 3-4).

The *World Wealth Report* gives the total wealth of the global HNWI population in 2010 as US\$42.7 trillion (Capgemini and Merrill Lynch 2011: 4). This figure is down slightly from the year before; Hay reports that, according to data from the World Bank, “in 2009 the world’s 10 million richest people had investable assets equivalent to roughly two-thirds of the World’s Gross Domestic Product, estimated that year to be \$58.26 trillion” (2013: 5). Capgemini and Merrill Lynch’s report also shows that the very richest take a vastly unequal share of overall wealth, even within the ranks of the HNWI's. In 2010, UHNWI's held 36.1 per cent of global HNWI wealth, or US\$15.4 trillion out of a total US\$42.7 trillion, while making up just 0.9 per cent of the HNWI population (2011: 7).⁸ While the USA tops the list of countries with the

⁷ Capgemini and Merrill Lynch exclude primary residences, collectibles, consumables and consumer durables from their calculations of the financial assets held by these individuals.

⁸ Sociologist Katharina Hecht’s (2014) work on inequality among the super-rich backs up these findings.

highest population of HNWI in 2010 (with 3,104,000), the UK comes in at 5th place with 454,000, and Brazil at number 11 with 155,000 (ibid: 6).⁹

Particularly relevant to the current study however is the finding that, “regionally, Latin America still has the highest percentage of Ultra-HNWI relative to the overall HNWI population—2.4%, compared with the global average of 0.9%” (ibid: 7). As Brazil is the only Latin American country that makes it onto the *World Wealth Report*’s list of the top twelve highest global HNWI populations, we can assume that it plays a large part in this unusual concentration of UHNWIs. This growing accumulation of wealth among the country’s economic elite is in large part a result of market deregulation and the financialization of the Brazilian economy over recent decades. Pochmann et al., in a rare attempt to calculate the true wealth of Brazil’s super-rich, estimated in 2005 that the combined patrimony of a group of 5,000 families (0,001% of all Brazilian families) represented around 40% of the country’s GDP (2005: 29), and there is little reason to think this figure will have changed much under recent Worker Party governments.

I cannot provide comprehensive information on the wealth of all of the Brazilian and British participants of my research to verify their membership of the economic elite. In the tables in Appendices One and Two to this thesis, however, I have provided details on the wealth (and its origins) of the philanthropists and philanthropic foundations featured in this study where such information was available. As can be seen here, the wealth of these individuals and families originates from a wide range of companies working in fields such as financial services, engineering, concrete, energy, metals, transport, cosmetics and the production of refined sugar and ethanol, among others. Some of the elite philanthropists featured in this study made their money by founding (or profitably selling) a business, others inherited controlling shares in a family business or capital from its profits. In a few cases philanthropists included here made their money through high salaries earned in finance or corporate executive roles.

⁹ The most recent *World Wealth Report*, which provides data for 2015, shows that the global HNWI population has now leapt to a total of 15.4 million individuals, holding a total of US\$58.7 trillion. While the USA and the UK have maintained their positions in the ranking of national HNWI populations, at numbers one and five respectively, Brazil has dropped from eleventh to seventeenth place during this period (see www.worldwealthreport.com, accessed 24/01/17).

Various aspects of the lifestyles of the philanthropists that are the focus of this study also served as indicators of their membership of the global economic elite, albeit representing different levels of wealth and income within that group. In Brazil, I conducted interviews and visits in luxury homes in the most expensive neighbourhoods of São Paulo and Rio de Janeiro, serviced by teams of domestic workers and protected by security guards and high-tech security systems. I accepted lifts between fieldsites in imported cars with darkened, bullet-proof glass in their windows, sometimes driven by chauffeurs, and observed the conspicuous consumption by elite philanthropists of designer clothes and other luxury goods. Philanthropists and their advisors also talked confidentially about each other's wealth, providing anecdotal evidence of elite identities. Finally, the kinds of philanthropy practised by the participants of my research were, by definition, the domain of the super-rich. The money invested in the philanthropic programmes explored in this study, as well as the institutional infrastructure necessary for their management, preclude the practice of what I term 'elite philanthropy' among other social groups. In addition, high levels of wealth were a pre-requisite for inclusion in the donor education courses run by the philanthropic intermediary organisations that were central to my fieldwork, not least with regards to the fees charged by these organisations.

On the basis of these observations and research findings, I feel confident in claiming that all the philanthropists featured in this thesis fall into the category of HNWI (as defined above), and that a number of them can be further categorised under the exceptionally wealthy sub-group of UHNWIs.

Research on Economic Elites

Early studies by 'power elite' theorists such as C. Wright Mills (1956) and William Domhoff (1967, 1983) made an essential contribution to understandings of the maintenance of power structures and economic influence in the USA. In anthropology, Laura Nadar's (1974 [1969]) famous entreaty to "study up" called on her colleagues to direct similar attention towards the workings of the major

institutions of urban society, and the wealthy and powerful individuals who control them. During the 1980s and 1990s, the limits of anthropology's traditional focus were further highlighted by critical challenges from post-modernist, literary, post-colonial and feminist theorists from within and outside of the discipline, which in turn provoked much soul-searching around the politics of anthropological representation (e.g. Clifford & Marcus 1986, Marcus & Fischer 1986 and Clifford 1983).

In the wake of these debates, many anthropologists began to discuss how the discipline might adapt its methods and objectives as it moved into the next century (see, for example, collections edited by Fox 1991, Gupta & Ferguson 1997 and Marcus 1999). While the critiques of recent years had already cast doubt over the validity of the discipline's traditional representation of its fieldsites as self-contained, ahistorical social worlds, technological advances in travel and communication, the growing influence of transnational corporate activity and radical changes in the make-up and dynamics of diasporic communities were now making such a representation impossible to sustain. Central to the discipline's attempts to redefine itself during this time was a concern to turn anthropology's focus towards people and places that had not previously figured among its studies (Ahmed and Shore 1995: 15-16).

The growing interest in elite cultures seen over the following decades can be seen within this context, and anthropologists have approached the study of elites in different ways during this time. Authors in the volume edited by Shore and Nugent (2002) have looked at the practices and processes through which elites represent themselves, legitimise their positions and ensure their own succession and reproduction, and examined the local and international conditions under which different elite factions emerge and disappear. Several anthropologists have explored these issues through ethnographies of dynastic families, using anthropology's traditional focus on kinship as a means to investigate the multiple aspects of elite experience. Examples of such studies are Yanagisako's work (2002) on family firms in northern Italy's silk industry and the study carried out by Marcus and Hall (1992) of the concentration of family wealth in North America. Their work highlights the ways in which elites navigate the moral contradictions of their experience under contemporary capitalism, negotiating the incorporation of value systems and kinship

loyalties into family-run corporate structures, where they sometimes sit uneasily alongside the pursuit of profit.

Over recent years, the conspicuous accumulation of wealth among the global elite has begun to attract growing attention within and outside of academia. This not least in relation to the financial crisis of 2008, and the apparently rapid return to business as usual among financial and corporate elites, while those among the wider population hit by the immediate effects of the crisis and subsequent state-led austerity measures continue to deal with the fall out. A series of works outside of academia have focused directly or indirectly on these issues (e.g. Cave & Rowell 2015; Shaxson 2011; Peston 2008; Toynbee & Walker 2008), while public disquiet around these - and parallel issues such as corporate tax avoidance - has been reflected in the emergence of the global Uncut and Occupy movements.

The financial gains of the super-rich have also radically altered scales of inequality across the globe (see e.g. Dorling 2014 in relation to the UK). This growing inequality has instigated a critical approach within the social sciences, which puts money at the centre of analyses and seeks to comprehend the relevance of the huge surge in wealth accumulation that is the defining feature of this social group (Savage 2014). The recent work of Thomas Piketty (2014) - a forensic enquiry into the mechanics and processes of capital accumulation and how they service the maintenance of global inequalities - has played a large part in this movement, alongside sociological and anthropological enquiries into the historical and contemporary meanings and making of money by authors such as Dodd (2014) and Hart (2011, 2009). In parallel, growing interest in the anthropology of finance and global markets, particularly in the wake of the economic crisis of 2008, has led to a series of ethnographic accounts of the financial and corporate landscape (e.g. Green 2013; Riles 2011; Ouroussoff 2010; Ho 2009).

These various studies on economic elites have revealed unexpected themes, such as that of diversity among the super-rich. While exclusivity and overlapping networks of activity still define elite experience, research has shown that levels of wealth and income among the richest one per cent are actually more stratified than within any other social group (Piketty 2014: 315-321, 432-436; Hecht 2014). As Glucksberg's

(2015) work on the “gentrification of gentrification” in London shows, different ideas about community and the appropriation of urban space also lead to conflict between different sub-groups of economic elites, as new global elites move into (and transform) wealthy areas of the city (see also Hay 2013: 7-11 on these trends globally). In the chapters that follow here, my own research on elite philanthropy shows that family dynamics, ideas about wealth and inequality and – to a lesser extent, but still of importance – political ideologies, also vary among economic elites.

These issues of diversity among the super-rich are also central to debates about how to define, identify and name this global social group. Despite the collective use of terms such as ‘HNWI’, there is little consensus among commentators, as Savage (2014) points out, on the financial “cut off point” for defining the economic elite, or on the relevance of how its members have accumulated their money (inheritance, earnings, rentier and investment income, etc.). In fact, as I will explore below, philanthropic elites themselves are acutely aware of these issues, and they often impact on decisions concerning whether to partake in, how much money to dedicate to and how to design philanthropic practice.

Within this broader context of research on economic elites, the contemporary challenge for ethnographers might be defined in terms of a twofold approach. First, the development of ethnographic research on the everyday experience of wealthy families and individuals in different (overlapping) spheres of elite activity, be they corporate, family or philanthropic, and how these experiences inform the development of elite ideologies. Second, enquiry into the ways in which these ideologies serve to legitimise the broader structural mechanisms via which elites exert their economic and political influence within society, and reproduce the stark inequalities on which the accumulation of their wealth depends. This is the approach that I have attempted to develop in the current thesis.

Philanthropy: Concept and Practice

The act of ‘giving’ is conceptually embedded within a host of different practices. These range from charitable acts and financial donations among the general public, to

global development aid, to the many forms of taxation and measures for the redistribution of wealth seen around the world. Elite philanthropy takes its place among these practices, drawing on all of them in its various forms of engagement and rationale. This thesis is specifically concerned with two case studies of elite philanthropy in different national contexts. Elements of philanthropists' reflection on their own practice (seen in my ethnographic material), however, sit not only within these contexts but also on this related conceptual plane, in which 'giving' takes on particular meanings and objectives. Ideas about taxation are one area in which discourse on philanthropy overlaps directly with these broader realms of meaning (as will be discussed in Chapter 3).

While I am concerned specifically in this thesis with contemporary, institutionalised philanthropy among economic elites in Brazil and the UK, philanthropy is of course a term that covers a variety of practices, displaying similarities and differences throughout history and in different parts of the world (MacDonald & Borms 2010; Ichman et. al. 1998). In addition, philanthropy is not the exclusive domain of the wealthy. In fact, research has shown repeatedly that in relative terms, the poor give significantly more to charitable causes than the rich, a phenomenon termed the 'U-shaped curve' by commentators (Li 2015; Breeze 2006; Jencks 1987: 322-323).

In both Brazil and the UK, elite philanthropy has a long history and has been influenced by the changing relationship between the state and the third sector concerning the provision of welfare services. This will be discussed in chapters one and two below. Contemporary, institutionalised philanthropy among economic elites takes different (but overlapping) forms in the two countries, and in both is often linked to concepts of 'strategic philanthropy' or 'businesslike philanthropy'.¹⁰ As my research will show, these forms of philanthropy are not just about the giving of money, but encompass a variety of activities including the design and implementation of social programmes.

¹⁰ The term *filantropia* (the direct translation of 'philanthropy' in Portuguese) actually holds negative connotations in Brazil, where it is connected in popular usage to the terms *pilantra* or *peleleira*, meaning a pretentious, mean or dishonest person. While most Brazilian philanthropists are aware of the term's positive usage in philanthropy circles abroad (and use it when speaking to foreign philanthropists and advisers), they usually prefer to use the term *investimento social* (social investment) or *responsabilidade social* (social responsibility) to describe their own philanthropic practice in Brazil.

I explore these different forms of elite philanthropy in the chapters that follow. As an introductory guide, however, institutionalised philanthropy in the UK is usually carried out through a ‘charitable trust’ or ‘foundation’, similar to the foundation model found in the USA. UK charitable trusts or foundations (the terms are used interchangeably in the UK, although ‘trust’ is more common) are funded either by an endowment (with running costs covered by income returned on an invested sum of capital) or by regular contributions from the trust’s founders and/or other sources. Their philanthropy usually takes the form of grant-making to charities and other third sector organisations.¹¹ My research in the UK focuses mainly on trusts and foundations founded by families or individuals. As in the USA, the ‘family’ trust or foundation is conceptually distinct from the ‘corporate foundation’, which is founded and maintained by a business under the banner of corporate social responsibility (CSR).

In Brazil, philanthropic foundations are usually called ‘*institutos*’ (institutes), and occasionally ‘*fundações*’. As mentioned above, the predominance of family-owned businesses in Brazil means that concepts of family, business and capital are tightly intertwined among economic elites. It follows that most philanthropic foundations are created by family businesses using corporate (family owned) capital, blurring the British/North American distinction between ‘family’ and ‘corporate’ foundation. These family business foundations are the main form of Brazilian philanthropy considered in this study, although I do incorporate a small number of family (non-corporate) and corporate (non-family) foundations.¹²

It is important to note that Brazil does not, therefore, have a long tradition of private *family* (non-corporate) foundations. In this it differs from the USA and the UK, where such foundations have historically played an important role in public life. In addition, while other forms of elite philanthropy have a long history in Brazil, the

¹¹ As I note in chapters 2 and 3, third sector organisations are most commonly referred to as ‘*ONGs*’ (NGOs) or ‘*organizações da sociedade civil*’ (civil society organisations) in Brazil, and as ‘charities’ or ‘voluntary sector organisations’ in the UK. Elsewhere in this thesis, I have used the generic term ‘third sector organisation’ to refer collectively to these entities in both countries.

¹² Many corporate philanthropic foundations founded by (Brazilian and foreign) non-family businesses also exist in Brazil, as do private foundations that do not fall under the definition of family or corporate (i.e. are not funded using money donated by their founders), but they are not the main focus of this study.

institutionalised family business philanthropy that is the focus of this study is a relatively new phenomenon, emerging mostly in the 1990s (see Chapter One).

The conceptual merging of family and business philanthropy in Brazil also has implications for the practice of CSR, and for the ways in which the different but overlapping activities of CSR, corporate philanthropy and corporate sustainability are defined in the field. Also in divergence from the UK/USA model (but in common with other Latin American countries), most Brazilian foundations are ‘operating’ rather than ‘grant-making’, meaning they usually design and run their own philanthropic programmes. While grant-making philanthropy - the funding of other third sector organisations – does take place, it is a secondary philanthropic practice in Brazil. Finally, few Brazilian foundations have endowments, and most are funded instead by regular contributions from their founders.

Other forms of organised elite philanthropy also exist in both Brazil and the UK, most notably the ‘giving circle’, via which philanthropists make grants collectively. Elite philanthropy is also an aspect of the work of family memorials and community foundations.¹³ The recent growth of the philanthropic intermediary sector, offering advice and technical services to elite philanthropists and fomenting networking between them, has been an important factor in the development of contemporary philanthropic practice in both countries. Intermediary activity, as discussed below, is interesting for its role in influencing the practice of elite philanthropists and also in its own right, as a locus for reflection on the wider social role of elite philanthropy and its potential for creating social change, among both philanthropic beneficiaries and philanthropists themselves. As mentioned above, intermediary organisations were essential gatekeepers in the development of this research project.

In line with the concerns outlined at the beginning of this introduction, I began my fieldwork with the intention of concentrating solely on elite philanthropy dealing with the issues of poverty, inequality and social justice. In the field, however, I found that it was often difficult to define which philanthropic projects fell within these criteria. Brazilian philanthropists who worked solely in the area of education were designing

¹³ See the glossary of terms at the beginning of this thesis.

programmes for schoolchildren in São Paulo shanty towns, whose families lived on far less than the minimum wage, while British philanthropists funding charities working on climate change were supporting mitigation programmes to help poor communities in Asia deal with rising sea levels. As such, I decided in the field to be guided by the philanthropists and foundations whose practice seemed to provide the most interesting opportunities to explore ideas about poverty, inequality and ‘social change’, irrespective of the objects of their philanthropy. While this led me to investigate philanthropic activity aimed at some causes I had not initially intended to explore, there are still broad areas of elite philanthropic practice that are not discussed in the chapters below. Funding in areas such as the arts and health are among these. While these are important areas of philanthropic activity, their analysis is beyond the remit of this study.

Debates on Elite Philanthropy

The two national examples of elite philanthropy examined in this thesis each possess their own particular features. They also, however, reflect a series of broader, global tendencies seen in this practice, which often take their cue from philanthropists in the USA. An understanding of this global context – which I discuss in this section - is thus important as a backdrop to the analysis which follows in later parts of this thesis.

Literature (from both within and outside of academia) on elite philanthropy and its history often sits within one of two broad camps, seeing philanthropy as either a benevolent solution to all the world’s problems or as a mechanism for the maintenance of socio-economic inequalities and the privileges and power of the economic elite.¹⁴ This is especially the case in the USA, which boasts the biggest institutionalised philanthropy sector in the world, and where philanthropy has had the greatest social and historical impact. As journalist Mark Dowie (2001: xxii) argues,

¹⁴ A recent interdisciplinary collection of work, edited by Morvaridi (2015), provides a comprehensive overview of both sides of this debate. See also Fleishman (2009) for an example of pro-foundation literature in the USA.

“no other civilization has been designed by the imagination of its organized philanthropists to quite the same degree as the United States”.¹⁵

Historically, institutionalised philanthropy in the USA has thus provoked such an extreme polarization of reactions among its observers that the interpretative history of American foundations reads like an introduction to the ideological politics of the 20th century. Critical commentators (e.g. Parmar 2012, 2002; Edwards 2010, 2008; Roelofs 2003; Whitaker 1974), with whose analysis I am broadly in agreement, have tended to echo the views of Robert F. Arnove, who argued over thirty-five years ago that:

“... foundations like Carnegie, Rockefeller, and Ford have a corrosive influence on a democratic society; they represent relatively unregulated and unaccountable concentrations of power and wealth which buy talent, promote causes, and, in effect, establish an agenda of what merits society’s attention. They serve as “cooling-out” agencies, delaying and preventing more radical, structural change. They help maintain an economic and political order, international in scope, which benefits the ruling-class interests of philanthropists and philanthropoids¹⁶ – a system which [...] has worked against the interests of minorities, the working class, and Third World peoples.”

(Arnove 1980: 1)

More recently, this critical tradition has been continued by sociologist Linsey McGoey, who focuses particularly on the rise of ‘philanthrocapitalism’ and its adherents among the global economic elite (2015a, 2015b, 2014, 2012). The concept of philanthrocapitalism is developed by journalists Matthew Bishop and Michael Green, in their book of the same name, subtitled: *How the rich can save the world and*

¹⁵ Elite philanthropy played a central role in the formulation of ideology in the USA during and beyond the progressive era, and in foreign policy and the expansion of American imperialism during and after the Second World War. Led by what were America’s three biggest foundations at the time - Rockefeller, Carnegie and Ford - this influence was achieved in large part through funding of institutions such as the Council on Foreign Relations (Shoup and Minter 1977; Parmar 2002) and of universities, where philanthropy directly shaped the development of research agendas (Chomsky et al. 1997). The work of the major American twentieth century philanthropists has also influenced the development of various aspects of social, cultural and economic life in other nations around the world, both directly (in the shape of philanthropic programmes abroad) and indirectly (via its role in foreign policy formation) (Arnove 1980, see also Colby and Dennett (1995) on the influence of Nelson Rockefeller in the Amazon).

¹⁶ ‘Philanthropoid’ is the term commonly used in this literature to describe the professionals hired by philanthropists to run their foundations.

why we should let them (2008).¹⁷ Based on the idea that contemporary philanthropists are leading a new movement of social change via the application of corporate practices to the solution of social problems,¹⁸ these authors claim with alarming hubris that, “today’s philanthrocapitalists see a world full of big problems that they, and perhaps only they, can and must put right” (ibid: 2).

The undisputed world leader of the philanthrocapitalist movement, and the subject of McGoeys’s principle work on the subject (2015a), is the Bill and Melinda Gates Foundation. Its staggering financial resources make it by far the wealthiest foundation in the world; according to its website, the Foundation’s endowment is currently worth US\$39.6 billion, and it has already made grants totalling over US\$36.7 billion.¹⁹ In 2006, investment tycoon Warren Buffett donated US\$31 billion worth of stock in his company Berkshire Hathaway to the foundation (to be paid in annual installments), the largest single philanthropic donation ever made.²⁰

The Gates Foundation’s main areas of activity are global health and agriculture, and US education policy. The scale of its resources has seen the Foundation re-write the international agenda on which issues and regions of the world receive the most funding for health, and how this funding is used, resulting in a skew towards areas like malaria and HIV/AIDS prevention and away from those such as nutrition, child and maternal health and chronic diseases, which most affect those living in poverty (McGoey 2015a; Beckett 2010; Lancet 2009).²¹ The Foundation’s growing influence in the field of global agriculture has also attracted criticism, concerning, for example, its partnership with corporations such as Monsanto and its support for the development of genetically modified (GM) seeds, which carry not only ecological concerns but have saddled small farmers in countries around the world with huge

¹⁷ In the paperback edition, the original subtitle of the book was changed to: *How giving can save the world*.

¹⁸ The originality of attempts to organise philanthropy based on principles borrowed from the corporate sector has been disputed by McGoeys (2012) and others, as will be explored in later chapters.

¹⁹ See: <http://www.gatesfoundation.org/Who-We-Are/General-Information/Foundation-Factsheet> (accessed 03/09/16).

²⁰ See: <http://www.gatesfoundation.org/Who-We-Are/General-Information/Leadership/Executive-Leadership-Team/Warren-Buffett> (accessed 03/09/16).

²¹ Additional literature looking critically at the role of philanthropic funding (by Gates and others) in the sphere of global health includes Rushton & Williams (eds.) (2011) and Stuckler et. al. (2011).

debts, as the patents protecting GM seeds force farmers to re-buy them for each new crop they plant (McGoey 2015a: 207-222).

Critics have also questioned the fact (common to the majority of philanthropic foundations around the world, not just Gates), that choices regarding where the Foundation's endowment is invested are guided purely by financial considerations, regardless of whether they are providing investment capital for companies responsible for the perpetuation of social and environmental problems that the foundation's philanthropic work seeks to combat. The Gates Foundation endowment, for example, is partially invested in Monsanto (see above), as well as (until recently), Coca Cola and McDonalds, both widely condemned for their contribution to global obesity levels (ibid: 173-175).

Most disturbingly, however, McGoey interrogates the under-reported practice – in which the Gates Foundation also appears to be a world leader – of philanthropic foundations granting funds to for-profit corporations. McGoey reveals that the Gates Foundation has made direct grants to companies such as Mastercard (to support “financial inclusion” in Kenya (2015b: 27)) and Vodacom, a subsidiary of the mobile phone operator Vodafone, known for its rampant tax-avoidance schemes in the UK, for the development of the M-PESA mobile phone payment system in Tanzania (McGoey 2015a: 81-82). In addition, the Gates Foundation has made a series of grants to businesses in the USA, developing tools and services for the promotion of highly unpopular and in some cases deeply discredited US public education initiatives connected to student testing, teacher performance and online schooling (ibid: 113-147). The practice of philanthropic foundations granting funds to corporate entities will be discussed further in the chapters that follow, particularly in relation to elite ideologies concerning the compatibility of philanthropy and corporate profit-making.

A further body of work on philanthropy (in and beyond the USA), from a mixture of academics and philanthropic intermediaries active in the sector, is neither as fanatical nor explicitly critical as the literature cited above. This research tends to be based on the implicit assumption that philanthropy is a force for social good, restricting critique to calls for greater accountability and transparency in foundation practices. This is true of the work of Lester M. Salamon – director of the John Hopkins Center for Civil

Society Studies at The John Hopkins University - the USA's long time authority on the global third sector, who has more recently turned his attention to the emergence of new trends in philanthropy, not least in a hefty edited collection of work by those developing them in sector (Salamon 2014). Also in this canon is MacDonald and Borms' (2010) volume on the historical development and contemporary practice of philanthropy around the world, a recent global overview of charitable giving edited by Wiepking and Handy (2015) and Theresa Lloyd's detailed accounts of why and how rich people give in the UK (2004 and in an updated edition co-authored with Beth Breeze in 2013).

Sociologist and UK philanthropy sector researcher Beth Breeze provides an extensive and authoritative body of work on contemporary and historical British philanthropy, covering aspects such as donor perceptions of charities, motivations and taste in the selection of philanthropic beneficiaries, family philanthropy and public policy on private giving provides a wealth of material on the subject (e.g. 2013; 2012; 2011; 2009). Breeze's work is again underlined by an assertion of the social value of elite philanthropy and a preoccupation with the improvement of its methods and impact. Similarly, studies on elite philanthropy and closely related CSR practices in Latin America (in which Brazil stands out as a regional leader) while not wholly uncritical, are much concerned with analysing philanthropy's accountability, impact and potential for effecting positive social change (see e.g. Salamon 2010 and Sanborn & Portocarrero 2005).

Little has been written by anthropologists about philanthropy (especially in elite, institutionalised settings), although important exceptions are provided by Bornstein (2012), who looks at philanthropy within the broader context of charitable and humanitarian practices spanning different social groups in New Delhi, Osella & Osella's work on charitable activity among Muslim entrepreneurs in Kerala, South India (2009) and Osella et. al.'s study on philanthropy and development in Sri Lanka (2015). Odendahl's (1990) revealing study of elite philanthropy in the USA focuses mainly on funders of universities and the arts, causes - as she points out - that benefit the elite themselves and receive far greater philanthropic support in the USA than those benefitting the poor. Odendahl combines a socio-economic and political critique of philanthropic practice with an analysis of the culture of philanthropy in the USA,

and how it is influenced by ideas of generosity, dynastic identities and presentations of self among the philanthropic elite.

While little has been written in anthropology on the subject of elite philanthropy, the overlapping topic of corporate social responsibility (CSR) has attracted much more attention in recent years (see e.g. Dolan & Rajak 2011; Rajak 2011; Partridge et. al. (eds.) 2011; Ecks 2008). As explained above, my original focus on (non-corporate) family philanthropy in the present study was redefined during my fieldwork when I began to understand the conceptual (and practical) confusion between the realms of family, business and capital in Brazil. My attempts to explore family philanthropy in this country thus led me to the CSR initiatives of many family businesses, and I have drawn on some of the literature on CSR in my analysis of these activities.

Parallel Perspectives: Elite Philanthropy in Brazil and the UK

I have explained above how I came to include the UK as a fieldsite in this research project, which originally intended to look only at Brazil. I should stress, however, that the decision to include UK material did not signify a decision to turn this project into a comparative study of the two countries, but rather to supplement my original (and still central) focus on elite philanthropy in Brazil with additional material from the UK. Economic elites in the twenty-first century operate within highly globalized networks, moving money, business, ideas and themselves around the world with increasing frequency. The institutionalised philanthropy of economic elites is equally embedded within these global networks, and is the locus of shared concepts, practices and experiences among its practitioners. Like any global activity, however, elite philanthropy is also shaped by specific local histories and contexts.

Although it doesn't match the size and scope of its sister sector in the USA, the UK has one of the world's most well established institutional frameworks for elite philanthropy. The British foundation philanthropy sector, in turn, is much larger and has a far longer history than its Brazilian counterpart. Along with their North American peers, elite British philanthropists thus serve as an important reference point for the development of contemporary philanthropy in Brazil, especially with

regards to discourse on ‘social investment’ and ‘strategic’ or ‘businesslike’ giving.²² The inclusion of fieldwork on philanthropy in the UK thus enables this thesis to explore both the hypothesis of a globalised, elite philanthropy, and the ways in which Brazilian elites follow, contribute to and depart from philanthropic practices originating in the larger (and older) institutionalised philanthropic sector of the UK.

One factor explaining variations in philanthropic activity between these countries is the different fiscal environments for philanthropy provided in each (see Chapter 3). In addition, the tendency of the Brazilian elite to practise philanthropy through the family firm reflects the structure of Brazilian capitalism, as the corporate sector is still centred on large, privately-owned family businesses and has only recently begun to open up to public trading. The relative scarcity of grant-making foundations in Brazil and the higher percentage of operating foundations compared with the UK also reflects the historical relationships between elite philanthropy and the charitable or NGO sector in each country, as well as the contexts in which each of these sectors has emerged and developed over the last half century. These contexts also explain why Brazilian philanthropy tends to be directed towards Brazilian beneficiaries, unlike in the UK where elite philanthropy covers a much broader international remit as well as supporting causes at home.

The national focus of Brazilian philanthropy (as opposed to the wider, international scope of philanthropy in the UK) may also be connected to the higher visibility of poverty and inequality in this country. While economic elites in both countries live in a segregated bubble of privilege, Brazilian elites are more exposed to the inequalities that surround them than their British counterparts - albeit that this ‘exposure’ is very limited and highly contained, as when the rich encounter street hawkers and barefoot children asking for money through the bullet-proof glass of their car windows.²³ All too often this limited contact manifests itself in elite fear of the poor and of public spaces, especially within the context of elevated levels of crime (including frequent kidnappings) directed towards the very wealthy, one of the many consequences of

²² As I will examine in chapter 1, the emergence of institutionalised philanthropy in Brazil was designed and funded in large part by North American foundations, seeking to create a Latin American philanthropy sector in their own image.

²³ See Sklair (2010) on how philanthropic and volunteering projects in São Paulo also bring elites into direct contact with the poor, in transitory experiences of movement between segregated urban spaces.

Brazil's exacerbated levels of socio-economic inequality. Despite this fear of contact with the poor, the lives of wealthy Brazilians are also highly dependent on the service of poor domestic workers, armies of which (cleaners, drivers, security guards, nannies, cooks, gardeners, etc.) circulate daily through elite domestic and professional spaces. Anthropologist Teresa Caldeira (2000) has documented this contradictory relationship of fear and dependence between different socio-economic groups in São Paulo. While this is not to say that Brazilian elites harbour a greater understanding of the realities of the lives of the poor than their British counterparts, it may in part account for the fact that the elite philanthropists I met in Brazil often remarked that it made no sense for them to direct their philanthropy outside of the country when there was so much poverty at home.

Anthropology of Elites: Critique vs. Ethnography or Critical Ethnography?

One of the challenges presented to anthropologists studying elites is that of the relationship between ideological critique and ethnography. During my field research, the philanthropists and intermediaries I met seemed to hold a common assumption that I viewed their philanthropic activity in a favourable light. On several occasions, I sensed that participants in my fieldwork would be surprised and perhaps uncomfortable to learn of my ambiguous attitude towards elite philanthropy, and my intentions to use my fieldwork material to develop a critical analysis of their practice. This posed an ethical conundrum. Should I begin each interview, visit and conversation by offering an unsolicited and detailed explanation of my political views on elite philanthropic practice, and risk jeopardising the fieldwork encounter in which I was embedded? Or go along with the subtle charade, and risk ethical malpractice?

This of course raises another question central to the anthropological study of elites. Do the ethical obligations of anthropologists towards the participants of their fieldwork, introduced formally into the discipline by professional bodies such as the ASA and the ESRC, still apply when anthropologists shift their focus – and by implication the power dynamics of the fieldwork encounter – from the discipline's traditional poor and marginalised subjects to new wealthy and powerful ones? (Shore 2002: 11).

While such ethical dilemmas constitute real experiences in the field, they also fail to capture the full complexity of fieldwork among elites. My research participants were not a homogenous group (whose are?), and examples of elite anxiety (see Salverda & Grassiani 2014) were rife within the landscape of elite philanthropy. Philanthropists and intermediaries regaled me with tales of inter-generational conflict over money, family business succession and philanthropic strategy, and of crises of confidence and self-worth among young inheritors. Philanthropists burst into tears on the way home from visiting poverty-stricken *favelas* (shanty towns), overwhelmed by the guilty burden of their own privilege. How to square these frailties with the social and economic power and influence wielded by these individuals as a group, and reflected in their philanthropy?

It is clear that in Laura Nader's (1974 [1969]) early and oft-cited call to anthropologists to "study up", the assumption is that we will do so critically. As anthropologists began to study elite cultures in the years that followed, however, the claim for ideological critique as a legitimate basis for ethnographic research revealed itself to be far from settled. As discussed above, outside of anthropology, power elite theorists - most particularly William Domhoff (1967, 1983) - were carrying out detailed empirical studies of the business, social and political networks of the American upper class. George Marcus, however, drew a distinction in the early 1980s between this 'elite theory' and the 'elite research' carried out by anthropologists, arguing that in their concern to show the interconnected social organisation of elites, power elite theorists were overlooking the workings of elite subcultures, their family relations, worldviews and everyday practices, with the result that, "much elite research has been based on the presupposition that we already know what elites are about, and that priority attention should be given to their social impact" (1983: 19). Marcus argued that the *ethnography* of elites could balance the "wider, societal perspective" offered by elite theorists (ibid: 25).

This argument holds parallels with a more recent one put forward by Yarrow and Venkatesan (2012: 7), concerning anthropology's engagement with development. These authors argue that anthropology's critical deconstruction of development practices (e.g. Ferguson 1994; Escobar 1995) has often served to mask "the beliefs,

meanings and actions that development actors themselves privilege". Instead, they appeal to an ethnographic approach concerned with the investigation of these complex meanings, citing Lewis and Mosse (2006), who they argue

... have called for a more ethnographic approach to development, one that stands apart from normative and instrumental ideologies, in order to better appreciate the complexities of particular contexts in which ideas of development become ethnographically meaningful. [...] Although framed in somewhat different terms, this move parallels our own insistence that anthropological accounts can usefully produce critical commentary only from the basis of ethnography that does not in the first instance take critique as its aim.

(Yarrow and Venkatesan 2012: 8)

These arguments sit within a far broader debate - that I do not have space to explore here - concerning the contemporary nature of critique (see e.g. Latour 2004) and the claims made and contested within anthropology for ethnography's particular ability to capture the realities and complexities of daily life. I introduce them here rather to draw attention to the questions that these issues have posed for me during the writing of this thesis.

While I set out on my fieldwork with the intention of putting aside my critical views of elite philanthropy so that they would not 'get in the way' of my ethnographic investigation in the field, this endeavour proved increasingly difficult as my research progressed, and even more so when I began to write up my thesis. Having been convinced of the arguments for what would be lost if I framed my ethnography within a critical perspective, I began to be increasingly troubled by what would be forsaken if I didn't. Over the course of writing this thesis, I thus turned from the goal of separating critique from ethnography to an attempt to write a critical ethnography of elite philanthropy.²⁴ The result is a messier and more contradictory piece of work than I had intended, in which I may sometimes appear to be arguing with myself over the interpretation of material collected in the field. All I can say is that this faithfully

²⁴ I was influenced in this by a workshop which I co-organised at the University of Sussex on 11th January 2016, entitled *Confronting Elite Anthropology: Collaboration, Hostility & Critique*. My thanks to Paul Gilbert, initiator and co-organiser, as well as the other contributors to this workshop for their insights and encouragement in this respect.

reflects the messiness and contradictions I encountered in the field itself, as well as the – far from tidy - critical concerns which led me to it in the first place.

I now perceive these concerns, however, as central to the project of critical ethnography. Marcus (1983: 19) was right in his early claim, quoted above, that “much elite research has been based on the presupposition that we already know what elites are about”, and this claim serves as a legitimate appeal for more ethnography of elite experience. Where issue must be taken is in the latter part of Marcus’ argument, where he criticises the idea that “priority attention should be given to their [elites’] social impact” (ibid). The problem, of course, is that when the subject of ethnographic enquiry comes from the ranks of the elite, and is thus responsible (whether directly or indirectly, individually or as part of a wider kinship or corporate group) for the reproduction of global systems of social and economic inequality, a failure to critique the “social impact” of the subject of one’s research signifies a silent endorsement of these processes, which in itself is a political act.

What I have tried to demonstrate in the chapters that follow, is that using ethnographic research to better discover “what elites are about”, and giving “priority attention” to their “social impact” is not an either or project. Rather, by *supplementing* critique of the social impact of elites with ethnographic enquiry into the myriad dimensions of elite experience, I argue that we might better understand how that social impact is achieved and reproduced, and refine both our critique of that impact and our attempts to temper it.

PART ONE:
Elite Philanthropists and Their Practice in Brazil and the UK

Chapter 1:

The Development of Elite Philanthropy in Brazil

The ethnographic material presented in this thesis demonstrates many common ideas and practices in the philanthropy of economic elites in Brazil and the UK. This material also reveals, however, the importance of the particular socio-economic and historical contexts in which elite philanthropy has developed in these two places. The purpose of this and the following chapter is to explore these contexts, to provide necessary background to the ethnography and analysis in later chapters.

This contextual discussion reveals the constant interplay between national and global, and structural and specific influences in the development of elite philanthropy in the two countries. Common themes emerge within these two histories. These include the impact of global economic shifts on patterns of inequality and the fortunes of the wealthy, especially from the 1980s onwards, as neoliberal trends of financial deregulation began to take hold in both countries. During the same period, both Brazil and the UK saw governments attempt to shift responsibility for social welfare onto new public-private partnerships and an increasingly marketised third sector. In Brazil, an emerging institutionalised philanthropy sector sought to model itself on the UK and the USA in defining its role within these new configurations.

The strikingly different *early* histories of elite philanthropy in Brazil and the UK, however, mean that while these more recent processes have been influenced by the same global trends, they also bear the particular marks of earlier events in the two countries. Comparison of the development of Brazilian and British philanthropy must therefore move between the planes of global (structural) and historical (particular), whilst bearing in mind the enduring hierarchical relationship in which Brazilian philanthropists – in their role as elite representatives of a ‘developing’ country in receipt of extensive foreign aid - have looked to their British and North American peers for guidance on many aspects of their practice.

The most important particularity in the histories of elite philanthropy in the two countries is that of its relationship to the wider national arena of third sector activity.²⁵ In Brazil, this relationship is multi-faceted and often ambivalent. Brazil has an extremely active and creative NGO sector (termed, in Portuguese, *organizações não governamentais* or *ONGs*), and the country is considered a regional leader of third sector activity within Latin America.²⁶ In 2010, the sector numbered over 290,000 organisations.²⁷ As I will explore below – and in a strikingly different scenario to that seen in the UK – Brazil’s early NGOs emerged within the politically charged landscape of the country’s military dictatorship (1964-1986), mostly with objectives directly opposed to those held by the country’s elite philanthropists. The ambivalent relationship between the NGO and elite philanthropic sectors in Brazil thus owes much to the economic and political factors that have enabled the country’s elite to strengthen its economic power within a national landscape of entrenched socio-economic inequalities. As discussed below, the origins of these inequities – alongside the origins of elite philanthropy itself – can be traced to Brazil’s colonial era, and the period leading up to the military dictatorship.

Origins of Elite Brazilian Philanthropy

In their analysis of the historical production and reproduction of Brazilian wealth, Pochmann et. al. point to colonial rule by the Portuguese, and the formation of a small but powerful landowning class in the early sixteenth century (Pochmann et. al., 2005: 31-32). The wealth of this class was dependent on the emergence of a plantation-

²⁵ Throughout this chapter, I use the terms ‘third sector’ and ‘NGO’ (*‘terceiro setor’/‘ONG’* in Portuguese) to refer to the landscape of which Brazilian charities and philanthropic foundations both form part. A wide range of terminology is used to describe similar organisations and landscapes in different global settings (e.g. civil society, voluntary sector, non-profit sector, charity sector, etc.), but I have chosen these terms because they are the ones I heard most often in Brazil. Other terms used in Brazil are *‘sociedade civil’* (civil society) and *‘organizações da sociedade civil’* (civil society organisations).

²⁶ Historically, Brazil has also been favoured among other Latin American countries in the receipt of foreign aid. Today, staff of Brazil’s NGOs are highly networked and their shared history and (although now much debated) ideological objectives contribute to a strong professional identity. It is common to hear these professionals referred to as *“ongueiros”* (literally meaning someone who works in an *ONG*). No similar vernacular designation exists in the UK, and its presence reflects the common culture of which these professionals consider themselves a part.

²⁷ See IBGE (2012: 19). In comparison, the UK had around 164,000 third sector organisations, while the USA had around 980,000 (see <http://data.ncvo.org.uk/a/almanac12/fast-facts/> (accessed 30/10/15) and Blackwood et. al. (2012: 2) respectively).

based economy from 1500-1822, fuelled by African and indigenous Brazilian slave labour. Under the plantation system, elite landowners exchanged protection and favours for loyalty and services, predating the informal philanthropic relations which often take place within the business and domestic communities of contemporary elites. In parallel, lay religious societies, or *Confrarias*, provided an early vehicle for the development of more formalised systems of elite philanthropy (Landim 1993: 2).

From the end of the colonial era until the mid 1930s, the Brazilian economy was characterized by what Peter Evans (1979: 10) has termed a system of “classic dependence”, the export of primary goods and materials to wealthy “centre” countries in exchange for manufactured goods. Booming trade at this time ensured the maintenance of the rural landowning elite, and during the 1930s, their philanthropy was influenced by the creation of the *Legião Brasileira de Assistência* (Brazilian League for Social Assistance). The *Legião* served as a vehicle for the charitable activities of the wives of state officials and other elite women, as well as a conduit for the practice of clientelist policies by central government (Landim 1993: 4-5).

Industrialization of the Brazilian economy from the beginning of the twentieth century brought about a model that Evans (1979: 32) has called “dependent development”, based on a “triple alliance” between international and local capital and the state. The emergent industrial elite of this period was formed of those among the landed aristocracy who began to invest in manufacturing, and the urban, commercial elite who turned their hand to the same. They were joined by new European immigrants (Evans 1979: 107), who played a central role in the development of philanthropy at this time. Elite institutions such as the *Hospital Sirio e Libanes* and the *Hospital Israelita Albert Einstein* in São Paulo, for example, have long philanthropic traditions centred principally on the activities of women volunteers from São Paulo’s wealthy Syrian-Lebanese and Jewish communities.²⁸

Despite the “triple alliance” described by Evans (ibid.), the businesses that fared best under industrialization of the Brazilian economy were those dominated by Brazilian capital, remaining relatively independent from foreign investment. Several of these

²⁸ See Sklair (2010: 119-164) for a discussion of the philanthropic activities of the *Hospital Israelita Albert Einstein*.

are still family owned, and remain major corporate players in Brazil today, as well as leaders in the philanthropy sector. One such business is Votorantim, founded in 1918 by Portuguese immigrant Antônio Pereira Ignácio. Today, the group operates in (among other areas): cement and concrete; chemicals; electric energy biotechnology; and the financial sector. Its current owner, Antônio Ermírio de Moraes, ranked 226 on Forbes Magazine's 2007 list of the world's billionaires. With a family fortune of US\$3.9 billion, he was the fourth richest Brazilian on the list.²⁹

While the discourse of CSR did not arrive in Brazil until later in the twentieth century, the 1950s did see a growing interest in the field of Human Resources (HR) among large Brazilian companies. A small number of philanthropic foundations were created during this period by corporate HR departments. These foundations were designed to provide benefits to company employees, such as health and education services.

This period also saw the build up to Brazil's military takeover. Triggered by poor economic performance, soaring inflation and political instability between 1961 and 1963, the military coup took place in 1964 and the dictatorship lasted until 1985 (Abreu 2008a: 356-57). As mentioned above, the specific relationship between elite philanthropy and the NGO sector seen in Brazil today, which both informs the ways in which philanthropy is practised in this country and accounts for many of the aspects in which it diverges from the British model, has its roots in this period of the country's history.

Elite Philanthropy and the Emerging Third Sector: Opposing Objectives

Brazil's coup represented the attainment of military support for the protection of elite interests far more than it represented any significant change in the country's social structure. The first decade of military rule has been labelled an 'economic miracle', claimed by the military government as the result of its industrial policies and the renegotiation of the country's foreign debt, which saw an inflow of foreign credit capital (Abreu 2008a: 362-378; Fishlow 1990: 62-63; Grinberg 2008: 293-307).

²⁹ See www.forbes.com.

It was a small percentage of the Brazilian population who benefited, however, from the dividends of this ‘miracle’. While industrial growth did signify rising employment figures during this time, these were tempered by the introduction in 1965 of an official wage policy designed to keep wages low (Abreu 2008a: 363), and the principal outcome of economic growth was a sharp increase in unequal income distribution (ibid: 380; Oliveira 2003). These new trends in Brazilian economic policy were symptomatic of broader global shifts from the mid 1970s, which saw the rise of deregulated corporate power and early moves towards the financialization of economies around the world. During this period, Brazil also experienced mass internal migration from the impoverished rural northeast to cities in the south, swelling the shanty-town and periphery populations of these areas and creating a new urban geography around Brazilian poverty.

These changes, alongside growing discontent with the suppression of political and human rights under military rule, led to the emergence of a wave of small popular movements; the roots of what was to become Brazil’s organised third sector.³⁰ Often taking place under the radar of the military government, they took the form of informal community groups, self-organising to meet their own needs in the absence of state provision. These focused on a wide range of issues. While landless workers in the countryside carried out land occupations,³¹ *associações de moradores* (residents associations) on the outskirts and in the shanty towns (*periferias* and *favelas*) of Brazil’s rapidly growing cities held collective *mutirões* to build each other’s houses, opened community crèches and organised access to water and electricity (Fernandes 1994: 42-46). These movements were supported by the Catholic Church, particularly by followers of the progressive Liberation Theology movement (ibid 1994: 36-42; Landim 1988: 30).

The first wave of Brazilian NGOs (although they did not adopt this terminology until later on) began to appear on this scene in the mid 1970s. These small, informal organisations were created by middle-class intellectuals opposed to the military

³⁰ While my focus in this chapter is on Brazil, the history of the emergence of NGOs throughout Latin America took place along similar lines. For an overview see Fernandes (1994) and Thompson (2005).

³¹ Land occupations during the 1970s foregrounded the emergence of the *Movimento dos Trabalhadores Rurais Sem Terra* (MST), the Brazilian Landless Workers Movement (see Branford and Rocha 2002).

dictatorship, many of whom were engaged in resistance activities and/or had recently returned from political exile abroad (Landim 1998(a): 40-44). The NGOs they created were designed to support the popular movements outlined above, providing them with technical and financial *assessoria* (assistance or advice). Founded in explicit opposition to military rule, the NGOs were cautious in their dealings with the state, sometimes working in semi-clandestine conditions (Landim 1988: 45) and frequently drawing on the support of the Catholic Church to provide cover for activities too dangerous to carry out in secular settings.

Many of these early NGOs were inspired by practitioners such as Paulo Freire, concerned with new forms of popular education and community development (Landim 1988: 34-35; Haddad & Oliveira 2001: 77; Lewis and Kanji 2009: 34-35). They also worked in collaboration with the emerging and influential indigenous rights movement (Ramos 1997; Urban 1983). Essential to these early NGOs was the funding and institutional support of foreign NGOs and philanthropic foundations, which in Brazil was termed *cooperação internacional* (international cooperation).³² The incipient Latin American NGO sector provided an institutional framework through which these foreign organisations could channel funds to the popular movements appearing throughout the region, bypassing military states to promote democracy and foster social change directly at grassroots level (Fernandes 1994: 80).

Brazil's emerging NGO sector and the country's older institutions of local elite philanthropy, however, were characterised by radically different aims and ideologies. They rarely worked together, and the former received little financial support from the latter. While the military state cultivated close relations with the financial elite, the identity of the new NGO sector was – as discussed above - defined explicitly in opposition to the state (Fernandes 1994: 129). Under the military state, elite philanthropy continued to reproduce traditional forms of hierarchy and paternalism (Landim 1998(a): 39), and was associated with “political cronyism, exchanges of favours and embezzlement of public funds into private hands” (Landim 2005: 89). Fernandes (ibid.) notes that, at this time, the word “*assistencialismo*” - used to

³² Major British funders at this time were religious development NGOs Cafod and Christian Aid, and the secular NGO Oxfam, all of which were (and are) fundraisers in the UK. Philanthropic foundation funders in the USA included the Ford, Kellogg, Rockefeller and MacArthur Foundations (Fernandes 1994: 80-82).

describe the activities carried out by philanthropic elites as well as other, older forms of charity - became a “term of accusation” (my translation) among NGOs and popular movements.

Contemporary relations between the NGO and elite philanthropic sectors in Brazil have their roots in this historical scenario, which is radically different from the early history of collaboration between philanthropists and voluntary organisations found in the UK (see next chapter). Hostility has lessened between these sectors in Brazil over recent decades, and philanthropists do now sometimes fund the work of NGOs, collaborate with them to design philanthropic programmes, draw on professionals from the NGO sector to staff their foundations and share similar discourses around social change. Compared to the UK and the USA, however, levels of direct grant-making to NGOs from philanthropic foundations remain low, with most Brazilian philanthropists still preferring to design and operate their own programmes. The history of distrust and opposing objectives outlined above is one factor explaining the unwillingness of many Brazilian philanthropists to fund NGOs directly, and the parallel reluctance of some NGOs to seek local philanthropic funding.

Elite Philanthropy and the Third Sector under Neoliberalism

The 1980s and 1990s were decades of radical political and economic change in Brazil. The ‘economic miracle’ of the early 1970s was not able to withstand the international oil crisis and by the early 1980s Brazil was plunged into recession, launching the country into what would later be described as its ‘Lost Decade’ (Fishlow 1990: 64; Abreu 2008a: 387; Abreu 2008b: 401-402). This paved the way for Brazil’s adoption of the neoliberal economic and political agenda in ascendancy around the globe. As in the UK, these shifts would transform the relationship between state and third sector, and lay the ground for the emergence of the forms of elite philanthropy which define the sector today.

The pressures of economic failure combined with political mobilization from different sectors of the population – led by the metalworkers’ union and future president Luiz Inácio Lula da Silva (Lula) in São Paulo’s peripheral ABC industrial zone (Branford

et. al. 2003: 24) - finally saw the collapse of Brazil's military dictatorship in 1984. The NGO sector played an important role in this movement, and in doing so found itself aligned for the first time with some sectors of Brazil's business elite, dissatisfied with the high levels of state intervention seen under the dictatorship, which they deemed responsible for holding back economic growth (Agüero 2005: 124). It was these business elites who would, over the coming decades, be responsible for developing contemporary forms of elite philanthropy and seeking new alliances with Brazil's NGO sector.

The NGO sector quickly assumed a central role in the building of Brazil's new democracy, formalised in the 1988 Federal Constitution, which introduced a model of co-responsibility between the state and civil society (Szazi 2005: 307-308; Haddad & Oliveira 2001: 70-71). By the early 1990s, NGOs had gained extensive visibility and influence in Brazil, a radical change in status from the semi-clandestine militancy of ten years earlier.³³ This period, however, also brought fresh challenges to the sector. Marked by political chaos, particularly around the impeachment of president Fernando Collor de Mello under corruption charges in 1992, the 1990s saw economic crisis, falling wages and massive growth in the informal economy. Many Brazilian NGOs began to focus on specific issues emerging within this new social and political context, such as the environment, racial discrimination, HIV, urban violence and the protection of the rights of women and the indigenous population (Landim 1996: xvi; Landim 1998(a): 54).

Neoliberal reform over the coming decade was led principally by the country's new president, Fernando Henrique Cardoso, who took office in 1995. As seen around the world at this time, Cardoso's policies were part of a broader commitment to the financialization of the economy, shifting emphasis from domestic production in industry and agriculture to the accumulation of financial capital in both domestic and global markets. This period saw some small improvements in the lives of the very

³³ Other events during the 1990s also brought heightened visibility to Brazil's NGOs, such as the NGO 'Global Forum' organised in parallel to the United Nations Conference on Sustainable Development and the Environment (Eco92) in Rio de Janeiro, which attracted around 9,000 NGOs from 167 countries (Falconer & Vilela 2001: 29; Lessa & Rossetti 2005) and the *Campanha contra a Fome* (Campaign against Hunger), which succeeded in mobilising an astonishing 32% of the Brazilian population in direct action initiatives to tackle hunger and poverty around the country (Landim 1998(b): 235-242).

poorest Brazilians, due to marginally increased welfare provision. Brazilian economist Marcio Pochmann (2007), however, demonstrates how many of the policies introduced by Cardoso, such as privatisation and tax reform, specifically benefitted the wealthy to the detriment of those lower down the socio-economic pyramid. Pochmann (ibid: 1479) estimates that the economic rewards brought by financialization of the economy were enjoyed by around 0.04 per cent of Brazilian families.

The 1990s also saw Cardoso's renegotiation of the country's foreign debt under the terms of the Washington Consensus and contingent commitment to structural adjustment policies (Power 2001: 627-628). In line with these policies, NGOs around the world were gaining prominence in policy discussions on international development at this time.³⁴ As welfare spending dwindled amid a proliferation of new frameworks for the privatisation of public services, NGOs were now considered ideal agents for the delivery of solutions to the problem of international development. Multilateral institutions in the northern hemisphere accordingly began to divert foreign aid away from governments and towards NGOs throughout the developing world (Lewis and Kanji 2009: 38-42).

In Brazil, these ideas were also gaining prominence on the national stage. In 1995 Cardoso's government created the *Programa Comunidade Solidária* (Solidarity Community Programme), to facilitate relations between NGOs and the state and to introduce significant legislative reform to the third sector, in order to support the increased outsourcing of public services (Jaime 2005a: 18; Haddad & Oliveira 2001: 67; Szazi 2005). As discussed in the next chapter, similar government policy was developed by New Labour in the UK a few years later, demonstrating a parallel (and globalised) commitment to the reconfiguration of third sector-state relations.

In Brazil, new 'voluntary associations' (such as sports and membership associations etc.) were also swelling the ranks of the third sector (Fernandes 1994: 91-92) at this time. This was beginning to set the core of early NGOs adrift in a sea of organisations

³⁴ An enthusiastic World Bank report entitled *From Confrontation to Collaboration: Civil Society–Government–World Bank Relations in Brazil* (Garrison 2000), sums up the Bank's attitude towards Brazil's NGOs at this time.

with varying objectives and political affinities, and professionals in the older NGOs feared that their shared political project was losing meaning within this new public arena. By the early 2000s, these changes had led to what anthropologist Pedro Jaime (2005a: 14) terms a “crisis of identity” among some within the NGO community. In addition, the sector’s new relationship with the state raised serious questions about its role, concerns mirrored around the world (Lewis and Kanji 2009: 16-18). Did the state’s appropriation of NGO activity represent an unprecedented opportunity for democratic participation in the forming of a new social and political agenda? Or were NGOs being transformed into the handmaidens of neoliberalism, the mechanism through which the Brazilian state would increasingly outsource its responsibilities for social welfare? (Jaime 2005a: 14-20).

The Emergence of CSR and Institutionalised Philanthropy³⁵

As Brazil’s new political landscape brought radical change to the NGO sector, it also created the conditions for the emergence of new forms of elite philanthropy. Institutionalised elite philanthropy was (and for the most part remains) a business phenomenon in Brazil, closely connected to growing interest in CSR during the late 1980s and early 1990s.³⁶ But it was also the result of an explicit project on the part of a number of business leaders and professional intermediaries, backed by foreign agencies and foundations, to create an institutional framework for the charitable activities of the Brazilian elite. These processes saw the transformation of many older forms of ad hoc philanthropy by wealthy business owners into CSR programmes, and

³⁵ This section is based on conversations in the field and the very small body of literature available on Brazilian philanthropy. Much of the latter is written and/or funded by the sector itself, and is imbued with certain assumptions concerning the merits of philanthropy. It is also often designed to promote the sector’s work as much as to analyse it.

³⁶ CSR is a strand of the broader concept of ‘corporate governance’, which originated in the 1980s in the USA as a means to protect the interests of minority shareholders and create greater transparency around company practices. Definitions of CSR vary, but broadly speaking it refers to the adoption of ethical principles in the governing of companies’ activities and relations, both internally (with employees) and externally (regarding supply chains, customers, investors, communities where companies are present, etc.). CSR relates to both the avoidance of unethical activities (child labour, violation of workers’ rights, environmental damage, etc.) and proactive engagement in ethical activities (such as providing employee benefits). CSR typically combines a public commitment to the upholding of legal requirements surrounding business practices (payment of minimum wage, safe working conditions, etc.) with voluntary activities chosen by companies themselves. Depending on different interpretations, CSR may or may not include the practice of corporate philanthropy (Agüero 2005: 108-109).

the creation of dedicated philanthropic foundations. They were also an attempt to clean up philanthropy's public image; the negative connotations of patronage and clientelism historically associated with elite philanthropy had not been helped by revelations, during the campaign preceding the 1992 impeachment of president Fernando Collor de Mello, of systemic corruption in the prominent philanthropic organisation run by the president's wife (Lessa & Rossetti 2005; Szazi 2005: 308-309).

The growing institutionalisation of elite philanthropy was contingent on a series of factors influencing the elite business community during the early 1990s. The advent of the new era of democratic, neoliberal politics had seen significant deregulation of business activity. Combined with improvements in Brazil's economic performance during the 1990s, this increased both the economic and social influence of big business. These trends could be seen throughout Latin America at this time. As Agüero (2005: 107) argues, business elites throughout the region were beginning to redefine their social role, asserting the idea that

... a stronger and wealthier business sector is freer to think beyond its corporate boundaries and to consider taking on responsibilities that were previously the exclusive domain of the public sector. Beyond defensive corporate claims, business may now aspire to assume a national leadership role in shaping debates over modes of social organization and coordination, taking on directly the role of disseminating a private, market-based ethos throughout society.

Unfettered by state control, the Brazilian business sector could now concentrate on building a strong capitalist economy under the newly democratised state. Wider involvement in social issues was seen as an important element of this project. In particular, investment and intervention in education was considered a national priority, as a better educated society would lead to a more skilled and productive workforce, and thus to economic growth (Paula & Rohden 1998: 221-222; Dimenstein 2005: 171; Sanborn 2005: 19; Rossetti 2010: 272). Writing about the UK, Kinderman (2011) has similarly argued that CSR and neoliberal marketization have evolved hand in hand in recent decades, with CSR offered by British corporations in exchange for lighter market regulation.

There were of course limits to the Brazilian elite's new interest in social issues, especially those on the agendas of the militant NGOs founded under military rule. Elite philanthropy's preference for operating its own programmes over grant-making to NGOs, and its focus on certain areas of activity (particularly education and professional training) are symptomatic of the continuing gulf between NGOs and elite philanthropy in the immediate aftermath of the military dictatorship. Sanborn (2005: 8) points to the relevance of this situation throughout Latin America, arguing that,

With the return of civilian rule in most of the region by the late 1980s, international donors continued to be a fundamental source of support for those civil society organizations that defended the consolidation and expansion of democracy, social justice for the poor, and the extension of equal rights and opportunities to women, ethnic minorities and other excluded groups. With few exceptions, for the most part these were objectives that the economic elite were not ready to support and from which most national donors maintained a prudent distance.

Nonetheless, the particularities of Brazil's changing political and social landscape were also producing some unexpected convergences in the objectives of distinct social groups at this time, which paved the way for the development of elite participation in the emerging third sector. Pedro Jaime (2005a: 15-16) draws attention to the fact that the concept of a strong civil society was central to both the democratic and neoliberal projects shaping the development of Brazilian society in the immediate aftermath of the military dictatorship. While post-dictatorship business elites embraced neoliberal economic ideology as fervently as their elite peers in other parts of the world, their support for the emerging third sector and for popular opposition to the dictatorship in favour of democracy, created - to some degree - a sense of affinity between some sectors of the economic elite and the NGO sector in Brazil.

Within this context, the emerging Brazilian CSR movement was styled by its elite leaders as part of a broader shared project between different (corporate and NGO) sectors of a newly democratic and 'socially responsible' Brazilian society. Some NGOs engaged explicitly in the development of CSR practices in the business community, such as IBASE - the NGO behind the *Campaign Against Hunger* (see footnote 33) - which developed the idea of a *balanço social* (social reporting)

mechanism to measure the extent to which companies were complying with the tenets of *cidadania empresarial* (business citizenship) (Agüero 2005: 112).³⁷

As Cappellin and Giuliani (2004: vi-vii) argue, the adoption of CSR practices at this time also helped divert attention from the increasing erosion of workers rights under the politics of neoliberal economic reform, and served as “a way of cleaning up the soiled image of entrepreneurs and companies that were regarded by many as responsible for the concentration of wealth and growing speculation in financial investment” (ibid: vi).³⁸ As business throughout Latin American became more internationalised, adherence to the discourse of CSR was also increasingly seen as a prerequisite for competitiveness and legitimacy within the global economy (Agüero 2005: 109), and failure to adopt CSR practices was perceived to bring ethical risks that could translate into reputational damage and loss of profits.

This combination of global economic factors and localised business interests prepared the ground for both the emergence of Brazil as a key contributor to the international CSR agenda (Lessa & Rossetti 2005), and for the strategic development of Brazilian elite philanthropy. The explicit relationship between the development of CSR and the promotion of a new institutionalised, elite philanthropy sector in Brazil is explored below. This discussion provides historical context for the institutional landscape in which I carried out my fieldwork. For this reason, it includes more detail and named entities than the more general discussion of the development of the Brazilian third sector given above.

Promoting Philanthropy: The Intermediary Organisations

The project of forming an elite institutionalised philanthropy sector in Brazil took shape through the activities of a series of membership, intermediary and advocacy organisations created mostly during the 1990s. One of the most influential of these

³⁷ Self-regulatory performance based indicator schemes are central to global, normative CSR practice (see Kinderman (2011: 15) on the BITC CSR Index in the UK and Garsten and Jacobsson (2011) on the UN Global Compact).

³⁸ As these authors note, as CSR practices have spread throughout Brazil, businesses have simultaneously put pressure on the state to reduce workers rights and replaced contractual employment with casualised labour strategies (Cappellin and Giuliani 2004: vii).

was the *Pensamento Nacional das Bases Empresariais* (PNBE), a break-out group from the Business Federation of São Paulo. The PNBE made waves within the business community, writing think pieces and speaking in the media on issues such as industrial relations, business ethics, income distribution and the environment, and mobilizing support for the impending impeachment of President Fernando Collor de Mello (Falconer 2004: 6; Agüero 2005: 112).

A key figure in the PNBE was the successful toy manufacturer Oded Grajew, an Israeli immigrant who had come to Brazil as a child. Grajew was the founder and president of Abrinq, the *Associação Brasileira dos Fabricantes de Brinquedos* (Brazilian Association of Toy Manufacturers), and in 1989 he and its members created the Abrinq Foundation for Children's and Adolescent's Rights. Working with government, the media and the business community (and in partnership with UNICEF), Abrinq soon became the most important point of reference for corporate engagement with the promotion of children's rights and the movement against child labour.³⁹ These earlier initiatives paved the way for the creation in 1998 of the *Instituto Ethos de Empresas e Responsabilidade Social* (Ethos Institute of Businesses and Social Responsibility), of which Grajew was a co-founder and president for many years.⁴⁰ Latin America's leading CSR organisation (also highly influential on the international CSR scene), the *Instituto Ethos* promotes the practice of CSR in partnership with government, the media and the academic community (Falconer 2004; Agüero 2005: 112-114; Grün 2005: 77).

Another key emerging institution on this scene was GIFE, the *Grupo de Institutos, Fundações e Empresas* (Group of Institutes, Foundations and Businesses), which formalised its existence in 1995. Some of GIFE's activities overlapped with the *Instituto Ethos* and the two organisations began to find themselves competing for members, so in the late 1990s their leaders decided to make a formal distinction between their objectives. While Ethos would focus on CSR, GIFE would concentrate specifically on the promotion of philanthropy, or *investimento social privado* (private

³⁹ The 1980s saw growing public concern over the situation of children living in poverty in Brazil, sparked by media coverage of a number of incidents of violence towards street children (including cases of assassination) at the hands of the police. This concern was reflected in the creation of the 1990 ECA (Statute for Children and Adolescents) (See Dimenstein (2005) for an overview).

⁴⁰ Grajew's résumé also includes founder of the World Social Forum.

social investment), defined by GIFE's ex-Secretary General as "the voluntary giving of private resources in a planned, monitored and systematic manner for social, cultural and environmental projects of public interest" (Rossetti 2010: 277).⁴¹ While most of GIFE's members were corporate foundations, its membership also encompassed non-corporate entities, such as family foundations. As Rossetti (ibid: 278) himself admits, however, the conceptual confusion between CSR and philanthropy (corporate or not) continues, with many businesses and philanthropists mixing concepts and terminology in relation to their activities.

Like the NGOs that emerged in Brazil during the 1980s and 90s, the creation of these CSR and philanthropy intermediary organisations was supported financially and technically by a range of international bodies, including multilateral organisations, government agencies and philanthropic foundations in Europe and the USA. Most notable among these were the W.K. Kellogg and Ford Foundations and the Synergos Institute (all North American foundations), Avina (Swiss entrepreneur Stephan Schmidheiny's foundation) and the Inter-American Foundation (a USA government agency). These organisations provided seed funding, formed partnerships and funded research into Brazil's emerging CSR and philanthropy sectors (Fernandes 1994: 99; Falconer & Vilela 2001: 13; Rossetti 2010: 276).

The contribution of the Kellogg Foundation was particularly important in cultivating the growth of CSR and elite philanthropy in Brazil. Kellogg provided seed funding to Oded Grajew to create the Abrinq Foundation and Ethos, and to the founders of GIFE, as well as to others in the sector. Heading up Kellogg's operations in Brazil at this time was Marcos Kisil, a Brazilian medic who worked in several guises for the Foundation before becoming regional director of its Latin America and Caribbean grant-making programme. In an interview during my fieldwork, Kisil explained to me that the Kellogg Foundation's support amounted to an explicit project to foster a culture of philanthropy among Brazil's wealthy elites, and that "we had a clear vision that we needed to have an institutional base for the growth of the sector" (my translation from Portuguese). After retiring from the Kellogg Foundation in 1999, Kisil himself founded another important intermediary organisation within this

⁴¹ GIFE has also been instrumental in campaigning for the introduction of an improved legal framework around philanthropy in Brazil (Szazi 2005: 313-314).

landscape, IDIS (*Instituto para o Desenvolvimento do Investimento Social* - Institute for the Development of Social Investment), also backed by financial support from Kellogg.

Another important development during the 1990s and early 2000s was the partial withdrawal of funding streams by the international NGOs that had fostered the growth of the Brazilian NGO sector during previous decades. Improved economic performance and democratic stability saw Brazil lose its status as a priority country for international development funding, amid calls by the international NGO community for greater funding of the country's third sector by the government and local philanthropy (Albuquerque 2006: 26; ABONG 2014: 10; Jaime 2005a: 31).⁴² The promotion of a local elite philanthropy sector by international funders should be seen within this context. In parallel, these funders also began to train Brazilian NGOs in techniques for the diversification of local funding sources in preparation for their departure (Daniliauska and Gouveia 2010: 34).

Agüero notes that, by the mid-2000s, CSR and philanthropy intermediary organisations throughout Latin America formed part of a “vast network” of international funders, foundations, local and international NGOs, universities, think tanks and research centres, which revolved around “a hectic calendar of national and international conferences and workshops” (2005: 105). He argues that,

CSR activities and organizations have in fact acquired the ability to engage a variegated set of civil society organizations, international organizations, and government agencies, in debates and practices with important implications for the future of business, state, and society relations.

(ibid.)

This network was also explicitly global in its objectives. Brazilian advocates of CSR had enthusiastically adopted what Garsten and Jacobsson (2011: 381) have identified as a discourse on CSR's globality or “worldism”, reflected in the common pursuit of a homogenization of standards and norms for its practice.

⁴² In broader context for these changes, Lewis and Kanji (2009: 42-43) discuss the global ‘re-governmentalization’ of aid that took place during the 2000s, in which international donors began to move away from the direct support of grassroots NGOs in favour of supporting governments to manage their own development agendas.

While significant parts of the Brazilian NGO community continued to be sceptical about the motives and objectives of CSR and elite philanthropy, philanthropic organisations now generally saw themselves as part of the same third sector landscape as the country's NGOs. Increasingly, these sectors were to see the emergence of shared discourses (and many practice-based partnerships) between these organisations of very different origins, bringing the Brazilian landscape of elite philanthropy closer to that seen in the UK.

The Consolidation of Institutionalised Elite Philanthropy

The consolidation of Brazil's institutionalised philanthropy sector in the new century took place within a very different political landscape from that which saw its emergence during the 1990s. That this period provided such a supportive ideological backdrop for the further development of elite philanthropy says much about Brazil's political and economic environment at this time, and many parallels can be drawn with the UK in this respect (as discussed in the next chapter).

Luiz Inácio Lula da Silva (Lula)'s presidential victory at the Brazilian polls in October 2002 marked a significant break with the country's political past, and was part of a wider political shift to the left that had taken place across Latin America during the early 2000s.⁴³ Lula's Workers' Party (PT) was strongly grounded in left-wing ideology and opposition to neoliberal economic reform. Backed by a solid labour and trade union support base, it had strong connections to the left-wing intellectual middle class and to the liberation theology arm of the Catholic Church. Lula's election victory was celebrated within the NGO community as the culmination of a political project in which many of Brazil's early NGOs had played a fundamental role. These traditional supporters of the PT, however, were to find themselves deeply disillusioned by many of the decisions taken by Lula and the PT once in power (Hochstetler 2008).⁴⁴

⁴³ One of eight children born into a poor rural family in the northeast of Brazil, Lula had moved through the ranks of the metalworkers' union in São Paulo and played a central role in the formation of the PT (Workers' Party) in 1980 (Branford et. al. 2003: 55-57).

⁴⁴ The PT's traditional left-wing support base was further disappointed by a series of political corruption scandals that came to light in quick succession from June 2005 (Anderson 2011: 3-5;

Lula's time in office did see some significant advances in the reduction of poverty and the development of social welfare. The most important of these was the rapid expansion of the *Bolsa Família* (Family Grant) conditional cash transfer programme, which by the end of Lula's second term in office was providing financial support to over 12 million families in poverty, roughly a quarter of the Brazilian population (Anderson 2011: 5; Pochmann 2011: 18; Melo 2008: 162-166).⁴⁵ Lula's government also oversaw significant increases in the minimum wage, a trebling of spending on education and a doubling of the country's university student population (Anderson 2011: 5; Pochmann 2010: 643).

Brazilian economist Marcio Pochmann (2011: 18) reports that, as a result of these and other policies, poverty levels in Brazil fell by more than 30% between 2003-2010. In parallel, inequality measures also improved during Lula's time in office (Barros et al 2010: 136). These improvements signified increased social mobility in Brazil (Pochmann 2010), with 25 million people now classified as belonging to the 'middle class' (Anderson 2011: 8). These statistics, however, need to be placed in context if they are to provide a realistic picture of the true scope of social transformation during this time. As Perry Anderson (2011: 8) argues,

Much of this acclaim rests on an artifice of categorisation, in which someone with an income as low as \$7000 a year (pauperism elsewhere) is classified as 'middle class', while according to the same schema the uppermost class – the super-elite of Brazilian society, comprising just 2 per cent of the population – starts at scarcely twice the average per capita income of the world's population.

In addition,

... the belief that inequality in Brazil has significantly declined must be met with scepticism, since not only is it based on data for nominal income that exclude – according to standard statistical rules – 'outliers' at the top of the tail, i.e. the

Oliveira 2006: 15-16). While these were nothing new in the context of Brazilian politics, the PT had always maintained a public commitment to transparency and 'clean politics', both historically and as a central element of Lula's 2002 election campaign.

⁴⁵ Critics of the *Bolsa Família* argue that the programme needs to be considered within a wider context of possible approaches to social spending. Gledhill and Hita (2009: 4-6) outline this debate, which revolves around the comparative benefits of universal versus targeted welfare programmes and the government's decision to prioritise immediate (if minimal) poverty alleviation at the bottom of the social pyramid, rather than investing in longer-term attempts to tackle structural inequalities. More radical critics see the *Bolsa Família* as a paltry substitute for the social rights ensured by a structured welfare state (Boito 2007: 127), or as a means for depoliticizing the question of poverty (Oliveira 2006: 22).

super-rich, but much more fundamentally ignores capital appreciation and concealment of financial gains at the summit of society.

(ibid.)

These observations are particularly relevant for the present study, as the philanthropists among whom I conducted my research were mostly to be found among these ‘outliers’. Lula’s commitment to the maintenance (or in fact expansion) of the neoliberal economic policies of his predecessor meant that – despite their historical opposition to the Workers’ Party and its socialist roots - it was the members of this economic elite that actually benefitted most under his presidency. While spending on the *Bolsa Família* accounted for 0.5 per cent of GDP, or around US\$6-9 billion annually, rentier incomes from payments on the public debt accounted for 6-7 per cent of GDP, or US\$120 billion annually, received mostly by an estimated 10,000 to 15,000 Brazilian families. In parallel, the performance of the Brazilian stock exchange grew by 523 per cent during Lula’s time in office, delivering enormous gains to shareholders, while the country’s regressive tax system ensured that the wealthy continued to contribute proportionally far less than the poor to the state budget (Anderson 2011: 8). The early 2000s also saw an increase in the numbers of new millionaires (a six per cent growth in 2003-04), private helicopters and security guards (Oliveira 2006: 17-18). In 2005, Pochmann et al. (2005: 29) estimated that the combined patrimony of a group of 5,000 families (0,001% of all Brazilian families) represented around 40% of the country’s GDP. As discussed in the next chapter, the government’s coupling of increased investment in social welfare alongside a commitment to neoliberal economic policies - bringing enormous gains for the wealthy - mirrors the approach of New Labour in the UK at this time.

Also reflecting the UK’s political landscape during this period, Lula’s government was supportive of the elite’s philanthropic activity and of the corporate sector’s growing CSR agenda. During his first term in office, Lula appointed Ethos founder Oded Grajew (see above) as his special advisor. Other indicators of the increased public participation of CSR professionals and philanthropists included the formation by a group of high profile elite philanthropists of the *Todos pela Educação* (Everyone for Education) movement, which aimed to improve Brazil’s public education system through collaboration between schools, businesses, government, NGOs and the media.

It is perhaps unsurprising that the elite philanthropy sector in Brazil flourished within this favourable political and economic climate.⁴⁶ The message sent by Lula's government (mirrored by New Labour in the UK, as discussed below) - that large-scale creation of wealth on the part of a tiny economic elite was compatible with the government's social agenda - was perfectly aligned with the ideology underlying most elite philanthropic activity that I observed during my fieldwork, which was carried out during the last two years of Lula's time in office. As I discuss later in this thesis, members of this economic elite mostly saw their own growing wealth as irrelevant to their philanthropic projects, and conceptualised poverty as a distinct phenomenon from socio-economic inequality. In parallel, the philanthropic projects I observed were usually influenced by the belief that solutions to the problem of poverty were to be found within the neoliberal market economy, particularly in its provision of economic 'opportunities' and its fostering of entrepreneurialism. In combination, these ideas served to vindicate the growing wealth of the Brazilian economic elite on both the local and international stages, and to support the belief that this elite was well equipped to provide solutions to Brazil's social as well as its economic challenges. In the next chapter, I will discuss the development of similar ideas among elite philanthropists in the UK, before going on to look at these issues ethnographically in both countries in the later chapters of this thesis.

⁴⁶ While the global financial crisis of 2008 saw some philanthropic programmes and institutions make cuts to their activities, the sector as a whole weathered the crisis well, with some actually increasing their funding (Rossetti 2010: 281-282). This reflected the relatively mild repercussions of the crisis experienced by the Brazilian economy as a whole.

Chapter 2: The Development of Elite Philanthropy in the UK

In the previous chapter, I discussed the undertones of suspicion and hostility that have characterised the relationship between elite philanthropists and large parts of the third sector in Brazil dating back to the military dictatorship, arguing that this historical antagonism has led to the parallel (rather than integrated) development of Brazil's NGO and elite philanthropy sectors. The history of relations between elite philanthropy and the broader UK voluntary sector⁴⁷ is markedly different. Here, the roots of the voluntary sector lie in the philanthropic activities of the wealthy, and can be traced back at least as far as the medieval period (Davis Smith 1995: 10).

The development of elite philanthropy continued over the following centuries, reaching its 'golden era' during the Victorian period. The philanthropic activities of the wealthy and the population at large were seen as part of the same trend at this time, and mutually important in its development. In literature on the UK's voluntary sector, this context sometimes makes it difficult to pinpoint the specific contribution of wealthy elites within discussion of the broader philanthropic and charitable activities of the population at large, further demonstrating the integration of elite philanthropy into the historical development of the sector as a whole. Equally, philanthropic trusts and foundations are considered an integral part of the contemporary UK voluntary sector, far more so than their Brazilian counterparts.

While these early histories of elite philanthropy and its relationship to wider voluntary sector activity in Brazil and the UK are quite different, we see broader convergences from the late 1970s onwards. As in Brazil, the advent of neoliberal economic policy changed relations between the state and the voluntary sector, and also influenced the creation of private wealth – and attitudes towards wealth - in the UK. In this, it created favourable conditions for the development of new practices within the elite philanthropy sector. Elite philanthropy in the UK also sits in a very different position

⁴⁷ Different terms are used to describe the UK's third sector and the organisations within it, including: voluntary sector; civil society; NGOs; charities; voluntary organisations; new social movements, etc. (Hilton et. al. 2012: 1-2). The most common terms used in literature on the sector and in the field, however, are 'voluntary sector' and 'voluntary organisations' or 'charities'.

from its Brazilian counterpart in relation to global hierarchies of providers and recipients of development aid. Unlike in Brazil, where philanthropists usually work within a national remit, many British philanthropists adopted the international development objectives of governments and multilateral aid organisations during the 1960s, and have continued to work on a global scale. Below, I explore these comparative histories from the British perspective.

Origins of Elite Philanthropy in the UK

Although the trust and foundation sector in the UK is dwarfed by the size of its North American counterpart, Breeze et. al. argue that the latter has its origins in the former, claiming that, “the United Kingdom considers itself to be the birthplace of contemporary philanthropy, with a strong tradition of private giving that has been emulated and replicated around the world, most successfully by emigrants to the United States” (2015: 285).

The oldest recorded charity still in existence in the UK, the King’s School in Canterbury, is believed to have been established in 597 (ibid; Kendall & Knapp 1996: 1-2). Most early philanthropic activity, however, was centred around the Roman Catholic Church, and administered via monasteries and religious houses in line with ecclesiastical Poor Law. It focused on both religious activities and assistance to the poor (Breeze et. al. 2015: 285; Kendall & Knapp 1996: 29). Channelled through these religious institutions, philanthropic activity was widespread, as evidenced by the creation of around 500 voluntary hospitals in England during the 12th and 13th centuries (Davis Smith 1995: 10-11). Aristocrats of this era also practiced more secular kinds of philanthropy in fulfilling their “feudal responsibility” (Kendall & Knapp 1996: 30) towards the subjects of their rural estates, as did the guilds and livery companies of the 14th century (ibid).⁴⁸

⁴⁸ Kendall & Knapp report that the London livery companies remain, “major, if somewhat mysterious, philanthropic institutions to the present day” (1996: 31). During my fieldwork in London, these philanthropic bodies were occasionally mentioned, but did seem to remain on the outskirts of the sector and had little engagement with intermediary bodies.

The 16th century saw the emergence of the endowed charitable trust, the principal institutional mechanism through which wealthy philanthropists continue to carry out their practice today (British trusts are now often referred to as ‘foundations’) (Davis Smith 1995: 11). This development spurred growth in philanthropic giving over this and the next century, also due to economic and social factors which saw the emergence of a new merchant class and a rapid increase in poverty levels. Philanthropists of this era tended to eschew religious objectives, and their giving instead went towards, “almshouses, hospitals, houses of correction, workhouses, work programmes, apprenticeship schemes, grammar schools, universities, loan schemes for young men starting up in businesses, municipal betterment and so on” (Kendall & Knapp 1996: 31).

The 16th century also saw a growing debate on the correct division of responsibility for the poor between state and charity. The creation of new laws at this time underlined the longstanding idea that the ‘undeserving’ (unemployable) poor should be looked after by the state, while the ‘deserving’ (employable) poor were the responsibility of private philanthropy. Accordingly, a series of ‘poor law’ acts, culminating in the Poor Relief Act of 1601, introduced taxes to fund local, parish-based relief measures for the ‘undeserving’ poor, while the Charitable Uses Act, also passed in 1601, was the first legal mechanism for the regulation of charitable activity by government,⁴⁹ and was designed to encourage private philanthropy in aid of those who ‘deserved’ it (Breeze et. al. 2015: 285; Davis Smith 1995: 11-12; Hilton et. al. 2012: 1-2; Kendall & Knapp 1996: 32-33).

By the late 17th century, a new form of giving amongst the wealthy had emerged, termed ‘associated philanthropy’. This saw the creation of new ‘voluntary associations’, formed by groups of wealthy philanthropists in support of a particular cause. This development may have mirrored the emergence of the joint stock company in the sphere of commerce at this time (Owen 1964: 3). Its most notable achievement was the Charity School Movement, and Davis Smith reports that, “by 1729 there were over 1400 such schools in England catering for over 22,000 pupils” (1995: 12-13).

⁴⁹ The legal definitions of charity established by the 1601 act still provide the framework for charity law today.

The Golden Age: Philanthropists in Victorian Britain and Beyond

The industrial revolution ushered in what is generally regarded as the ‘golden age’ of both philanthropy and wider voluntary action in the UK. New opportunities for money-making in commerce and finance, combined with a lack of government regulation, low taxation and weak unions led to a surge in private wealth creation during this period. This was accompanied by significant demographic change among the very wealthy, as the new financiers and industrialists began to displace the landowning aristocracy (Cannadine 1990: 9; Lansley 2006: 105).

In parallel, the mass urbanisation and population growth of the 18th and 19th centuries contributed to rising poverty levels, and the expanding urban centres brought a new visibility to the lives of the poor (Davis Smith 1995: 14). The growth in voluntary action that this provoked came from all sectors of society, spurred on, in the view of Davis Smith (1995: 14), by an “ideological push [that] was provided by the combination of economic liberalism, with its encouragement of self-help and distrust of the state, and evangelical Christianity with its emphasis on good works.”

Among the working-class, this explosion of associational activity took the form of trade unions, mutual aid societies and friendly societies (collective funds for the provision of insurance, pensions and loans) and the enormously successful consumer’s co-operative movement. The growing middle-class was equally engaged in the creation of new voluntary organisations, including pressure groups designed to bring about moral reform and many new political groups, which fed into the suffragette and labour movements. This era saw the advent of campaigning action and new fundraising mechanisms such as the Victorian bazaars and the first charity shops (Davis Smith 1995: 15; Hilton et. al. 2012: 14; Kendall & Knapp 1996: 45). Women (especially from the middle-class) played a particularly important role in these activities (Kendall & Knapp 1996: 39; Prochaska 1980).

The 18th and 19th centuries were also the hey-day of the renowned Victorian philanthropists, mostly wealthy urban industrialists who left their legacy imprinted on cities throughout the country in the form of an impressive checklist of civic amenities

and monuments. Hilton et. al. provide an example in the case of Liverpool, relating that,

As elsewhere, in the first two decades of the nineteenth century, Liverpool acquired a Philosophical and Literary Society, an Athenaeum, a Lyceum, an Academy of Art, a Royal Institution, a Museum of National History, an Art Gallery, as well as all the donated emblems of the modern city: squares, walkways, open spaces, prominent statues, public parks and botanical gardens.

(2012: 14)

In parallel to these civic works, the wealthy Victorians also built social housing, schools and hospitals, and the same authors report that, “in 1871, voluntary day schools were responsible for more than half the total number of elementary school places in England and Wales” (ibid). Among the most progressive of these philanthropists was George Cadbury, the Quaker chocolate manufacturer whose experiments in the development of workers’ welfare and fair labour conditions culminated in the creation of Bourneville Village, a residential village community for his employees (Owen 1964: 437-438).

A number of movements stand out within this landscape of burgeoning philanthropy and voluntary action. One is the influential and widespread visiting movement, which mobilised (mostly women) volunteers from all social classes. These visited the homes of the poor to provide moral and practical advice, food, supplies and sometimes money, as well as assistance in helping the unemployed to find work. While the movement attracted criticism for its moralistic and intrusive interference in the lives of the poor, the visiting societies did provide much assistance to those living in abject poverty (Prochaska 1988: 44-52).

Despite a general consensus that Victorian philanthropy contributed much to British society and to the improvement of the lives of the poor, a lingering unease surrounds collective memory of the methods employed by philanthropists of this era. Prochaska reports a sense of embarrassment within parts of the voluntary sector about 19th century ‘do-gooders’ and the “pieties and social assumptions of Victorian charity” (1988: 6), a reputation that Breeze has identified in more recent commentary by the

British media, “of Victorian philanthropists as interfering, paternalistic busybodies” (Sunday Telegraph 15/1/06, quoted in Breeze 2008: 11).

These critiques come from a later era in which the relative responsibility for social welfare had already swung further into the realm of the state, and it is important to bear in mind the historical processes that brought about this shift – and sometimes sought to deter it. The Charity Organisation Society (COS), founded in 1869, was strongly influential in attempts to maintain responsibility for welfare within the voluntary sector, reinforcing the distinction (dating back, as we have seen, to the 16th century) between the ‘deserving’ and the ‘undeserving’ poor, and the respective responsibility of philanthropy and the state for those who fell into each category. The COS promoted the concept of ‘scientific philanthropy’, designed to eliminate the inefficiency its founders believed to be rife in the voluntary sector, and it offered an intermediary ‘clearing house’ system via which the charity of voluntary organisations could be more effectively directed to those who most deserved it (Davis Smith 1995: 20-23). Although the COS ultimately failed in its attempts to hold back state intervention in the realm of social welfare, it is important to note the underlying presence of many of the ideas it promoted in much contemporary British (and Brazilian) philanthropy. In the chapters that follow, ideas about the respective roles of philanthropy and the state, the necessity for efficiency in charitable intervention, the ‘types’ of poor people most able to take advantage of philanthropic opportunities and how philanthropy should be designed to enable them to do so are all recurring themes.

Despite the attempts of the COS, the 19th century saw increased government funding for voluntary organisations, as well as growing state regulation of the sector, seen in the creation of bodies such as the 1860 Charity Commission (Davis Smith 1995: 19). The turn of the century also saw a series of influential reports showing the extent of urban poverty, by social reformers such as Beatrice Webb, Charles Booth and the philanthropist Seebohm Rowntree. These reports demonstrated the incapacity of the voluntary sector to deal with the country’s social problems alone, and contributed to calls by reforming groups such as the Fabians and the Social Democratic Federation for greater state intervention (Davis Smith 1995: 23; Kendall & Knapp 1996: 46; Prochaska 1988: 71). The Liberal governments of the early 20th century responded to

these appeals with a series of acts increasing the contribution of the state to social welfare (Davis Smith 1995: 26).

The inter-war years were characterised by even greater interdependence between the state and the voluntary sector, and the National Council of Social Service (now the National Council of Voluntary Organisations, still one of the most important coordinating and research bodies in the contemporary voluntary sector) was founded in 1919 to help mediate relations between the sectors (Davis Smith 1995: 25-26). These trends foreshadowed the much broader shifts that were to come after the Second World War.

Changes were also afoot regarding public attitudes towards the rich at this time. The 1920s, dubbed the 'roaring twenties', was a prosperous decade for the economic elite, characterized by the lavish and public display of wealth. This period, however, was brought to a sudden halt by the stock market crash of 1929, which seriously damaged the fortunes of the rich and ushered in a more sombre mood among the wealthy (Lansley 2006: 30-32). It was to be some time before the open celebration of wealth was to become publically acceptable again.

Consensus Politics, the Welfare State and the Voluntary Sector

The post-war period in Britain was marked by what came to be known as 'consensus politics'; a broad political agenda based on a commitment to greater social and economic equality, and to state-led social engineering in its pursuit (Kavanagh 1997: 43). Attempts to curb inequality during this period included incomes policies designed to prevent the incomes of the poor from falling too low, and the introduction of higher tax rates, which put an upper limit on the incomes of the rich. The top tax rate on earned income reached 96.25 per cent in the late 1960s (Goodman et al 1997: 218). In addition, new taxes on unearned income targeted private wealth holdings (Glennerster 2013: 159; Rentoul 1987: 145-147), and were aimed particularly at the landed aristocracy and the inheritance practices that had kept their wealth intact over generations. The partial decline of this class gained momentum in the post-war years,

and between 1945 and 1955, 400 country houses were demolished in Britain and many more sold off (Cannadine 1990: 637-696).⁵⁰

A central pillar of the post-war consensus was the introduction of the Welfare State, which saw universal provision of welfare services in social security, health, education, housing and employment benefit (Kavanagh 1997: 29-39). The welfare state marked a radical shift from voluntary to state provision of social services, particularly in the area of health, where the founding of the NHS saw the nationalisation of almost all voluntary hospitals (Davis Smith 1995: 27; Deakin 1995: 42-43; Kendall and Knapp 1996: 52; Milbourne 2013: 28).

It is generally accepted that this period saw the role of the UK voluntary sector redefined as it became the “junior partner in the welfare firm” (Owen 1964: 527), but commentators are quick to point out that this did not mean the demise of the sector. The 1960 Charities Act created the UK’s first central register of charities, and the 1960s and 70s saw a wealth of new activity in the sector, including urban community projects, campaigning and advocacy organisations (such as Shelter and Child Poverty Action Group) and organisations focusing on the third world and international development (e.g. Oxfam and VSO). The 1978 Wolfenden Report asserted the importance of the sector and recommended further strengthening of its relationship with the state (Deakin 1995: 48-54; Kendall and Knapp 1996: 53-57; Milbourne 2013: 28-30).

Philanthropic Foundations in the Twentieth Century

Deakin (1995: 53-54) reports that the 1978 Wolfenden Report was funded by the Joseph Rowntree and Carnegie trusts, two of the largest philanthropic foundations operating in the UK at this time, as “part of a search for definition of their own future role”. In a radically different landscape from that seen in Brazil, in which the

⁵⁰ While the changes brought about by the politics of the post-war years fell short of a major redistribution of wealth or a long-term erosion of British class distinctions, the post-war consensus did succeed in bringing about a significant reduction in social and economic inequality (Hills 1996: 1) and the percentage of private wealth owned by the top one per cent of the rich fell from around three-fifths during the 1920s to one-fifth in 1979 (Rentoul 1987: 43).

emergence of elite institutional philanthropy was still several decades away, the mid-twentieth century in the UK had seen the creation of a series of large and influential new foundations by wealthy philanthropists. These were modeled on the North American philanthropy which was already in full swing on the other side of the Atlantic, in the mode of the Carnegie, Rockefeller and Ford Foundations (Davis Smith 1995: 26; Owen 1964: 554).

Two of the earliest of these general foundations in the UK were founded by businessmen with Scottish ancestry who had made their money in the USA; the Carnegie United Kingdom Trust, founded in 1913 by Andrew Carnegie (who already had several trusts in the USA) and the Pilgrim Trust founded by Edward Harkness in 1930. These were followed by a series of trusts founded by (or in memory of) British businessmen, including: the Wellcome Trust, founded by Henry Solomon Wellcome in 1924 with profits from his pharmaceutical company; the Nuffield Foundation, created by industrialist William Morris, Lord Nuffield, in 1943 and the Joseph Rowntree Memorial Trust in 1959 (Owen 1964: 554-572). All of these are still among the 300 largest foundations in the UK today, with Wellcome far outstripping the others in both assets and spending (Goddard et. al. 2014). These foundations worked in a variety of areas, including social welfare, health, youth services, the preservation of national heritage, university and other research funding and arts and culture. By the early 1960s, some trusts, led principally by the Nuffield Foundation and the Joseph Rowntree Memorial Trust, were beginning to direct funding towards overseas development, a trend that was to grow over coming decades (Owen 1964: 561-572).

Although the first half of the twentieth century saw significant growth in the funds of these large UK trusts, they remained much smaller than their North American counterparts. They also operated in a context of much higher levels of state funding than in the USA, not only of welfare, but also of areas such as culture and the arts. Owen (1964: 556) argues that the spheres of government provision and foundation philanthropy were less distant in the UK than in the USA, in part because the English did not “share American suspicions of government spending as a step to government control”. Writing during the mid-1960s, Owen (ibid) claimed that, “relations between the larger foundations and the Government are, in fact, exceedingly close and are carried on in an atmosphere of mutual confidence”.

Many UK trusts at this time saw their activities as pilot schemes for ideas that they hoped would ultimately be taken over by government. The Carnegie Trust's extensive programme for the creation of public-access libraries and the contribution of the Nuffield Foundation and Rowntree to the development of statutory services for the elderly were both examples of this approach, as was the Committee for the Encouragement of Music and Art (CEMA), founded by the Pilgrim Trust in 1939, which later became the Arts Council (ibid: 557-558). As will be seen in the chapters that follow, many within the contemporary philanthropy sector – in both the UK and Brazil - share similar ambitions for their work.

The End of the Post-War Consensus: Ascendancy of the Super-Rich and the Emergence of CSR

These trends in elite philanthropy and the wider voluntary sector were to undergo important changes over coming years. This period saw a radical remaking of British politics, and one that was to hold particular relevance for issues of wealth, inequality and the social role of the rich. The 1970s were marked by economic decline, indecisive government and conflict in industrial relations (Tiratsoo 1997: 167-173), leading to the crumbling of the post-war consensus. Over the next two decades, Prime Minister Margaret Thatcher (elected in 1979) and her successor John Major were to not only halt but reverse the trend towards greater equality that had been underway in Britain since the 1930s.

Thatcher's political project envisaged a move away from what she saw as the collectivist 'nanny state' of the 1970s, promoting in its place a culture of enterprise, entrepreneurialism and individuality.⁵¹ If this approach meant that some reaped the rewards of financial success while others sank deeper into poverty, so be it; such inequalities were seen as inevitable within a society which ensured that 'deserved' benefits were granted to those willing to strive for them. Thatcher summed up this ideology on BBC radio in March 1980, when she proclaimed, "let our children grow

⁵¹ Opposing views on the role of the state are central to debate among many contemporary philanthropists, and will be returned to in later chapters.

tall, and some taller than others if they have it in them to do so” (quoted in Lansley 2006: 1).⁵²

Various policies to promote wealth creation were duly implemented by the government, including reforms to the tax system and the privatisation of many public companies (Seldon & Collings 2000: 10-28; Goodman et al 1997: 218; Rentoul 1987: 156). In parallel, financial deregulation designed to stimulate the private sector reached its peak with the ‘Big Bang’ of 1986, a series of reforms to the London Stock Exchange (Kitson 2004: 50). These reforms should be seen within the broader context of neoliberal economic reform across the globe, but in Britain the ideology of the free market was promoted with particular vigour.

Thatcher also introduced radical changes in the provision of state welfare, focused on identifying the ‘most deserving’ of welfare beneficiaries and squeezing out the rest. She also began to promote the idea of greater ‘welfare pluralism’, in which government no longer served as the “provider” of welfare services but as an “enabler” (Davis Smith et. al. 1995: 2). Direct service delivery was vastly reduced in favour of outsourcing to both the private sector and semi-privatised bodies such as the new NHS trusts and grant-maintained schools. In parallel to similar processes that were to be seen in Brazil over the following decade (as discussed in the previous chapter), voluntary organisations found their role reconfigured as providers of countless services put out to tender in a competitive new ‘contract culture’ (Davis Smith et. al. 1995: 2; Deakin 1995: 61-62; Milbourne 2013: 30-32).

By the 1990s, the majority of the British population were enjoying greater prosperity, but at the expense of rising inequality and deepening poverty among the rest.⁵³ High unemployment levels, reduced welfare provision and the erosion of workers’ rights had left those at the bottom of the social pyramid poorer, more marginalised and further excluded from the rest of society.

⁵² This approach did not reflect traditional British Conservative ideology, and attitudes towards Thatcher’s radical policies were divided within the Tory party (Seldon & Collings 2000: 4-5).

⁵³ Goodman et al (1997), researchers at the Institute for Fiscal Studies, report that the UK’s Gini coefficient on income inequality rose from 0.25 to 0.34 between 1979 and 1993.

Meanwhile, the fortunes of the rich – aided by the deregulation of the economy and a reduced tax burden - were accelerating at a pace not seen since the beginning of the century. This was especially true of those at the very top of the socio-economic pyramid, the group within which the majority of British philanthropists that feature in this study are to be found. Changes in the demographic of this group at this time saw the emergence of the ‘super-rich’ (Lansley 2006; Toynbee & Walker 2008; Peston 2008), who were making new fortunes in finance and investment banking, or were found among the ranks of the most successful business entrepreneurs, property tycoons, sport and media stars and top business executives.⁵⁴

By promoting the ideas that serious money-making was a laudable activity and that those who were successful at it were justly deserving of their rewards, Thatcher also helped to create a new culture of wealth. For the first time since the 1920s,⁵⁵ the rich in Britain felt comfortable flaunting their wealth in public, and the media was given ample opportunity to report on their extravagant lifestyles. One element of this shift was a rise in tax avoidance among the wealthy (Rentoul 1987: 148-151; Lansley 2006: 181-198).

One aspect of the Conservative’s government’s plan for the transformation of welfare provision was the promotion of philanthropy and CSR. The 1980s saw the introduction of a series of new tax incentives designed to encourage charitable giving (Deakin 1995: 58-60), and enthusiastic adoption of CSR by the corporate sector. Kinderman (2011) argues that the emergence of British CSR went hand in hand with the crumbling of the post-war consensus and Thatcher’s rapid introduction of neoliberal economic policy. Kinderman (ibid: 5) demonstrates how “CSR shored up the legitimacy of individual businesses and of the market system in the context of the

⁵⁴ Despite their decline, the landowning aristocracy were not ousted completely by the new rich of the 1980s. The first ‘rich list’ published by the *Sunday Times* in 1989 showed that nearly a quarter of the UK’s top 200 wealthiest people were still hereditary landowners (Lansley 2006: 110). This group also maintained considerable political influence until 1999, when the hereditary principle was (partially) abolished in the House of Lords by New Labour, leading to the expulsion of 600 out of 692 hereditary peers (ibid).

⁵⁵ Will Hutton argues that the drive for profit during the 1980s was in fact a return to earlier concerns represented by what he terms the ‘gentlemanly capitalism’ value system, which had always seen short-term profits prioritised by the traditional financial elite to the detriment of long-term investment in industry and manufacturing. Rather than hailing a new corporate era, Hutton thus sees Thatcher’s reforms as a restoration of a value system temporarily diverted during and in the period after the second world war (1995: 126–131).

erosion of institutionalized social solidarity”, and was offered as a form of (self-regulated) moral compensation for deregulation of the financial and corporate sectors. The most important vehicle for the promotion of CSR in the UK at this time was the Business in the Community (BITC) coalition, which ran a wide range of initiatives such as giving schemes, skills exchanges and secondments. BITC attracted 400 member businesses between its creation in 1981 and the end of the decade (and by 2007 had over 800) (ibid: 6). As discussed in the previous chapter, these trends were forerunners to similar ones seen in Brazil from the 1990s.

Welfare and the Voluntary Sector under New Labour

The 1997 general election saw a landslide victory for Tony Blair and New Labour in the UK. New Labour drew explicitly on the political ideology of the Third Way, an international movement emerging among parties on the centre-left, especially in Europe and among Clinton’s New Democrats in the USA (Gamble 2005: 430). Fernando Henrique Cardoso, Brazilian president from 1995 to 2002, was also a strong proponent of Third Way ideology (Power 2001: 632), and some parallels can be drawn between social and economic policy in the UK and Brazil at this time.

The Third Way advocated an ideology that accepts global free market capitalism as the only viable economic system, but seeks to balance it with a commitment to social justice through a strong civil society and welfare state.⁵⁶ Central to this new politics of the left, however, was a redefinition of the relationship between citizen and state, moving away from notions of collective responsibility to an individualized notion of rights and obligations (Giddens 1998: 65). In this vein, the New Labour government effected a number of policy changes that distinguished its approach to welfare from that of its Thatcherite predecessors. State spending on welfare increased significantly from 1999, especially benefitting the National Health Service, schools and a comprehensive ‘early years’ programme directed at children under four, as well as housing and crime prevention (Stewart 2007: 410-412). Much of New Labour’s

⁵⁶ I will return to this point, as New Labour’s belief in the compatibility of free market capitalism and wider social justice objectives resonates with similar ideas found among wealthy philanthropists.

reform was also centred on the ‘welfare-to-work’ principle, which aimed simultaneously to tackle unemployment and welfare dependency (Taylor 2005: 197; Stewart 2007: 410/416).⁵⁷

New Labour also sought the ‘modernisation’ of public services in pursuit of greater efficiency and increased competition. Blair and his successor Gordon Brown seemed equally if not more determined than their predecessors to - in the words of Robert Taylor (2005: 185) - “... propagate widely a national popular culture of private enterprise to be inculcated across society – from among children in primary schools to the world of adult paid work”. New initiatives in pursuit of these aims were introduced in the areas of health and education, such as academy schools and foundation hospitals, as well as new private funding mechanisms for a host of public services, including competitive tendering and private finance initiatives (PFIs) (Taylor 2007: 231; Stewart 2005: 332-334).

In parallel, New Labour attempted to redefine the role of voluntary sector organisations as specialised partners of the state (Kendall 2003: 44), via a ‘National Compact’ between government and the voluntary sector, launched in 1998.⁵⁸ Holding strong parallels with the *Programa Comunidade Solidária* (Solidarity Community Programme) introduced by president Fernando Henrique Cardoso in Brazil in 1995 (as discussed in the previous chapter), this outlined a new collaborative relationship between the two sectors (Kendall 2003: 45-86; Milbourne 2013: 36-39).

The Continuing Rise of the Super-Rich

Despite New Labour’s success in reducing poverty among some social groups during the 2000s, the party’s broader objectives around social justice were undermined by its commitment to financial deregulation and free markets (Gregg 2011: S27; Stewart 2007: 418-423). With strong parallels to the Workers’ Party in Brazil (which came to

⁵⁷ Preoccupation with the negative effects of welfare dependency, and the parallel belief in incorporation of the poor into work in the market economy (however badly paid or precarious) as a superior solution to poverty are central to the ideology behind much elite philanthropy in the UK and Brazil, as will be discussed in later chapters.

⁵⁸ This was later followed by the formation of the Office of the Third Sector in 2006.

power in 2002, five years after Tony Blair took office), New Labour's social policies were designed to tackle poverty at the bottom of the social pyramid, but drew no connection between that and what was going on at the top, making no attempts to stem the increasingly disproportionate share of income and wealth enjoyed by those lucky enough to find themselves there. As such, inequality measures in the UK (of both income and wealth) showed little progress during this period (Stewart 2007: 432-3; Gregg 2011: S25).

New Labour did little to conceal its attitude towards the rich. Blair infamously told Jeremy Paxman on *Newsnight* in 2001: "It's not a burning ambition for me to make sure that David Beckham earns less money,"⁵⁹ while Peter Mandelson (Blair's election campaign director and later cabinet minister) once famously commented that New Labour was "relaxed about people getting filthy rich" (Lansley 2006: 25; Toynbee & Walker 2008: 15). An analysis of the relationship between New Labour and big money, however, suggests the government's approach to wealth - and especially to those in the City of London creating it at breakneck speed - went beyond 'relaxed'. New Labour's neoliberal economic policies and the pursuit of an ever deeper agenda of financial deregulation seemed designed to court the economic elite, celebrate the creation of private wealth and encourage those who were making it to spend it flamboyantly. The 2000s thus saw a rapid upsurge in the creation and trading of new financial products - also aided by globalization and new technology - allowing investment bankers and fund managers to make enormous returns at a speed unimaginable in the past. It was of course the reckless trading of these risky new financial products, such as sub-prime loans, that led to the global economic meltdown of 2008. Even the sums earned in investment banking, however, paled (almost) into insignificance in comparison with those being earned by the most successful hedge-fund managers and private equity firm partners (Peston 2008: 28-67; Lansley 2006: 67-69).

The political influence of the wealthy also grew under New Labour, with much revolving-door activity between business and government posts, and the placing of business figures in key advising roles to the government (Lansley 2006: 156-60). In

⁵⁹ See: <http://news.bbc.co.uk/1/hi/events/newsnight/1372220.stm>

addition, New Labour's relaxed approach to making sure the rich paid their taxes saw a proliferation of avoidance and evasion schemes, with teams of handsomely-paid City lawyers and consultants engaged in spotting tax loopholes and designing ever-more complex schemes for reducing the tax bills of the wealthy (Toynbee and Walker 2008: 15). As Taylor notes, "by 2007 the UK had grown comparable in its attractions for foreign capital, according to the International Monetary Fund, to tax havens such as the Seychelles and the Cayman Islands" (2007: 216-217).

The scenario outlined above – in which a political party historically known for representing the interests of the working class proceeds, on gaining power, to adopt economic policies that predominantly serve the interests of the economic elite – mirrors that of Lula's government in Brazil during the 2000s, as discussed in the previous chapter.⁶⁰ In both countries, this scenario also provided fertile ground for the development of new (and similar) forms of elite philanthropy.

New Labour and a New Philanthropy?

New Labour's enthusiasm for the creation of wealth by the rich was accompanied by a renewed interest in elite philanthropy on the part of government. Throughout Blair (and later Gordon Brown's) time in office, philanthropy among the wealthy was promoted as an important element of the new configuration of state and voluntary sector relations outlined above, and new tax incentives, introduced from 1999, were designed to encourage the rich to expand their philanthropy. These incentives transformed the UK into one of the world's most generous tax environments for charitable giving (Kendall 2003: 45-46). In 2009, Gordon Brown also appointed the first Ambassador for Philanthropy, with the remit of promoting giving among the wealthy and improving relations between government and philanthropists.

The first decade of the 21st century also saw an ascendant discourse on 'new philanthropy' and its merits. Charles and Elizabeth Handy, major proponents of this

⁶⁰ It is interesting to note that, in combining very high levels of investment in social welfare with a commitment to free market economic policies, Lula's ideology appears closer to Blair's than that of his predecessor Fernando Henrique Cardoso, despite the latter's ideological interest in the Third Way.

idea in their book *The New Philanthropists* (2006), stated that “philanthropy is becoming fashionable” in the UK. These authors referred to research showing a rise in philanthropy among entrepreneurs and recently-wealthy professionals (as opposed to second or third generation inheritors) during the 1990s and early 2000s, arguing that these entrepreneurs were responsible for a new, more hands-on approach to philanthropy, concerned with impact, efficiency and value for money. According to Handy & Handy, “entrepreneurial Britain has been born again and is becoming generous. But these givers are different, they want to be involved, to initiate, not just respond. ‘High engagement’ is the fashionable phrase” (ibid: 3). An oft-repeated example of this approach (in both recent literature on philanthropy and in the field), is that of ARK (Absolute Return for Kids), created by a group of hedge fund financiers in the City of London to support disadvantaged children in the UK and abroad. ARK’s education arm also coordinates a programme of City Academy schools sponsored by its members. The Handys report that a 2005 fundraising dinner organised by ARK raised over £11 million, and that this sum was matched by a group of anonymous donors (ibid: 7).

Breeze (2008) hotly contests the claim that there is anything ‘new’ about the philanthropy of the UK’s contemporary elite, providing a wealth of historical examples of British entrepreneurs whose philanthropy was deeply engaged with its causes and much preoccupied with the issues of efficiency and value for money. Breeze argues that widespread claims for the ‘newness’ of 21st century philanthropy stem not from its originality, but from the loss of collective historical memory, a preference for novelty and a desire among contemporary philanthropists to distance themselves from negative ideas about the activities of their Victorian predecessors (as discussed above) (ibid: 2).

McGoey reinforces the argument that there is little that is new in the preoccupation of philanthropists with efficiency and value for money, and attempts to apply business techniques to their philanthropy (2015a: 15-16; 2012: 189). What McGoey identifies as really new in the approach of today’s philanthropists is a brazen openness regarding the idea that charitable efforts can bring solid (financial) returns to the philanthropist, and the absence of any moral uncertainty about the ethics surrounding

attempts to profit from philanthropic activity (2012: 193, this theme will be discussed in more detail in chapter 6).

Arguably, other new aspects of contemporary elite philanthropy in the UK are the very emergence and popularity of the *discourse* on its ‘newness’, and the parallel emergence of a professionalised intermediary sector whose self-assigned role is the teaching and promotion of this ‘new’ philanthropy (the latter, as discussed in the previous chapter, has also been seen in Brazil).⁶¹ Putting aside the question of whether or not today’s wealthy British philanthropists are really doing anything different from their predecessors, the global rise of a discourse on the emergence and prophetic possibilities of a new kind of philanthropy among the wealthy (packaged in the various guises of strategic philanthropy, philanthrocapitalism, social investment, businesslike philanthropy or venture philanthropy), developed and promoted by a growing sector of philanthropic intermediaries, are perhaps among the defining aspects of giving among the elite in the contemporary era.

This trend is undoubtedly led by the USA, spearheaded by the Bill and Melinda Gates Foundation and its staggering financial resources (see introduction to this thesis). Although generally shyer than their North American counterparts in drawing attention to themselves, and hampered by a somewhat hostile national media characterization of their activities (Breeze et. al. 2015: 297), many British philanthropists identify with this discourse and play a keen role in its promotion. The recent emergence of a range of intermediary organisations and independent advisors within the UK’s private (especially banking) and voluntary sectors, offering advice on strategic and engaged philanthropy, has also been key to this development. Alongside their advising activities, these organisations and individuals have sought to cultivate strategic philanthropic practice among the wealthy through research projects and guides (see e.g. Breeze & Lloyd 2013; Lloyd 2004; Philanthropy UK 2008) and the public honouring of philanthropists through prizes such as the Beacon Awards.⁶² Some proponents within the media have also played their part, most notably the Sunday

⁶¹ Philanthropic intermediaries and advisers are not, in themselves, a new phenomenon (see e.g. McGoey on Frederick T. Gates, Rockefeller’s 19th century philanthropy adviser (2015a: 15)). The emergence of a professional *sector* of philanthropic advisers, however, does seem to be a recent development (see chapter 8.)

⁶² See <http://beaconawards.org.uk>

Times Giving List, which details the UK philanthropists that give the largest sums each year, alongside the information on the fortunes of the wealthiest Britons provided by the annual Sunday Times Rich List.⁶³

While still small in comparison to the USA, the UK's elite philanthropy sector thus became increasingly visible during the 2000s, encouraged by improved fiscal incentives, enthusiastic government support and a dynamic professional intermediary sector. It also began to occupy a confident role in an emerging global community, in which elite British philanthropists now exchange ideas and strategies with their Brazilian peers, alongside others from around the world. In the next chapter, I provide a statistical overview of the comparative size, assets, spending and activities of the elite philanthropy sectors in the UK and Brazil, and the contribution that each makes to its country's voluntary sector as a whole.

⁶³ See <http://www.thesundaytimes.co.uk/sto/public/richlist/>

Chapter 3:
Size, Scope and Subsidies:
The Philanthropic Landscape in Brazil and the UK

This chapter brings together comparative data on the size and scope of institutionalised elite philanthropy in Brazil and the UK, and its contribution towards the funding of the wider third sector. It then looks at comparative levels of government support for philanthropy via charitable tax incentive regimes in both countries, and the ways in which these regimes privilege the philanthropic activities of the wealthy over those of less affluent donors.

Data on Philanthropy in Brazil

The dangers of drawing conclusions from statistics without reference to contexts of scale and meaning are well documented (see e.g. Blastland and Dilnot 2007). In the case of institutionalised philanthropy in Brazil, scarcity of data places further limits on statistical analysis. What data is available, however, provides useful context for the qualitative research presented in the rest of this thesis. The table in Figure 1 provides a statistical summary of institutionalised philanthropy in Brazil, as a segment of broader non-profit activity.

Government-funded research reports a total of 290,692 non-profit organisations operating in Brazil in 2010 (IBGE 2012: 19), employing a total of 2.1 million people (ibid: 37). Philanthropic foundations fall within this total, but as they do not constitute a specific category in this and similar studies (classified instead by their activities, e.g. education, culture, etc.), there is no way of knowing what percentage they represent. An article co-written in 2005 by Fernando Rossetti (then Secretary General of the philanthropic intermediary organisation GIFE), however, estimates a total of approximately 300 organizations “engaged in private social investment” (Lessa and Rossetti 2005) in the country.

	Number / Value	Date	Source
Total number of non-profit organisations	290,692	2010	IBGE (2012: 19)
Number of philanthropic foundations (and similar)	300	2005	Lessa and Rossetti (2005)
Total spending of 102 GIFE members	R\$1.9 billion (c.£568m)	2009	GIFE (2010: 8)
Type of philanthropic activity of 102 GIFE members (by number of organisations):		2009	ibid: 56
Grant-making (only)	23		
Operate own projects (only)	48		
Mixture of grant-making and own projects	31		

Figure 1. Statistical summary of institutionalised philanthropy in Brazil.

GIFE produces a bi-annual report on the activities of its member organisations. In 2010 GIFE had 134 members and its report for that year was based on information provided by 102 of them (GIFE 2010: 8).⁶⁴ Of these, 63 were business foundations (founded and fully or partly funded by companies), 25 were businesses (carrying out philanthropic activities without a foundation) and 14 were family, independent or community foundations and associations (ibid: 20). These figures support the observation, made earlier, that Brazilian philanthropy is dominated by the corporate sector.

GIFE reports that the total spending of the 102 philanthropic bodies in its study in 2009 was R\$1.9 billion (c. £568m) (GIFE 2010: 8). Almost half of this total, however, represents the spending of only three organisations, including the corporate

⁶⁴ GIFE members are among the largest and most active philanthropic organisations in Brazil, and data collected from them is therefore representative of the sector as a whole. Eight of the organisations included in the research for this thesis were GIFE members in 2010, with a further three becoming members by 2015 (see GIFE 2010: 88-89 and www.gife.org.br/associados_listacompleta.asp (accessed 20/01/15)).

philanthropy department of Brazil's state-run oil company Petrobras⁶⁵ (GIFE 2010: 89; Petrobras 2010: 3). As discussed previously, most philanthropic foundations in Brazil are operating foundations (i.e. they design and run their own programmes). As can be seen in the table above, however, some foundations do practise grant-making (i.e. donations to other third sector organisations) and this number has increased over recent decades.

It is difficult to pinpoint the contribution made by these grant-making activities to the Brazilian third sector as a whole. Historically, as discussed in chapter 1, the principal source of funding for Brazilian NGOs has been foreign philanthropy from foundations in Europe and North America, but this support has begun to dry up over recent years. A study carried out by the Brazilian Association of NGOs (Abong) shows a drop in the percentage of funding for its members coming from foreign philanthropy from 75.9% in 1993 to 39.9% in 2003 (Abong 2006: 17). It also shows that the resultant funding gap was filled during this period by a number of different sources, the most important being public funds (which accounted for 14.7% of the total budget of Abong's members in 2003). Elite philanthropy is another of these funding sources, with 3.75% of the combined funding of Abong members in 2003 coming from businesses and (business and other) foundations, an increase from 1.8% in 1993 (ibid).

While the amount of third sector funding coming from elite philanthropic foundations and businesses is therefore very low, a later report by Abong shows that the number of NGOs accessing this type of funding is higher than might be expected; 41.5% of Abong members received some funding from a business or foundation in Brazil in 2007 (Abong 2010: 13). This study also shows, however, that philanthropic grant-making in Brazil was limited to NGOs working in the areas of education, culture and the arts, communication and work and income generation projects, and those benefitting children, young people and teachers (ibid: 49). In this respect, elite grant-making mirrors the causes favoured by philanthropic foundations operating their own projects.

⁶⁵ This, incidentally, is one of the companies at the centre of the *Lava Jato* (car wash) private-public corruption scandal currently sweeping Brazil.

The preference of elite philanthropists for these areas of activity is reflected in the findings of GIFE (2010). The table in Figure 2 shows the top six thematic areas of activity for GIFE members and Brazilian NGOs more generally.

Source and year research carried out	Sample	Most common areas of activity (in order of popularity)
Survey of GIFE members, 2009	102 businesses philanthropic foundations (and similar)	Education Culture and Arts Professional Training Environment Work and income generation Social/welfare services (GIFE 2010: 44)
Survey of Abong members, 2009	189 NGOs	Education Popular organisation/popular participation Gender relations Justice and promotion of rights Environment Health / Support for other NGOs and popular movements (Daniliauskas & Gouveia 2010: 38)

Figure 2. Top six thematic areas of activity for GIFE members and Brazilian NGOs.

As can be seen in Figure 2, education is by far the most common focus area for both philanthropic foundations and the NGO sector, in a list that (with the exception of the environment), suggests few other shared priorities. Education, however, is a broad and complex category, and we should be wary of jumping to conclusions on the extent to which these figures demonstrate a shared project amongst these two types of organisation. This data provides a basis for discussion throughout this thesis on elite philanthropy's preference for investment in education, professional training and work and income generation projects (over more 'politicized' and rights-based causes), and the elite ideologies informing this focus (see chapters 6 and 7).

A final source of data shows that the institutionalised philanthropy of the business elite forms part of a much broader slate of corporate activity in Brazil. The

government agency IPEA (2006: 11) has reported that in 2004, 69% of Brazilian businesses were engaged in some kind of voluntary social activity, and spent a total of R\$4.7 billion on these activities. This corresponded to 0.27% of Brazil's GDP for the same year (ibid: 17). The same study, however, shows that only 6% of companies had institutionalised their philanthropy via official documentation and the creation of a dedicated budget (ibid: 25). While ad hoc business philanthropy is, therefore, a very common practice in Brazil, the kinds of elite institutionalised philanthropy that are the focus of my own study are not widespread.

This data discussed above also throws light on elite philanthropy from a broader financial perspective. With this in hand, one need only cast an eye over the revenues and profits of the companies whose philanthropic foundations feature in this thesis (see Appendix 1) to see how little the Brazilian corporate sector actually spends on philanthropy as a percentage of the capital that circulates within it.

Data on Philanthropy in the UK

While more data is available on philanthropy in the UK than in Brazil, this is still limited. The table in Figure 3 summarises available information on the numbers, spending and asset size of UK trusts and foundations, and their contribution to the funding of the voluntary sector.

Unlike their Brazilian counterparts, British philanthropists tend to keep separate the spheres of corporate and family philanthropy. As such, most foundations in the UK (and discussed in the data below) are family foundations, and corporate foundations play a much smaller role within the UK foundation sector than in Brazil. In addition, (as discussed previously), the vast majority of philanthropic foundations in the UK are grant-making foundations, and do not operate their own programmes (ACF & CAF 2007: 3).⁶⁶ Most foundations in the UK have permanent endowments or other invested capital, allowing them to carry out grant-making using returns on

⁶⁶ Pharoah et. al. report that only around 8 per cent of family foundation spending goes towards operating programmes. Furthermore, much of this operating activity is accounted for by the UK's "large scientific and medical research foundations" (2011: 13) such as The Wellcome Trust.

investments and capital appreciation. Private donations and legacies are also a major source of income for foundations (Goddard et. al. 2014: 9).

	Number / Value	Date	Source
Number of voluntary organisations	163,763	2010	NCVO (2012) ⁶⁷
Income of voluntary sector	£36.7 billion	2009/10	ibid. ⁶⁸
Number of grant-making foundations	12,004	2009/10	ibid. ⁶⁹
Contribution to voluntary sector of grant-making foundations and trusts (and funding via charitable intermediaries)	£2.1 billion	2009/10	ibid. ⁷⁰
Spending of 100 largest family foundations.	£1.3 billion	2009/10	Pharoah et. al. (2011: 9)
Assets held by 100 largest family foundations.	£29 billion	2009/10	(ibid: 19)

Figure 3. Numbers, spending and asset size of UK trusts and foundations.

Not all British philanthropists carry out their philanthropy via a trust or foundation. Grant-making by individuals, alone or through a giving circle, community foundation or a CAF account⁷¹ are other ways in which wealthy people in the UK practice philanthropy. Trusts and foundations are, however, a popular mechanism. The NCVO reports a total of 12,004 grant-making foundations in the UK in 2009/10.⁷² Pharoah et. al. provide a lower estimate of around 10,000 “UK foundations whose main purpose is grantmaking” (2011: 65).⁷³ These sit within a broader landscape of 163,763 voluntary organisations (NCVO 2012, figures for 2010).

⁶⁷ <http://data.ncvo.org.uk/a/almanac12/fast-facts/> (this and references in following three footnotes accessed 30/10/15).

⁶⁸ <http://data.ncvo.org.uk/a/almanac12/what-are-the-sectors-different-sources-and-types-of-income/>

⁶⁹ <http://data.ncvo.org.uk/a/almanac12/what-activities-does-the-voluntary-sector-undertake/>

⁷⁰ <http://data.ncvo.org.uk/a/almanac12/what-is-the-voluntary-sectors-total-income-and-expenditure/>

⁷¹ See glossary for definitions of these terms. At CAF, the Charities Aid Foundation, donors can set up a charity bank account through which to carry out their grant-making, via which funds are automatically registered for tax relief (see https://www.cafonline.org/docs/default-source/personal-giving/1668f_caf_characcbrochure-sept15.pdf?sfvrsn=3 (accessed 02/11/15)).

⁷² <http://data.ncvo.org.uk/a/almanac12/what-activities-does-the-voluntary-sector-undertake/> (accessed 30/10/15).

⁷³ Although this estimate is based on data first compiled in 1997 (Pharoah et. al. 2011: 65).

Attempts to discover the total number of philanthropic trusts and foundations in the UK are complicated, however, by the fact that, (similar to the Brazilian situation), philanthropic foundations are registered with the Charity Commission under the same legal category as all other UK charities (Pharoah et. al. 2011: 65; Charity Financials 2015: 10). In addition, different criteria are used in different studies for defining what kinds of organisation sit within this category. Alongside philanthropic foundations, the universe of British grant-making organisations also incorporates community foundations, large fundraising charities that make grants alongside their operational activities (such as Oxfam and the British Heart Foundation), fundraising appeals (such as Comic Relief and the BBC Children in Need Appeal) and the Big Lottery Fund, which is not a registered charity (ibid: 3; Goddard et. al. 2014: 15). The grant-making contribution of some of these organisations is close to (and in some cases exceeds) that of the largest elite philanthropic foundations, making it hard to untangle from the data the respective role of these different sources of charitable funding.

Reports on the spending of grant-making trusts and foundations are subject to similar issues of differing research criteria. The NCVO states that the total spending of “grants from charitable trusts and grants distributed by charitable intermediaries” totalled £2.1 billion in 2009/10.⁷⁴ The *Charity Market Monitor 2011* (Pharoah 2011), however, reports that the giving of the UK’s 500 largest foundations in 2009/10 totalled £3.1 billion (cited in Pharoah et. al. 2011: 65). Meanwhile, Pharoah et. al. (2011: 9) report that the total spending of the UK’s 100 largest charitable family foundations totalled £1.3 billion in 2009/10. According to the same study, these foundations held £29 billion in assets in this year (ibid: 19).

When considering these figures, it is also important to acknowledge the dominance of the very largest of the UK’s family foundations. The ten largest foundations in Pharoah et. al’s sample accounted for around 80 per cent of the assets and 70 per cent of the total spending of the 100 foundations surveyed (ibid: 20). Furthermore, the charitable spending of the UK’s biggest foundation, The Wellcome Trust, totalled around £635 million in 2009/10, dwarfing the expenditure of the second and third

⁷⁴ <http://data.ncvo.org.uk/a/almanac12/what-is-the-voluntary-sectors-total-income-and-expenditure/> (accessed 30/10/15)

largest family foundations,⁷⁵ The Leverhulme Trust and The Gatsby Charitable Foundation (founded and run by David Sainsbury), which spent around £50 million and £36 million respectively (ibid: 22).⁷⁶

What contribution does this philanthropy make to the overall funding of the UK's voluntary sector? The NCVO (2012) reports that in 2009/10 the UK's voluntary sector income totalled £36.7 billion, coming from a number of different sources. Individual giving (by the general public, excluding grants made by foundations) and the state are by far the most important of these, and provided comparable amounts of income to the sector (£14.3 billion and £13.9 billion respectively). These figures demonstrate how widespread the practice of charitable giving is within the UK, and remind us that elite philanthropy accounts for only a small percentage of this wider practice.

As a contribution to the above, the NCVO (2012) reports that “grants from charitable trusts and grants distributed by charitable intermediaries” totalled £2.1 billion in 2009/10 (ibid).⁷⁷ The elite philanthropy which is the focus of the current thesis is most closely represented by this category, representing £2.1 billion of funds to the sector (compared to £14.3 billion from the wider public). While elite philanthropy does, therefore, make a useful contribution to the overall funding of the sector, this accounts for only around 6% of its total income, and is very small compared to that provided by the state and by giving on the part of the public at large.

Finally, two studies provide information on the most popular areas for grant-making among elite philanthropists in the UK. In the first, Breeze (2011: 13) gives a breakdown of the causes favoured by philanthropists making donations of one million pounds or over. These, in order of popularity, were:

⁷⁵ The spending of The Wellcome Trust, which funds health and biomedical research and development, is also greater than that of the UK's Medical Research Council (Pharoah et. al. 2011: 20).

⁷⁶ This discrepancy between the largest foundation and its closest peers is also seen in the Brazilian case (above), and in the USA, where the Bill & Melinda Gates Foundation accounted for 36 per cent of the charitable giving of the country's 100 biggest family foundations in 2009/10 (Pharoah et. al. 2011: 27).

⁷⁷ It should be noted that, as NCVO point out, “the total income of voluntary organisations in 2009/10 was £36.7 billion. We estimate £2.1 billion of total income is received from other grant-making organisations in the sector and is arguably double-counting of income” (<http://data.ncvo.org.uk/a/almanac12/what-is-the-voluntary-sectors-total-income-and-expenditure/> accessed 30/10/15).

- Higher education
- International development
- Arts and culture
- Health
- Education (not universities)
- Overseas
- Human services and welfare
- Other public service benefit
- Environment and animals
- Religious organisations and causes

In comparison, Gordon et. al. outline the thematic areas in which a survey sample of 100 HNWI entrepreneur philanthropists carried out their grant-making (2010: 8). These, in order of popularity, were:

- Education
- Young people
- Overseas aid
- Relief work and overseas development
- Community and the environment
- Science, health and medicine
- Social welfare (including homelessness, social inclusion and poverty)
- Culture and sports and religious beneficiaries

It is difficult to compare these data sets as they use varying definitions of philanthropic causes. They suggest, however, that apart from the popular areas of higher education and international development, there is much divergence in the causes favoured by British philanthropists, and that they are willing to fund more widely (in the UK and abroad) than their Brazilian counterparts.

Foundation Philanthropy in Brazil, the UK and the USA: A Comparative Overview

The table presented in Figure 4 gives a comparative overview of foundation philanthropy in Brazil, the UK and the USA. The data it provides should be treated with much caution, as it is drawn from a wide variety of sources, often using different definitional criteria, and sometimes (where indicated) based on different sample sizes and years. Further research would need to be undertaken to enable a more accurate

Figure 4. Comparative overview of foundation philanthropy in Brazil, the UK and the USA.

	Brazil	UK	USA
Number of third sector organisations ⁷⁸	290,692 ⁷⁹	163,763 ⁸⁰	979,901 ⁸¹
Total income of third sector	– ⁸²	£36.7 billion ⁸³	US\$1.51 trillion ⁸⁴ (c. £967b)
Contribution of foundation philanthropy to overall funding of third sector (and comparisons with two largest sources of funding to sector)	Foreign philanthropy: 40% Statutory sources: 15% Foundations and businesses: 4% (sample of 176 third sector organisations, data for 2003) ⁸⁵	Individuals (general public, includes fees for goods and services and charitable giving): 39% Statutory sources: 38% Trusts & foundations (and grants via intermediaries): 6% ⁸⁶	Fees for goods and services (non-state): 50% Statutory sources: 32% ⁸⁷ Foundations: 3% ⁸⁸

⁷⁸ All data in this table refers to 2009 or 2010 unless otherwise stated (year of data supplied alongside statistic).

⁷⁹ IBGE (2012: 19)

⁸⁰ <http://data.ncvo.org.uk/a/almanac12/fast-facts/> (accessed 30/10/15).

⁸¹ Blackwood et. al. (2012: 2). This figure refers to the total number of ‘public charities’, organisations to which “donors can make tax-deductible donations” (ibid). These make up a part of the wider non-profit universe in the USA. Michael Edwards puts the number of registered non-profit organisations in the USA at the much higher figure of 1.4 million (quoted in McGoey 2015a: 241). These figures remind us to be wary of statistical representations of the third sector, as different accounts can apply different criteria in their definition of institutional categories.

⁸² Data not available

⁸³ <http://data.ncvo.org.uk/a/almanac12/what-are-the-sectors-different-sources-and-types-of-income/> (accessed 30/10/15)

⁸⁴ Blackwood et. al. (2012: 3). This figure refers to the total revenue of all ‘public charities’.

⁸⁵ Abong (2006: 17)

⁸⁶ <http://data.ncvo.org.uk/a/almanac12/what-are-the-sectors-different-sources-and-types-of-income/> (accessed 30/10/15). Percentages calculated from data supplied here.

⁸⁷ Blackwood et. al. (2012: 3).

⁸⁸ Percentage calculated using data in Blackwood et. al. (2012: 3-5). Overall “private contributions” in the USA (including foundation philanthropy and charitable giving by the general public) accounted for 13.3% of the total income of public charities in 2010 (ibid: 3).

Number of philanthropic foundations (grant-making and operating)	c.300 ⁸⁹ (data for 2005)	12,004 ⁹⁰	76,610 ⁹¹
Annual spending by philanthropic foundations	R\$1.9 billion (c. £568m) (102 organisations, inc. corporate (non-foundation) philanthropies) ⁹²	£1.3 billion (100 largest family foundations) ⁹³	US\$45.9 billion ⁹⁴ (c. £28.4b)
Total assets held by foundations	– ⁹⁵	£29 billion ⁹⁶ (100 largest family foundations)	US\$644 billion ⁹⁷ (c. £399b)
Most popular areas of funding	<ul style="list-style-type: none"> • Education • Arts and Culture • Professional Training • Environment <p>(102 organisations, inc. foundations and corporate (non-foundation) philanthropies)⁹⁸</p>	<ul style="list-style-type: none"> • Higher Education • International Development • Arts and Culture • Health <p>(Donations of £1m or more)⁹⁹</p>	<ul style="list-style-type: none"> • Education • Health • Arts and Culture • Human Services <p>(sample of 1000 foundations)¹⁰⁰</p>

⁸⁹ Lessa and Rossetti (2005)

⁹⁰ <http://data.ncvo.org.uk/a/almanac12/what-activities-does-the-voluntary-sector-undertake/> (accessed 30/10/15).

⁹¹ <http://data.foundationcenter.org/#/foundations/all/nationwide/total/list/2010> (includes corporate and community foundations, numbering 2,718 and 734 respectively)

⁹² Gife (2010: 8)

⁹³ Pharoah et. al. (2011: 9)

⁹⁴ <http://data.foundationcenter.org/#/foundations/all/nationwide/total/list/2010>

⁹⁵ Data not available

⁹⁶ Pharoah et. al. (2011: 19)

⁹⁷ <http://data.foundationcenter.org/#/foundations/all/nationwide/total/list/2010>

⁹⁸ Gife (2010: 8)

⁹⁹ Breeze (2011: 13)

¹⁰⁰ <http://data.foundationcenter.org/#/fc1000/subject:all/all/total/bar:amount/2010>

comparative representation, a task beyond the scope of this thesis. This table does, however, provide an interesting snapshot of the landscape of institutionalised elite philanthropy in the three countries, which serves as an introduction to the qualitative analysis of this landscape provided in the chapters that follow.

A number of observations can be made regarding the data in this table. Firstly, while the size and income of the USA's third sector dwarfs those of both the UK and Brazil,¹⁰¹ Brazil has nearly double the number of third sector organisations found in the UK. This may well be a reflection of Brazil's larger population, but it is an impressive statistic considering how recently most of these organisations emerged. While the third sectors of all three countries rely heavily on the state, statutory funding provides similar levels of overall income to the sector in the UK (38 per cent) and the USA (32 per cent), which are over double that provided by the state in Brazil (15 per cent). Brazil's NGOs, unsurprisingly considering the history of its third sector, continue to be heavily dependent on foreign philanthropy.

In line with anecdotal evidence gathered in the field on the comparative size and spending of the philanthropic sector in the three countries, the data in this table demonstrates that philanthropic foundations in Brazil are dwarfed in numbers, spending and assets by their British counterparts, which are in turn dwarfed by their North American peers. Education and arts and culture are the only two areas of activity that feature among the most popular causes for elite philanthropy in the three countries.

The percentage of overall third sector funding provided by philanthropic foundations in the three countries is actually very similar, totalling four per cent in Brazil, six per cent in the UK and three per cent in the USA. The figure for the USA is somewhat surprising, suggesting that, while the numbers and assets of foundations in the USA dwarf those anywhere else in the world, their contribution as a percentage of overall third sector funding may in fact be similar to or smaller than that seen elsewhere. While this comparison should be treated with particular caution due to high variables in the data on which it is based (e.g. the Brazil statistic includes corporate

¹⁰¹ According to Butler (2015), the USA's non-profit sector employs over 9% of the country's total working population.

philanthropy and is based on a much smaller sample than the others), it suggests that, as a global phenomenon, elite philanthropy provides similar relative levels of financial support to the national third sectors in which it operates. As I will explore in later chapters, however, the importance of philanthropy - as both a cultural practice for those elites engaged in it, and as an influence within third sector networks of grantee and partner NGOs - transcends its statistical and financial significance.

Legal Frameworks for the Transfer of Wealth: Inheritance and Inheritance Tax

The availability and nature of tax incentives for charitable giving in Brazil and the UK are markedly different, and this is undoubtedly a factor in explaining the different characteristics of elite philanthropy found in the two countries. Analysis of the impact on philanthropic giving of fiscal frameworks for wealth management must also, however, take account of broader legal regimes concerning inheritance tax and the transmission of wealth between generations. These regimes differ radically in Brazil and the UK.

In the UK, if the estate (capital, property and possessions) of a deceased individual is valued at over £325,000 when they die, anything above this threshold is usually subject to inheritance tax at the rate of 40%. If 10% or more of the deceased's estate is left to charity, this rate may be reduced to 36%.¹⁰² In Brazil, inheritance tax is levied under the tax regime *Imposto sobre Transmissão Causa Mortis e Doação* – ITCMD. Rates are set independently by each state, but are legally capped at 8% of the value of the deceased's estate. In São Paulo (home to most of the elite philanthropists featured in the present study), the rate is just 4% (Bueno 2012: 8-9; Mello 2012). These figures mean that the UK levies one of the highest rates of inheritance tax in the world, while Brazil operates one of the lowest (Lima 2014).

In addition, Brazilian law stipulates that at least 50% of a deceased person's estate must be transferred to his or her "necessary" or "legitimate" heirs, which include descendants, ascendants and in some cases a surviving husband or wife (Bueno 2012:

¹⁰² See: www.gov.uk/inheritance-tax/overview (accessed 28/04/16)

3). This means that wealthy individuals are legally prevented from leaving more than half of their assets to anyone outside of their family (including a charitable cause). This forced inheritance regime, alongside the very low levels of inheritance tax levied on inter-generational transfers of wealth, contribute significantly to the maintenance of capital within wealthy families, and act as a disincentive to both charitable legacies and to broader mechanisms for the distribution of wealth within Brazilian society. Low levels of inheritance tax also serve as a disincentive for the wealthy to pass inheritance down to younger generations while they are still alive. A recurring theme during my fieldwork in Brazil was the lack of autonomy among younger generations regarding the financial resources of their families, meaning that decisions about the use of capital – including philanthropic ones – sat ultimately in the hands of parents or grandparents.

Brazil: Exclusivity in the Tax Incentive System for Charitable Giving

In Brazil, tax incentives for giving are limited and mired in complex bureaucracy and conditionality. While this means that their uptake and impact on giving among the rich is smaller than in the UK, it does not preclude their significance in influencing the scale and design of philanthropy of those who are able to access them.

The most common type of incentive for giving in Brazil involves tax relief on donations to public (federal government) funds for the financing of social projects. Third sector (and other) organisations can apply for state approval to have their projects financed via these funds. The most widely used of these funds relates to culture and the arts, and is popularly known under the name *Lei Rouanet* (Rouanet Law). Donors to this fund can claim tax relief on donations up to a maximum of six per cent of the annual income tax bill of an individual donor, or four per cent of the tax bill of a corporate donor. Similar public funds exist to finance projects working to support the rights of children and young people and to fund sports projects. Individual and corporate donors to these funds can claim tax relief on their donations of up to six and one per cent of their tax bills respectively (GIFE 2009: 53-57).

A further tax incentive exists for donations made directly to third sector organisations legally registered under the category of *Utilidade Pública Federal* (Federal Public Utility). This incentive, however, is only available to businesses and permits tax relief on donations to a maximum of two per cent of a corporate donor's gross operational profits (ibid: 54; Szazi 2005: 320). Some Brazilian states and municipalities offer other incentives for giving in relation to local taxes, principally for donations to cultural projects. These tend to work along similar lines as those outlined above (GIFE 2009: 57).

GIFE reports that many donors are either unaware of the existence of the tax incentives on offer or unclear about how to use them, and uptake is, in consequence, relatively low. A survey carried out by GIFE among its members found that only 46 per cent of respondents had made use of any kind of tax incentive for their philanthropy in the previous year (GIFE 2010: 33).¹⁰³ Some businesses and business foundations in Brazil, however, certainly do design their philanthropy around available tax incentives. As some tax incentives allow for tax relief on the full value of a philanthropic donation (up to stipulated financial limits), businesses can in these cases deduct 100 per cent of their donations from their tax bill, meaning they can carry out their philanthropy at no direct cost to themselves. During my fieldwork, a São Paulo-based lawyer told me in interview that many of her clients determine how much their companies will spend each year on philanthropy using exactly this measure. In these cases philanthropy serves as a means for wealthy business owners to assert direct control over the spending of public resources in the third sector.

None of the tax incentives outlined above, however, are universally available to those making donations to charitable causes. Brazil has different systems for the calculation and collection of tax from companies and individuals, depending on annual expenditure (in the case of individuals) and annual profits (in the case of businesses). Incentives for charitable giving are only available to those individuals in the higher expenditure category, and to those companies in the category making the highest profits. The vast majority of individuals and companies in Brazil do not have high

¹⁰³ This study reports that out of a total of R\$1.9 billion (c. £568m) spent on philanthropy by the 102 members of GIFE surveyed in 2009 (Gife 2010: 8), R\$356.1 million (c. £106.4m) were deducted via tax incentives (ibid: 33).

enough expenditure or profits to require the filing of their taxes according to these schemes. This means that the framework of tax incentives for charitable giving in Brazil is not so much regressive as actively exclusionary; a study by GIFE reports that nearly 70 per cent of individuals and 80 per cent of businesses are unable to access any form of tax incentive for charitable giving (GIFE 2009: 61).¹⁰⁴ This scenario means that tax relief for philanthropy is an exclusive privilege of the wealthiest individuals, businesses and business families in Brazil. In this sense it is relevant for the present study, as my research focuses specifically on this category of philanthropists.

Even for Brazil's wealthiest philanthropists, however, tax incentives for giving are still limited, mired in bureaucracy and far less 'generous' than in countries such as the USA and the UK. The predominance of corporate philanthropic foundations over family foundations in Brazil may well be due in part to the fact that the only tax incentive for donations made directly to third sector organisations - rather than to the government controlled funds earmarked for projects in particular areas - is only available to large businesses. Businesses can access this incentive by giving directly to applicable third sector organisations or by gifting funds to their own philanthropic foundations – themselves legally constituted as third sector organisations – which can then use the funds to make grants or to operate their own programmes. Family foundations and individuals cannot access this incentive (GIFE 2009: 20).

In addition, the low levels of grant-making seen in Brazil may be influenced by the operation in most Brazilian states of a tax *on* direct donations to third sector organisations. Under this scheme, the *Imposto sobre Transmissão Causa Mortis e Doações*, organisations receiving donations from living donors or in a deceased person's will are required to pay a tax of four per cent of the total of the donation received.¹⁰⁵ If the recipient of the donation fails to pay this tax, the state can demand payment directly from the donor (ABONG 2014: 48).

¹⁰⁴ Ex-director of GIFE Fernando Rossetti paints an even more exclusive picture of the Brazilian landscape of tax incentives for giving, reporting that the overall percentage of companies and individuals that *most* benefit from incentives number only seven and ten per cent respectively (Rossetti 2010: 277).

¹⁰⁵ This is the percentage paid in most states, including São Paulo. In some cases this requirement is only for donations above a certain value. This is the same tax regime applicable to inheritance.

The UK: Regressive Incentives for Giving

The fiscal environment for charitable giving in the UK, in contrast to Brazil, is one of the most ‘generous’ in the world (Kendall 2003: 45-46). The UK government offers a number of different tax incentives, some of which are claimed directly by donors themselves and others by charities on their behalf. Gift Aid is the best known and most widely used of these, allowing charities to reclaim basic rate (Income or Capital Gains) tax on donations. Higher rate taxpayers using the scheme can also claim further tax relief for themselves, on the difference between the basic and higher tax rates on their donations. Donors who give gifts of land, buildings, shares or securities to UK charities can also claim Income Tax relief, and those giving at least ten per cent of their estate to charity in their will can claim a ten per cent deduction on inheritance tax.¹⁰⁶ Under the Payroll Giving scheme, employees can make regular donations to charities directly from their gross pay, which are eligible for different rates of tax relief depending on which tax band the employee falls into (Breeze et. al. 2015: 290; Cameron et. al. 2007: 3; <https://www.gov.uk/donating-to-charity>).

Breeze et. al. report that in 2007-08 in the UK, “the value of all tax breaks to charities amounted to £1.4 billion” (2015: 290). This transfer of tax revenue to charities sits alongside other forms of state funding for the voluntary sector, the difference being that donors choose where these funds are directed within the sector. Research shows that uptake of tax incentives for giving is mixed, and depends greatly on awareness of and the perceived complexity surrounding different schemes. Tax incentives for giving in the UK are not exclusively the domain of elite philanthropists, and schemes like Gift Aid and Payroll Giving are targeted at the wider public as much as they are towards the wealthy (Cameron et. al. 2007: 6-7; *Philanthropy Review* 2011: 4).

The UK incentive system for giving is, however, deeply regressive. The schemes outlined above incorporate different levels of tax incentive for donors depending on which tax band they fall into (i.e. how wealthy they are), meaning that the rich can access far higher levels of tax relief for their giving than the poor. While non-taxpayers cannot access any incentives for giving, those in the highest tax band have,

¹⁰⁶ This latter scheme, for leaving donations to charity in a will, was introduced in 2010, towards the end of my fieldwork.

in the words of Breeze et al., “the cheapest cost of giving” (2015: 290). These authors show that, in 2012-13,¹⁰⁷ it would cost a basic-rate taxpayer around 80p to give £1 to charity using available tax incentives, while this cost dropped to nearly 60p for higher-rate taxpayers and slightly lower still for those in the additional-rate tax band (ibid: 291).

In addition, philanthropists ‘donating’ funds to their own charitable trusts or foundations (and who can claim tax relief in doing so) are under no legal obligation to commit their foundations to using those funds within a particular timeframe. The UK differs from the USA in this respect, where the ‘payout’ rule requires philanthropic foundations to spend an annual minimum of five per cent of their assets. This legal requirement is designed to prevent foundations in the USA hoarding funds that have benefitted from charitable tax relief (Harrow & Pharoah 2010: 5-6).

In parallel to their access to higher levels of tax incentives, the rich also benefit indirectly from tax incentives for giving, in accordance with the legal definition of charitable status in the UK. This definition dictates which organisations and groups are eligible to receive charitable donations, donations that are, in turn, eligible for tax relief. As Kendall & Knapp noted two decades ago, in an argument that still holds strong today,

Because charitable status gives tax advantages and acts as a *de facto* seal of approval, its denial to mutual aid bodies and pressure groups has been seen as unjust and stifling of social change, while its possession by many fee-paying and socially exclusive institutions – particularly many “public” (charitable) schools funded by private fees – has been regarded as reactionary and divisive.

(Kendall & Knapp 1996: 20)

The benefits of tax incentives for wealthy donors stem, therefore, from the combination of a regressive system of incentives for giving and a legal definition of charitable status which includes organisations - such as private schools - that serve to reinforce the reproduction of wealthy elites. These two factors put economic elites in a privileged position to influence social change (or the maintenance of the status quo), through philanthropic activity which draws on the financial support of public funds.

¹⁰⁷ This data post-dates my fieldwork period, but the framework of tax incentives for giving in the UK changed little during this time.

Unsurprisingly, these issues were not often discussed among philanthropists and philanthropic intermediaries during my fieldwork. Attitudes towards tax incentives for giving among philanthropists I met in the UK incorporated a number of different ideas, often held simultaneously by the same person. These ranged from appreciation of the funds made available by the government to bolster their efforts to create social change via philanthropy, to a belief that tax relief for giving is justified by the fact that philanthropists are more capable of bringing about change effectively and efficiently than the state, to a deeper aversion to paying tax at all and the positioning of tax-supported philanthropy as one among other ways of not doing so.

At the Institute for Philanthropy, where I worked during part of my fieldwork, staff occasionally found themselves in the position of having to respond to critics implicating wealthy philanthropists in wider issues of tax avoidance and evasion. The Institute's official line was to distance itself from debate on these issues, stressing the private nature of its clients' tax and financial affairs and placing the legal use of tax incentives for giving in a different sphere of activity from illegal (or legal but dubious) tax related activities.¹⁰⁸

Wealthy philanthropists are of course well positioned to lobby for the maintenance and improvement of tax incentives for giving, and are often supported by intermediary organisations in doing so. Shortly after the end of my fieldwork, a group of philanthropists emerged under the banner of the Philanthropy Review, to put forward a series of recommendations for the new coalition government in this respect (Philanthropy Review 2011). In 2012, this group launched a powerful (and successful) attempt to persuade chancellor George Osborne to renege on plans to curb tax incentives for giving as part of the government's plans for the tightening of the public purse (BBC 2012).

¹⁰⁸ While the legal use of tax incentives for giving does not implicate philanthropists in illegal tax evasion activity, an employee of HMRC did comment to me informally in the field that she was opposed to the introduction of new incentives for charitable giving, as any new form of tax relief always opened the door to new kinds of tax avoidance and evasion.

Broader Implications: The Philanthropic Privilege of the Wealthy

As mentioned above, debate over tax incentives for philanthropy is connected to broader issues of taxation and its avoidance among the global super-rich. The existence of elaborate systems for legal tax avoidance by companies and wealthy individuals around world, via complex accounting schemes and the routing of money through tax havens located not only in ‘offshore’ locations such as the Cayman Islands and Jersey, but also financial centres including London, New York and Hong Kong has been well documented (see e.g. Shaxson 2012; Toynbee & Walker 2008: 186-202).

These accounts reveal the sense of entitlement displayed by many members of the economic elite, who appear to consider it their privilege to decide for themselves how much tax they should pay, if any at all. This idea feeds into discussion on elite philanthropy. Take, for example, the following extract from Bishop and Green’s *Philanthrocapitalism*:

Certainly, illegal tax evasion is unacceptable for a philanthropist [...] Yet the nooks and crannies of the global tax system allow for perfectly legal tax-avoidance strategies [...] there are tricky choices to be made about how the billionaire divides his resources between giving privately and paying tax. Among the factors to be taken into account is how well the money would be used by the government compared with what would be done with it philanthropically.
(2008: 259)

While the employment of legal tax avoidance strategies in order to create more funds for philanthropic giving among the wealthy is not a practice generally condoned by governments, the creation by governments of regressive tax incentive schemes for wealthy philanthropists works along essentially similar lines. Such schemes endorse the idea that the wealthier the philanthropist, the greater his or her prerogative for deciding how public funds should be spent.¹⁰⁹

Tax incentives for charitable giving take on even more shady overtones in cases such as those profiled by McGoey (2015a; 2015b), where philanthropic foundations make

¹⁰⁹ Bishop and Green’s suggestion that philanthropists might be better placed to decide how funds destined for public benefit should be spent than the government was a recurring one in my fieldsites in both Brazil and the UK.

grants to for-profit companies, a practice that is legal under US law, as long as the grant goes towards achieving the foundation's "charitable mission" (2015b: 31). McGoey points to examples of funding provided by the Bill and Melinda Gates Foundation to a range of companies, including ones developing online educational tools and virtual schools (2015a: 116-147), as well as to Vodacom, a subsidiary of the UK-based company Vodafone, for the development of the mobile phone money transfer system M-PESA, originally marketed to low-income villagers in East Africa. In the latter case, McGoey points to a double (and transnational) tax exemption at play in the combined tax avoidance and charitable tax incentive schemes appropriated by Vodafone and the Gates Foundation. Vodafone's infamous tax avoidance strategies enabled the company to avoid paying any corporation tax in the UK for three years, while 'charitable' grants from the Gates Foundation to the company were made using funds benefiting from tax relief in the USA (ibid: 82-85).

The practice of philanthropic grant-making to for-profit companies is not restricted to the USA; McGoey (2015b) notes, for example, the funding of pharmaceutical companies by the Wellcome Trust, the UK's largest foundation. My own research was carried out mostly among smaller philanthropic foundations in Brazil and the UK, who were not – at least to my knowledge - engaged in these practices. While these foundations and the philanthropists who created them were not making use of tax incentives to bolster the profits of the corporate sector directly, however, their privileged access to such incentives within a regressive (British) or exclusive (Brazilian) system still gave them rights to control the destiny of public funds denied to less-wealthy donors and taxpayers.

As will be explored in the chapters that follow, decisions about how and where to direct funds in pursuit of social change are deeply influenced by ideologies relating to poverty, inequality and global socio-economic systems, and elite philanthropists apply these ideas directly to their practice. Tax incentive systems for philanthropy that privilege the wealthy endorse elite philanthropic practice designed in accordance with these ideologies, and while the financial value of such endorsement may be relatively small, the potential impact of this philanthropy – in discourse and in practice – should not be underestimated.

PART TWO:
Wealth and Philanthropic Identities

Chapter 4:
Ways of Giving and Ways of Being Wealthy:
Philanthropy as an Expression of Elite Identity

It is Saturday morning and I am in a taxi driving through São Paulo. I am on my way to a meeting of alumni of the *Programa Nova Geração* (PNG), a course designed to develop social consciousness and encourage philanthropy among young wealthy Brazilians.¹¹⁰ The group meets in different places and this weekend Débora,¹¹¹ a lawyer in her early thirties, has offered to hold the meeting at her house. Débora lives in Morumbi, a highly segregated area in the south of the city, where residents live either in expansive gated communities and luxurious apartment buildings¹¹² or in Paraisópolis, the city's second largest *favela* (shanty town). My fieldwork has taken me there often. I don't have a car and I know from experience that trying to make my way to Débora's house by public transport will take me around two hours, and involve a complicated and frustrating combination of trains, buses and nerve-racking dashes across four-lane urban highways with no pedestrian crossings. So I opt for the taxi. The taxi driver and I spend some time trying to locate Débora's house, and when we do I find myself pointedly telling him that I've never been here before. In truth I'm embarrassed to be dropped off outside the enormous black gate that blocks the entrance to the houses behind it. As we drive up to the gate, a voice greets us from a microphone attached to the wall, eerily disconnected from the *porteiro* (doorman) whose face can just be made out behind the darkened, bullet-proof glass panel above it. The *porteiro* greets us pleasantly and I roll down the window to tell him where I'm going. There is a pause as he calls through to Débora's house on his radio, and I get out of the car telling the taxi driver that I can walk from here.

On the other side of the gate is a different world. In contrast to the noisy, dusty expanse of city highway outside, this is a quiet private road, lined with pretty trees and six large white houses built in the neo-classical style. Unlike most of the city's

¹¹⁰ The PNG is a programme of the *Instituto Geração*, discussed in the Introduction to this thesis.

¹¹¹ All the names in this chapter have been changed.

¹¹² The segregated spaces occupied by São Paulo's elite (houses, apartment buildings, office blocks, shopping centres, etc.) are designed to keep out people of lower socio-economic status (with the exception of domestic and other workers), and are usually heavily fortified with security systems and private guards.

public streets, the pavements are in perfect condition and spotlessly clean; so clean in fact that it feels somewhat unreal, like the set of a film. I locate Débora's house and make my way to the back garden, where members of the group are enthusiastically greeting each other on a large terrace, overlooking a swimming pool. A table is set with coffee, juice and a range of cakes, fruit and biscuits brought by the group, and a uniformed maid is setting out coffee cups. I find a spot on the table for the cake I have brought and begin to greet the others.

Once the twenty or so participants of today's meeting have arrived and had coffee, we all sit down in a circle for the first activity of the day. This is one of the group's first official alumni meetings, and its members are still working out what form it will take. The event's organisers suggest that we start by narrating the story of the PNG as a group, with each person – in chronological order – telling the others when they first became involved, and why the group is important to them. As people begin to speak, several members recount their initial resistance to joining the programme, saying that at first, they didn't identify with the label 'elite' and felt uncomfortable with the idea of joining a group of people defined by that criterion, but that this soon changed when they met the other people involved and understood the programme's aims. Someone says that, for them, the group is now an '*espaço nutritivo*' (a nourishing space), where they can feed on new ideas and the sharing of experiences, and everyone else agrees.

When the group has finished narrating its story, we move onto the second activity, an 'open space' session where participants suggest themes they want to discuss, and then split into smaller groups for a series of discussions based on these themes. Topics suggested include: 'developing social initiatives in partnership with other people in this group'; 'getting involved in party politics'; 'the role of networks, and the role of this network'; 'philanthropy in the family businesses of this group's members' and 'choosing how to make an impact: aligning my skills, opportunities and what I really want to do'. I join the group discussing philanthropy and family business. Claudia, director of the philanthropic *instituto* (foundation) of her family's auto-parts company, begins to tell the others how difficult she is finding it to talk to her father about the objectives of the *instituto* and to bring about the changes she would like to make to its activities.

I am struck, as I've often been during my fieldwork, by the contradiction of holding a meeting to discuss initiatives for social change in a house like Débora's, that to me represents so brutally the social and economic processes that make Brazil one of the most unequal countries in the world. At the end of the day, Alice - another participant of the group - gives me a lift home, and I tell her my thoughts.¹¹³ Alice says that Débora feels uncomfortable living in that house. It was her husband who chose it and she feels under pressure from him and his family to live this kind of lifestyle. Something in Alice's tone makes me regret having brought this up, and I say quickly that of course it's extremely generous of Débora and her husband to give up their home all weekend for the meeting. I don't think Alice is angry with me, I just get the impression that she feels a bit like this about her own family as well.

The ethnographic encounter described above was typical of experiences during my fieldwork in Brazil and the UK. As much as the actual *content* of these philanthropic programmes and events, the issues of wealth and privilege defining the experience of participants were always present at the margins of these gatherings. National and cultural differences aside, *elite* philanthropy - practised by the very wealthy – can be broadly seen as a conceptually different practice from philanthropy between socio-economic equals, or where the socio-economic status of those giving and receiving is less marked. Unlike the latter, elite philanthropists' practice is inseparable from the fact and experience of *being wealthy*, and its analysis must take account of certain structural inequalities and interests that are absent from the former. Within this context, philanthropy often serves to help elite philanthropists express identities of wealth; to communicate to others what kind of wealthy person they wish to be.

Important for this argument is an awareness of the plurality of ideas and experiences of wealth encountered among the rich. As the fieldnotes reproduced above show, ideas about wealth not only differ between groups of elites, but can also be highly conflicting within the same families or even for wealthy individuals themselves. This

¹¹³ During my fieldwork, the intimate space created by car journeys often provided opportunities for this kind of revealing exchange, which would have been unlikely within the more public context of group encounters.

plurality is an argument in itself, given the tendency amongst social scientists to assume communality of experience and ideology among the rich, as posited against the diversity of experience revealed by detailed ethnographies of the lives of the poor.

In her work on family firms in the Italian silk industry, Yanagisako (2002: 8) argues that it is often overlooked that capitalist action is the result of cultural processes, and that “slippage between a theory of class interests and a theory of capitalist subjectivity and motivation” has led theorists to universalise and naturalise the “dispositions, desires, and subjectivity of the bourgeoisie”. In her study of wealthy philanthropists in the USA, Teresa Odendahl (1990: 7) makes a similar argument concerning attitudes towards money and philanthropy. She says of her work:

This is not a psychoanalytical study, but it is clear that many elite philanthropists have psychological “complexes”: anxiety about their place in the world, denial that they are rich, and fear that people or the government are after their money, along with a lack of self-confidence or its counterpart – arrogance. Like everyone else, the wealthy harbour prejudices and stereotypes about themselves and others. Their world is framed by a “we” and “they” perspective. “They” are government officials who are not of the upper class, as well as the masses, who might take away private wealth through misappropriation, taxation, welfare, or revolution. In contrast, the “social change funders,” a young minority group who are sometimes known as the “rich kids,” think that the other “they” are conservatives, mainstream, or traditional grant-makers. In many cases, then, “they” may be the parents of these younger philanthropists. For the charitable wealthy of all ages, giving and volunteering is the “proper” thing to do. The improper, other rich are also “they,” who spend too lavishly on themselves.

All of these different “complexes”,¹¹⁴ were present among the sample of philanthropists I met during my fieldwork in both Brazil and the UK, and appear in the ethnographic material presented in this chapter. It should be noted, however, that my focus on these here is not intended to divert attention from the political and ideological aspects of elite philanthropy as a broader social (and economic) project.¹¹⁵ These aspects are the main focus of later parts of this thesis (especially chapters six and seven). The objective of this chapter, however, is to draw attention to the discourse of wealthy philanthropists on their own experience of philanthropic practice, and particularly to the ways in which this connects with their experiences of

¹¹⁴ See also Salverda & Grassiani (2014), on anxiety among elites

¹¹⁵ Odendahl’s broader analysis also takes account of these issues.

being wealthy. This investigation is intended to add to understanding of philanthropy as an elite practice, and provide greater nuance to later critique of this practice as a broader political project.

As such, the rest of this chapter explores the role played by philanthropy in the formation of elite identities. It looks at attempts to present positive identities of wealth via ‘giving back’ and ‘making a difference’ in society, as well as ideas about the legitimacy of wealth and philanthropic influence, and the conceptual shift in life stories of the rich between financial ‘success’ and philanthropic ‘significance’. I also explore unusual cases of philanthropists who *reject* identities of wealth, and related ideas about philanthropy as a meaningful response to the experience of inheriting money. Before I do this, however, I look briefly at the development of anthropological theory on gift-exchange, and why I believe these debates to be of limited utility in the study of elite philanthropy. This is precisely because of their general failure to distinguish between *elite* gift-giving and giving between socio-economic equals, and to take into account the importance of identities of wealth in analysis of the former.

Beyond Altruism vs. Self-Interest: Theorising Gifts from the Wealthy

The arguments outlined above are particularly important for an anthropological analysis of elite philanthropy. Anthropological debate on gift exchange has been central to the development of the discipline since its origins, but this debate has tended to generalise the concept of the gift in ways that obscure structural elements of social and economic difference between distinct parties in the gift relationship. While these elements do not *always* feature in the philanthropic relationship (i.e. not all philanthropy is elite philanthropy), when they *do* feature, they may be of more importance to our understanding of the particular philanthropic practice under scrutiny than the more generalised principles of gift-giving with which anthropological theory has traditionally been concerned.

Broadly speaking, anthropological theory on exchange has been framed as an investigation into the different kinds of economic behaviour found in non-market and

capitalist societies. This has usually been a response to the theories of self-interest and maximisation used by economists to explain the workings of capitalism. Debate has centred on the extent to which people in the non-market societies in which anthropologists have traditionally carried out their research are or are not guided in their economic activity by the same self-interested motivations (for a broad overview, see Hann and Hart 2011).

Much of this debate was inspired by Marcel Mauss' seminal work *The Gift* (1967 [1924]), in which he argues that, in non-market societies, the economy does not stand as a separate entity to other spheres of social life and the circulation of gifts forms the basis for the building and maintenance of social relations. Following Mauss, the debate has taken several different turns throughout the history of the discipline. Economic anthropologists, for example, have drawn on Polanyi's (2001 [1944]) work on the creation of the market to fuel debate between formalists and substantivists. In the substantivist camp, Sahlins provides a differentiated theory of exchange, classified into a "scheme of reciprocities" (1972: 191) ranging from "generalized reciprocity, the solidary extreme," through "balanced reciprocity", to "negative reciprocity, the unsociable extreme" (ibid: 191-196). Meanwhile, formalist theorists have sought to minimise the differences between market and non-market societies, arguing that commodities and maximising models also form the basis of relations within non-market forms of exchange (Bourdieu 1977; Appadurai 1986). In response, Strathern (1988) has challenged the validity of the kind of comparison between social systems on which this whole debate had been constructed, arguing that Western concepts about the individual, the appropriation of labour and the ownership and control of things and actions are absent among the Melanesians, for whom persons are 'partible' and made up of their relationships with others.

More recently, debate on the meaning of the gift has re-emerged in work such as that by members of the interdisciplinary group of theorists M.A.U.S.S. (*Mouvement Anti-Utilitariste dans les Sciences Sociales*), who argue that the presence of the gift in free-market society demonstrates the enduring role of moral and compassionate relations under capitalism (Godbout 1998; Martins et. al. 2002). Graeber makes a similar argument, interpreting Mauss' work as a political project to draw attention to the failure of market capitalism to eradicate deeper moral sentiments – represented by the

gift – in modern societies, and thus to imagine an alternative to capitalist economics (2001: 162-163). Recent work on the ‘human economy,’ led by Hart, Laville and Cattani (2010), seeks to restructure the traditional parameters of what is understood by the term ‘economy,’ to take account of “the satisfaction of all human needs – not just those that can be met through private market transactions” (Hann & Hart 2011: 8)

One problem with attempting to analyse the practice of elite philanthropy using the generalised framework set out by this debate is that plenty of ethnographic examples exist to support different (and opposing) interpretations of the philanthropic gift. Within logics of economic formalism, the giving of gifts with no return must be understood – like any other economic transaction – as a form of self-interested maximisation. In this case philanthropy might be understood as a practice carried out with the intention of ‘maximising’ prestige, respect or social standing for the philanthropist. In this respect it would resemble the mass distribution and destruction of goods carried out during the potlatch (Mauss 1967: 33-35), during which the main objective was to compete with others of a similar social standing through the ostentatious display of wealth. Or the practice which Veblen termed “conspicuous consumption” in his 19th century study of the American leisure class, where he identified the consumption of high-quality goods as one of the central ways in which wealth and status were displayed among the upper classes in industrialised societies. Veblen noted that conspicuous consumption involved the giving of expensive gifts and the hosting of feasts and entertainment for friends and competitors (1994 [1899]: 47).

Among some of the philanthropists that I met in Brazil and the UK, philanthropy did indeed appear to be an act of self-interested maximisation, designed to demonstrate wealth and elite status. The grandmother of one of the members of the PNG alumni group (discussed in the opening to this chapter) told me proudly that last winter she had purchased 2000 blankets and distributed them – with the help of her driver – to a selection of public hospital patients, the homeless and child cancer patients. In the UK, another philanthropist remarked that philanthropy came after children’s private education and the purchase of art - two items renowned for their role in demarcating elites within broader society - in most wealthy people’s spending priorities. Also in the UK, the annual publication of the *Sunday Times Giving List* (ranking the 100

people who have given away the most money over the last year) as a sub-section of the newspaper's *Rich List* (which ranks the country's 2000 richest individuals)¹¹⁶ further suggests that philanthropy serves as both an indicator of wealth and an activity that brings status to the wealthy in the public arena. The idea of philanthropy as a form of consumption is similarly reflected in the Financial Times' supplement *How to Spend It*.¹¹⁷ The supplement features philanthropic projects of the wealthy and luxury products promoted through cause-related marketing¹¹⁸ alongside suggestions for the consumption of less benevolent categories of luxury goods and services, such as "watches & jewellery," "health & grooming" and "cars, bikes, boats & planes."¹¹⁹

Plenty of examples from my fieldwork, however, suggest more altruistic motivations for philanthropic practice, and a preference for anonymity around philanthropic activities. Some philanthropists I met were reluctant to talk publicly about their giving, or to discuss it among their peers for fear of drawing attention to their wealth. Sarah, a British philanthropist funding community projects for low-income teenage mothers, told me that she didn't feel comfortable talking about her philanthropy with friends. Most of her friends didn't have as much money as she and her husband, she explained, and after paying for private schooling for their children and other expenses they didn't have much spare cash. Sarah was worried that if she talked too much about her philanthropy – especially when her friends knew that she and her family were spending money on other things too, like expensive holidays – people would think she was boasting about how much money she had.

Still other examples prove ambiguous in relation to the idea of philanthropy as a form of self-interest. Some British philanthropists I met were nervous that being too public about their giving would provoke an avalanche of unsolicited funding applications from charities and individuals, or draw negative attention to their wealth. At the Institute for Philanthropy in London (where I worked during part of my fieldwork), staff often tried to convince their clients to be featured in the press talking about their giving. From the perspective of the Institute, such media attention served to create

¹¹⁶ See the 2010 lists at: www.thesundaytimes.co.uk/sto/public/article346801.ece

¹¹⁷ Philanthropic projects are featured in *How to Spend It* in a section entitled *For Goodness' Sake*. See, for example: www.howtospendit.com/#/articles/3098-for-goodness-sake-water-works

¹¹⁸ For a critical analysis of cause-related marketing practices in the USA, see Dadush (2010).

¹¹⁹ See the menu bar of the *How to Spend It* website at: <http://www.howtospendit.com/#/>

positive interest around philanthropy and encourage other wealthy people to do more of it, but many philanthropists were reluctant to be ‘exposed’ in this way.¹²⁰

As these various examples demonstrate, a generalised theory of gift-giving is of limited utility for the study of elite philanthropy. While traditional anthropological debate on gift-exchange turns on the question of altruism vs. maximised self-interest, this focus obscures the possibility of (elite) philanthropy as an elite *project*. Whether or not individual philanthropists actually conceive of their practice as part of this project, research on elite philanthropy attests to its existence. Inasmuch as the majority of economic elites are entrenched within capitalist, free-market based ideologies of society and social change, their philanthropy necessarily reflects an attempt to further these ideologies, either explicitly - as in high-profile examples such as the Gates Foundation (see McGoey 2015a) - or implicitly as in many of the examples seen in this thesis. The diverse elements of this project escape the parameters of debate offered by a generalised theory of gift exchange. Rather – as argued above – elite philanthropy is more usefully analysed in relation to the distinct socio-economic positions held by the different parties in the philanthropic relationship, and the ensuing structural elements of wealth and inequality that are its defining features. Returning to the argument outlined at the beginning of this chapter, a central line of enquiry for *this* approach to elite philanthropy is the role played by philanthropy in the formation of identities of wealth.

Being the Right Sort of Wealthy Person: ‘Giving Back’ and ‘Making a Difference’

In the UK, a number of private banks offer ‘philanthropy services’ to wealthy clients, in the form of advice on how to best design and carry out philanthropic practice.¹²¹

¹²⁰ Attitudes towards the drawing of public attention to philanthropic practice are somewhat different in Brazil, where philanthropy is commonly carried out by family businesses and thus connected to the public image of both family and corporation.

¹²¹ Coutts’ philanthropy services include advice on issues such as: identifying motivations for giving and choosing causes to give to; conducting research on causes and charities; making contact with other philanthropists; deciding how much to give; designing a “giving strategy”; evaluating funding applications and conducting site visits; involving family in philanthropy (especially the next generation) and giving “tax-efficiently.” (See: www.coutts.com/private-banking/wealth-

Among these, Coutts Bank is considered the most sophisticated. At Coutts, philanthropy services are offered as one among several ‘wealth management’ services, reinforcing the idea that philanthropy can provide benefits to the wealthy, alongside activities such as trust planning, investment and ‘efficient’ tax planning.

The bank’s philanthropy team distributes a booklet entitled *The Coutts Handbook for Philanthropy: For Clients of Coutts* (2008). The first line of its introduction reads: “For all of those interested in making the world a better place, philanthropy can provide a real sense of purpose and happiness.” Two quotes appear inside the booklet’s front cover. The first is the poem *The Road Not Taken* by Robert Frost, reproduced in full, which begins ...

*Two roads diverged in a yellow wood
And sorry I could not travel both*

... and ends:

*I shall be telling this with a sigh
Somewhere ages and ages hence:
Two roads diverged in a wood, and I –
I took the one less travelled by,
And that has made all the difference.*

The source of the poem is given as: “*Finishing Well, What People Who Really Live Do Differently*, Bob Buford.”¹²²

The second quote is credited to Albert Einstein and reads: “It is every man’s obligation to put back into the world at least the equivalent of what he takes out of it.”

I cite these quotations at length because they embody ideas about ‘making a difference’ and ‘giving back’ that I heard expressed repeatedly among philanthropists in both the UK and Brazil. The idea of ‘giving back’ was sometimes expressed as an abstract concept related to giving back to ‘society’ in recognition of the wealth accumulated by families and individuals, but more commonly as a more concrete idea among philanthropists that had accumulated wealth through business, of giving back

[institute/philanthropy/](#)) I will look at philanthropy advice and the work of philanthropy advisors in more depth in chapter 8.

¹²² See Buford (2004)

to particular communities or geographical areas where their business activities were located. One British philanthropist, working in the oil and gas industry, told me that he had begun to feel a responsibility towards the countries where his business had worked and whose populations and resources had enabled it to grow and profit. This had motivated his decision to create a philanthropic foundation working for the benefit of the poor in many of these countries. In a similar vein, Claudia, a young Brazilian woman who was the director of her family business' *instituto* (foundation) told me that,

In my family we were brought up with a basic concept, which was about responsibility ... it's like an exchange. [...] If I've benefited in some way in my life I'm going to repay that in some form. [...] My family's company was born in Campinas¹²³ so the company has at the least a social responsibility in the area where it's situated. On a smaller scale, it's in a neighbourhood in Campinas where there's a shanty town. The company is there, and so it has a responsibility for that shanty town.¹²⁴

The ways that two other philanthropists that I met during my fieldwork in São Paulo and London talked about themselves and their philanthropy further illustrates these ideas.

Fernando

I first met Fernando in São Paulo in 2006, on the *Programa Nova Geração*, when I was carrying out research for my master's degree. In his mid-thirties, Fernando was one of the older participants of the programme, and unlike most of the others had made his own money rather than inheriting it. Tall, slim and classically good-looking, Fernando had a poise and self-confident authority that gave the impression that he was older than his years. Born to a middle-class family in a small town in the interior of São Paulo state, Fernando was the son of a bank manager and had been educated at the local state school. After spending two years in the army, he had moved to the city of São Paulo to begin a university degree and simultaneously began working in finance. In 1995, Fernando and a group of colleagues had set up a small asset

¹²³ A small city in São Paulo state.

¹²⁴ My translation from interview conducted in Portuguese.

management firm. Over the following years the firm enjoyed huge financial success, bringing Fernando (in his own words), “infinitely more money than I had imagined earning at any time in my life.”

Fernando was also one of the most experienced philanthropists among the participants of the PNG. He had already established a corporate foundation at his firm as well as a personal philanthropic project through which he was making grants to families in a shanty town on the periphery of São Paulo, to build themselves better houses. A small percentage of each grant was paid back by the families interest-free over a number of months, and the money was used to build resources for the local community, such as a crèche and a library.

When I returned to Brazil in 2008 to begin my doctoral research, Fernando and his colleagues were in the process of a lucrative sale of their asset management firm. Fernando had decided to give up working in the financial sector and to concentrate full-time on the creation of a non-profit organisation, funded by himself and carrying his last name. The organisation was designed to connect NGOs in need of funding with middle-scale philanthropists, those who were not wealthy enough to run their own foundations. Philanthropists had to commit to giving at least R\$50,000 (around £17,400 ¹²⁵) per year, but Fernando’s target was R\$100,000 (£34,700) per philanthropist per year.

When I went to visit Fernando at the new organisation, I was struck by the difference between his new office and that of the asset management firm, where I had visited him during my master’s research two years earlier. The offices of Fernando’s asset management firm had been situated near Avenida Berrini, hub of the exclusive business district that has been the preferred location for São Paulo’s most successful executives since the late 1980s.¹²⁶ Situated within a vast complex made up of four towers, the firm’s expansive offices were fitted out in sleek panels of wood, marble and glass and decorated in subtle shades of beige and grey. Sophisticated lighting illuminated an indoor water feature, which gurgled around a collection of polished

¹²⁵ Currency conversions correct for 2010.

¹²⁶ See Frúgoli (2000) for an analysis of shifting centres of business over the last century in São Paulo.

stones in the centre of the hallway.¹²⁷ A receptionist walked me to a meeting room where I was to await Fernando' arrival, and returned a few minutes later with mineral water, biscuits and coffee in delicate white china cups.

In contrast, Fernando' new office was situated in a middle-class area amid a mixture of unpretentious office buildings and apartment blocks, within easy walking distance of the metro. Arriving at the office, Fernando opened the door to me himself. After introducing me to the organisation's three members of staff, who sat next to each other along a narrow line of desks, he ushered me into a small meeting room equipped with standard office furniture. Here, Fernando poured me a glass of mineral water from a plastic bottle that he took from a small fridge in the corner. After he had told me about the new organisation and its plans for the future, we began to talk about money, and Fernando explained that he didn't plan on ever working for a salary or outside of the third sector again. I asked if not having a salary and spending so much on setting up and running the new organisation had meant that he and his family had needed to reduce their standard of living. Fernando replied that, with his proceeds from the sale of the asset management company, he had built a personal "endowment" and that the return on this investment would be enough for him and his family to live on forever. He reminded me that he had been brought up in a "humble family" and added that he didn't need any more money than he now had. I commented that this was an unusual attitude, as being wealthy didn't usually stop people from trying to make more money. Fernando told me that, when he became rich, he had started to think about the meaning of his life. He said I should read a book called *Halftime*,¹²⁸ which talks about the difference between being "successful" and being "significant." "Successful" people get more recognition in society, he told me, but "significant" ones make a long-lasting contribution to the world. Fernando told me that he wanted to dedicate his time now to being "significant."¹²⁹

¹²⁷ By the end of my fieldwork I had become accustomed to this style of transnational corporate architecture and décor, which repeated itself unflinching along a uniform range of colours and textures in offices I visited in both Brazil and the UK.

¹²⁸ See Buford (1994). Buford also wrote *Finishing Well, What People Who REALLY Live Do Differently!* (2004), the book quoted in *The Coutts Handbook for Philanthropy* which is mentioned above.

¹²⁹ As McGoey notes in her discussion of the history of foundation philanthropy in the USA, "few things shout success louder than the exuberant awakening of a wealthy man's philanthropic conscience" (2015a: 40).

David

Fernando's story can be compared with that of David, a British philanthropist whom I met in London. While at first sight David and Fernando seem to be very different, closer inspection reveals interesting parallels. David, who I estimated to be in his seventies, was from a British banking family. Founded in the 17th century, the bank serves an elite clientele from just two premises in London. I met David at the bank's headquarters in the City.¹³⁰ In the wood-panelled entrance hall, several original architectural features relating to the bank's past – such as a 17th century cast-iron columnar stove – were still on display. I told the receptionist who I had come to see and after a short wait David appeared. He ushered me upstairs to a room expensively decorated in the style of a residential sitting room, with plush cushions on two comfortable sofas, table lamps and vases of flowers on antique-looking side tables and a coffee table with coffee and biscuits already set out. David began by telling me about his childhood:

I'm rather unusual in a way in the sense that I spent the first 16 years of my life way below the poverty line, of any measure, then and now. But I went to Eton, if you can reconcile those two things. My parents were divorced, my mother had trained as an actress [...] I grew up in a very enlightened but extremely hard up [home]. I started to work when I was eight, for a horse-drawn greengrocer in Notting Hill Gate. I was the little boy who put apples in a bag and handed them over and said "that's sixpence." I started buying and selling – I used to go into the pawnbroker and buy things and sell them down the shops in Church Street.

David went on to explain that his father had been educated at Eton, and that when his parents divorced, his father had committed to paying the school fees for David to do the same. David planned to go into the arts and wanted to leave Eton before completing his A-levels, and his father agreed on the condition that he spend two years studying accountancy. David was soon involved in what he calls "mainstream entrepreneurial activity," and started a number of businesses including a publishing company and several restaurants, before becoming a managing partner in his family's bank in the late 1960s.

¹³⁰ The City of London, or Square Mile, is the hub of London's business sector and home to its most important financial and legal institutions, including the London Stock Exchange and the Inns of Court at Middle and Inner Temple. Even if they didn't actually work in the region, most of the philanthropists I met in London would frequent it regularly to access financial and other services and philanthropy events were commonly held there in spaces rented or donated by banks and other institutions.

David's first experiences with philanthropy came through a family connection with a London hospital, where he was asked to join the medical school committee.¹³¹ After some time serving on this committee, David decided to set up his own philanthropic trust (foundation). David emphasised that, at the start, his trust was not able to give away large amounts of money, and so he developed an 'entrepreneurial' approach to his philanthropy. He soon discovered that many charities were badly run, and he began to use his accountancy skills to help them organise their affairs. He also began to offer funding "challenges," where he would say, for example, "if you can get eight other people to give £10,000, I'll give you £10,000, because that meant people could go and bang on other people's doors and say 'I've got this much money already, will you match it?'"¹³² In one case, he told me, his trust underwrote a fundraising campaign for a charity's expansion that was so successful in enabling it to find funds from other sources that David ended up not having to grant it any money at all. David also told me that the trust's "biggest success, which justifies all the failures," was an international medical charity, which came to David's attention when it was on the verge of bankruptcy. He explained that, aside from making a small financial donation, his main contribution was that he "... seconded my administrator to them for one day a week for a year, and we set up a complete structure, we set up a fundraising committee, the whole thing. It's history. If nothing else happens, if we saved [this charity], which they say we did, that's it."

Legitimacy and Significance in Philanthropic Identities

Both Fernando and David's accounts show how philanthropy is used by wealthy elites to project positive identities of wealth. Central to these identities are ideas about the legitimacy of wealth, and related ideas about the legitimacy of philanthropic

¹³¹ The study of elite philanthropy demonstrates that the 'revolving door' (through which wealthy individuals move between influential positions in the corporate and state sectors) also opens onto a range of charities, cultural institutions and other third sector organisations, as well as the semi-public sphere of quangos and the like.

¹³² Called a "matching grant" by British philanthropy advisors, this is a common technique in "strategic philanthropy", designed to give legitimacy to charities' fundraising appeals and encourage other funders to contribute beyond the the original grant. (See chapter 7 for more on this and other philanthropic strategies.)

influence. In turn, these ideas feed into claims for the ‘significance’ that philanthropy brings to the lives of the rich.

In the interview material reproduced above, both philanthropists present themselves as deservedly and legitimately wealthy by stressing the hard work and entrepreneurial spirit behind their financial success. They both draw attention to the fact that they were not brought up in wealthy households and know well what it’s like to be on the other side of the economic divide, a part of their narratives perhaps intended to underline not only the legitimacy of their wealth as the result of personal endeavour, but also the legitimacy of their ability to pass judgement – via certain kinds of philanthropic practice – on how others might strive to improve their own economic situation.

References to a poor (or at the least, middle-class) childhood often marked a division throughout my research between those who had inherited their wealth and those that had earned it. In addition, Fernando often mentioned his independence in making philanthropic and other financial decisions, as opposed to many of the young inheritors we both knew through the PNG, whose access to and decision-making around their money was restricted by the control and expectations of older family members. Juliana, one of the co-ordinators of the PNG, told me in interview that:

At the Instituto Geração we have noticed a very different relationship to money among those who have made it and those who have inherited it. Those who have made it seem to have a much greater facility for giving it away. Those who inherit seem to think, “I was given this so I have a responsibility to keep it.” Whereas those who have made it seem to think, “I made it so I can give it away, and in fact I can always make more if I need to.”

(My translation from Portuguese.)

Ideas about legitimacy were also present in philanthropists’ decisions about the commitment of time to their practice. Philanthropists I met during my fieldwork varied widely in this respect. For most, philanthropy was an activity carried out with varying degrees of consistency throughout their adult lives, demanding a certain amount of time and commitment but practiced alongside other professional activities. For others, especially some of the owners of family businesses in Brazil, the time spent engaging directly in philanthropy was limited to board meetings dedicated to the

approval of *instituto* (foundation) projects, presented by professional staff hired to carry out philanthropy on their behalf. A small number of philanthropists, however, had carved whole careers from philanthropy, setting up self-funded NGOs or running their own grant-making trusts or foundations full-time. These included some (especially self-made philanthropists like Fernando) who had chosen to devote themselves full-time to philanthropy as a ‘second career’ after having made enough money in business or the financial sector that they would never need to earn money again. Fernando’s comments about moving from “success” to “significance” suggest an attempt to create a new identity for himself at this stage in his life, based on his philanthropic practice.

Many of the ideas explored above can be seen in the writings of the 19th century Scottish-American steel magnate and philanthropist Andrew Carnegie. I first came across Carnegie’s famous essay *The Gospel of Wealth* (2006 [1889]) during my fieldwork, where I found it reproduced in the pages of a binder of reading material for a course in strategic philanthropy in London. *The Gospel of Wealth* extols the virtues of free market economics and casts inequality as a natural and inevitable outcome of capitalism. It argues that the only true and correct remedy for economic inequality is the philanthropy of the wealthy, and that the rich have an obligation to manage their wealth prudently, using all excess for this purpose. It states,

This, then, is held to be the duty of the man of Wealth: First, to set an example of modest, unostentatious living, shunning display or extravagance; to provide moderately for the legitimate wants of those dependent upon him; and after doing so to consider all surplus revenues which come to him simply as trust funds, which he is called upon to administer, and strictly bound as a matter of duty to administer in the manner which, in his judgement, is best calculated to produce the most beneficial results for the community. The man of wealth thus becoming the mere agent and trustee for his poorer brethren, bringing to their service his superior wisdom, experience and ability to administer, doing for them better than they would or could do for themselves.

(Carnegie 2006 [1889]: 10)

A brief glance at the history of Carnegie’s business practices shows that according to his own “superior wisdom, experience and ability,” the interests and labour rights of the poor were of little importance in deciding how they should best be treated by the wealthy. Alongside his philanthropic practice, Carnegie is well remembered for his

brutal repression of trade union activity, most famously during the 1892 strike at the Carnegie Steel Works in Pennsylvania, during which nine of his striking workers were killed and many more seriously injured (Goldstein 2001: 45-46). This bloody history of workplace oppression was not, of course, discussed among philanthropists and intermediaries in my fieldsites, where Carnegie was regularly held up as an icon of philanthropic best practice.

In particular, the idea – clear in Carnegie’s discourse - that philanthropists with business experience can contribute as much, if not more, to the charities they support by offering them free consultancy advice on financial and administrative management as they can by granting them money was extremely popular. This was especially true in the UK, as witnessed by David’s account (above). In addition, David and Fernando’s comments both reflect the claims in Carnegie’s essay that ‘good’ wealthy people (those who behave both ‘modestly’ and ‘benevolently’) are endowed with greater wisdom than the poor, and that their wealth thus brings them not only the means but also the legitimacy to dictate – via their philanthropy - how the lot of the poor can be improved. Similar ideas are played out in the funding activities of philanthropic foundations around the world, not least those of the Bill and Melinda Gates Foundation. The scale of the Gates Foundation’s resources has enabled it to exert enormous influence over the international agenda on which issues and regions of the world receive the most funding around health and disease (McGoey 2015a: 223-4; Lancet 2009). The elite endeavour of achieving ‘significance’ through philanthropic activity seems often, as such, to require not only the gifting of money, but also – and sometimes more importantly – hands on involvement in shaping the work of grantee organisations.

Philanthropy Behind Closed Doors: Rejecting Identities of Wealth

The philanthropists I have mentioned so far seemed comfortable – and even proud – in talking about their wealth, and were very public in the way they conducted their philanthropy. David and Fernando were both well known in the philanthropy sectors of their respective countries, and David had been awarded an OBE for charitable services. Others I met in the field, however, were far less comfortable to have their

wealth (and their philanthropy) publicly acknowledged. Many of the participants of the *Network for Social Change* fell into this category. The *Network* is a British ‘giving circle’ with around 100 members, who collectively fund a wide range of charities and social projects in the UK and abroad. Members of the *Network* meet twice a year for a three-day conference and in smaller groups throughout the year. At the bi-annual conference, group decisions are made concerning which charities to fund, and other activities take place around the themes of money, relationships and others of interest to group members. Unlike most of the other philanthropists I met during my research, the majority of people involved in the *Network* were explicitly left-wing in their political outlook, and many of the projects and charities supported were designed to challenge the hegemony of global capitalist power structures, such as the Jubilee 2000 Coalition (against third world debt), Corporate Watch and the New Economics Foundation.¹³³

Many *Network* members felt uncomfortable with the wealth they had either inherited or earned through successful business activities. Mostly in their 50s or 60s, their lifestyles were designed to give the impression of a middle-class economic status and to avoid any kind of ostentatious consumption that would indicate greater wealth. Many also avoided public recognition and the *Network* provided a safe forum for practicing their philanthropy anonymously within a broader collective. Although in recent years the *Network* has created a website and a few members have spoken in the national press about their involvement, it remains a very private initiative.

I had the opportunity to attend a *Network* conference during my fieldwork, on the occasion of the group’s 25th anniversary. The venue for the conference was strikingly different to most of the places where I had visited philanthropists during my research. The group had collectively hired a large stately home set in beautiful gardens in the North of England that, when it fell into disrepair during the 1950s, had been purchased by a local trade union co-operative and transformed into a meeting place and holiday resort for labour movement delegations from the UK and around the

¹³³ Many members of the Network for Social Change were unusual not just among the philanthropists featured in this study but within the elite philanthropic sectors of the UK and Brazil as a whole. As such, I do not return to the Network in later chapters, which are concerned with organisations more broadly representative of these sectors. I discuss the Network here, however, to give a sense of the variety of different political views and experiences that can be found among elite philanthropists.

world. The building combined a backdrop of faded glamour – high-ceilinged meeting rooms with ornate curtains and original cornicing – with modest, functional bedrooms and amenities. Scattered throughout the communal areas were colourful trade union posters from different periods in British history. In the spacious living room, one door displayed a stained glass panel bearing the original logo of the AEU (Amalgamated Engineering Union) and the bookshelves held a small library of socialist literature.

The choice of this venue by the group – together with the kinds of projects they funded - seemed to be part of an ongoing process to affirm its members' affinity and solidarity with the politicized struggles of those on the other end of the economic spectrum from themselves, thus creating a collective identity for the group that *rejected* many of the elements usually associated with the accumulation of wealth. While members of the *Network* seemed to share ideas discussed above about 'making a difference' with their philanthropy, their identities as wealthy people were thus often uncomfortable.

Inheriting Wealth: Philanthropy as a Meaningful Response

Although not always to the extent seen among members of the *Network*, many inheritors I met during my research in the UK and Brazil were somewhat uncomfortable with their position within the unequal social and economic structures into which they had been born. Identities of wealth for these philanthropists were often the site of complicated personal and familial tensions, especially in the case of young inheritors, representing the second, third or later generations of their families' wealth. On one hand, these young people wanted to appropriate family identities for their own generation, to place themselves within historical family narratives and to honour the memory and efforts of grandparents and parents whose perceived hard work and sacrifice had created the wealth passed down to them. On the other, these sentiments were felt to be in conflict with the desire to avoid complicity with the broader inequalities inherent in the identity of wealthy inheritor.

For these young people, it often seemed as though practicing philanthropy was a way to resolve these tensions. Philanthropy provided a means to distance themselves from

the ‘type’ of rich people who were not concerned about those less wealthy than themselves, and to transform meanings of wealth within their family identities as they carried those identities into the next generation. For these young people, philanthropy was thus inextricably bound up with the desire to craft and express identities of wealth that took account of the vast socio-economic divide between themselves and (almost) everyone else. As argued at the beginning of this chapter, regardless of the object of their philanthropy and the politics ingrained in its practice, philanthropy for these young members of the economic elite was first and foremost a response to the experience of being wealthy, and in this case, of having inherited that wealth. This was case for Dan, an inheritor in his early forties whom I met in London.

Dan

Dan had inherited money from his family’s successful jewellery business, and had mixed feelings towards this part of his family history. While he saw the items of jewellery that his father had sold as works of art and craftsmanship, he was troubled by the issues of exploitation and injustice surrounding the sourcing of materials for the jewellery industry. He told me that he wasn’t sure if ‘lucky’ was the right way to describe being born into this family. Dan told me that while he valued being part of the close-knit rural community where he had been born and still lived today, living in such a small community meant that everyone knew that he was wealthy, and that this was an uncomfortable role that he had always been forced to play.

A few years earlier, a friend of Dan’s had told him about *The Funding Network* (TFN), a small organisation that had been set up by some members of the *Network for Social Change* who had wanted to create a more open and informal forum for philanthropists. TFN ran a number of funding events throughout the year, where charities would present projects to a group of philanthropists, followed by an open funding session where the audience would donate money to the projects on the spot. A typical evening event would showcase four or five charities, each of which would come away with around £5,000 in funding for their work.¹³⁴ Dan had already been thinking that he would like to start giving away some of his inheritance, and TFN

¹³⁴ For a critique of London’s elite philanthropy scene with specific reference to TFN see Toynbee & Walker (2008: 173-185).

seemed like a place to start. Dan felt comfortable at the events, where other people shared his aims, and as they were held in London they provided him with a level of anonymity that he didn't have at home. Through his participation in the TFN events, Dan told me, he had created an identity for himself around philanthropy that he felt comfortable with. He said that it had needed courage to 'come out' as a philanthropist at home, because he was so well known in the community, but that he was very happy that he has begun to do so, as it gave a different – more positive - angle to his uncomfortable identity there as one of the community's wealthiest members. Philanthropy was thus enabling him to create a meaningful way of coming to terms with - and spending - the money made by his father and grandfather.

Bruno

In Brazil, a final example from my fieldwork draws on similar ideas and sentiments. Bruno, a participant of the *New Generation Programme* in his early thirties, presented a more harmonious picture of the connections between his own family relations, wealth and philanthropy than Dan (above), but also described philanthropy as first and foremost a way of dealing with his ambivalent feelings around inheriting wealth.

Bruno was the son of a businessman and philanthropist. His father was well known in Brazil for his company's corporate social responsibility programmes, as well as his personal philanthropy and involvement in the third sector. Bruno's account of his own upbringing emphasised the gradual changes that took place as his father's fortune began to grow, alongside the continuity of a set of 'family values'. He told me,

I'm not from a traditional family,¹³⁵ we're not a family that has money going back generations. I accompanied my dad as he became a businessman but also throughout his activities in organised civil society. When did I start to realise that we had money? My dad started to buy cars - he likes cars - and one day he bought a Mercedes, and I thought 'that's funny, a Mercedes?' because our house wasn't like that. [...] [When we became rich] there wasn't a great change in the way I think and look at the world. I was brought up in this way, perhaps in a sub-group of the elite that thinks about things this way. [...] I saw my dad on the one hand making [his company] grow, and on the other thinking a lot about social responsibility. [...] I heard about all the social movements at the

¹³⁵ The term 'traditional family' is often used in Brazil to refer to elite families whose wealth goes back several generations.

kitchen table ... we always had dinner together, even when my dad was working really hard.

(My translation from Portuguese.)

This “sub-group of the elite,” Bruno told me, sent their children to a small group of progressive private schools, which attracted the children of “psychologists and artists, those kinds of intellectuals. They weren’t the schools that the playboys went to.” Growing up in this environment, he says, “I wasn’t completely disconnected from what was going on around me.” When he left school, Bruno studied psychology at university, in the hope of moving into a profession in which he could ‘give something back to society’. He spent several years working with patients and on the reform of mental health institutions in Brazil.

Many of the references in Bruno’s account of his childhood serve to project an image of his family as different from those of other wealthy Brazilians. In São Paulo, the city that concentrates Brazil’s financial elite together with the luxury goods and services designed for their consumption (Pochmann 2005: 60-61), the wealthy are often criticised for circulating exclusively in segregated spaces. These both represent and exacerbate the socio-economic inequalities that govern social relations in this city (Caldeira 2000; Frúgoli 1992). They also contribute to the elite’s lack of awareness concerning the experience of those living in poverty in the city.¹³⁶ By emphasising the care taken by his school and his parents to educate him about Brazil’s social issues, and the endurance of his family’s moral values despite their increasing wealth, Bruno distances himself from the wealthy “playboys” brought up in more conventional elite schools and families. Even the reference to his family eating dinner together suggests a diversion from the norm in a culture in which the evening meal for children in wealthy families is often prepared and supervised by domestic workers.

Bruno goes on to explain that, when his parents had divorced a few years earlier, he and his brother had inherited a substantial amount of money. At the time, his father had told them:

¹³⁶ Journalists Toynbee and Walker make a similar argument in their exposure of the ignorance of merchant bankers and corporate lawyers in the City of London when asked about average wages and the poverty threshold in the UK (2008: 21-36).

... “right, let’s face the facts. We’re in an extremely privileged condition and we have a huge responsibility.” [...] And then he said “I think this could be a great opportunity not only for us to grow as people, in our relationship as father and sons, but also to really give something back to society.” And he talked about Bill Gates [...] that for me was when I started to get it. I thought, firstly, this is a way of dealing with the guilt, because as this money [I’d inherited] began to grow I started feeling really alone, because suddenly my friends and I didn’t share the same economic condition. [...] But also, if I were to live my life like someone who doesn’t have any money, and act like “no, I’ve got to work for money, if I don’t it’s going to be a disaster,” that also wouldn’t be the right way to deal with it, it would be a fiction. My dad really helped us to understand that. He said “listen, at the end of the day, you don’t need to work, if you want to sit on your arse and spend your time drinking coconut milk on the beach for the rest of your lives, you can, and your kids as well. But it’s up to you to decide if that’s what you want, if that’s what you think is the best thing to do. [...] If it is, go for it. If not ... I’m doing some things [with the money] that are making me happy and I’d like to know if you’re interested in joining me.”

(My translation from Portuguese.)

Bruno went on to create a small philanthropic foundation together with his brother, funding NGOs combining environmental and cultural issues with income generation among communities in the Brazilian Amazon. His account shows how philanthropy becomes a meaningful practice for a young inheritor keen to demonstrate that wealth has not corrupted his moral values or clouded his awareness of the social and economic problems affecting his country. His reference to the “fiction” that he would be living if he were to continue to carry out full-time paid work for the sake of it, and his inference that a more responsible approach to his wealth is a proactive one in which he dedicates part of his money, time and energies to philanthropy, is one that I encountered often in the field.¹³⁷

This chapter has sought to demonstrate the connections between elite philanthropy and attempts among philanthropists to create particular identities for themselves as wealthy people. It has explored the different identities of wealth (and philanthropic identities) found among inheritors and those who have made money themselves, among wealthy people with different political views, different lifestyles and different attitudes towards money. In all these examples, however, I have argued that wealthy people’s inherent relationships with money and socio-economic inequality

¹³⁷ Although this was sometimes countered with the contradictory idea that paid work for its own sake was beneficial in keeping the wealthy ‘in touch’ with the rest of society.

(experienced from the top end of the pyramid), bear a defining influence on their philanthropic activity, and that the practice of *elite* philanthropy must therefore be understood within this context.

In many of the ethnographic examples presented above, family dynamics and relationships emerge as a central theme. This theme is particularly relevant to the experience of business families (where family members collectively own a business). The ways in which these families make use of philanthropy as a means to pursue specific corporate and family objectives is particularly relevant in Brazil, where philanthropy is most commonly practised through family business foundations. The next chapter will explore this theme in more detail.

Chapter 5:
“Social Responsibility is in our DNA”:
Philanthropy and CSR in Family Business Narratives

In the last chapter, I explored how philanthropy and the meanings attributed to it by Brazilian and British elites are often a response to the experience of making or inheriting money, and bound up with the desire to project positive identities of wealth. In this chapter, I take the theme of philanthropic identities in a different direction, using a case study to look at the ways in which Brazilian business families draw on claims of naturalised values of social responsibility (made tangible in the practice of philanthropy and CSR) in the creation of historical narratives of family and firm.¹³⁸ I argue that these processes serve both corporate and dynastic family objectives, related to attempts to ensure survival of the family firm (and the associated reproduction of family capital).

The placing of social responsibility at the heart of family business narratives, however, requires processes of remembering that can produce divergent versions of the past from those offered by historians outside of the family. In the case discussed below, this relates specifically to accounts of labour relations in the company’s past. Rajak (2014: 260) has documented similar processes for the “refashioning [of] corporate history” in the case of South African mining giant Anglo American, in which carefully constructed narratives of the company’s political relationships during the last years of the apartheid regime are intermingled with “the construction of a collective corporate nostalgia that twinned dynastic ambition with philanthropic tradition” (ibid: 265), in memories of the company’s founder and his successors. As Rajak has demonstrated, these are the processes by which corporations “work to

¹³⁸ Much critical literature on CSR focuses on its use as a marketing or reputation-management strategy, or a tactic to divert attention from exploitative or illegal corporate practices, and authors have highlighted the low levels – or absence - of regulation and transparency in its practice (see e.g. Dolan & Rajak 2011; Partridge et. al. (eds.) 2011; Ecks 2008; Cappellin & Giuliani 2002). Rajak (2011: 12-13, italics in original) argues, however, that – notwithstanding these critiques - anthropology must avoid the “normative preoccupation with whether CSR is a force for good or a cynical corporate ploy,” and instead ask “*how* corporate power is exercised through CSR. And more specifically, what it is that CSR enables corporations to do”.

endow their economic power with moral authority” (ibid: 260), thus helping to ensure their own reproduction.

Brazil’s corporate sector is dominated by private family businesses.¹³⁹ Among the business families that I met in the field, family, business and capital seemed to form three points of a single triangle of connected experience, and family identities were intricately bound up in the histories of family firms. Sylvia Yanagisako makes a similar observation about the boundary between family and firm in her ethnography of family businesses in the Italian silk industry, claiming that, “family members do not all share the same view of where one begins and the other ends, or even if the two are separate entities. Instead, the boundary between them is continually contested, reformulated, and asserted” (2002: 179-180).

Yanagisako goes on to describe how flows of capital between family and firm vary within this context, with families adopting differing levels of distinction between the finances of the family and those of the firm (ibid: 181), a situation that was also mirrored among the business families I met in Brazil and that fed directly into decisions about CSR and philanthropy. Indeed, Fernando Rossetti, then Secretary General of the Brazilian philanthropists’ membership organisation GIFE (see chapter 1), told me in interview that this (real and conceptual) intermingling of family capital and family business capital was a central reason for the enduring dominance of corporate philanthropy in Brazil, and the relative scarcity in this country of family foundations without connection to a family business.

Every business family is different, of course, and a case study of one family cannot claim to represent all such families as a group. The historical development of the family business profiled below was, however, broadly typical of other businesses found in Brazil’s sugar and ethanol sector over the last half century. This family and its business have also been consistently engaged in a variety of philanthropic and CSR practices over three generations, meaning that their experience – and discourse on that experience – covers many of the themes and trends running through the history of the corporate philanthropic landscape in Brazil.

¹³⁹ According to www.campdenfb.com/article/infographic-brazilian-family-businesses (accessed 17/02/14), 90% of private companies in Brazil consider themselves to be family firms.

Below, I look firstly at this family and firm's own narrative of its history as it was recounted to me in the field. I then go on to discuss the construction of this narrative with reference to the broader context of events internal and external to the business and family over the last half-century (a context that is largely absent from the family's own narrative), in relation particularly to two key periods. Firstly, the years immediately prior to Brazil's military takeover in 1964, which saw the rapid politicisation of rural workers and significant expansion of labour legislation relevant to the sugar and ethanol sectors. And secondly, the 1990s, which saw Brazil's keen participation in the global CSR 'movement' amidst the country's re-democratisation and shift to a neoliberal economic agenda. Reference to this broader context shows how different kinds of activity have been configured and reconfigured by family and firm as philanthropy, CSR and/or the concession of workers' rights at different times in their history. Finally, I look briefly at the ways in which the family's narrative serves a purpose not only in the public (corporate) sphere but also within the private sphere of the family itself. Here, accounts of the family's commitment to philanthropy and CSR emerge as central to its contemporary succession processes, through which attempts are made to keep family members united and capital intact in the face of uncertainty about the future of the family firm.

Campo Doce:¹⁴⁰ Case Study of a 'Socially Responsible' Family Business

Campo Doce, the family business discussed in this chapter, was founded by Paulo Figueira in 1947. It began as a sugarcane plantation and processing plant located in a small rural town in the state of São Paulo. The business later expanded into other areas of agriculture and production of the biofuel ethanol (ethyl alcohol). Campo Doce remained an influential but relatively small player within Brazil's sugar and ethanol sector until its acquisition of a leading brand of refined sugar in 2005. The purchase of this brand – a household name responsible for half of the country's sugar consumption – nearly doubled Campo Doce's revenue, and transformed the company practically overnight into the market leader in the domestic sale of refined sugar in Brazil.

¹⁴⁰ This and all other names used here (including those of the family) are pseudonyms.

By 2008 Campo Doce was cultivating and processing refined sugar and ethanol for international export to 18 countries alongside its activities in Brazil. The company's holding group also produced sidelines in artificial sweetener, sugarcane yeast, oranges and orange juice. Paulo Figueira's sons all held executive positions in the group's companies and Campo Doce employed over 6,000 workers. In 2009 the group's parent company ranked among the 500 richest companies in Brazil. This status, however, was short lived, as the businesses suffered badly during the global economic recession and Campo Doce was taken over during the same year (while I was carrying out my fieldwork) by a competitor.

My initial contact with the Figueira family was through Fábio Figueira, whom I met in 2006 while I was carrying out research for my Master's degree in São Paulo. Fábio, then in his late 20s, was taking part in the *Programa Nova Geração* (discussed in previous chapters), where I was carrying out participant observation. Fábio and I stayed in touch, and when I returned to Brazil to begin my doctoral research at the end of 2008, Fábio offered to introduce me to various members of his family and employees of the family business.

Campo Doce's 2007 *Relatório de Sustentabilidade* (Sustainability Report), claims that social responsibility was central to the company's "vision" from the start. In an introduction from the company's then president (Paulo Figueira's son), the Report states that,

What began [six] decades ago, with a charitable vision, in fact carried in its essence a greater concern: the recognition of the role of businesses in transforming our country and guaranteeing sustainability. [...] We understand that the perpetuity of the [Campo Doce] Group is linked to an entrepreneurial vision and multiple business strategies, but also to actions carried out for the benefit of the society we are part of and to a vision of the path to be followed. In this way we have also evolved in our understanding of the interface between business on the one hand and social, environmental and economic challenges on the other.¹⁴¹

¹⁴¹ This and all following quotes from material produced by Campo Doce, as well as extracts from interviews carried out with members of the family and company employees, appear in my own translations from the originals in Portuguese.

The Sustainability Report goes on to state that social concerns form part of “the company’s DNA”, an idea that was also expressed by Camila (Fábio’s mother) when she told me that Figueira family members hold the “seeds of social responsibility in their souls.” Camila, Fábio and everyone else that I spoke to about the family and business’ philanthropic activities pointed to Fábio’s grandmother Lourdes as the central force behind the family’s focus on social responsibility.

The Figueira Family Narrative: Philanthropy in the *Colônia*

In interview, Lourdes told me that she had always been interested in social work, and that during the mid-1940s she had taken a course at the *Escola do Serviço Social* (School of Social Service), established in São Paulo in 1936 to teach Catholic-inspired principles of social work. At the School, students were taught to avoid paternalistic approaches to working with the poor, and instead to help “provide conditions for the improvement of their lives.” Part of the teaching involved carrying out house visits in poor communities around São Paulo.¹⁴² Two years into her studies, however, Lourdes married Paulo, and gave up the course to join him on the coffee plantation he owned at the time. Soon after, the couple moved onto a new plantation, where Paulo founded Campo Doce.

The closest town to the plantation was a distance of 25 km, and few company workers owned vehicles. As was common for Brazilian agriculturalists at the time, Campo Doce employed mostly migrant workers from the northeast of Brazil, and housed them and their families on the plantation. This working population of the plantation was called the *colônia* (colony), and at its height during the early 1960s numbered at least 300 families (well over 1000 people). While the closest town did have a public hospital for emergencies, workers in the *colônia* had no access to other healthcare services or to schooling for their children. Lourdes and Camila (her daughter-in-law, Fábio’s mother), told me that living conditions in the *colônia*, especially during the plantation’s early years, were very difficult. The workers and their families had no running water or sanitation facilities, and the red earth of the plantation quickly turned

¹⁴² Visiting the homes of the poor was a common philanthropic practice at this time in Brazil. See also chapter 2 for details on the popular ‘Visiting Movement’ in Victorian Britain.

to dirty mud during the rainy season. Standards of hygiene and cleanliness among the workers were low, and parasitic infections – especially among the children – were rife. Lourdes said that the workers’ wives “didn’t know how to look after their houses” and used to throw their rubbish out of the windows.

Lourdes dedicated much of her time to the provision of healthcare, education and leisure activities to the *colônia*. With the help of friends and other family members, she introduced a series of preventative health measures, including presentations on cleanliness and hygiene designed to educate and incentivise the workers’ wives to improve their housekeeping and reduce conditions for the spread of disease on the plantation. Alongside these preventative measures, Lourdes also provided medication for the control of parasitic infections. In this she was assisted by her brother and nephews, who were doctors studying parasitic diseases at the time, and who used their experience among the population of the *colônia* as part of their research. Lourdes sent one of the women in the *colônia* to train as a midwife, so that workers’ wives could be assisted during childbirth onsite, without making the lengthy (and costly) journey to the public hospital. Ignoring protests from the priest of the local Catholic church, she also provided the contraceptive pill free of charge to women who wanted it.

In addition, Lourdes organised literacy classes for adults and opened an onsite primary school for workers’ children, and coordinated a series of leisure and social activities on the plantation. She founded both a theatre group – in which she directed and acted in plays alongside the workers – and a ‘Mothers’ Club’ (*Clube de Mães*) for the workers’ wives. Paulo, Lourdes’s husband, ran regular film screenings of popular films. Paulo travelled regularly at this time, learning about different techniques of agricultural production around the world, such as the cultivation of pineapples in Hawaii. He owned a small video camera and on these trips he would shoot footage of life in these different countries. On his return, he would show these films on the plantation too.

These social and educational activities, says Camila, were particularly important for the women living in the *colônia*. They had few opportunities to leave the plantation and participate in life outside it. The activities organised by Lourdes and Paulo gave them the opportunity to learn about subjects beyond their experience and to build a

stronger community on the plantation. Lourdes told me that her work on the plantation was difficult, and that every night she would go to bed with her head spinning with all the problems that needed to be resolved among the workers in the *colônia*. Paulo would get fed up with her endlessly talking about it all, she said.

Listening to his grandmother speak, Fábio asked Lourdes why she had spent so much of her time on this work. She replied that “it’s no good staying isolated in your magnificence, you need to recognise people’s difficulties and get directly involved.” Lourdes continued her work on the plantation until the beginning of the 1970s, when she moved back to São Paulo. Her decision to leave the plantation followed a period of industrial action on the plantation, during which workers held a strike that closed down Campo Doce’s processing plant for a week. Lourdes and Fábio told me that this was the result of a small number of workers who had “indoctrinated” others in “communist ideas.” These events left Lourdes deeply disillusioned with the social work she had been carrying out with the population of the *colônia*. From this time on, Lourdes split her time between the family home on the plantation and her apartment in the city.

At this point, Camila took over from Lourdes’s narrative. In 1973, she told me, she and her husband Antonio (Lourdes’s second son and Fábio’s father) had moved into a house on the plantation, where the second generation of the family¹⁴³ - Antonio and his brothers - had taken over Campo Doce’s business activities. Three professional social workers were hired to carry on with many of the activities Lourdes had developed on the plantation, and Camila continued to be personally involved with - and to influence - these activities as her mother-in-law had done before her.

Over the next decade, life on the plantation went through a period of great change. In 1979, Campo Doce donated the first of several areas of land in a district on the outskirts of the plantation for the construction of houses for its workers, bringing an end to the company’s *colônia*. The movement of workers off the plantation also had implications for the Figueiras’ philanthropy. The family began to draw a clearer

¹⁴³ Business families usually number generations beginning with the founder of the business, who takes on the role of family patriarch and subsequently becomes the starting point for narratives of family history.

distinction between philanthropic practices directed towards workers employed by Campo Doce and those directed towards their wives and children, who were no longer physically present on the plantation. During this period, the family also took steps to “professionalize” these practices, by placing them more clearly within the remit of the company under the management of paid employees and reproducing them in other parts of Brazil where the company also employed workers. This process was formalised in 1985 with the creation of Campo Doce’s Human Resources department, which took over responsibility not only for recruitment and training of the company’s employees but also for its philanthropic activities.

In 1995, Campo Doce created a philanthropic foundation, the *Fundação Figueira* (which later changed its name to the *Fundação Campo Doce*). The managerial structure and administration of the Human Resources department were integrated into the Foundation. The foundation set up a new philanthropic programme for children and young people in the surrounding region, running a choir, a brass band, dance and theatre groups and an environmental education programme. Once enrolled on the foundation’s project, children were also provided free of charge with a series of other benefits, including school materials, medical and psychological assistance (and medication when needed) and access to the company’s leisure facilities, as well as a uniform displaying the Campo Doce logo.

In 2005, shortly after the death of Campo Doce’s founder Paulo, Camila and Fábio founded the *Memorial Figueira*.¹⁴⁴ Camila was explicit about her own objectives for the Memorial, which she intended as a means to “keep alive the family’s values” and maintain family unity at a time of growing uncertainty about the future of Campo Doce. A pamphlet produced by the Memorial committee explained that the “the Figueira Memorial was created to preserve, valorise and disseminate the memory of

¹⁴⁴ The creation of *memoriais* (memorials) is a small but growing trend among wealthy business families in Brazil. The memorial is a historical family archive set up to collect and preserve photographs, documents, etc. from the lives of family members, particularly the (usually male) founder of the family business. *Memoriais* also serve to publically disseminate a historical narrative which places the ‘contribution’ of the family business within wider local, regional and national histories. In the absence of a strong national museum movement in Brazil (perhaps reflecting the country’s continued difficulty in defining a broader nationalist narrative in itself), these *memoriais* play a role in providing this narrative at a local level.

the Figueira family and promote the development of the community's cultural patrimony.”¹⁴⁵

Besides its archiving activities, the Memorial also hosted exhibitions and film showings open to the public. Camila had secured a partnership with São Paulo's most important state funded art museum, the *Pinacoteca*, turning the Memorial into a regional hub for the exhibition of works from the *Pinacoteca*'s archives and temporary exhibitions. In partnership with schools in the region, the Memorial held educational workshops during these exhibitions. A pamphlet advertising one of the Memorial's events explains:

The Memorial presents the history of the Figueira family, from the beginning of the 20th century until today, revisited in the light of political and social events in Brazil and the world and the development of the sugar and ethanol sectors, described through display panels composed of images and texts. In this exhibition we play homage to Paulo Figueira, founder of the Campo Doce Group, recounting his life story, the paths he followed, the great ideas, the difficulties faced and some of the most significant moments of this trajectory.

This exhibition explicitly linked the corporate achievements of the Figueiras with broader social and political events in the national and global arenas, inscribing the family's historical narrative with meaning and significance beyond that of a local corporate entity.

Obligations, Benevolence and Corporate Interest: Blurred Boundaries in the Family Narrative

The narrative reproduced above was recounted to me in 2009, while I was carrying out fieldwork in São Paulo. As I was to learn, this was a year of much uncertainty for the Figueira family. In 2005, the year in which Paulo Figueira (the company's

¹⁴⁵ During a visit to the plantation, Fábio took me to see the memorial, which employed one full-time archivist. She was working on cataloguing the detailed minutiae of Paulo Figueira's life, preserved in over 9,000 items. Each photograph was individually scanned and annotated into a computer archive before being stored in a custom-made plastic envelope, and every one of Paulo's letters carefully transcribed. The archivist showed me a large pile of small notebooks, which she would soon begin to transcribe. Each one was crammed with handwritten notes, and she explained that Paulo had carried a notebook with him at all times, jotting down everything from shopping lists and book references to new business ideas.

founder) had died, Campo Doce had acquired a popular brand of refined sugar, a move which not only doubled the company's revenue but significantly increased its visibility in the corporate sector. Just four years later, however, the company was reeling from the effects of the global economic recession and on the brink of a takeover from a prominent competitor. The future of the family's firm, its capital growth and the unity of its members all hung in the balance. In the light of these uncertainties, the dissemination of a historical narrative defining the family and its business was of heightened importance.¹⁴⁶

Central to this narrative – as we have seen above – is the assertion that Figueira family members have “social responsibility in their souls,” and that this ‘family value’ forms part of their company's “DNA”. This claim serves not only to credit the family and firm with a naturalised benevolence towards those who work for them but also with a local and national significance beyond that of corporate employer. One of the objectives of the family's narrative thus becomes to present a coherent and connected history of the family and firm's benevolence, starting with Lourdes's activities on the *colônia* and ending with the philanthropic projects of the company's foundation and the family's memorial. Within this narrative, however, the broader history of family, firm, nation (and beyond) – and their influence on the historical development of the family and business - are conspicuous by their absence. Without this broader contextualisation, a range of different activities – philanthropy, CSR, adherence to labour legislation, corporate marketing strategies – are all offered up as examples of the family and company's commitment to social responsibility. The investigation below into some of the broader trends and influences at play in the history of this family business over the last half century helps to show how these different activities are reconfigured as such in the family's contemporary narrative.

The table in Figure 5 serves as a simplified guide to the historical events taking place in parallel to the development of Campo Doce's philanthropic and CSR activities (outlined in the family narrative presented above). Events in the last column of the table show the development of Brazil's sugar and ethanol sector. Campo Doce was

¹⁴⁶ Peter Dobkin Hall describes the process of historical narrative building within the Rockefeller family – renowned for their philanthropy in the USA – and related argument within the family about how this history should be represented to the outside world (1992: 263-296).

Date	Philanthropic / CSR Activity	Historical Events (Internal to Company)	Historical Events (External to Company)
1933			IAA (<i>Instituto do Açúcar e do Alcool</i>) created
1943			CLT (<i>Consolidação das Leis do Trabalho</i>) labour legislation
1947		Campo Doce founded	
1950s/60s	Lourdes's activities in <i>colônia</i>	<i>Barracão</i> system for remuneration of employees in <i>colônia</i>	
1959			COPERSUCAR (sugar producers' cooperative) founded
1962		Industrial action at Campo Doce plantation	
1963			ETR (<i>Estatuto do Trabalhador Rural</i>) labour legislation
1964			Military dictatorship begins
1965			PAS (<i>Plano de Assistência Social</i>) labour legislation
1970		Antonio takes over executive direction of Campo Doce	
1973			Global Oil Crisis
1975			PROÁLCOOL programme created
1985	Human Resources Department created		Fall of military dictatorship
1990			IAA disbanded
1990s			Rise of global CSR 'movement'
1995	Foundation created		
1998			Ethos (<i>Instituto Ethos de Empresas e Responsabilidade Social</i>) founded
2005	Memorial founded	Death of Paulo Figueira (founder of Campo Doce) Purchase of leading brand by Campo Doce	
2009		Acquisition of Campo Doce by competitor	

Figure 5. Contextual timeline of Campo Doce's philanthropic and CSR activities.

founded at a key moment in this history. Up until the 1930s, the sector was concentrated in the northeast of the country among a close-knit group of family owned plantations. The government run Instituto do Açúcar e do Alcool (IAA) was created by President Getúlio Vargas in 1933 to tightly control production and pricing in the sector, and it stipulated strict quotas for sugar production and export (Nunberg 1986: 55-57; Mundo Neto 2010: 4). During the 1930s and 40s, however, a wave of new sugarcane plantations began to emerge in the centre south of the country. Geographical conditions in this region were proving ideal for the cultivation of sugarcane, while the traditional producers in the north east were suffering from soil erosion and diminishing yields. The new plantations in the south were also becoming central to the modernisation of the sector with the implementation of new technologies and business practices, and soon began to outstrip the efficiency and productivity of the north eastern plantations and refineries, shifting the main geographical locus of the country's sugar production. Within this context, the IAA increasingly became involved in political clientelism and the development of paternalistic policies designed to protect the powerful sugar oligarchs in the north east from these new southern competitors. Despite these efforts, however, the shift to southern dominance in the sector soon became inevitable, and by the early 1950s sugar production in the south was higher than in the north east (Nunberg 1986: 55-56).

Founded in 1947 in the central southern state of São Paulo, Campo Doce (the Figueira family business) was typical among the pioneers of the new sugar-producing frontier. The owners of the new sugar plantations in this region were closely networked. In 1959, Paulo Figueira was a key player in the creation of COPERSUCAR (Cooperativa Central dos Produtores de Açúcar do Estado de São Paulo), a cooperative of southern sugar producers founded to lobby for their interests in the face of continuing state control over the sector. COPERSUCAR also carried out commercial activities on behalf of its members, including the production of its own brands of sugar and the management of a major alcohol refinery (ibid: 63-64; Mundo Neto 2010: 5-6).

Working conditions in the sugar and ethanol sector had always been precarious, especially for the cane cutters on the sugarcane plantations. This made the sector the locus of much conflict surrounding labour relations, and labour unions became especially active on the rural plantations in the years preceding Brazil's military coup. In her account of life on the Campo Doce plantation during the 1960s (see above), Lourdes talks of "communist infiltration"

among the company's workers in the colônia. As Brazilian historian Fernando Teixeira da Silva explains, however, the trade union movement was actually split between two opposing factions at this time; those affiliated with the Brazilian Communist Party (PCB) and those with the Catholic Church (2012: 137-138). While the former followed an approach based on the recognition of workers' rights and their formal protection under Brazil's legal system, the latter preferred to negotiate improved working conditions within the context of already existing corporate structures. As such, unions affiliated with the Catholic Church tended to be on better terms with the plantation owners, and to encourage their members to seek solutions to their grievances directly with their employees, rather than through the legal mechanisms of the labour courts (ibid: 140-142).

As Teixeira da Silva describes, it was indeed a union backed by the Brazilian Communist Party that was responsible for organising the industrial action at Campo Doce's plantation and refinery that Lourdes mentions in her narrative. The central event in this conflict appears to have been a strike that took place in June 1962 and lasted for six days, with the participation of 300 of the company's workers (ibid: 130).¹⁴⁷ Historical accounts show that Campo Doce workers carried out a further strike in the same year and also took two cases to an industrial tribunal in São Paulo (ibid: 131; Barriguelli 1975: 864-865). The workers' grievances included cases of unfair dismissal, the lack of provision of benefits to which they were legally entitled (including overtime pay and paid holidays) and the non-payment of salaries (ibid: 864; Teixeira da Silva 2012: 127).¹⁴⁸

Central to labour disputes throughout Brazil during the early 1960s was a broader movement to improve the rights of agricultural workers in rural areas. The most important piece of labour legislation in force in Brazil at this time was the *Consolidação das Leis do Trabalho* (CLT) Labour Code, introduced in 1943 (see Bethell 2008: 63). The CLT, however, only applied to 'industrial' workers in factories and similar environments. No equivalent

¹⁴⁷ Industrial action on the part of employees of renowned philanthropists has many historical precedents. See chapter 4 for discussion of labour disputes among employees of the widely revered Scottish-American philanthropist Andrew Carnegie.

¹⁴⁸ This historical portrait of a well informed and deeply politicized workforce, capable not only of organised industrial action on the plantation but also of taking their grievances to industrial tribunal in the urban centre of São Paulo, also jars with the Figueira family narrative. In the latter, family members stress the historical isolation and boundedness of the plantation's *colônia*, a representation reinforced by the company's Director of Human Resources. Now probably in his 60s, this employee had begun working for Campo Doce when he was 15 years old, and told me that at that time, "the world outside didn't exist for the plantation," and that "Dona Lourdes and Paulo were the only 'inputs' from outside."

legislation existed for ‘agricultural’ workers employed outside of these settings. Within Campo Doce’s workforce, therefore, cane cutters (classed as ‘agricultural’ workers), did not hold same the labour rights as their colleagues in the company’s refinery (‘industrial’ workers), despite the fact that the refinery was located directly alongside the plantation, and the two types of workers lived alongside each other in the *colônia* (Teixeira da Silva 2012: 131-135). The first strike in 1962 was motivated in part by the dismissal of one of the company’s workers, the president of a new workers’ association designed to unite the interests of refinery workers and cane cutters on the plantation and to campaign for the extension of the rights of the former to the latter, a process which the company’s owners were keen to hold back (ibid: 130). Despite resistance from rural plantation owners, however, new legislation passed in 1963 under the *Estatuto do Trabalhador Rural* (ETR) significantly extended the rights of rural workers in Brazil (ibid: 149).

Particularly important for the present analysis, however, is the discussion by historians of the system of payment in use for workers on Campo Doce’s *colônia* at this time, and common among rural plantations throughout the region. Termed the *barracão* (shed or shack), this system involved the sale of commodities such as food, medicines and clothing by the company to the worker residents of its *colônia*, onsite at the plantation and at prices similar to those found in private shops in the nearest town (suggesting that Campo Doce was making some profit on the sale of these goods to its employees). Part of the wages of Campo Doce’s workers was paid in kind as credit to be used for the purchase of these goods. Residents of the *colônia* were also charged a membership fee for their use of the leisure facilities provided onsite (including sports activities and cinema screenings), a fee for access to allotments where they could grow food and another for healthcare services, which were also deducted directly from their salaries. Finally, rent for workers’ accommodation on the *colônia* was also discounted directly from their wages. Once all of these payments had been deducted, workers received only between ten and fifteen per cent of their salaries in direct cash payments (Teixeira da Silva 2012: 146-147; Barriguelli 1975: 863-864).

The details of the lengthy labour dispute on the Campo Doce plantation are complex, but at one point in the story, Teixeira da Silva notes that a union affiliated with the Catholic Church negotiated a deal on behalf of the company’s workers for a substantial increase in their salaries in exchange for the withdrawal of all the benefits and services provided by Campo Doce under the *barracão* system described above (with the exception of their access to

housing on the *colônia*) (2012: 131/146). This deal, however, was rejected by many of the workers on the plantation, and by the Communist Party affiliated union responsible for organising the 1962 strike. Teixeira da Silva explains why, showing that workers were well aware that this kind of deal was advantageous for plantation owners (at Campo Doce and elsewhere), many of whom, in response to the expansion of labour legislation during this period, were taking steps towards the disbanding of the *colônias* on their plantations. Without housing workers on their plantations, company owners could avoid increasingly strict labour legislation and instead move to a system of *boia-frias* (casual workers) that brought few labour obligations (2012: 147-152; Barriguelli 1975: 870-872). This seems to have been the case for Campo Doce, which moved workers off its *colônia* in the years following the industrial action on its plantation.

What is made clear from these historical accounts is the absence from the Figueiras' family narrative of the *barracão* system, and the provision during the 1950s and 60s of services to company workers via commercial transaction, possibly carrying a profit for the company and, furthermore, mandatorily deducted from workers' wages. Also absent from the family's narrative (although discussed by contemporary employees, see below) is the introduction of further legislation introduced in 1965 relating specifically to the sugar and ethanol sector (under the *Plano de Assistência Social*, or PAS), which stipulated that companies must direct one per cent of revenue on the sale of each ton of sugarcane and two per cent of revenue on the sale of ethyl alcohol towards workers' benefits.¹⁴⁹

My objective in drawing attention to the historical accounts above is not to challenge the veracity of the Figueira family narrative in its representation of the family and company's philanthropic history. Some of Lourdes's activities on the *colônia* during the 1950s and 60s may indeed have been voluntary and carried out alongside the company's commercial and legally enforced practices. The family talk in their narrative, for example, of theatre productions on the plantation and the *Clube de Mães* for mothers in the *colônia*, activities which are not mentioned in the historical accounts discussed above and may well have been philanthropic endeavours on the part of Lourdes. What is important for the present discussion, however, is the way in which *all* of these different activities have been

¹⁴⁹ These benefits were at the discretion of the companies, but had to be in the areas of hygiene and health, professional education, the financing of workers cooperatives and allotments and/or educational, cultural and recreational programmes. (See <http://mpt-prt24.jusbrasil.com.br/noticias/2451862/mpt-e-mpf-reivindicam-plano-assistencial-para-trabalhadores-do-setor-sucroalcooleiro>, accessed 20/06/16).

collectively reconfigured as examples of the family's benevolence towards their workers, in order to underline the central role played by social responsibility in the family's contemporary narrative of the history of family and firm.

Labour Rights: Challenging Relationships of Hierarchy and Paternalism

In attempting to understand the conceptual confusion between these different activities in the family's narrative, it is also useful to look at the changing nature of relations between workers and employers on the Campo Doce plantation during the 1960s. Brazilian anthropologists have long reflected on the particular nature of relations between the country's elites and its poor, which they have shown to be characterised by elements of interdependence and personalism on the one hand and strict hierarchical inequalities on the other (eg. Buarque de Holanda 1995; DaMatta 1991; Freyre 1946). This is especially the case between employers and employees.¹⁵⁰ Although Gilberto Freyre's greatly influential work *The Masters and the Slaves* (1946 [1933]) took slave labour as its subject, its analysis of the influence on 19th century plantation-owning families of their members' relations with their black slaves – especially sexual relations and those between white Brazilian children and their black wet-nurses - sketches the origins of the personalisation of relations still seen between employers and workers in contemporary Brazil.

In his inquiry into the duality of social relations observed in 20th century Brazilian society, Roberto DaMatta (1995: 278-9) argues that in Brazil, “a system of personal relations and a national order founded on this code perpetuated itself and later came into profound conflict

¹⁵⁰ The physical environments of the Campo Doce plantation still embodied these structural inequalities clearly when I visited it in 2009. On arrival at the plantation, we drove through rolling fields of yellow sugarcane which eventually gave way to an open, central area containing the processing plant, the company's offices, canteen and recreational spaces. This space was filled with workers carrying out different tasks, identified by different coloured uniforms depending on their status. Manual workers wore blue, skilled workers white and office staff their own clothes. Workers on the plantation rotated through three shifts, keeping the processing plant functioning 24 hours a day. The Figueiras' house was set slightly apart from the rest of the plantation, and was reached by a long tree-lined driveway. Painted white with blue wooden shutters in the Brazilian colonial style, the house looked like it had changed little since the 1960s. It was built around 3 sides of a grassy courtyard, at the end of which was a large swimming pool fringed by a stately row of palm trees. Domestic workers slipped quietly around the house and its extensive grounds. As lunch was served on the patio a man in a blue uniform printed with the Campo Doce logo trawled fallen leaves from the surface of the pool, and Lourdes summoned maids from the kitchen with a little bell when the plates needed changing. At night, if I wandered out of the house onto the veranda, I could see the refinery beyond the end of the garden, lit up with bright lights, smoke billowing from its chimneys, ensuring the permanent operation of the plantation and the relationships between employers and employees on which the survival of the firm and the family's capital depended.

with a liberal set of ideas invented in Europe and the United States on the basis of radically different historical experiences”. For DaMatta (1995: 275), these two influences led to the development of a social system in which liberalism and personalism sit beside each other as mutually exclusive but complimentary frameworks for social interaction. In Brazilian social relations,

... contradictory ideas can be hierarchically arranged on different planes, such that for some things I am a liberal and for others I am paternalist or patronal. The system allows me to use my right hand or my left hand to do different things and to give different meanings to the experiences of life.

DaMatta’s argument is designed to explain the particular nature of inequality in Brazil, where a hierarchical system of categorisation enables personalised and intimate relations (which often bypass legal structures) to exist alongside impersonal, structured and legally bound relations with people of lower social standing. This system legitimises the subjugation of people lower down in the social hierarchy, even as ideas about solidarity and egalitarianism are espoused in national cultural values.

In his historical account of labour relations on Brazil’s sugarcane plantations during the early 1960s, however, Teixeira da Silva suggests that the events of this period served to challenge the maintenance of this system in defining relationships between plantation owners and their workers. As discussed above, the first years of this decade – during which Brazil was on the brink of military takeover – saw unprecedented political mobilisation among rural workers and the massive expansion of labour legislation and its enforcement across the country.¹⁵¹ Within this context, Teixeira da Silva (2012: 151) argues that among the plantation owners, the new labour legislation was seen as an expression of “... insolence on the part of workers, as conflicts were [no longer] resolved on personal terms, but mediated institutionally and publically”.

Teixeira da Silva (2012: 150, my translation from Portuguese) quotes studies by other historians in the years following these changes, in which plantation owners express their dismay at the interference of legal entities in the resolution of disputes that, in the past, would

¹⁵¹ Teixeira da Silva reports that one strike on a sugarcane plantation in the North Eastern state of Pernambuco at this time succeeded in mobilising 200,000 workers (2012:151).

have been resolved personally on the plantations. One such plantation owner is quoted as saying:

I think the labour laws are badly interpreted by these [union] leaders, because when these laws didn't exist, there was more respect on the plantations. The plantation owner gave orders, and they were obeyed. Since the introduction of these laws, [the workers] can go to the courts for anything. Before, it was very unlikely that the workers would create any problems for their bosses, until the laws [were introduced]. If there was a problem, it would be resolved [on the plantation], without these intermediaries, these lawyers.

(Sabóia 1978: 139-40, my translation from Portuguese)

Such concerns ran parallel to a certain idealization among plantation owners of the 'good old days' of the *colônias*, when relations had – from their perspective - been more harmonious between owners and workers. With the expansion of labour rights, and the movement among plantation owners to disband their *colônias* in order to avoid having to comply with the new legislation, the personalised relationships of naturalised inequality that had governed life on the plantations prior to the 1960s were also challenged, and employers were faced with the uncomfortable reality of a workforce determined to fight for the concession of their new labour rights.

As another plantation owner described it, the rupturing of this hierarchy was an unprecedented shift in the nature of relationships between employer and employee, leading to a ...

... sensation of humiliation that the employer feels to have to stand in front of the president of a rural workers' union and talk with that employee [of his] that, until a few days before, was someone who had to take orders from him, and to have to talk to that individual man to man ...

(Stolckes 1986: 216, quoted in Teixeira 2012: 151,
my translation)

These sentiments are clearly reflected in the Figueira family's narrative of the period following the 1962 strike on the Campo Doce plantation. Family members spoke repeatedly to me of the special "closeness" that existed between the family and the company's employees prior to the disbanding of the *colônia*; a closeness, they told me, that became harder to maintain after the workers were moved off the plantation and Campo Doce passed responsibility for its philanthropic activities to the new Human Resources Department and,

later, its Foundation. In particular, Lourdes recounted to me how the labour conflict on the plantation during the early 1960s had left her upset and disillusioned. “It’s a horrible feeling when someone who you thought was your friend suddenly turns against you,” she told me.

Teixeira da Silva (2012: 153, my translation) argues that, “employers like [Figueira] perhaps sought and found a certain emotional comfort in the paternalism of their “workers’ villages”. Houses, allotments, pharmacy, cinema etc., at “low cost”, were there to show benevolence, tolerance and commiseration.” But central to the functioning of the *colônias*, he continues, “was a moral coercion that required the absence of legal coercion against employers. In consequence, strikes and court cases appeared to the plantation owners as manifestations of ingratitude on the part of workers”.

Within this historical context, notions of philanthropy and social responsibility are configured very differently in the perspectives of plantation owners and their employees. As we have seen, Lourdes’s activities on the Campo Doce plantation during the 1950s and 60s were clearly considered by the family as expressions of philanthropy and social responsibility, both at the time and in their contemporary narrative of that history. As Teixeira da Silva (2012: 153-154) argues however,

That which, from above, was represented as a gift [...] in exchange for loyalty and work, emerged from below as a right to be demanded. In the place of the expected subordination of the beneficiary of the “voluntary” gift, and the obligation of reciprocity in the form of gratitude, was imposed the concession of a right.

The radical changes at this time in employer-employee relationships on plantations such as Campo Doce’s is thus important for analysis of the role played by ‘social responsibility’ in the Figueiras’ historical narrative. While the drawing of moral distinctions between different (commercial, philanthropic and legally binding) activities on the *colônia* is important from the political economic perspective taken by the historical accounts discussed above - which privileges attention to the labour rights of workers and the extent to which they have been adhered to or undermined in the history of relations between the Figueira family and their employees - it should not be assumed that the drawing of these distinctions is in any way compatible with the historical perspective taken by the family itself. On the contrary, for the Figueiras, the distinctions drawn here are irrelevant to what they have experienced as the seamless and all-encompassing expression of their own social responsibility, from the

founding of their company up until the present day.

In addition, as I will explore further below, the family's conviction in their own historical narrative has been central to the pursuit of both corporate and familial objectives related to the endurance of the family business. As shifts on the national and global corporate landscapes have seen new meanings assigned to the label 'social responsibility', and the emergence of new configurations relating to its practice, the Figueira family's narrative has sought to represent its company's adaptations to these changes as an expression of its continued commitment to earlier philanthropic values.

New Labels for Old Practices: The Arrival of CSR

The years following the disbanding of Campo Doce's *colônia* saw many changes for the company and the corporate sugar sector of which it formed part. Brazil's military coup in 1964 saw a further tightening of state control and intervention here as in many sectors. In the wake of the first global oil shock of 1973, which sent petroleum prices soaring around the world, the IAA (discussed above) launched the PROALCOOL programme (*Programa Nacional do Alcool*) in 1975, a major state-led initiative to promote the production of sugarcane ethanol (ethyl alcohol) as an alternative transport fuel (Nunberg 1986: 78-79; Mundo Neto 2010: 4). Under the auspices of PROALCOOL, Campo Doce was one of several companies that began to invest heavily in the production of ethanol. Successive military governments continued to regulate the sector via PROALCOOL and the IAA until the fall of the dictatorship in 1985. Brazil's return to democracy, however, saw the advent of a neoliberal political economy, seen in increasing deregulation and reduced state intervention in the corporate sector (see chapter 1). The disbanding of the IAA in 1990 was part of this trend.

The decades following Brazil's re-democratisation saw continued growth in the biofuels sector, and by the mid-2000s Brazil was the second largest producer of ethanol after the USA (Budny 2007: 5). This was also the period in which the global CSR 'movement' reached Brazil, and by the late 1990s, the country had become known as a regional leader in CSR, serving as a point of reference for corporations throughout Latin America and beyond (Aguero 2005: 123-4 and see chapter 1). The sugar and ethanol sector was a particularly keen

candidate for participation in this trend, which was seen as an opportunity for the sector to clean up its ‘outdated’ reputation for unfair employment practices on the rural sugarcane plantations (Mundo Neto 2010: 2).¹⁵² The 1990s thus saw the self-conscious adoption by many companies in the sector of the identity of ‘socially responsible businesses’.

During a fieldwork visit to the Campo Doce plantation, I met three of the professionals responsible for the contemporary management of CSR: the company’s Director of Human Resources; its Benefits Manager and its Manager of Communications and Social Responsibility. These company employees were clear about the influence of the Brazilian CSR movement on Campo Doce. The Director of Human Resources told me that the main motivation for the creation of the company’s Foundation in 1995 was to provide a professional structure for all of Campo Doce’s Human Resources practices, and was as such a response to the growing global necessity of adhering to the tenets of corporate social responsibility. In the fifteen years since, Campo Doce had developed its CSR practices – and sought recognition for them – in local, national and international forums.

The company now monitored its annual performance against the social responsibility indicators developed by Brazilian CSR organisation Ethos,¹⁵³ and Campo Doce’s Manager of Communications and Social Responsibility related to me a series of CSR evaluation programmes, certifications and prizes that the company had participated in or applied for in recent years. These were listed in the company’s Sustainability Report, and ranged from globally recognised schemes such as the Global Compact (a corporate programme based on the UN’s Millennium Development Goals) to the local award of a prize from the *Instituto do Voluntariado Rede Solidária* (Volunteer Institute Solidarity Network). She also explained how Campo Doce was now responding to demands by other businesses in its supply chain to self-regulate its CSR practices.

Mirroring the Figueira family narrative of the centrality of social responsibility to the history of family and firm, however, both of these company employees stressed that –

¹⁵² Mundo Neto (2010) describes how rising global interest in alternative energy sources was seized upon by the Brazilian biofuels sector as an opportunity to market their products in connection with emerging discourses on sustainability. This movement, however, post-dates that under discussion here, becoming relevant during the late 2000s.

¹⁵³ Ethos’ performance indicators take their place alongside similar self-regulatory CSR schemes around the world, including the USA’s Global Reporting Initiative, the BITC CSR Index in the UK (see Kinderman (2011: 15)) and the UN Global Compact (see Garsten and Jacobsson (2011)).

notwithstanding the influence of global and national pressures to adhere to CSR – social responsibility had always come naturally to Campo Doce. The Director of Human Resources emphasised that when the company began to label certain practices as acts of social responsibility, this was not to say that these practices had not previously been company policy. In fact, he told me in interview,

Campo Doce had already been doing all this for years. Employment of unregistered workers ... I stopped that round here in '86. Training ... at one point we were offering thirty hours of training per person, no one else was doing that. All these management tools, Campo Doce had them years ahead of everyone else. Years ahead ... we're talking about ten or twelve years difference.

Furthermore, he explained to me that,

If we didn't have the Foundation, Campo Doce would be doing all the same things, the only difference would be that we wouldn't have this structure. In this vision of the Foundation, there's a vision of social responsibility. [...] This line of social responsibility that began to grow around the world in this format, that came from Coca Cola, from Nike ... which says that the company can't employ children, that it can't employ slave labour. [...] When this wave of social responsibility began to grow around the world, we had to create an organised space for it.

(My translations)

The Director of Human Resources thus locates the innovation brought to Campo Doce - and provoked by new global trends in CSR – by the creation of the company's Foundation, as one of institutionalisation and structure. According to this employee, what changed during the 1980s and 90s at Campo Doce was not the introduction of a socially responsible approach to the company's business and employees, but the organisational structure through which this pre-existing approach was now formalised in company practices.

Campo Doce's Benefits Manager made a similar argument relating to the company's compliance with the PAS legislation for the provision of workers' benefits in the sugar and ethanol sector (outlined above). In interview, she explained to me that under military rule during the 1970s and early 80s, when sugar and ethanol production and exportation were tightly controlled by the state under the IAA, compliance with the PAS legislation was strictly regulated, and companies that did not comply with it were heavily fined. In the early 1990s however, when the disbanding of the IAA led to the relaxation of state control over sugar production, enforcement of the PAS law was also relaxed. Although PAS was still in

existence, many companies ceased to comply with it as they knew they would no longer be penalised for not providing the stipulated benefits to their workers. This was not, she told me, the case with Campo Doce, which not only continued to comply with the legislation up until the present day, but also with the provision of extra benefits beyond its requirements. When I asked the Benefits Manager why the company didn't stop adhering to the PAS laws when regulation was relaxed - like many other companies in the sugar and ethanol sector - she replied that, "the family has always been concerned with its collaborators'¹⁵⁴ quality of life." As can be seen in the discourse of the company's Human Resources staff, the provision of benefits to workers under the directive of labour legislation, as well as self-regulated adherence to the principles of CSR, are presented as incidental to a kind of naturalised commitment on the part of the Figueiras to the fair treatment, wellbeing and (educational and cultural) development of their employees and the wider community.

In the presentation of these different practices under the common banner of the family's naturalised benevolence (the "social responsibility in our souls"), the boundaries between very different kinds of activities begin to blur, just as they did in the family's narrative of its philanthropic activities during the 1950s and 60s (discussed above). This contemporary confusion of categories is apparent in the organisational structure for the management of these activities, which was described to me during my fieldwork. The diagram in Figure 6, reproduced from the English language version of Campo Doce's 2007 sustainability report, represents the breakdown of activities within this structure.

¹⁵⁴ Workers were always referred to as "collaborators" (*colaboradores*) by the Figueiras, Campo Doce's Human Resources staff and in corporate literature produced by the company. This is common in corporate discourse in Brazil.

COPYRIGHT MATERIAL REMOVED

Figure 6. Campo Doce Foundation activities and management structure.

This diagram shows the range of activities subsumed under the overarching structure of the company's Foundation. The Human Resources staff explained some of the diagram's subheadings to me. Under "Benefits Management" and "Occupational Health and Safety Management," they told me, the Foundation ensured that Campo Doce complied with legal obligations under Brazilian labour legislation to cover the costs of, for example, workers' transport to and from the plantation, the provision of protective clothing for workers employed to apply insecticides to the sugarcane fields and the provision of the *décimo terceiro salário* (the 'thirteenth salary', a mandatory annual bonus equivalent to one month's wages). Also categorised under "Benefits Management," however, was the provision of services that the company made available to workers without legal obligation to do so. These included provisions directly related to employees' work (such as heavily subsidised meals during working hours and several changes of company uniform) and those *not* associated with their work for the company (such as the provision of private health insurance – "Healthcare Assistance" - and school materials for workers' children – "Social Service").

Categorised as "Social Responsibility" were activities such as the avoidance of illegal business and environmental practices (e.g. child labour, forced labour, employment of unregistered workers, pollution, etc) in the company's own practices and those of the businesses in its supply chain. Also placed under "Social Responsibility," however, were the (philanthropic) cultural activities offered by the Foundation to young people in the wider

community surrounding its plantation (available to young people whether or not they or their parents were employed by the company).

The common institutional structure and management system applied to this wide variety of activities - alongside the corporate discourse in which all of these activities were naturalised as innate to both the firm and the family that owned it – serves to blur the boundaries between the realms of legal obligation (labour legislation), self-regulated CSR (socially responsible corporate practice) and the voluntary provision of benefits and services to workers and others in the local community (philanthropy).

In addition to the above, the Director of Human Resources and his colleagues were candid about the connection between Campo Doce's CSR and philanthropic practices and its marketing strategies. Family members also told me readily that activities in these areas were good for the business' reputation, and also helped to attract talent to the company, maintain a loyal workforce and encourage high levels of productivity. For the Figueiras and their Human Resources staff, the concepts of profitability and social responsibility were not, therefore, in any way opposed, but formed part of a single ideology on good business practice.¹⁵⁵ In particular, the Director of Human Resources told me in interview, the acquisition by Campo Doce of a leading brand of refined sugar in 2005 had brought new marketing challenges to the business. The management of a brand with such wide recognition meant that Campo Doce now needed to market its products on a much wider national scale than it had done before, and the philanthropic and CSR activities of the Foundation became central to the company's new marketing strategies. He told me that, "previously the Foundation's activities had only been important here in [the surrounding area], but with the [new] acquisition, we had to have this vision at a national level."

Philanthropy as a Defining Family Value: Narratives of Social Responsibility in Family Business Succession Processes

I have discussed above how the Figueira family and some of their current employees have placed claims to naturalised values of social responsibility at the centre of their own historical

¹⁵⁵ This theme will be explored in more detail in chapter 6.

narrative of family and firm. This process has made necessary the appropriation and redefinition of varying kinds of corporate activities in accounts of different periods in the history of the family firm. As discussed above, similar corporate processes have been identified by Rajak (2014: 260), and reflect attempts by business families to “endow their economic power with moral authority”. In the last section of this chapter, I explore how such processes are carefully managed by elite business families not only within the corporate realm of the business, but also within the personal realm of the family. For the Figueiras, claims to family values of social responsibility (made tangible in CSR and philanthropic practice), have thus also been central to delicate succession processes, as the control of the family business is passed to younger generations.

In conversations with Camila (Fábio’s mother), I learned that the family had been concerned about the future of the business for many years. Camila described a scenario well documented in literature on family firms (e.g. Yanagisako 2002: 35), in which the family feared that its ‘third generation’ would fail to ensure the continuation of the business founded by their grandfather and built up by their fathers.¹⁵⁶ Camila told me that she and her sisters-in-law had made a pact many years earlier to make sure “the family was never torn apart by fighting.” As their children got older however, they realised – like many other business families that I met during my research in Brazil – that the third generation felt little connection to the family business, and that the likelihood of many of them wanting to play an executive role in its future management was low. As the business grew and professionalized, it could also not be assumed that the third generation would all acquire the necessary skills and qualifications to be considered for executive positions within the company (indeed, in 2008 only one member of the third generation held an executive position in the firm). As long as Campo Doce remained under family control however, all members of the third generation would in the future become shareholders in the company, and so would be collectively responsible for ensuring its survival and prosperity. As such, they believed, it was important that members of the third generation of the family felt personally connected to the business and its history.

¹⁵⁶ According to Campden Wealth, only 30% of Brazilian family businesses survive succession to the second generation, and only 5% to the third (see www.campdenfb.com/article/infographic-brazilian-family-businesses, accessed 06/02/17).

During the 1980s, Camila and her sisters-in-law had begun to study contemporary trends in corporate governance and family business succession, and decided to employ a consultant to help prepare the family for the eventual succession of the company to the third generation. Throughout the 1980s and 90s, they held regular weekend-long meetings with the whole family and a series of consultants, involving 16 family members from three generations. Camila told me that she wanted to “bring out into the open” what it felt like for each of them to inherit the family firm, even if it “felt like a weight on their shoulders”. The meetings were designed to help each member of the younger generation learn how to “honour the past”, understand what was happening now and decide what they wanted to do in the future. They were also about “cultivating cohesion” between the past and the future, and between the ideas of “me, the family nucleus and the business.”¹⁵⁷

Particularly important in this process, Camila told me, was making sure that the older members of the family communicated “the values, philosophy and history of the family” to the third generation, encouraging them to feel “proud of being part of the family and the business.” And central to the family’s philosophy, said Camila, was its “social conscience,” a set of values embodied throughout the family and business’ history in its philanthropic practice. In fact, the central purpose of creating the Figueira Memorial in 2005 – the year in which Paulo Figueira, Campo Doce’s founder, had passed away - Camila told me, was “to keep these values alive.” The Memorial, as we have seen above, not only provided a medium through which these “values” could be placed formally within the Rezende Barosas’ historical family narrative, but also a forum through which their continuity could be demonstrated through further philanthropic practice.

Camila was not unusual among wealthy families I met in the field in drawing these connections between her family’s succession process, the articulation of family values and philanthropic practice. The association between these ideas is explicitly encouraged in the discourse of philanthropy advisors in Brazil and beyond,¹⁵⁸ as demonstrated by the following

¹⁵⁷ Several young Brazilian philanthropists that I met in the field were engaged in similarly structured succession processes with their families, involving numerous family meetings and weekend retreats with professional consultants. This is common practice for business families dealing with succession issues, not only in Brazil but around the world.

¹⁵⁸ The broader idea that philanthropy can provide a common theme for identity-building among younger generations of dynastic business families is widespread. In his analysis of struggles within the fourth generation of the Rockefeller family to define a public family identity for themselves, Peter Dobkin Hall (1992: 327) notes that, “throughout the 1980s, the Cousins’ identity as a group became more clearly articulated and more clearly centred around a shared philanthropic vision”. The promotion by philanthropy advisors of family philanthropy

extract from the website of IDIS, the Brazilian *Instituto para o Desenvolvimento do Investimento Social* (Institute for the Development of Social Investment):

Family Social Investment is the voluntary and strategic allocation of family resources for public benefit. In the process of structuring this investment, the family has the opportunity of reinforcing family ties, strengthening and preserving family values, and developing and leaving behind a family legacy of social responsibility resulting from the planning of social actions of greater transforming impact.¹⁵⁹

Despite her efforts and those of her sisters-in-law, however, Camila told me that not everyone in the family understood the purpose of the Memorial, and that some family members complained that it felt like a mausoleum. Camila lamented the way that many members of the third generation seemed so “distant from the concept of philanthropy” and its importance for the family. In part, she said, this was inevitable when younger family members lived so far from the plantation, and didn’t have the daily contact with Campo Doce’s workers and their families that she and Lourdes had previously enjoyed.

We have seen above how claims of a naturalised commitment to values of social responsibility on the part of the Figueira family – and accompanying reconfiguration of a slate of different practices into the moulds of philanthropy and CSR within the family’s historical narrative – are central to this family business’ public image. In this account by Camila of the family’s succession process, we see that these claims are equally central to private efforts to define a family identity among members of the family’s third generation. These efforts are centred on attempts to imbue younger members of the family with a personal connection to the family firm which – older members hope - will galvanise them into ensuring its survival, and that of the family capital bound up within in.

Throughout the analysis presented above, however, different interpretations emerge concerning the meaning of ‘social responsibility’ and how this concept should be translated into practice by wealthy Brazilian elites. As I will explore in the next chapter, these questions are informed by deeply held ideological beliefs among elite philanthropists, concerning the

as a tool for helping families deal with issues of inheritance and family business succession is discussed in more detail in chapter 8.

¹⁵⁹ Direct quote from the English language version of the IDIS website. See: http://www.idis.org.br/family-social-investment/family-social-investment/view?set_language=en

nature of poverty and socio-economic inequality, and specific ideas about social change and how it should be achieved.

PART THREE:
Ideology and Strategy in the Elite Philanthropic Project

Chapter 6:
Always Have Faith in the Market:
Elite Ideologies of Social Change:

In Part Three of this thesis, I draw on ethnographic material from my fieldwork in Brazil and the UK to discuss ideology (chapter 6) and strategy (chapter 7) in the design of contemporary elite philanthropy. Authors have pointed to the role assigned to philanthropy in neoliberal configurations for the provision of welfare in countries around the world, where the drawing back of the state has involved shifting responsibility for the delivery of welfare to third sector, corporate and philanthropic agencies (e.g. Morvaridi 2015: 1-2; Raddon 2008). Within this context, a heated debate has emerged on whether elite philanthropy really has the potential to bring about social change, or whether it serves primarily to uphold the global capitalist system that ultimately benefits wealthy philanthropists themselves to the detriment of those they claim to be helping (see McGoey (2015a) and Edwards (2010) for the latter argument, and the volume edited by Morvaridi (2015) for an overview of both positions).

In the following chapters I argue in defence of the latter position, drawing on ethnography to demonstrate how (most) elite philanthropy is ideologically committed to the reproduction of the global capitalist project, and how its strategies are based on the assumption that the most effective way to eradicate poverty is by further entrenching this project - and by entrenching the poor more deeply within it. In addition, I attempt to show that there is no contradiction here for elite philanthropists. Some commentators have argued that philanthropy serves as a smokescreen designed to distract attention from exploitative capitalist endeavour (see e.g. Zizek 2006: 10). I argue, however, that this critique misses the important point that elite philanthropy is in itself *part of* the capitalist project. Rather than serving simply to mask the objectives of this project, elite philanthropy is predicated on its underlying ideology and plays an important role in furthering its aims.

In line with this argument, this chapter explores the ideologies underlying most elite philanthropy in Brazil and the UK. It begins by looking at the compatibility of the concepts of profit-making and social responsibility in philanthropic discourse, and the ways in which philanthropy is presented as a complimentary practice to the pursuit of capitalist economic objectives. In this vein I also explore related ideas in the discourse on ‘sustainable business’.

I then go on to look at the ways in which the design of philanthropic practice reflects the idea that poverty can best be eradicated via better incorporation of the poor into the (free) market. I focus particularly on the concept of entrepreneurship in elite philanthropy, and the drive to foster entrepreneurial attitudes and behaviours among the poor as a means of helping them to ‘succeed’ in the contemporary marketplace. Finally, I look briefly at the ways in which this discourse on entrepreneurship reflects (and contradicts) claims relating to the entrepreneurialism of Brazilian family business founders in hagiographic accounts of their own histories.

Profiting from Social Change

Among the majority of corporate and financial elites, philanthropic practice is not perceived as a counter activity to the pursuit of profit. Philanthropists I met in the field – and their advisors - repeatedly told me that corporate philanthropy and successful (profitable) business practice are complimentary activities. This claim is also often reported in literature on elite philanthropy and CSR. Brazilian anthropologist Pedro Jaime (2005b: 941), for example, discusses an interview he carried out with the wealthy Brazilian toy manufacturer and CSR advocate Oded Grajew.¹⁶⁰ Grajew explained to Jaime in interview, “I have no illusions. The logic of business is profit and not solidarity. But maybe there’s a perception that profit depends on adopting more ethical approaches. [...] Businesses are interested in being socially responsible. Because it increases profits” (my translation). Similarly, Osella and Osella (2009: 204) discuss the charitable activity of wealthy Muslim entrepreneurs in Kerala, South India, reporting that “entrepreneurs themselves talk about their ‘social mindedness’ as a combination of piety and economic calculation, in their minds the two clearly not excluding, but actually reinforcing, each other”.¹⁶¹

Linsey McGoey sees this conflation of profit-making and social responsibility as the driving force of philanthrocapitalism (the outspoken movement of wealthy global elites attempting to style their giving on the activities of the corporate sphere, that will be discussed in more detail in the next chapter). As previously discussed, McGoey reveals how the Bill and

¹⁶⁰ See chapter 1 of this thesis for more on Grajew.

¹⁶¹ See also Martinelli (2005: 83) and Osella et. al. (2015: 146) for further evidence of this view among wealthy philanthropists, in Brazil and Sri Lanka respectively.

Melinda Gates Foundation have taken this dictat to the extreme in their growing philanthropic donations to for-profit companies (see introduction and chapter three). As McGoey (2015b: 33) notes, “the Gates Foundation has insisted that the private sector should play a stronger role in global development and now regularly subsidizes corporations who want to turn education, health care, and poverty alleviation into business ventures”. Profit-seeking philanthropy can now be seen in the involvement of Gates and others in a wide range of initiatives, from microcredit schemes to advanced market commitments (AMCs) in the sphere of global vaccine and medicine development (McGoey 2014).

McGoey (2012: 192-193) argues, however, that there is nothing new in claims for the compatibility of corporate profit-making and the creation of broader social benefit, but rather that this concept has been central to perceptions of market capitalism as a force for the common good since the 18th century. What McGoey (ibid: 187) does claim is new about 21st century philanthropy is the *celebration* by Gates and others of this dual objective, manifest in “the openness of personally profiting from charitable initiatives, an openness that deliberately collapses the distinction between public and private interests in order to justify increasingly concentrated levels of private gain”.

Michael Edwards¹⁶² (2010: 66), another strong critic of philanthrocapitalism (whose work will be discussed further in the next chapter), has argued that, “the profit motive is not a dirty word, but it is a different word from solidarity and caring with no expectation of return. These differences cannot be wished away. They are rooted, often unconsciously, in different worldviews and cultures”. Edwards’ point is a central one for the analysis developed in this chapter. While some elite philanthropists are undoubtedly motivated by a desire to mask exploitative corporate practices carried out by the companies they own, the majority of the philanthropists and philanthropic advisors that I met in the field were motivated by a sincere concern for the social problems they saw around them, and truly believed that their philanthropy could contribute towards solving them. While these wealthy elites recognised the existence of poverty and related social problems under capitalism, they usually defined and understood these problems in ways that did not connect their causes to the economic imperatives of capitalist globalisation. In particular, they drew little if any connection

¹⁶² Edwards is a senior fellow at the New York think tank Demos. He has also worked for the World Bank as an advisor on civil society and a number of international development NGOs including Oxfam GB, Save the Children UK and Voluntary Service Overseas. From 1999 to 2008 he was director of the Ford Foundation’s Governance and Civil Society Programme in New York.

between their own corporate practices and the perpetuation of these problems on a broader scale. Their faith in the compatibility of the permanent search for increased profits and the practice of social responsibility - a reflection of a wider faith in the capacity of global capitalism itself to provide solutions to poverty and other social problems – was not a façade or a contradiction, but the expression, as Edwards points out, of a “different worldview” from that held by their critics.

Elite philanthropic ideologies (or “worldviews”) are thus posited on particular understandings of poverty, inequality, social change and the social role of corporate activity within the global capitalist economy. Among the elite philanthropists I met in Brazil and the UK, poverty and inequality were usually seen as separate and unrelated social conditions. While poverty was considered a fundamental social and economic problem, its causes were believed to lie in the lack of economic ‘opportunities’ available to the poor and to individual behaviours and attitudes. Inequality, meanwhile, was often credited to capitalist processes, but it was not considered to be problematic in the same way as poverty.¹⁶³ In fact, economic inequality was often seen as an unavoidable and necessary element of competitive economic growth.¹⁶⁴ The solution to poverty and the social problems it brought with it was seen to lie in the further expansion of capitalism itself, and more specifically, in the ‘inclusion’ of the poor within existing structures of capitalist economic activity. As will be discussed further below, the philanthropy of the majority of elites I met in the UK and Brazil was rooted in this ideology, and designed around the provision and promotion of activities to this end.

My fieldwork took place in the two years following the calamitous economic events of 2008, which triggered recession and economic collapse in countries around the world and saw the rise of global protest movements such as Uncut and Occupy. Within this context, much debate was taking place within elite philanthropic circles in Brazil and the UK about the need for a ‘friendlier’ form of capitalism, which could reinstate public trust in the corporate sector. These objectives were shared by elite philanthropists around the world, and articulated clearly in discourse such as that developed by the American non-profit organisation Coalition

¹⁶³ A counter argument is provided by Wilkinson and Pickett’s (2009) work on the links between inequality levels and the increased incidence of a host of social problems in a wide sample of different countries, irrespective of the overall wealth and poverty levels of each country individually.

¹⁶⁴ McGoey (2015a: 48-49) points to nineteenth century philanthropist Andrew Carnegie’s enthusiasm for the theories of Herbert Spencer, who propagated the idea that inequality was a ‘natural’ law of the market that should not be tempered by government intervention. Spencer’s theories provided moral sanctioning for the growing inequality perpetuated by Carnegie and other industrialists of his time.

for Inclusive Capitalism, which counts a number of philanthropic foundations among its funders, including the American Rockefeller and Ford Foundations and the British Gatsby foundation. On its website, this organisation continues to call for a “movement to make capitalism more equitable, sustainable, and inclusive,” and also repeats the claims outlined above for the compatibility of these aims with increased profit-making in the corporate sector.¹⁶⁵

Before I examine the ways in which the elite ideologies of social change examined above are applied to the conceptual design of philanthropic practice, I will look briefly below at an area in which claims for the compatibility of profit-making and social responsibility are made particularly explicit in the Brazilian corporate sector; the arena of ‘corporate sustainability’.

Making Profits ‘Responsibly’: Discourse on Corporate Sustainability

In Brazil there is much overlap between the realms of philanthropy, CSR and corporate sustainability. Many professionals and advisors move between these sectors, or oversee all of them within one company, and ideas, approaches and practices are shared between them. Corporate sustainability is thus a useful arena for examining attempts to demonstrate the compatibility between profit-making and social responsibility, shedding light on the ideologies also underlying elite philanthropic practice.

One of the largest Brazilian family businesses actively engaged in the pursuit of corporate sustainability is Azevedo,¹⁶⁶ a market leader in engineering, construction and cement production. Natalia, the leader of the company’s sustainability department and a long-time advisor to the company’s owners on their CSR and philanthropic practices, was also one of São Paulo’s most experienced family and corporate philanthropy advisors, and I had met her through contacts at one of the intermediary organisations where I was carrying out research.

Natalia invited me to Azevedo’s headquarters in São Paulo to talk about the company’s corporate sustainability programme and its owners’ broader CSR and philanthropy activities.

¹⁶⁵ See <http://www.inc-cap.com/about-us/> (accessed 07/07/16).

¹⁶⁶ Azevedo and Natalia are both pseudonyms. This interview was carried out in English, which Natalia spoke fluently.

Over coffee at a sunny outside table at one of the onsite cafés within the large office complex occupied by the company's central executives, Natalia explained to me that the concept of corporate sustainability refers to the balancing of financial, social and environmental objectives, and that the latter two can be successfully achieved without detriment to the former.¹⁶⁷ The shareholders of the company she worked for, she told me,

... believe that a company of the future is a company that is able to reconcile the differences between environmental and economic issues, and that it's not detrimental to the economic development of the company to begin to look at the environmental and social issues too. [...] I think there's a clear message that we're not going to leave the areas in which we are, you know, today working in and making a profit etc. I think that's not the issue. The issue is how are we making this profit? How responsible are we being in our chain of influence?

Azevedo's current sustainability project, Natalia explained, was intended as the first step towards implementing greater sustainability within the group's business activities. The project, designed to engage the business' entire workforce, took the form of a competition in which employees at all levels were invited to submit ideas for increasing sustainability within the companies' activities. Employees' ideas needed to focus on one of the pillars of sustainability outlined above (economic, social or environmental) and contemplate how they would affect the other two. The best ideas would be showcased by the business and the shareholders would subject them to a feasibility study with the objective of introducing them to company activities.

Curious to better understand the ways in which financial profit is conceptualized in corporate projects such as this one and the discourse underpinning them, I pressed Natalia further on this issue:

J: And how does that fit with the question of finance and profits? Would some of these [project] ideas mean a reduction in profits, or some kind of change in the financial workings of the business – or is that not really an issue?

N: No, it's an issue – if they were to directly identify a reduction in profit then *it wouldn't be sustainable*. But those [ideas] that would require some kind of funding for [their] development is something that we've stimulated the businesses to be favourable towards. [...] The idea is that all of them [competition entries] sell the pitch that, if they're implemented, that will mean more profit in the long term to the companies, but

¹⁶⁷ See the UN's *Global Compact Guide to Corporate Sustainability* for a more detailed definition: www.unglobalcompact.org/docs/publications/UN_Global_Compact_Guide_to_Corporate_Sustainability.pdf (accessed 05/08/16)

whether that's true or not is difficult to judge. Which I think is the general message, isn't it, that to be a sustainable company – no, you're not talking about reducing profits, but maybe some of the gains will be over a longer term.

(My italics)

Despite stressing that the company might have to wait a little longer than usual to see growth in profits connected to the introduction of sustainable business practices, Natalia's comments make very clear that any *reduction* in company profits as a result of these innovations would render them invalid within the conceptual framework informing the company's search for sustainability. By bestowing the same moral value on profit-making as that placed on social and environmental responsibility (the three 'pillars' of sustainability), and promoting the conviction that it's possible to achieve all three simultaneously, this discourse on sustainable business offers a convenient win-win solution to critics of the corporate sector's disregard for social justice and environmental stewardship. This is not to doubt, however, the extent to which proponents of this discourse actually believe in the possibility of achieving 'sustainability' on these three fronts simultaneously, or their conviction in the moral value of profit-making. For adherents to the ideology of global capitalism and free-market economics, there *is* no contradiction here, the task at hand is simply to find the 'correct' balance between the three pillars of sustainable business.

Of course, the potential for Azevedo's sustainability project to achieve its objectives is also markedly increased by the fact that the company itself is responsible for defining what counts as social and environmental sustainability, and choosing from among the ideas put forward by its own employees how such forms of sustainability might be brought about. By bounding the search for greater sustainability within the narrow framework of small technical and behavioural changes in business practice, this company also clearly transmits the message that social responsibility and social change are possible within existing corporate and economic structures. Maintenance of the economic status quo is thus built into corporate definitions of 'sustainability', and changes in the social and environmental impact of businesses are contingent on the continued ability to turn a profit. Below, I explore how this message also underpins the design of much elite philanthropic practice, particularly in relation to the idea that poverty can best be reduced by better incorporation of the poor into already existing corporate structures.

Providing ‘Opportunities’: Incorporating the Poor into the Free Market

As discussed above, the elite ideologies of social change I encountered in the field were usually predicated on market-based solutions to social problems, and a belief in the compatibility of social and environmental ‘sustainability’ with the broader pursuit of economic growth. Central to the ways in which most philanthropic programmes were designed in Brazil (and to the work of many of the grantees of philanthropic funding in the UK) was the associated idea that, by providing the poor with the right ‘opportunities’, they would be able to lift themselves out of poverty, ‘transforming’ themselves and their life chances. In philanthropic programmes, these ‘opportunities’ usually took the form of educational, social or training activities that would improve participants’ chances of finding paid employment in the formal job market, thus also increasing their own capacity for consumption.

Philanthropic programmes designed in this vein take on a variety of forms. Providing basic training for entry into the job market (in areas such as hospitality, the service sector, manual labour, etc.), promoting the development of small-scale income generation projects and supporting the creation of business initiatives designed to create new markets for the poor are all examples of this approach. This kind of philanthropy reflects ideological beliefs about the causes of economic inequality (as discussed above), positing wider incorporation of the poor into the formal marketplace (as both workers and consumers) as the panacea for poverty. Marcos Kisil (2006: 6, my translation), one of Brazil’s most prominent philanthropy advisors, explains that, “the redistribution of wealth takes place when marginalised groups are stimulated to create income generation projects. In this case, philanthropic funding works as a lever for new business opportunities, generating wealth and a new circuit of accumulation”.¹⁶⁸

These ideas are made concrete in the philanthropic design and/or funding of projects such as those carried out by NGO *Arte Sol*, which were being funded during my fieldwork in Brazil by a family foundation called *Núcleo Oikos*:

¹⁶⁸ In this respect many Brazilian elites consider philanthropy to be a much more effective solution to poverty than state welfare benefits such as the *bolsa família* (family grant). While this and other forms of conditional cash transfer are considered among a broader public to be largely responsible for the reduction of poverty under the Lula and Dilma administrations, most elite philanthropists I met in Brazil believed that the *bolsa família* served to discourage the right attitudes towards work among the poor (see chapter 1 for further discussion of the *bolsa família*).

Artesanato Solidário/ArteSol [Solidarity Handicrafts] is a non-profit organisation that promotes the rescue and valorisation of traditional handicrafts in a diversity of traditional communities around Brazil, as a form of income generation for these populations, that often find themselves in conditions of extreme poverty, because their practices and forms of knowledge do not find space to develop economically within the social reality of Brazil.¹⁶⁹

In the UK, similar ideas can be seen in philanthropic projects such as a programme designed by the Scottish Wood Family Trust (WFT), called *Making Markets Work for the Poor*. Currently running in two countries in Sub Saharan Africa, the Trust's website explains that:

... our most effective approach will be based on analysing the value chain in a range of potential growth industry sectors, looking to unblock key constraints from the front end production through the processing, distribution and eventually to the market and the customer. [...] WFT will be working with local partners and in particular the local private sector on our value chain studies to try and facilitate economic development and employment. We know we will only effect change by helping local people and communities to help themselves and achieve this in a way that is consistent with their culture and way of life. Money cannot buy the vision but the effective application of careful business and market analysis and support by quality minds, effective delivery partners and local entrepreneurs will, we believe, create sustainable change.¹⁷⁰

Crucially, however, according to elite philanthropic ideology, the opportunities offered by philanthropy can only lift people out of poverty if they are approached with the right attitude; the poor beneficiaries of philanthropy must display high levels of entrepreneurialism and apply motivation and individual effort to the project of their own transformation.¹⁷¹ Responsibility is thus ultimately placed on the beneficiaries of philanthropy for lifting themselves out of the conditions of poverty. Participants in philanthropic programmes are encouraged to effect their own transformation from a state of poverty, dependence and exclusion to one of economic activity, self-reliance and inclusion. Good philanthropic programmes (or charitable projects funded by philanthropists) are therefore tasked not only with the provision of opportunities, but with teaching and encouraging values of entrepreneurship and motivation to their participants.

¹⁶⁹ See: <http://www.nucleoikos.org.br/parceiros/artesanato-solidario> (accessed 17/02/14), my translation.

¹⁷⁰ See: <http://www.woodfamilytrust.org/investment-programmes/developing-countries.php> (accessed 17/02/14).

¹⁷¹ These ideas reflect notions of the 'deserving' and 'undeserving' poor, which have historically influenced the provision of both philanthropy and state welfare in many countries around the world. See chapter two for more discussion of these concepts in the UK, and the work of Viviana Zelizer (1994).

Entrepreneurship and the Philanthropic Transformation of the Poor

The photo and quote in Figure 7, from the 2006/2007 annual report of the *Instituto Hedging-Griffo* (Hedging-Griffo Foundation),¹⁷² showcase a successful example of the process of philanthropic ‘transformation’ from dependent poverty to proactive economic inclusion.

COPYRIGHT MATERIAL REMOVED

Figure 7. Hedging-Griffo Foundation: philanthropic transformation

The photo features a participant in one of the programmes funded by the Hedging-Griffo foundation, which offers training for jobs in the hospitality sector to young people. Previously unemployed, she is pictured proudly at work in her new job as a waitress in a café, dressed in the café’s uniform, holding a tray laden with coffee and snacks and smiling broadly. The caption under the photo states that Alexandra is “now employed, and very happy”, and quotes her as follows:

I feel like I took advantage of all the opportunities, because I used to feel weak and like I didn’t have the means to achieve anything. But just look at what happened: now I feel strong and able to achieve what I want to with my own will and perseverance. Today, I’m a new Alexandra.

(Instituto Hedging-Griffo 2007: 26, my translation)

¹⁷² This is the corporate foundation of *Credit Suisse Hedging-Griffo Corretora de Valores S.A.*, a leading Brazilian private banking, asset management and investment banking firm that was bought (partially in 2006, then fully in 2011) by Swiss bank Credit Suisse.

In the UK, similar language and ideas about motivation and entrepreneurialism permeate the discourse of British philanthropists. Sarah,¹⁷³ a philanthropist I met in London, had a small family foundation active in her local area outside the city. This was an area renowned for its affluence that, she told me, concealed behind its wealth pockets of extreme poverty. Sarah had recently carried out a piece of research for her local community foundation on the needs of people living in these pockets and the charitable services currently available to them, designed to help other funders to better direct their philanthropy to where it was needed. In a speech at the launch of this research project, Sarah talked about several of these charities, which she considered especially deserving of philanthropic support. Of the founder of a project aimed at teenage mothers she said:

Despite its humble image this small group represents a remarkable example of leadership, someone who has courage of her convictions, who leads from the ground and who battles on a weekly basis to improve the skills, motivation and the life chances of these women and their children.

While,

... in [name of region] an area of high crime for [name of county], a wonderful group of police officers volunteer their time three times a week to run the Sea Cadets. Not only do they teach a whole range of life skills, they also provide a strict code of conduct and discipline and can cite examples of young people who have thanked them for preventing them turning to crime.

The language used by Sarah in these examples focuses on the motivation and entrepreneurial spirit of these charities' leaders, as well as the charities' own objectives of effecting behavioural change (increased motivation, the adoption of a "strict code of conduct and discipline", etc.) among their target groups of teenage mothers and young people at risk of involvement in crime. The implication is that a combination of newly acquired skills and these forms of behavioural change will lead, respectively, to better "life chances" for the teenage mothers and reduced criminal activity among the young people.

The ideology of entrepreneurship is also central to the work of Ashoka, one of the most important global NGOs within the landscape of elite philanthropy in both Brazil and the UK. Ashoka is an American NGO that supports 'social entrepreneurs', individuals who

¹⁷³ Not her real name.

design original initiatives aimed at solving specific social problems,¹⁷⁴ and has offices around the world. Among the elite philanthropists and philanthropic advisors I met in the field, Ashoka was universally considered a model NGO. Recognition of social entrepreneurs by the organisation's 'fellowship' programme was a highly prestigious third sector accolade, and seen as an excellent endorsement for philanthropic support. Two Brazilian philanthropists I met in the field had been elected Ashoka Fellows themselves. On its website, Ashoka states that:

We build networks of pattern-changing social innovators and select high-impact entrepreneurs, who creatively solve some of the world's biggest social challenges, to become Ashoka Fellows. Ashoka believes that there is nothing more powerful than a new idea in the hands of a social entrepreneur.¹⁷⁵

The ideological framework underlying philanthropic and associated third sector discourse on entrepreneurship in examples such as these is clearly informed by the globalised political discourse on the entrepreneurial individual, common to various forms of recent capitalist governance. These include the neoliberal movements of the 1980s and the new social democracies of the 1990s and early 2000s, both of which have guided the recent political histories of Brazil and the UK.¹⁷⁶ Rose (1999: 141-142) argues that, in the reorganisation of the relationship between the economic and the social in line with the logic of market capitalism that took place under advanced liberalism, the emergent concept of the human actor as an "entrepreneur of his or her self" played a central role.

Equally, while theorists of New Labour's 'Third Way' in the UK claimed that their new form of social democracy provided an alternative to the politics of neoliberalism, the concept of the entrepreneurial, self-reliant individual with responsibilities as well as rights in relation to state and society remained central to their ideology (see e.g. Giddens, 2000).¹⁷⁷ As Gledhill (2001) has argued, by emphasising the responsibilities of the individual to find his or her own way out of poverty, the ideology of the Third Way displaces attention from the structural

¹⁷⁴ The related concept of 'social business' or 'social enterprise' seeks explicitly to build businesses that bring both financial and social returns. In practice, the distinctions between these different types of initiative can be hazy, but all tend to be very popular among elite philanthropists.

¹⁷⁵ <http://usa.ashoka.org/about-ashoka-united-states> (accessed 08/08/16). McGoey (2015a: 72) points to the wildly differing achievements, methods and political views of the historical examples of social entrepreneurs listed on Ashoka's website, noting that the term 'social entrepreneur' is, "so remarkably elastic that very few individuals working in global health, development or social services could escape the charge of being one".

¹⁷⁶ See chapters 1 and 2.

¹⁷⁷ Fernando Henrique Cardoso, Brazil's president from 1995 to 2002, was also one of the most influential advocates of Third Way theory outside of Europe and the USA (see Power 2001).

inequalities inherent to global capitalism and renders attempts to imagine (and petition for) alternative forms of society illegitimate. In doing so, it rejects the collective claims of social movements resistant to the further entrenchment of capitalist globalisation, favouring instead solutions to poverty (micro-credit programmes, welfare-to-work schemes, etc.) that emphasise poor peoples' responsibility for their own improvement. As in the examples of elite philanthropic discourse detailed above, Third Way politics thus dictates that, "the poor are called upon to accept the logic of capitalist restructuring and help themselves into the opportunities provided" (Gledhill 2001: 139).

Similar ideological perspectives can be seen in ethnographic accounts of philanthropy in other settings. In their study of Muslim business entrepreneurs in Kerala, Osella and Osella (2009: 205) argue that reformist Islamic ideology plays an important role in shaping philanthropic practice, but that entrepreneurs

... are also committed towards re-orientating local Muslim subjectivities and practices towards the requirements of contemporary capitalism. Promotion of wholesale self-transformation through education, rationalization of practices, and goal-orientated planning in daily life [...] is mobilized to sustain novel forms of capital(ist) accumulation.

Meanwhile, in Sri Lanka, Osella et. al. (2015: 145) have identified a "neoliberal penchant for *fostering* an entrepreneurial spirit amongst the urban and rural poor" among "young professionals and educated businessmen" (italics in original).

This focus on entrepreneurship also plays a central role in the broader arena of market-led initiatives for social change, many of which overlap with the sphere of international development. Rankin's (2001) analysis of microcredit programmes and Nepal and Schwittay's (2011) account of a Hewlett-Packard Bottom of the Pyramid (BoP)¹⁷⁸ scheme in Costa Rica both highlight attempts to develop market-based solutions to the problem of poverty, founded on the belief that inclusion in capitalist market activity is the best way to help the poor. In both accounts, the success of these initiatives is also believed (by those running them) to be dependent on the entrepreneurialism and commitment of their poor

¹⁷⁸ BoP schemes are designed to stimulate consumption among the poor through the marketing of products designed specifically for their needs and priced within their economic means, thereby both increasing sales and contributing to the alleviation of poverty (Schwittay 2011: S71-73). The BoP model was originally developed by C. K. Prahalad, a professor of business administration at the University of Michigan (see e.g. Prahalad & Hart (2002)).

participants.¹⁷⁹ A similar discourse is identified by Dolan and Johnstone-Louis (2011) in the infamous BoP sales model of Avon Cosmetics in South Africa, in which women commissioned to sell Avon's products are styled by the company as self-transforming entrepreneurs responsible for their own transcendence from poverty.

Unequal Contenders for Philanthropic Support: Winning the Grants

The ideological approach to social change and the alleviation of poverty outlined above informs the design of much philanthropic practice in operating foundations, where philanthropists design and carry out their own philanthropic programmes. It also, however, informs decisions in grant-making foundations concerning which NGOs, charities and other third sector initiatives are most deserving of philanthropic support. The influence of elite ideologies of social change is as relevant here in the choice of which organisations and projects *not* to support as it is in the choice of which should receive funding. Below, I look briefly at two Brazilian third sector organisations that take very different approaches to the alleviation of poverty. I argue that the opposing attitudes held by the elite philanthropic community in Brazil towards these two organisations is directly related to these differing ideological approaches, and responsible for the former's success – and the latter's failure – in securing grants from elite philanthropists.

The first of these organisations is AfroReggae. Created in Vigário Geral, a Rio de Janeiro *favela* (shanty town) in 1993, this NGO began as a series of music, dance, theatre and circus projects designed to offer children and young people an attractive alternative to working in Rio's increasingly prosperous and violent drug trade. AfroReggae was created by a group of young men living in neighbouring *favelas*, several of whom had themselves been heavily involved in drug trafficking and who had lost many friends to the trade. The project has enjoyed phenomenal success since its creation. During my fieldwork, AfroReggae was active in five Rio *favelas*. It was working with children and young people through a wide range of musical and performing arts activities, ranging from regular classes in the *favelas* to the formation of several professional groups and the release of albums. One programme involved

¹⁷⁹ Reflecting the discussion at the beginning of this chapter, these authors also note that those responsible for these initiatives are explicit in their claims for the compatibility of poverty alleviation and corporate profit-making (Rankin 2001: 26-29; Schwittay 2011: 71-72).

bringing together police and young gang members to create music together, in an attempt to diffuse tension between these two sides of the drug-fuelled 'war' that still rages through many of Brazil's shanty towns. In 2006 AfroReggae supported the Rolling Stones in concert on Copacabana beach, and participants have travelled the world playing at diverse music festivals and venues. During the London Southbank Centre's Brazil Festival in 2010, AfroReggae held a series of workshops and performances, and in the lead up to the 2014 World Cup in Rio, an advert for Coca-Cola's sponsorship of the event featured a soundtrack by AfroReggae. Since its foundation, the group's leaders have also become respected public commentators on cultural and social affairs in Brazil and beyond.

Although AfroReggae refuses financial support from alcohol and tobacco companies, it has been hugely successful in attracting other corporate and private philanthropy in Brazil. Throughout my fieldwork, the group was repeatedly held up by philanthropists and the professionals that worked with them as a model example of third sector activity, and several elite philanthropists that I met in the field had developed close links with the group and its leaders. On one visit to an AfroReggae project I met a man who had given up his job working in CSR at Coca-Cola Brazil to work as a full time volunteer building relations between AfroReggae and philanthropic supporters. I heard AfroReggae's leaders speak at numerous events hosted by the elite philanthropic community, and accompanied philanthropists on several trips to see the group's projects in Rio's *favelas*.

One of these trips was organised by a São Paulo business association which ran a series of events to help young businessmen and women to develop their CSR practice. The trip took place over a weekend, with daytime visits to AfroReggae's projects. In addition, the trip included a night time visit to a public funk music party. Accompanied by members of AfroReggae, the group of young businessmen and women (and myself) were driven by minibus into the *favela* and to the site of the party. Arriving at the party, we were taken on foot through crowds of young partygoers then up a flight of stairs to a private area overlooking the large dance floor. Entering the party and from our aerial vantage point, young people could be observed using various kinds of illegal drugs, and on our way out of the *favela* a short burst of panic ensued when we were told that members of the drug cartel in control of this *favela* had enquired about our rented minibus, which they didn't recognise, before being placated by our hosts from AfroReggae. That the business association responsible for organising this trip, and the participants that had paid to take part in it, should

place their trust in AfroReggae's leaders to safely manage a night time incursion into the *favela* - an environment totally alien to these young Brazilian elites and that they have been taught to fear and avoid - and to literally rub shoulders with its residents, is testament to the high regard in which AfroReggae is held by the elite philanthropic community in Brazil.

Returning to the discussion on philanthropic ideologies outlined above, I believe that much of the appeal of AfroReggae is linked to the ways in which its leaders manage to expertly attune their own discourse on poverty and social change to elite philanthropic ideology on motivation and entrepreneurship. The participants of AfroReggae's projects are styled by the organisation as hard working young people from the *favelas*, resisting the pull of the drug trade and instead applying energy and creativity to original solutions (in the form of the group's projects) to pull themselves out of poverty and improve their life chances. AfroReggae's leaders, in particular, seem to embody the characteristics that elite philanthropists seek in the beneficiaries of their philanthropy. The emotionally charged documentary film *Favela Rising* (2005), which won a host of international film festival awards and was short-listed for an Oscar, tells the story of Anderson Sá, one of AfroReggae's founders. Sá's story is portrayed as one of incredible perseverance and motivation in the face of physical and emotional adversity. Despite the loss of several close friends and family members to drug related conflict and police violence, and coming close to death himself after a serious surfing accident, Sá leaves the drug trade to help form AfroReggae, thus putting his faith in the group's ability to help other young people like him to escape a life of poverty and violence.¹⁸⁰

Another of AfroReggae's leaders, José Junior, was particularly popular among elite philanthropists I met in Brazil, and was regularly invited to talk at events held within the philanthropy sector. Junior had a remarkable gift for storytelling and was able to quietly command the attention of a roomful of elite philanthropists within a few minutes of his arrival. During the *Programa Nova Geração*,¹⁸¹ Junior left participants mesmerised by an account of his life story, his battles to overcome poverty and the loss of friends and family in the *favela* in which he grew up and the creativity and courage which led to the formation of AfroReggae. Particularly impressive (and exotic in contrast to the experience of his young elite audience) was his account of how the status he had gained among his peers through his

¹⁸⁰ See www.favelarising.com (accessed 10/08/16)

¹⁸¹ The course for young Brazilian philanthropists described in chapters four and eight of this thesis.

work with AfroReggae had led him to increasingly be called upon as an impartial mediator between different factions of drug traffickers in Rio's favelas, a dangerous activity that often took place in the middle of the night in the midst of highly charged scenes of violent conflict. Some time later in London, I heard José Junior speak again at the Southbank Centre's Brazil Festival (mentioned above), during a debate on Brazil entitled "The Edge of the Future – Renegotiating Power". Although speaking with a less personal focus, Junior effused the same self-assured confidence in this very different setting.

One further event during my fieldwork made clear how successfully AfroReggae have mastered the art of appealing both emotionally and ideologically to wealthy philanthropists from Brazil and beyond. While working at the Institute for Philanthropy in London,¹⁸² I accompanied a group of wealthy philanthropists from around the world on a trip to Rio de Janeiro to visit a series of NGOs and third sector projects. A visit to AfroReggae was billed as one of the highlights of the trip, and we were scheduled to spend an afternoon in one of the *favelas* in which the group was working. On our arrival, the minibus transporting us parked on a street running alongside the *favela*. As we crossed a suspended walkway on foot, we heard the sound of rhythmic drumming, the source of which came into view as we descended a flight of steps into the *favela*. A group of around fifteen young men, members of AfroReggae, stood facing the steps to greet us. Mostly black or mixed-race, they were dressed in shorts and flip-flops. Some wore AfroReggae t-shirts and some were shirtless in the bright afternoon sun, and each had a large drum strung around his neck or waist. The young men were gathered in an open area at the entrance to the *favela*. Behind and flanking each side of them were the shanty town's makeshift shacks and the low slung wires connecting ageing electricity pylons. Other residents of the *favela*, including several children, stood by watching the drummers. The effect of this ensemble was breathtaking, a loud and colourful assault on the senses. For the group of well-dressed, wealthy philanthropists descending the steps into the *favela*, it served as an emotional embodiment of everything the philanthropists were seeking; an energy-filled demonstration of these young men's determination and ability to transcend the boundaries of the poverty that surrounded them. The philanthropists were enchanted.

¹⁸² See Introduction for more details.

What is striking about the message implicit in AfroReggae's approach – and that which is so attractive to the majority of elite philanthropists who admire their work – is that it is deeply depoliticised. The group's approach to the improvement of the life chances of young people in the *favelas* in which they work focuses on the teaching of skills and the creation of alternative opportunities to dissuade young people from involvement in the prosperous drug trade. It also focuses on the encouragement of personal motivation, creativity and entrepreneurship to better enable these young people to make those alternatives viable. What is lacking from AfroReggae's approach is a critique of the structural social and economic forces that create and maintain the cycles of poverty and drug-related violence into which these young people are born and so easily find themselves trapped. Whether or not AfroReggae's leaders really take such a depoliticised view of their own situation is debatable. Perhaps, in less public conversations, these leaders would reveal a more political interpretation of Brazil's endemic inequalities. But the important observation here is that the public dissemination of this depoliticised approach to poverty alleviation in Rio's *favelas* has been highly successful in attracting philanthropic support in Brazil and elsewhere, support on which the group's activities depend.

AfroReggae's approach is entirely at odds with that of another Brazilian third sector initiative, the *Movimento dos Trabalhadores Rurais Sem Terra* (Landless Workers' Movement), known as the MST. One of Latin America's largest social movements, the MST was created by landless rural workers in 1985, with support from the Liberation Theology arm of the Brazilian Catholic Church.¹⁸³ The movement has worked to bring about agrarian reform through direct action for over 30 years, bringing together groups of rural workers to occupy idle areas of fertile farmland. Setting up makeshift camps on these tracts of land – sometimes for several years at a time – members of the movement campaign for their right under the Brazilian constitution to transform these areas into agricultural cooperatives, often in the face of violent opposition from wealthy landowners and the state. The MST has been extremely successful, not only in securing land for the development of its cooperative farms, but also in keeping the issue of broader-scale land reform – an essential element in attempts to reduce Brazil's endemic social and economic inequalities – on the agenda within what has often been an extremely hostile political environment. As such – and unlike AfroReggae – the MST has always been a highly politicised social movement, engaging directly with

¹⁸³ See chapter 1 for more on the influence of Liberation Theology in Brazil, and Branford and Rocha (2002) for a detailed account of the emergence of the MST.

successive Brazilian governments. While AfroReggae's focus is local, immediate and centred on the entrepreneurial individual, the MST takes a radically different approach, striving for structural change in the national distribution of land and basing its ideology on an explicit critique of the supremacy of global capitalism in Brazil and beyond.

During my fieldwork, I rarely heard the MST mentioned by philanthropists or their advisors. When the subject of this social movement did come up, it was inevitably in condemnation of the MST's radicalism and socialist ideology, reflecting the language used by Brazil's right-wing press, which has consistently vilified and criminalised the movement since its inception (see Passos 2014). It is of little surprise then that the movement rarely receives funding from members of the Brazilian elite. The MST not only poses a direct threat to the structural distribution of assets on which the wealth of much of Brazil's elite is founded, it also bases its work on an ideology of social change directly at odds with that of most elite philanthropists.

While the two examples above relate to the kinds of third sector organisation that appeal to and are broadly rejected by elite philanthropists in Brazil, very similar distinctions can be observed within the elite philanthropic sector in the UK. In their work on British social justice philanthropy, Sanghera and Bradley (2015: 185) report that, "in our study, charitable and community foundations dismissed ideas that class inequality or capitalism were partly responsible for poverty, unequal educational opportunities, environmental damage, crime and other forms of injustice and suffering". These authors also describe the resistance of philanthropic foundations in the UK to adopt the terminology of social justice movements, and describe how:

... most charitable and community foundations and grantmakers believed that the term 'social justice' could alienate their audience, and suggested that the public, donors and trustees preferred less contentious and more neutral terms, such as 'social change', 'poverty', 'community development' or 'human rights'.

(ibid: 183)

Earlier in this chapter, I argued that the design of philanthropic programmes is typically influenced by approaches to the alleviation of poverty that focus on the entrepreneurialism of poor individuals, and the creation of 'opportunities' for their assimilation into the capitalist marketplace. The examples above demonstrate how the same ideological influences come to

bear on the choice of which third sector organisations will receive philanthropic grants. Here, organisations pursuing politicised, justice-based and structural approaches to social change are rejected by many elite philanthropists in favour of those that - like Afro-Reggae - ground their approach in attempts to transform the individual behaviour and life-chances of the poor.

In the last part of this chapter, I will argue that the philanthropic ideologies explored above are also at play in the ways in which elite philanthropists represent their own experience and family histories. Ideas relating to entrepreneurialism and motivation, which are central to these ideologies, are however applied differently by elites to themselves and to the beneficiaries of their philanthropy.

Distorted Reflections: Locating Entrepreneurship among Brazilian Elites and the Beneficiaries of their Philanthropy

In chapter five, I discussed the role played by philanthropy and social responsibility in the historical narrative of one Brazilian family business. Central to this narrative and to similar ones developed by other Brazilian families, are hagiographic accounts of the family patriarch¹⁸⁴ and founder of the family firm. These accounts almost always highlight the remarkable motivation and entrepreneurialism of these business founders, and often point to their humble origins and determination to pull themselves out of poverty through their corporate endeavours. The traits of entrepreneurialism and a heightened work ethic thus inform both philanthropists' own biographical narratives *and* (as described above) claims to the ideal behaviour of the beneficiaries of their philanthropy, behaviour on which the success of philanthropic programmes is posited. As I will argue below, however, this mirroring of expectations relating to philanthropic beneficiaries and to philanthropists' own alleged character traits quickly becomes distorted in the context of actual philanthropic programmes.

One typical example of an 'entrepreneurial' family business founder that I learnt about in the field was Carlos Freitas,¹⁸⁵ a transport tycoon who, beginning in the late 1940s, built a large corporate portfolio of successful coach and bus companies. In the early 2000s, shortly before his death, Freitas founded a philanthropic foundation affiliated to his business group. The

¹⁸⁴ None of the Brazilian family business I encountered in the field had been founded by women.

¹⁸⁵ Not his real name.

foundation was later taken over by his granddaughter, who I met during my fieldwork. The foundation's main activities involved the provision of training programmes for young people in coach and bus maintenance (which often led to employment by one of the group's companies), and the awarding of scholarships to attend local private schools. Both programmes were open to young people from the poor communities surrounding the business' headquarters.¹⁸⁶

In a book produced by younger generations of Carlos Freitas' family about his life, work and philanthropy, this family patriarch's corporate success is clearly attributed to his own entrepreneurialism and effort. With a lyrical description of Freitas' youthful journey towards corporate success – in which the image of the bus serves deftly as a symbol of both the means via which he will achieve that success and a symbol of his transition out of poverty – the book begins as follows:

From the window of the bus – eyes open to the world -, everything passes by. Bulls pass by, herds of cattle pass by, cars pass by, mountains pass by, clouds pass by, factories pass by, dreams pass by, the world passes by. Inside the bus, people. People and their desires, heartaches, expectations, doubts, joys, curiosities. The bus continues along the highway, in the direction of what lies ahead, of what is still the future. And like this journey, begins this story: a pair of eyes wide open to the world, looking towards tomorrow, a head full of dreams, a suitcase full of wishes and intuition, carried in the hands of a young man who travelled the highway of life as an entrepreneur, achieving, planting, reaping. His name? [Carlos. Carlos Freitas.]

(My translation)

As the book continues, links are drawn between Carlos Freitas' own hard work in pursuit of personal achievement and a naturalised commitment to the practice of social responsibility:

[Carlos] was practicing social responsibility before anyone else had even heard of it [...] Like integrity, hard work and a clear sense of what he wanted, a concern to provide opportunities to those who worked hard for them was always present in the life of [Carlos Freitas]. And, when he had enough money, he turned this concern into action.

(My translation)

¹⁸⁶ During my fieldwork, Carlos Freitas' granddaughter was developing a third programme, designed to support young, local social entrepreneurs to develop social change initiatives in their communities. This programme was intended to broaden the approach of the foundation and to engage local communities more directly and collaboratively in improving the life chances of their members. Ideas about the importance of entrepreneurship were still, however, central to this more recent programme, albeit applied in broader and more creative ways than in the other two.

As can be seen in the above, however, these philanthropic ‘opportunities’ were only to be made available to “those who worked hard for them”, a statement that clearly reflects the elite ideologies informing the design of philanthropic programmes discussed earlier in this chapter. Once again, a commitment to hard work and self-improvement is posited as necessary for young people’s full appropriation of the opportunities offered to them via philanthropy.

Historical narratives such as the one discussed above also reveal, however, a mirror-image process at work in the ideology of philanthropic elites. By offering ‘opportunities’ to poor people entrepreneurial enough to take advantage of them, elites encourage the beneficiaries of their philanthropy to replicate the trajectories that - they claim - enabled themselves or their ancestors to overcome poverty and achieve financial and business success. So while entrepreneurialism and a commitment to hard work are portrayed as necessary for poor beneficiaries of philanthropy to pull themselves out of poverty, so too are these the qualities represented as responsible for the wealth and business success of philanthropists themselves.

Brazilian philanthropist Fernando, profiled in chapter four, expressed a similar view concerning the personal effort required for the transcendence of poverty. In the interview extract below, Fernando compares this effort with that required to bring about personal transformation of any kind regardless of social class, thus positing the alleviation of poverty as a purely individual endeavour:

I’m here to help people make their dreams come true, [but] not everyone’s. [...] I’m not going to go around [the shanty town] banging on everyone’s door. [...] It’s got to be for people who want to get themselves out of this situation. Because just like in all social classes, there are people who are interested in their own evolution and people who aren’t.
(quoted in Sklair, 2010: 217-218, my translation)¹⁸⁷

If ideas about hard work and entrepreneurialism are central to the ways in which elite philanthropists think about both their own success and the alleviation of poverty among the recipients of their philanthropy, however, these ideas are not always applied in the same ways by elites to themselves and their philanthropic beneficiaries. The continuation of the quote

¹⁸⁷ I first interviewed Fernando during research for my masters degree dissertation (which later appeared in Sklair 2010). When I returned to São Paulo to carry out fieldwork for my PhD I resumed contact with Fernando and carried out further interviews with him as well as visits to his philanthropic organisation.

from my interview with Fernando (the first part of which appears above), sheds light on elite conceptions of what does and does not constitute entrepreneurship among the poor:

How many times have we talked to people in these [shanty town] communities who say: “I’d have to get up at five in the morning to get the bus to go and work in the city centre?”¹⁸⁸ Ah, I’d rather do odd jobs round here.” You do hear this. Sometimes supermarkets can’t [even] find enough people to fill their job vacancies.

(ibid, my translation)

The poor recipient of Fernando’s philanthropy is considered ‘entrepreneurial’ if she or he willingly attempts to find a job in the formal market economy, and accepts the accompanying effort involved in travelling to and from that job each day (see footnote 27). Choosing the alternative of work in the informal economy (“odd jobs round here”) is considered by Fernando as a lazy option, offering no prospects for self-improvement. Within this conceptual framework, then, the poor recipient of elite philanthropy is considered entrepreneurial if she or he is willing to make the effort to find a job in the market economy, and *not* entrepreneurial if she or he would rather seek work in the informal economy.

Anthropologists have repeatedly shown, however, that work in the informal economy demands high levels of self-reliance and risk-taking, is based on the building of valuable social capital and networks, and provides a safety net for workers vulnerable to the increasing casualization of the formal labour market (e.g. Hart 2000: 96-112; Mollona 2005: 184-185). Compared with reliance on the procurement of low-paid, low-skilled and precarious job opportunities in the formal economy, the option of making a living through “odd jobs” in the informal economy of the shanty town is in many ways a *more* entrepreneurial choice for poor Brazilian workers. In addition, the entrepreneurial character traits to which the success of Brazilian business founders are typically credited in the historical narratives discussed above - risk-taking, lack of dependence on others, etc. – are far more closely aligned to those necessary for work in the informal economy than in those low-paid jobs available in the formal marketplace that elites so strongly encourage the poor recipients of their philanthropy to pursue.

¹⁸⁸ A reference to the daily journeys made by the majority of poor workers from São Paulo’s outer periphery to jobs in the more prosperous central regions of the city. Dependent on underfunded public transport and regularly subjected to gridlocked traffic conditions, workers can commonly spend two to three hours getting to work, and the same amount of time returning home each day (see Foer 2016: 4).

Elite ideologies of entrepreneurship are, therefore, configured very differently for the rich and the poor, in ways that are obfuscated in philanthropic discourse. While the poor beneficiaries of elite philanthropy are exhorted to become more entrepreneurial in order to pull themselves out of poverty, just as wealthy philanthropists (or their fathers and grandfathers) once did themselves, the expected manifestation of this entrepreneurialism is quite different for rich and poor. While entrepreneurialism for the wealthy is conceptualised in terms of risk-taking and innovation, entrepreneurialism for the poor (as embodied in the content of most philanthropic professional training programmes) is in fact defined in terms of workers' capacity to adapt to the changing demands of the global capitalist economy.

Despite their discourse, elite philanthropists thus reveal themselves less committed to the creation of successful business entrepreneurs in their own image and more so to the creation of workers willing to submit to ever greater levels of insecurity in the capitalist marketplace. By stressing the importance of entrepreneurialism, however, elite philanthropic ideology shifts attention from this objective. In the terms of this ideology, failure of the opportunities offered by philanthropy to actually improve the long-term economic and social situation of the poor is not attributable to the structural limitations on benefits to the poor of incorporation into the market economy (i.e. low wages, casualization of labour, precarious working conditions, etc.) but to the failure of the poor to approach work with a sufficiently entrepreneurial attitude.

In this chapter, I have explored the ideology underlying elite philanthropy, the faith placed by philanthropists in the capacity of global capitalism to alleviate the problem of poverty via better incorporation of the poor into the formal marketplace, and accompanying ideas about the necessity of cultivating entrepreneurialism among the poor. In the next chapter, I focus on the practical strategies applied by elite philanthropists in the design of philanthropic programmes based on these ideological claims, particularly in relation to concepts of 'strategic philanthropy', the transposition of business techniques to the third sector, and the universal importance bestowed on the concept of evaluation.

Chapter 7:
The Apparatus of Philanthrocapitalism:
Elite Philanthropic Strategies

In the previous chapter, I discussed the ideologies of social change underlying the elite philanthropic project. Here, I go on to explore the strategies and techniques used by philanthropists in Brazil and the UK to design their practice in line with these ideologies. While I have argued above that elite philanthropy posits its vision of social change on the better incorporation of the poor into the structures of the contemporary global economy, I explore here how philanthropic *practice* correspondingly draws on the (ideal) tools of market capitalism.

This chapter begins with a discussion of discourse on ‘strategic philanthropy’ in Brazil and the UK, before examining the related concepts of ‘philanthrocapitalism’ and ‘businesslike philanthropy’ (terms that serve as a catchall for a variety of different ways in which philanthropists have sought to transpose techniques from the business sector to their practice). I also look at the ways in which these concepts have been critiqued within the wider third sector. I then go on to explore the seemingly universal philanthropic obsession of one technical aspect of these approaches: the evaluation and impact measurement of philanthropic programmes and the work of grantees. In conclusion to this chapter, I explore the connections between this particular trend in the philanthropy sector and the rise, over the last three decades, of audit and accountability processes as broader mechanisms of neoliberal governance in the UK and Brazil. These mechanisms have been bound up in both countries’ assimilation into processes of capitalist globalisation during this period.

Strategic Philanthropy

The main focus of this chapter is on the concepts of businesslike philanthropy and philanthrocapitalism that most explicitly embody attempts by elite philanthropists to model their practice on techniques borrowed from the corporate sector. It is useful, however, to situate this discussion within the broader context of discourse on ‘strategic philanthropy’, and explain the relevance of latter to the former. While it appeared in different guises and drew

on different terminologies during my fieldwork,¹⁸⁹ philanthropists and their advisors that I met in Brazil and the UK repeatedly made reference to a common set of philanthropic objectives and techniques, that I refer to here as ‘strategic philanthropy’. While strategic philanthropy does not intrinsically rely on the transposition of corporate practices to philanthropy, it does depend on the philanthropist’s explicit application of a ‘theory of change’ (see chapter 8) to her or his practice. As most elite philanthropists in the UK and Brazil held a theory of change grounded in free market ideologies (as discussed in the last chapter), strategic philanthropy was overwhelmingly *interpreted* in my fieldsites as a system through which *the ideologies of social change inherent to a global capitalist worldview* could be applied in practice to elite philanthropy. The prefacing of my discussion on philanthrocapitalism with a description of strategic philanthropy and its promotion in my British and Brazilian fieldsite serves, as such, to situate attempts to transfer corporate practices into the philanthropic arena within the broader programmatic discourse within which I encountered them in the field.

Philanthropy advisors and consultants play a central role in articulating, developing and promoting trends in the field of elite philanthropy (as I will discuss further in chapter 8), and the main objective of many philanthropy advisors I met in Brazil and the UK was to convince philanthropists to adopt this ‘strategic’ approach. In a definition of strategic philanthropy, which appears in a publication to mark the ten-year anniversary of the Institute for Philanthropy in London, the Institute’s chief executive explains that:

By “strategic philanthropy” – admittedly a term much bandied about but often loosely defined – we mean an approach to philanthropy that is:

1. Focused on root causes problem solving and upstream solutions;
2. Aimed at changing systems (rather than benefitting limited numbers of people through direct services charity). As such, it does not shy away from influencing public policy and how funds from the public purse are spent;
3. Proactive rather than reactive; outcome-driven but flexible;

¹⁸⁹ In the UK, these practices were usually referred to as ‘strategic’, ‘effective’ or sometimes ‘new’ philanthropy. In Brazil, they appeared under the title of *investimento social* (social investment), *investimento social privado* (ISP) (private social investment) or occasionally *filantropia estratégica* (strategic philanthropy). (The term ‘social investment’ holds different connotations in the UK, where it would usually be used to refer to an investment made in a third sector organisation or social enterprise with the expectation of both financial and social return.) At the Institute for Philanthropy in London (where I worked during my fieldwork), ‘strategic philanthropy’ was the term most favoured. This may however have been something of a foreign import as the chief executive at the time was American and had worked in the US philanthropy sector, but I did hear it used by others in the UK.

4. Aimed at impact and that emphasises the evaluation of that impact;
5. Entrepreneurial and risk-taking;
6. Long-term in its view and patient in the search for solutions;
7. Independent, and holds others to account, as well as itself;
8. Values partnership and leverage;
9. Based on knowledge, data analysis and real needs assessments, and
10. Sees public communications as a central strategy for social change.

(Institute for Philanthropy 2010: 04)

This definition displays many similarities to that given of *investimento social* in Brazil by GIFE (*Grupo de Institutos, Fundações e Empresas* - Group of Institutes, Foundations and Enterprises), an organisation working to promote philanthropy in Brazil and build networks between those practicing it.¹⁹⁰ The English language page of GIFE's website states that:

Private social investment is the voluntary giving of private funds in a planned, monitored and systematic manner for social projects of public interest. Included in this universe are social actions carried out by business oriented enterprises, foundations and institutes or those constituted by families or individuals. The concern with planning, monitoring and evaluating projects is intrinsic to the private social investment concept and one of the key elements in differentiating this practice from charity. Contrary to the charity concept, which comes with the notion of providing assistance, private social investors are concerned about the results obtained, the changes generated and the community's participation in executing actions.

(www.gife.org.br, accessed 12/07/14)

To these ends, philanthropy advisors I met in the UK and Brazil promoted a range of strategic techniques. These included things like the provision of administrative support to charities (alongside financial donations), and funding charities' core costs as well as specific projects. Advisors also encouraged their philanthropic clients to carry out advocacy on behalf of the causes and charities supported, to help charities network amongst themselves and to 'leverage' philanthropic funds from others, by, for example, offering matching grants to grantees.¹⁹¹ While the 'strategic' approach has gained popularity more recently in Brazil than in the UK, Brazilian philanthropists and their advisors are increasingly adopting the discourse and self-proclaimed practice of strategic philanthropy.

¹⁹⁰ See chapters 1 and 8 for more on GIFE.

¹⁹¹ A matching grant is offered to a grantee on the condition that they secure funds from other donors to the same or a higher value, usually for a particular project. Philanthropists use this technique to encourage other donors (including their peers) to give, as it is considered an endorsement of an organisation's work (and thus easier to attract funding) if others have already committed their financial support.

Much of the discourse on strategic philanthropy makes claims for the novelty and sophistication of its approach. As McGoey (2012) and Breeze (2008) have both argued, however, the practice of philanthropists throughout history has been shaped by concerns about strategy, efficiency and effectiveness. Breeze (2008: 1) offers the case, for example, of 18th century British philanthropist Jonas Hanway, who calculated that it was cheaper for poor children to be raised in their families than in the Foundling Hospital of which he was vice president.¹⁹² Something akin to the strategic philanthropy approach also informed the work of John D. Rockefeller's chief of staff and philanthropy advisor Frederick Gates during the early 1900s. Gates is widely held to be responsible for the organisation and institutionalisation of the Rockefeller philanthropies, which remain today among the largest and most influential family-controlled grant-making bodies in the USA. Gates termed his approach 'scientific giving', and developed a series of principles for its application, including the investment of specifically designated philanthropic funds into a Trust and the definition of aims and particular areas of focus for charitable giving, which were to become the core elements of the foundation model (Howe 1980: 26-30; McGoey 2015a: 15).

Charity vs. Strategic Philanthropy

As evidenced by references in both the definitions of strategic philanthropy reproduced above, a central aspect of the 'strategic' approach in elite philanthropy is its contrast to 'charity'. A 'charitable' – in Portuguese, *assistencialista* – approach to philanthropy is defined as one centred on the provision of palliative, short term solutions to social problems, either directly through philanthropists' own projects or through the support of third sector organisations engaged in direct service provision. As I was told repeatedly in the field, charity – unlike strategic philanthropy - is not concerned with finding and tackling the roots of problems; an example might be a soup kitchen's provision of food to the homeless, as compared to an organisation set up to identify and alleviate the root causes of homelessness.¹⁹³

¹⁹² See chapter 2 for further discussion on the novelty of strategic philanthropy.

¹⁹³ As McGoey (2012: 189) argues, this distinction between charitable and strategic approaches - like the broader concept of strategic philanthropy itself - is not new, but rooted in the ideas of 19th century philanthropists keen to distinguish their practice from widespread religious charitable activity, valued for its benevolent motivations alone and little concerned with its impact.

Reproduced below from my fieldnotes, another somewhat disturbing but very illustrative example of the difference between charity and strategic philanthropy was used in-house at the Institute for Philanthropy, to ensure that staff (and sometimes philanthropists themselves) understood the concept:

Imagine you are sitting on the grassy banks of a river when you suddenly see a dying baby floating past you in the water. You run into the river and pull the baby out, but after a few moments another one floats past you, then another and another. Do you carry on pulling the babies out of the water? Or do you go upstream, find out why the babies are there and do something to prevent them falling into the river?

The concern with differentiating strategic philanthropy from ‘charity’ is also at the heart of discussions on the terminology used to talk about elite philanthropy in Brazil. Marcos Kisil, director-president of IDIS (*Instituto para o Desenvolvimento do Investimento Social* - Institute for the Development of Social Investment) claims that his organisation was directly responsible for introducing the term *investimento social* in Brazil,¹⁹⁴ and that when he founded IDIS, he and his team,

... started to have this conversation and realised that the word philanthropy in the Brazilian context [...] was much more connected to charity [and] we needed to find a way to say that this wasn't charity. That's when we coined the phrase *investimento social privado*.

(My translation from interview in Portuguese)¹⁹⁵

These value-laden statements concerning the relative merits and traits of strategic philanthropy versus charity look deceptively clear-cut in philanthropic discourse. In practice, the conversations and activities of philanthropists and advisors in the field often revealed uncertainty about how to define the two concepts, and about the philanthropist's ideal role in pursuing one or other approach.¹⁹⁶ Discussions about particular philanthropic initiatives often led to circular arguments about which philanthropists were really working strategically.

¹⁹⁴ See more on Kisil's role in promoting the practice of elite philanthropy in Brazil in chapter 1.

¹⁹⁵ As already mentioned, reluctance to use the term *filantropia* ('philanthropy' in Portuguese) was also connected to the negative connotations held by this word in Brazil. These were related to ideas about dishonesty (especially in financial affairs) and a lack of generosity.

¹⁹⁶ In addition, not all philanthropists I met in Brazil and the UK were interested in the practice of strategic philanthropy. Some stuck to palliative charitable practices that the strategic philanthropists and their advisors considered at best outdated and at worst wasteful or damaging.

Even within the literature produced by philanthropy advisors, charity sometimes occupied an ambiguous position. In this quote from a guide produced by the Institute for Philanthropy (2011: 13), for example, charity *is* deemed ‘strategic’ if carried out as one technique within a mixed portfolio of grant-making, designed along a spectrum of more to less strategic interventions:

Different organisations have different approaches to solving problems. Some organisations deliver services, like food or housing, rehabilitation or counselling. Some do research to find out what the root causes of a problem are, and others focus on eradicating those causes. You may want to support one of each kind of intervention, so that you are seeking solutions to your issue on all fronts. This kind of strategic thinking can be helpful whether you are giving £50, £5,000, or £5 million. It brings clarity to your giving, matching your interests and the way you would problem-solve to the charities you support.

In practice, many philanthropists I met – even the ones who claimed to be working ‘strategically’ - did exactly this, distributing their giving amongst third sector projects and organisations using different approaches.

Alongside the conceptual distinction between strategic philanthropy and charity, one aspect of the strategic approach to philanthropic practice most consistently promoted by philanthropists that I met in the UK and Brazil was the idea of efficiency. Efficiency and clear philanthropic strategy were central to the concerns of Claudia,¹⁹⁷ a young Brazilian woman who had recently taken over direction of the philanthropic foundation created by her family’s auto parts business. Claudia explained to me in interview that over its 20 year lifetime, the foundation had never had a clear strategy, and that alongside its philanthropic programmes it had always acted as a vehicle for the one-off charitable donations of various family members and of the business’ shops around the country. At the time of our interview, Claudia’s family’s business was still feeling the effects of the 2008 financial crisis, and the business’ foundation had had its budget slashed over the previous two years as a result. Claudia told me, however, that contrary to expectations, this had been good news for the foundation, as – with the help of support from philanthropic advisors - it had enabled her to bring much greater focus and efficiency to the foundation’s programmes.

¹⁹⁷ Not her real name.

One of these programmes produced educational children's books, and over the previous nine years, the foundation had donated 32 million books across Brazil. Claudia told me that in the 2007-08 financial year funds available for the book project had fallen by 50%, but this had meant she could focus on getting the books to where they were most needed. Claudia explained to me:

I'd prefer to donate twenty [books] to a really great project ... where I'm sure the books are going to reach the children, than donate twenty thousand books to a project [that I'm not sure about]. So this is going to generate much more efficiency. If you have less, you're not going to want to give to everybody. [...] So I think that the economic crisis is really going to help me to complete this re-structuring of the foundation *as though it were a business*.

(My translation from Portuguese, my italics.)

Claudia's comments resonate with a number of ideas that I heard repeatedly among both Brazilian and British philanthropists in the field. The view that the efficiency of a philanthropic project was of more importance than the size of its budget – a particularly useful idea in the post-economic crash funding environment – was one of these, often underscored by a strong disapproval of projects that 'wasted' funds.

In the above, Claudia places this emphasis on efficiency within the broader objective of restructuring the philanthropy of her foundation *as though it were a business*. At the beginning of this chapter, I explained how most philanthropists I met in Brazil and the UK modelled their 'strategic' approach on the market-based ideologies of social change discussed earlier in this thesis. The incorporation of these ideologies into 'strategic' philanthropy relied upon the application of business practices, and was posited on the assumption that a 'businesslike' approach to social change is intrinsically a more 'efficient' one than those traditionally followed by earlier philanthropists and others in the third sector.

Philanthrocapitalism and the Business of Changing the World

The idea that philanthropy should take inspiration from the corporate sphere has been enthusiastically championed in the USA and the UK over recent decades, prompting philanthropists in Brazil and elsewhere to adopt similar ideas and strategies. In the USA, much literature has emerged over the last decade in this vein, with titles such as *The Business*

of *Changing the World: Twenty great leaders on strategic corporate philanthropy* (Benioff & Adler 2007) and *The Art of Giving: Where the soul meets a business plan* (Bronfman & Solomon 2010). In the UK, the most influential of similar works is the previously mentioned *Philanthrocapitalism: How the rich can save the world and why we should let them* (2008), by Matthew Bishop and Michael Green.

Bishop and Green claim that a business-informed approach to giving, carried out by the world's wealthiest and most entrepreneurial philanthropists, has the potential to solve many of the world's problems. Most of their examples come from the USA, and in depth interviews with philanthropists such as Bill and Melinda Gates, George Soros and Ted Turner.¹⁹⁸ But they also profile philanthropists from other parts of the world, such as Richard Branson (ibid: 106-109), Christopher Cooper-Hohn (ibid: 79-85) and Stephen Dawson (ibid: 91) in the UK, Sudan's Mo Ibrahim (ibid: 104-6) and the Mexican billionaire Carlos Slim Helú (ibid: 196). As such they place the *philanthrocapitalist* firmly in the ranks of the transnational corporate elite and ground their arguments explicitly in the political and cultural ideology of global capitalism.

Bishop and Green (2008: 265) praise the philanthropists they profile for going about their philanthropy in a "businesslike way", applying "to their giving the same talents, knowledge and intellectual vigour that made them rich in the first place". The authors use the term 'businesslike':

... in the sense of a serious focus on results; understanding where to use scarce resources to have the greatest impact through leverage; a determination to quickly scale up solutions that work and a toughness in shutting down those that do not; backing entrepreneurial, innovative approaches to problems; forming partnerships with whoever will get the job done soonest and best; and taking big risks in the hope of achieving outsize impact (ibid.).

Bishop and Green (ibid: 263-4) credit the great potential they see for philanthrocapitalism to these individuals' "hyperagency"; a heady mix of money, celebrity, powerful connections and the business techniques outlined above. Philanthropy has already been responsible for great achievements throughout history, they argue, and now, "armed with the leading

¹⁹⁸ Media mogul Ted Turner (founder of CNN news channel in the USA) pledged US\$1 billion to the UN in 1997 and set up a foundation to administer his donation. In reality he ended up giving a total of US\$600 million to the UN and fundraising the balance from other donors, when a drop in profits left him short of enough funds to fulfil his pledge (Bishop & Green 2008: 101).

exponents and cutting-edge methods of modern capitalism, there is every reason to think it can perform wonders again”.¹⁹⁹

One philanthropic approach that sits within the wider definition of philanthropic capitalism is ‘venture philanthropy’. Although first used in the USA by John D. Rockefeller III in the late 1960s (McGoey 2012: 189), this term did not become popular until the 1990s. Currently practiced by only a handful of British philanthropists, the concept is gathering interest in the UK.²⁰⁰ Applying the corporate ‘venture capital’ model to philanthropy, venture philanthropists search out ‘promising’ third sector organisations and provide them with both financial support and business consultancy, on matters such as financial planning, scaling up operations and measuring results. Philanthropic involvement of this type usually takes place over a number of years, and aims to help organisations become more efficient and effective, thereby increasing their social impact (see Letts et. al. (1997) for an overview). The *Impetus Trust*, the UK’s first venture philanthropy organisation, was co-founded in 2002 by venture capitalists Stephen Dawson and Nat Sloane.²⁰¹ The website of the trust describes its practice as follows:

Impetus Trust works to break the cycle of poverty by investing in ambitious charities and social enterprises that fight economic disadvantage. We use our highly effective venture philanthropy model to accelerate the growth of carefully selected charities and social enterprises so they can help many more people living in poverty.

(www.impetus.org.uk, accessed 20/07/14)

Key to Impetus’ philanthropic model is its recruitment of “executive volunteers” from the corporate sphere, termed “executeers” by the trust. These individuals are matched to third sector organisations and social enterprises, where they provide pro bono consultancy. Impetus counsels on its website that:

¹⁹⁹ In a 2009 guest editorial piece in the UK philanthropy sector magazine *Alliance*, Bishop (2009: 34-35) defends his thesis in the face of the recent economic crisis. He argues that, while financial meltdown has revealed flaws in the capitalist system, it has also helped to break down barriers between the non and for-profit sectors, creating opportunities for both to learn from each other and become more efficient, accountable and entrepreneurial in the process. (This reflects Claudia’s comments, reproduced above, about how the economic crisis has helped her to carry out her philanthropy more efficiently).

²⁰⁰ Although I did not meet anyone who used this term to describe their philanthropy in Brazil, several Brazilian philanthropists and advisors that I met in the field were aware of the practice in the USA and the UK. Some Brazilian philanthropists had also developed similar relationships with NGOs in Brazil to those cultivated by venture philanthropists I met in the UK, even if they were not using the same terminology to describe this practice.

²⁰¹ Stephen Dawson was often invited to speak to participants of *The Philanthropy Workshop*, the training programme in strategic philanthropy run by the Institute for Philanthropy in London where I worked during my fieldwork.

Charities eager to grow and become more efficient and effective need the skills that the private sector uses on a daily basis. Building a strategic or operations plan in the corporate world may be business as usual, but offering the same for a charity - instead of painting walls or stuffing envelopes - could have a huge impact. Give what you're good at and make a bigger impact on those you choose to help.

<http://www.impetus.org.uk/get-involved/contribute-skills/givewhatyouregoodat>, accessed 20/07/14)

Also on the website, private equity pioneer, social investor and Impetus supporter Sir Ronald Cohen is quoted as follows: “in philanthropy as well as business, money alone can only do so much; it is money combined with skills and experience that achieve real impact. Impetus Trust is leading the way in creating lasting change through this strategic combination”.

Alongside its assertion of the importance of business knowhow, Impetus thus underlines another defining factor for strategic and businesslike philanthropy, namely that to be truly effective philanthropy requires giving more than money. This idea appears more or less explicitly throughout the examples of philanthropic discourse cited in this chapter. In fact, it would sometimes appear from the philanthropy literature and discussions I took part in during my fieldwork, that money was of secondary importance to other support offered to third sector organisations (business advice, contacts, advocacy in high places, etc.) in the practice of businesslike philanthropy.

Whose Logic? Critiques of Philanthrocapitalism

While faith in the superiority of philanthrocapitalism and the ‘businesslike’ approach to the pursuit of social change seemed almost universal among the elite philanthropists and philanthropy advisors I met in the field, I did occasionally hear doubts expressed about the legitimacy of this idea. These doubts tended to focus on the power dynamics of an approach that valued the wisdom of the corporate sector so highly above that of the third sector. During a group discussion among young Brazilian philanthropists that I took part in in São Paulo, one staff member of a philanthropy advising organisation (who had worked in the corporate sector before joining this organisation) asked:

How do we escape from this relationship of power? I often find myself not really listening to poor people. I'm always thinking, how can I help them? The logic of business is to always think that what he or she [the businessman or woman] has is more valuable.

(My translation)

Concerns such as this, heard (occasionally) within the elite philanthropy sectors in Brazil and the UK, are mirrored in literature from commentators such as Linsey McGoey and Michael Edwards (whose work is also discussed previous chapters). Edwards (2010: 04) bemoans the widespread fervour surrounding attempts to incorporate business practices into philanthropy, claiming that, "if I had a dollar for every time someone has lectured me on the virtues of business thinking for foundations and nonprofits, I'd be a philanthropist myself".

Edwards (ibid: 57-58) takes issue with several aspects of the argument set out by Bishop and Green (above). He challenges the implicit charge made by proponents of businesslike philanthropy that those already working in the third sector lack the skills that the philanthropists so enthusiastically advocate, citing "... a recent study by *Nonprofit Quarterly* [which] found that nonprofit leaders were more effective than their for-profit counterparts in fourteen out of seventeen dimensions of leadership practice, including risk taking, persuasiveness, and vision".²⁰² Edwards (ibid: 35-36) also points out that, despite their obsession with evaluation and results, there is little evidence to show that the initiatives of the influential philanthrocapitalists have actually been successful in achieving their objectives for social change.

McGoey (2014: 116-118) backs up this argument, extending her critique to the claim (discussed in the previous chapter), that philanthrocapitalism can (and should) enable philanthropists to turn a profit through the provision of solutions to social problems. She demonstrates how a host of initiatives, from impact investing to microfinance schemes and advanced market commitments (AMCs) for the development of new vaccines, have failed to provide both social benefit and enhanced profits for donors. In addition, McGoey dispels the myth - central to the concept of philanthrocapitalism - of the lone-ranger entrepreneur philanthropist, whose savvy business acumen and appetite for risk-taking are placing philanthropy ahead of the state in driving international development solutions. McGoey's (ibid: 122) research reveals that increasing state support for philanthropic and market

²⁰² See Morgan (2008).

initiatives often means that governments shoulder the burden of risk capital while taking none of the acclaim when development projects succeed (either in creating social benefit or reaping profits for investors). As she argues,

... philanthrocapitalists have helped to perpetuate a dubious belief: the idea that corporations and private entrepreneurs are subsidising gaps in development financing created by increasingly non-interventionist states. In reality, it is often governments subsidising the philanthrocapitalists.

These analyses can be situated within a broader body of literature documenting the myriad ways in which corporate actors have engaged with the issue of poverty alleviation in the arenas of CSR and beyond, offering up market based strategies as drivers of social change. Critical analysis of a range of these corporate initiatives, such as Bottom of the Pyramid (BoP) schemes and cause-related marketing campaigns (see e.g. Dadush 2010), repeatedly expose how such initiatives are invariably more successful in reaping benefits for the companies that develop them than for the poor communities towards which they are targeted, or in some cases are quickly abandoned when they prove to be unsuccessful in providing sufficient profits for the companies involved (Schwittay 2011).

At the heart of these critiques is the assertion of a fundamental mismatch between the procedural and ideological logics of capitalist business and the mechanisms necessary for real social change. In order to bring about long-lasting social change, Edwards (2010: 08) argues, organisations and movements in civil society must use democratic, participative processes, actively incorporating the low-income and marginalised people whose lives they seek to improve. These processes are inherently both slow and complicated, and they are alien to the world of business, which proposes rapid, top-down solutions to social problems. “Few areas of business expertise” he argues, “translate well into the very different world of complex social and political problems, where solutions have to be fought for and negotiated – not produced, packaged and sold”. From an ideological perspective - with parallels to the argument I have laid out in chapter six – Edwards (ibid) notes,

... so far at least, there aren't many philanthrocapitalists who are prepared to invest in the challenges of long-term institution building, the deepening of democracy, or the development of a different form of market economy in which inequality is systematically attacked.

Attempts to drive social change using strategies formulated in the corporate sector are, however, wholly coherent with an ideology of global capitalism that sees the market as a solution to the problem of poverty. As argued in chapter six of this thesis, the capitalist ideological schema common to most elite philanthropists locates the origins of poverty not in the unequal economic structures of capitalist globalisation, but in the behaviours and attitudes of the poor themselves. Adherents to this ideology thus see the solution to the problem of poverty in the motivation of the poor to appropriate for themselves the ‘opportunities’ provided by the further entrenchment of capitalist economic structures. Within such a schema, corporate initiatives for poverty alleviation can never be responsible for their own failure to drive social change, as responsibility for the achievement of this objective is always ultimately dislocated back onto the poor themselves.

Within this ideological landscape, philanthrocapitalism emerges - alongside similar corporate strategies for the alleviation of poverty - as a logical handmaiden to the broader economic project of global capitalist reproduction. In the rest of this chapter, I develop this argument with reference to a particular aspect of elite philanthropic practice: the obsession with evaluation and the measurement of impact in philanthropic programmes and the work of grantees. I begin by demonstrating the different ways in which evaluation practices are developed in the field of elite philanthropy in Brazil and the UK. I then go on to explore the obsession with evaluation in elite philanthropy in relation to the broader process by which “audit culture” has taken hold over recent decades in the UK, a technique of neoliberal governance which has aided the entrenchment of the structures of global capitalism during this timeframe.

Measuring Social Change: Evaluation in the Philanthropy Sector

In my field sites in Brazil and the UK, the evaluation of philanthropic programmes and the work of third sector organisations supported by philanthropic grants was a constant topic of discussion. Philanthropists and their advisors seemed obsessed with counting and measuring data relating to various aspects of their work. This data was presented in the annual reports and promotional literature produced by philanthropic foundations, and at conferences, workshops and other events in the philanthropic and wider third sector where philanthropists and foundation staff showcase their work. Methods for the evaluation of philanthropic

programmes and the work of grantees attempted to transform the often intangible effects of philanthropic practice into concrete evidence of social change. To this end, complex processes of individual and community experience were reduced to simple, easily understandable data, which could be compared to and measured against the past and potential activity of philanthropists and their grantees.²⁰³

The presentation of evaluative data is often a visual practice. Borrowing from the visual language of the corporate sphere, data collected on philanthropic programmes and the work of grantees is presented in attractive, orderly forms. Colourful graphics aid comprehension of data, as in Figures 8 and 9 below. The data presented in Figure 8 is taken from the 2006/07 annual report of the Hedging-Griffo Foundation, the philanthropic foundation of a São Paulo based asset management firm. It shows the numbers of young people taking part in the two training programmes that make up its *Programa Mercado Jovem* (Youth Market Programme), designed to teach young people skills that will enable them to find formal employment. Figures are presented for the numbers of young people completing (*inserção*) and dropping out of (*evasão*) the programmes for the years 2005, 2006 and 2007 (Instituto Hedging-Griffo 2007: 25). Data in Figure 9 is reproduced from the 2008 annual report of the Brazil Foundation, which funds social projects and NGOs throughout Brazil with donations collected from Brazilian and American philanthropists living in the USA (Brazil Foundation 2008: 13).

More complex charts and tables, such as that in Figure 10 (also from the Brazil Foundation, *ibid*: 33), lend an air of sophistication and technical expertise to the philanthropic activities under discussion. In all cases, the graphic representation of evaluative data gives an impression of certainty and clarity, even when closer inspection reveals myriad uncertainties and complexities surrounding the impact of philanthropy (concerning for example the long-term sustainability of programme outcomes, the quality of philanthropic interventions, who is targeted and who excluded from programmes, etc.)²⁰⁴

²⁰³ The concept of ‘success’ in the corporate sphere is calculated in financial profits, a measure of limited use in evaluating the success of projects for social change. There was much debate in my fieldsites on how an equivalent ‘social return’ could be calculated for philanthropic investments into third sector organisations and philanthropic programmes, in an attempt to apply this aspect of business logic to philanthropic practice.

²⁰⁴ Mary Poovey (1998: xii), in her analysis of the history of the modern fact, shows how the graphic presentation of numbers in tables and charts, and the visual separation of data from text, evolved in the modern era as mechanisms for demonstrating the supposed objectivity of quantitative data, as distinct from the subjective nature of textual analysis.

COPYRIGHT MATERIAL REMOVED

Figure 8. Participation rates for Hedging-Griffo Foundation's Youth Market Programme.

COPYRIGHT MATERIAL REMOVED

Figure 9. Brazil Foundation: project data.

COPYRIGHT MATERIAL REMOVED

Figure 10. Brazil Foundation: key metrics and fundraising.

As discussed in earlier chapters of this thesis, British and Brazilian foundations tend to structure their philanthropy quite differently, and these differences are relevant to the ways in which they assimilate evaluation practices into their work. While British foundations mostly make grants to fund the work of third sector organisations, their Brazilian counterparts are usually operating foundations, meaning that they design and operate their own programmes. Depending on the type of programme in question, Brazilian operating foundations will either contract an existing third sector organisation to develop and run these programmes on their behalf, or assemble a team – usually made up of professionals with previous experience in the third sector – to develop programmes in-house. In the UK, grantee third sector organisations are usually tasked with the evaluation of their own activities, and funding becomes pegged to the demonstration of the results of their work. When a Brazilian operating foundation contracts a third sector organisation to develop a programme on its behalf, similar pressures are placed on that organisation to demonstrate results.

In Brazilian operating foundations that design and run programmes in-house, however, similar efforts are also often made to evaluate those programmes, thereby internalising pressures to demonstrate results within foundations themselves. The most extensive and detailed evaluation programme I encountered in the field was that of the Fundação Maria Cecília Souto Vidigal (FMCSV), a family foundation based in São Paulo. As part of an overhaul of its focus and strategy, the foundation's in-house team was developing a series of six pilot projects in partnership with local councils and NGOs in cities around the state of São Paulo, to promote the physical and emotional development of babies and young children.²⁰⁵ At an event in São Paulo, I saw the foundation's programme manager give a presentation explaining its evaluation system.

The FMCSV had created 90 indicators (*indicadores*) by which to measure the success of its pilot programmes. These indicators were divided into 17 different 'criteria', which were in turn organised into four 'dimensions' for evaluation. During the evaluation process, each indicator was then measured on a scale of 0-5, with methods for measurement defined differently for indicators considered to be 'qualitative' or 'quantitative'. An example set of

²⁰⁵ See: <http://www.fmcsv.org.br/pt-br/o-que-fazemos/programa-primeirissima-infancia/Paginas/default.aspx> (accessed 23/08/16).

dimension (*dimensão*), criteria (*critério*) and scale (*escala*) of measurement for one of the foundation's 90 indicators is presented in the table reproduced in Figure 11.²⁰⁶

COPYRIGHT MATERIAL REMOVED

Figure 11. Vidigal Foundation: project evaluation indicators.

The evaluation set in Figure 11 applies to a qualitative indicator, number 2.4.8, defined as “pregnant women and those accompanying them are received in a welcoming and efficient manner at the time of birth” (see central column of table in Figure 11). Indicator 2.4.8 sits within Criteria 2.4, “well supported groups of families with children aged 0-3, active and focused on emotional aspects” (see left hand column), which in turn is assimilated within Dimension 2 (see above). The scale of measurement applied to this indicator (see right hand column) ranges from 0 (“serious problems in manner of welcome and efficiency reported by mothers, fathers and members of the birth team (“e.g. disinterested or aggressive reception,

²⁰⁶ Slides reproduced from a powerpoint presentation given by Inês Mindlin Lafer at an event entitled *Indicadores para Avaliação de Projetos Sociais* (Indicators for the Evaluation of Social Projects), organised by Instituto Fonte and the Fundação Itaú Social, São Paulo, 27th May 2010.

extremely long waiting time before being attended to”) to 5 (“parents and birth team are unanimous in considering welcome and efficiency of service extremely good”).

After measuring each of the 90 indicators for the six pilot projects, the foundation had compiled the results into a chart (see Figure 12), detailing the impact of the projects. The blue bars represent the initial situation found in the six communities before the projects began, the red bars show the contribution of the foundation’s pilot projects and the yellow bars the “remaining necessity” still to be tackled.

COPYRIGHT MATERIAL REMOVED

Figure 12. Vidigal Foundation: project evaluation results.

The FMCSV’s project evaluation process was particularly detailed in comparison to those used by other Brazilian foundations. The family behind this foundation, however, was engaged in a lengthy consultancy process with IDIS, Brazil’s most prestigious philanthropy advisory organisation, and its evaluation techniques were presented at the event I attended as an exemplary model. The question of whether these techniques really contributed

significantly to the quality of the philanthropic services the foundation was providing to the families it targeted is a pertinent one, but beyond the remit of this study. The relevance of this example is, rather, in its demonstration of the lengths that elite Brazilian philanthropists were willing to go to show their commitment to the evaluation of their philanthropy.

Similar attempts to demonstrate the value of evaluation techniques to philanthropic practice can be seen in the UK. Among British philanthropists, as discussed above, most philanthropy takes the form of grant-making to third sector organisations rather than the development of foundations' own programmes. The emphasis on impact and evaluation therefore shifts to those organisations on the receiving end of philanthropic grants, and to the role of the philanthropist in encouraging them to evaluate their own activities.

Reflecting the discourse on the transfer of practices from the corporate to the third sector discussed earlier in this chapter, philanthropists in the UK are thus encouraged by their peers and by philanthropy advisors to pass their knowledge of corporate evaluation techniques on to their third sector grantees. The Coalition for Efficiency, a small group of London-based philanthropists dedicated to helping charities run themselves more efficiently and effectively, presents a systematic approach to this transfer of skills in its publication *The Practical Approach: A Handbook on How Skilled Volunteers Can Help Charities Measure Their Impact* (Mooney & Smouha, no date).²⁰⁷

The *Handbook* lays out a clear set of guidelines on how volunteers from the business sector can identify an appropriate third sector organisation, and offer, over the course of five meetings with its CEO and one of its trustees, the expert advice necessary to implement a series of Key Performance Indicators (KPIs) to measure its impact. The advice of these volunteers will give charities, the *Handbook* claims, the means to improve their impact and efficiency and the ability to better communicate their achievements, and will “help encourage the charity sector to focus on a results-driven culture to maximize the benefits and enhance the wonderful work that is carried out by charities in the UK” (ibid: 2). The Coalition for Efficiency makes clear that KPIs are an essential tool for charities in assessing their own efficiency and in demonstrating the value of their work to others, claiming that,

²⁰⁷ See Appendix 2 for more details on the Coalition for Efficiency. I worked closely with the Coalition's founder on two research projects while I was working at the Institute for Philanthropy.

It is mainly through the review of KPIs that trustees and donors can fully understand the quality and quantity of the services or activities delivered by the charity as well as satisfy themselves on the accountability of the charity's management and staff.

(ibid: 9)

Three case studies at the end of the Coalition for Efficiency's publication give feedback from volunteers and charity CEOs on putting *The Practical Approach* into action. In the case studies, CEOs demonstrate varying levels of previous experience of using KPIs and concern about how doing so would affect their charity. After the intervention of the volunteer assigned to them however, all are convinced of the benefits of doing so for their organisation. As one volunteer reports,

Initially the charity were concerned that KPIs could be contrary to the ethos of the Fund, that using KPIs could be onerous and that staff might react negatively to being asked to measure KPIs. Through the process these issues were discussed and resolved so that they know how KPIs can be used by a charity with a positive outcome.

(ibid: 20)

In these different examples from Brazil and the UK, evaluation of the impact of philanthropic programmes emerges as a highly valued practice. The recipients of philanthropic grants are also tasked by philanthropists with assimilating themselves into the culture of evaluation, and counselled that in doing so they will improve not only the quality of their work but also their chances of receiving philanthropic funding. In order to fully understand the processes at work in this philanthropic obsession with evaluation, however, we need to look at the wider context of the shifting relationships between the third, public and private sectors over recent decades in these two countries.

Audit Culture: Technologies of Neoliberal Governance in the Third Sector

In a 2011 publication from the Institute for Philanthropy, Buzz Schmidt, the founder of GuideStar International²⁰⁸ and a long-time supporter of the Institute, is quoted as follows:

²⁰⁸ GuideStar International provides comprehensive databases on the work, finances and operations of third sector organisations in various countries, to enable grant-makers to better evaluate their activities. (See www.guidestarinternational.org, accessed 25/07/14).

As donors we are responsible for the effective “investment” of society’s philanthropic resources. In pursuing conscious due diligence,²⁰⁹ we send to charities critical signals about the importance of consistent and faithful reporting. This practice builds our own confidence and satisfaction as donors, and ensures a more effective distribution of philanthropy. But, most importantly, it helps establish for charities an intentional performance/reporting discipline, which is essential for the success of every societal enterprise.

(Institute for Philanthropy 2011: 16)

The assertion that “an intentional performance/reporting discipline” is “essential for the success of every societal enterprise” may be somewhat grandiose, but it does hint at the broader context in which philanthropists’ enthusiasm for evaluation practices is placed. In the rest of this chapter, I argue that the increasing drive to incorporate the measurement of results into philanthropic practice and the work of philanthropic grantees is part of a broader cultural shift, initiated in the early 1980s by neoliberal governments around the world, in line with what commentators have termed the “audit explosion” (Power 1997: 1-14) or the “culture of accountability” (Strathern 2000: 1).

The audit explosion has been one of the mechanisms by which neoliberal governments have sought to further entrench the economic and social structures of global capitalism over recent decades. It has been particularly relevant to the reconfiguration of relationships between the public, private and third sectors to reflect neoliberal ideologies on the role of the state in providing public services. Government discourse in this vein has centred on the goals of shrinking the influence of the state, distributing responsibility for public welfare more widely among the private and third sectors and creating greater efficiency in the spending of public funds. Governments have principally sought to achieve these aims by outsourcing the provision of welfare and creating competitive markets for public services.²¹⁰

Within this wider agenda, governments have also attempted to cultivate neoliberal values of entrepreneurship, self-reliance and accountability within the institutions now responsible for the provision of public services. To these ends, neoliberal governments have nominated audit

²⁰⁹ The term ‘due diligence’ was used in the UK philanthropy sector to describe checks carried out by a philanthropist or foundation on potential grantees, to make sure they were legitimate and that their financial affairs were in order. Charities’ own attempts to demonstrate accountability and evaluate their work were looked on favourably in this respect.

²¹⁰ See chapters 1 and 2 for more on the wider context of these changes in Brazil and the UK.

practices as the preeminent technology of contemporary governance.²¹¹ From the 1980s onwards, audit technologies have been systematically introduced around the world with the adoption of New Public Management (NPM) practices and associated discourse on VFM (Value For Money) (Power 1997: 43-44; Shore and Wright 2000: 65-66). Application of the practices of new managerialism has transformed the relationship between the state, the market and the third sector and laid the foundations for a deepening of neoliberal governance technologies in many countries.

The practices carried out under the banner of NPM are based on the ideas of accountability, measurement via performance indicators and cost control, and the decentralizing and subcontracting of services. These ideas are drawn from the private sector, and particularly the field of corporate governance, which advocates for the application of these principles to the management of corporations (Power 1997: 41-43).²¹² By placing audit practices at the heart of NPM, governments purport to be encouraging public service providers to become more efficient and accountable in their use of public funds. This discourse is based on claims to the neutrality of measurement practices, themselves founded on beliefs in the objectivity of numbers and the language of mathematics.²¹³

²¹¹ I draw here on literature that traces the political history of the audit culture in neoliberal states, as this is the context in which my fieldwork in contemporary Britain and Brazil is based. The use of audit and accountability practices as technologies of government, however, are not exclusive to contemporary neoliberal states, and nor are claims to the objectivity of numbers. As Kipnis (2008) argues in his ethnography of performance audits in Chinese schools and among Chinese employees in a U.S. workplace, similar audit practices can be found in markedly different political contexts, a fact he claims is often overlooked by commentators on the appropriation of audit regimes by neoliberal states.

²¹² Within the corporate sphere, performance indicators also play a central role in CSR. Via initiatives such as the UN Global Compact and the Global Reporting Initiative, corporations measure and report on their own business practices in line with standards and criteria defined by the global corporate community itself. Beyond the corporate and third sectors, the audit culture also reaches into other realms. Merry (2011: S87) analyses the incorporation of performance indicators into international human rights law, foreign aid and global governance initiatives. She shows how indicators have been adopted by – and shape the work of – institutions such as the UN and the World Bank, through initiatives such as the Millennium Development Goals, the World Bank's Worldwide Governance Indicators and the UNDP Human Development Index. As a technology of both knowledge production and governance, Merry (ibid: S85) shows how indicators become the basis for decision making on “where to send foreign aid, where to focus on human rights violators, and which countries offer the best conditions for business development”.

²¹³ Claims to the neutrality of numbers have their own history in the construction of notions of objectivity and impersonality, which are themselves central to the creation of knowledge in the modern era. Mary Poovey (1998: xvi) traces the origins of quantification to the institutions of early mercantile capitalism, and in particular to double-entry bookkeeping, and to attempts to demonstrate mercantile virtue and creditworthiness. She demonstrates how, “... numbers have come to epitomize the modern fact, because they have come to seem preinterpretive or even somehow noninterpretive at the same time that they have become the bedrock of systematic knowledge. Historically, however, there was no necessary connection between numbers and this peculiarly modern epistemological assumption, nor have numbers always seemed free of an interpretive dimension” (ibid: xii).

As Power (1997: 42) makes clear in his analysis of the rise of the audit culture, these technologies of governance occupy an ideological position in neoliberal states:

This idea is at the heart of reformist programmes both in public sector service provision and in regulatory systems; in both cases there is a commitment to push control further into organizational structures, inscribing it within systems which can then be audited. In this respect governance is not to do with policing or surveillance in the normal sense of external observation, although elements of this may exist; it has more to do with attempts to re-order the collective and individual selves that make up organizational life.

In the UK, the rise of NPM and the audit culture, and the new configurations for the provision of public welfare with which they are entwined, have deeply affected the third sector and the management of organisations within it. While successive British governments have claimed that these processes serve to reduce dependency on the state, Miller and Rose (2008: 80) argue that discourse on the shrinking of state influence masks the true nature of neoliberal governance, which is better understood in terms of changing technologies of government than of state withdrawal. Prochaska (2011: 59) provides figures to show that overall charitable revenue coming to the third sector from government sources in the UK has actually *risen* over recent decades, from around 10 per cent in the mid-1980s to nearly 50 per cent, with many third sector organisations now acting as defacto agencies of government. As Catherine Alexander (2009: 221) argues in her ethnography of community recycling schemes in the UK, "... the autonomy of the third sector is being eroded as it becomes little more than an instrument of the state, providing "public" services of welfare and environmental concern while internalizing the risks of operation". This observation is mirrored by Miller and Rose (2008: 81), who argue that,

... relocating aspects of welfare in the 'private' or 'voluntary' sector does not necessarily render them less governable. To be sure, different procedures of translation and alliance are entailed when 'political' institutions are 'de-centred' in networks of power. But the opposition between state and non-state is inadequate to characterize these transformations.

A major consequence of these and similar processes in neoliberal states around the world has been a shift on the part of governments from funding third sector organisations through grants to contracting their services, which has increasingly seen charities having to bid for tenders alongside quangos and for profit public service providers. Third sector organisations

are thus encouraged by governments to act like businesses in a competitive market for the provision of social welfare. In order to survive in this environment, third sector organisations have had to learn to speak the corporate language of NPM and VFM, demonstrating their ‘efficiency’ and capacity to deliver goods and services via performance indicators and measurable results. Alessandrini (2002) shows how this process has led to a polarization of third sector organisations. While larger more sophisticated organisations with the staffing and managerial capacities necessary to compete for tenders occupy one end of the spectrum, smaller less complex organisations at the other end find themselves struggling for funds.²¹⁴

In the UK, these trends began during the 1980s and have intensified under successive governments, including the coalition government that was in place while I was carrying out my fieldwork. A report produced by the UK consultancy organisation New Philanthropy Capital on the proceedings of their 2011 “Impact Summit”²¹⁵ notes that:

... local and central government departments have shifted much of their funding [for third sector organisations] from grants to contracts. This has been accompanied by a shift from funding based on activities to funding based on outcomes. The coalition government has accelerated this trend: the 2010 Spending Review committed to ‘pay and tender for more services by results’.

(Lumley et al. 2011: 13)

Over recent decades, proponents of the movement to make the global elite philanthropy sector more strategic and ‘businesslike’ (as discussed above) have enthusiastically adopted the trends for audit, evaluation and the pegging of funding to the demonstration of ‘results’ that have firmly taken root in public sectors around the world. As these trends have intensified within the new configurations for the public funding of third sector organisations, therefore, so too have they intensified in the management of private funding for these organisations coming from the philanthropy sector. This has meant that the new pressures placed by statutory funders on service providers to demonstrate results are equally reflected in the demands of philanthropic funders. For third sector organisations in the UK and Brazil, funding – from all sources - is becoming evermore dependent on the ability to ‘prove’ the

²¹⁴ While Alessandrini’s analysis is based on research conducted in Australia and the USA, it reflects similar processes taking place around the world, including the UK and Brazil.

²¹⁵ New Philanthropy Capital offers consultancy services to philanthropists and third sector organisations in the UK. Its September 2011 “Impact Summit” brought together “30 leaders in the field of social impact measurement” including third sector, quango and government representatives, staff members of several philanthropic foundations, the UK’s Association of Charitable Foundations and the Impetus Trust (discussed above) (Lumley et al. 2011: 03).

impact of their activities, using methods determined by their funders.²¹⁶ A booklet produced by the National Council for Voluntary Organisations (NCVO) on changes taking place in the UK funding environment advises that:

Funders of all types (including trusts, statutory bodies and individuals) are increasingly seeking better information to help them select the organisations that they perceive to be capable of making the biggest difference. They expect better evidence of what their money could achieve, or already has achieved. This has resulted in increasing pressure on VCOs [voluntary and community organisations] to improve how they assess and demonstrate the outcomes of their work, as well as the outputs.²¹⁷

(Williams and Griffith 2009: 22)

Just as forms of NPM and the requirements of the audit culture thus become powerful mechanisms of indirect control over third sector organisations in the hands of neoliberal governments, so too do requirements placed on grantees to demonstrate the achievement of results become powerful forms of control in the hands of wealthy philanthropists. As Michael Edwards (2010: 55) argues, "... the increasing control orientation of donors that is such a feature of philanthrocapitalism is reducing the autonomy and flexibility of civil society groups, who are forced to spend and report on each donation exactly as prescribed".

Layers of Uncertainty: Critiques of Evaluation Practices Within and Beyond the Field

Alongside the generalised obsession with evaluation in my British and Brazilian fieldsites discussed above, however, I also observed an almost equal degree of uncertainty about how the evaluation of philanthropic and grantee projects should actually be carried out, and about the limits of what conventional indicator-based methods of evaluation could reveal about processes of social change. Some philanthropy advisors, in particular, were concerned about whether philanthropists were placing demands for accountability upon their grantees that were not mirrored by checks on the accountability of their own practice, while others were worried that some philanthropic grantees were carrying out evaluation for the wrong reasons.

²¹⁶ See Rodrigues (2013: 128) on this in Brazil.

²¹⁷ In technical discourse on third sector evaluation practices a distinction is often made between 'outputs' and 'outcomes', where the former refers to quantitative results of an intervention (such as numbers of young people participating in a programme) and the latter to more qualitative impacts (such as participants reporting that they feel more confident in their ability to find work as a result of the programme).

The authors of the report from New Philanthropy Capital, discussed above, for example, were “... concerned that CSOs’ [civil society organisations’] impact measurement practice is too focused on attracting or reporting on funding, and not focused enough on learning from findings” (Lumley et al. 2011: 14). They state that organisations carrying out evaluation solely in order to attract funding will treat the measurement of results as an activity external to their principal activities, rather than a core element of their work, and that organisations competing for scarce funds will avoid making public negative results of evaluation processes. The report also criticises funders who demand excessively detailed, bespoke evaluation reports from third sector organisations, an approach that finds grantees having to carry out the expensive and time-consuming task of producing different reports for each of their funders (ibid). This in particular was a concern I heard expressed often by philanthropy consultants, who also stressed that philanthropists should be willing to incorporate funds for the specific purpose of evaluation into their grants.

Echoing these sentiments – in a rather more dramatic tone – one of the organisers of a project on evaluation in NGOs at the Brazilian *Instituto Fonte*,²¹⁸ warned that misguided evaluation practices can:

... embody potent mechanisms for the strangulation of processes of organisational development. When the act of evaluation becomes a form of persecution and annihilation, when evaluation practices become detached from organisational dynamics, taking on their own, neoplastic lives, when the act of evaluation is converted into a mechanism for the promotion of sales and illusions, it’s possible that we are simply intensifying in our organisations and in society a collection of values and practices that we had initially been trying to eradicate.

(Silva 2009: 07, my translation from Portuguese)

A particularly common concern among philanthropists and philanthropy advisors in my fieldsites was that impact measurement based on the reporting of statistical data overlooks the more personal and experiential aspects of the impact of philanthropic programmes and the work of grantees. It was these more subtle and intangible aspects of their practice that philanthropists and professionals working in grantee organisations felt to be the more important aspects of their work, and more relevant indicators of the impact they were making.

²¹⁸ See Appendix One to this thesis for information on this organization.

Critical commentators on audit and evaluation processes in other spheres similarly point to the tendency of such processes to reduce complex human relations into simplified, one-dimensional data that mask important information about the social processes to which they are applied. In her analysis of the use of performance indicators in human rights work, global governance and CSR, Merry (2011: S84) argues that “numerical measures produce a world knowable without the detailed particulars of context and history [...] Indicators submerge local particularities and idiosyncrasies into universal categories”. Similarly, Harper’s (2000) ethnography of an IMF country audit mission demonstrates the constructive nature of the audit process, in which numbers are fashioned through collaborative (and sometimes conflictive) processes of information gathering, counting and sanctioning carried out by IMF staff and government officials of the country being audited. In order to compile usable data, Harper (ibid: 23) demonstrates, IMF auditors must work around the “facts of life” they encounter in the field, the inconsistencies, hierarchies and rationalities that must be negotiated when attempting to produce clear-cut statistical information. Harper (ibid) concludes that the collection of data on an IMF mission is a “deeply social process and not just one that involves economic analysis”.

Concerns regarding the limits of evaluation practices inspired attempts among some philanthropists I met in the field to temper statistic-based impact measurement techniques with more personal, subjective forms of evaluation, in particular the use of case studies. In the Coalition for Efficiency’s guide for volunteer executives on advising third sector organisations on the use of key performance indicators (Mooney & Smouha, no date), discussed above, one charity is quoted as saying, “the volunteer helped us structure our thinking, maintain a high level view of what information best supports our mission and confirmed the added ingredient of backing up KPIs with vivid stories of our work, avoiding statistical overkill” (ibid: 21). In a similar example from Brazil, the staff of the *Instituto Geração*²¹⁹ were, during my last fieldwork trip, working on a series of video and text based case studies of wealthy young Brazilians that had taken part in their flagship programme, *Programa Nova Geração*. These were intended to demonstrate the value and impact of the *Instituto*’s work, by letting participants “tell their own stories” about their involvement in philanthropy and other forms of social initiative, and describe their personal experiences of the programme.

²¹⁹ The organisation working with young members of the Brazilian elite that I discuss elsewhere in this thesis, especially in chapters 4 and 8.

Internalising the Value of Audit: Power and Neoliberal Governance in the Philanthropy Sector

In their discussion of audit practices in British universities, Shore and Wright (2000) critique Power's (1994; 1997) analysis of audit culture and its expression in the practices of New Managerialism. Shore and Wright (2000: 84) take issue in particular with Power's interpretation of the audit explosion as a reaction to the advent of the 'risk society' (see Beck 1992) and managers' needs for control and security in the face of the uncertainties it presents. They argue that:

To interpret the character of New Managerialism in terms of psychological and organizational 'needs' for comfort and security is to miss the key point that what is driving current concerns with audit is the economic and political imperatives of neo-liberalism.

Shore and Wright (ibid) thus argue that Power's analysis leads him to overlook the real function of audit practices in contemporary neoliberal states. "For Power," they argue, "audit is an essentially benign tool that has errors, but these can be rectified by the introduction of more personal forms of accountability and the restoration of a sense of 'corporate community'". From Shore and Wright's perspective, such calls for a more accountable form of audit are misplaced. If audit is, as these authors argue, a technology of neoliberal governance, then it can never be a truly 'accountable' practice, as its objectives are the control of governed subjects and the furtherance of neoliberal ideologies.

A similar critique can be levied towards many philanthropists and philanthropy advisors, such as those whose concerns about evaluation practices I have presented above. While Shore and Wright critique Power for failing to recognise the underlying political and economic tenets driving the rise of the audit culture, we can recognise similar limits to perspectives on the evaluation of philanthropic practice coming from the philanthropy sectors in Brazil and the UK. Among the majority of philanthropists and advisors I met in the field, evaluation and impact measurement were considered to be inherently positive and useful practices, and criticism of these practices was confined to discussion of their design and efficacy. Problems relating to the use of evaluation techniques in philanthropy could thus be resolved by improving these techniques, making them more appropriate to the task at hand and less onerous for grantees, and by ring fencing funds for their development (see e.g. Rodrigues

2013: 128-9; Lumley et. al. 2011). Absent from discussion on evaluation in the philanthropy sector was any deeper analysis of the broader objectives and impacts of these practices.

Drawing on Foucault's work on governmentality, Shore and Wright (2000) highlight how audit culture leads to a diffusion of responsibilities, in which subjects are required to demonstrate their own accountability, often by carrying out audit processes of their own activities. They argue that the ideology of neoliberal governance masks the power relations inherent to these processes, in which audited subjects are compelled to internalise the values of neoliberalism and 'take responsibility' for their own compliance with the tenets of its governance. Via these processes, "audit thus becomes a political technology of the self" (ibid: 62). In the same vein, (and also inspired by Foucault), Rose and Miller (2008: 53) argue that:

... the political vocabulary structured by oppositions between state and civil society, public and private, government and market, coercion and consent, sovereignty and autonomy, and the like, does not adequately characterize the diverse ways in which rule is exercised in advanced liberal democracies. Political power is exercised today through a profusion of shifting alliances between diverse authorities in projects to govern a multitude of facets of economic activity, social life and individual conduct. Power is not so much a matter of imposing constraints upon citizens as of 'making up' citizens capable of bearing a kind of regulated freedom.

Through the emergence of increasing pressures to demonstrate the impact of their work through processes of auto-evaluation, third sector organisations are thus required by funders (both public and philanthropic) to internalise and demonstrate their commitment to the values of neoliberalism. Grantees are thus compelled to take responsibility for their own ability to attract adequate funding, internalising the exercise of power and control over their activities.

In these power dynamics, at play in the philanthropic funding of third sector grantees in the UK and Brazil, the diffusion of neoliberal ideologies emerges in familiar - albeit indirect - forms. When operating foundations apply evaluation techniques to philanthropic programmes they have designed themselves however, as in the case of most Brazilian foundations - including the FMCSV, profiled above - the exercise of power contained in these practices takes on somewhat different forms.

As in the related sphere of CSR, where the use of performance indicators by corporations to report on their own sustainability and behaviour is a voluntary practice (see Conley and

Williams 2008: 23; Merry 2011: 1), the evaluation by operating foundations of their own philanthropic programmes is a discretionary practice carried out by foundations on their own terms and using their own criteria. When third sector grantees are required by philanthropic funders to produce results of the impact of their work, the funding of their activities – and thus the very livelihood of these organisations – is at stake. With no such financial pressures at stake in the evaluation by foundations of their own programmes, why do philanthropists consider such efforts necessary? In the arena of CSR, Conley and Williams (2008: 33) have pointed to “... the time and energy that corporations devote to the management of CSR discourse,” noting that,

Regardless of what they may or may not be doing on the ground, corporations are wholly committed to the process of CSR talk, and to talking about that talk. Corporate decision-makers clearly realize that imparting order to a potentially chaotic discourse is a tangible source of power as they seek to manage their companies’ reputations ...

Applying a similar argument to the realm of elite philanthropy, we can see that the evaluation by foundations of their *own* programmes gives philanthropists an opportunity for the control and ordering of the equally chaotic discourse on social change on which their philanthropy is based (see chapter 6), using the same mechanisms for the measurement of impact imposed on grantee third sector organisations by their grant-making peers in the UK.

I began this chapter with a discussion of the philanthropic techniques promoted under the banners of ‘strategic’ and ‘businesslike’ philanthropy, in large part centred on the transferral of management tools from the corporate to the philanthropic sector. I went on to discuss the application of evaluation practices – one of the most revered of these corporate tools – to the work of philanthropists and their grantees, drawing parallels between the philanthropic obsession with evaluation and the broader ‘audit explosion’ in neoliberal states around the world over recent decades.

Within this discussion, a broader parallel can be drawn between the diffusion of mechanisms of neoliberal governance and the emphasis placed by philanthropists on the distinction between new forms of ‘strategic philanthropy’ and older practices characterised as ‘charity’ (see above). While ‘charity’ is conceived of by contemporary philanthrocapitalists as a palliative practice, cultivating dependency in those who receive it, ‘strategic philanthropy’ is defined in terms of its capacity to cultivate the values of entrepreneurship and self-reliance in

its beneficiaries. Following the argument of Rose and Miller (2008: 53) on contemporary forms of governmentality, these are the same qualities that these authors point to as necessary for the creation of citizens “capable of bearing” - or taking responsibility - for their own “regulated freedom” in a society governed in accordance with neoliberal ideology.

In these various forms, contemporary practices of elite philanthropy serve as one manifestation of the myriad ways in which the technologies of neoliberal governance are put to work around the globe. Through their philanthropic project, Brazilian and British members of the transnational economic elite thus contribute to the maintenance of the structures of global capitalism served by these technologies of governance. In their efforts, they are guided and aided by a burgeoning professional sector of philanthropy advisors, whose work is the subject of the following chapter.

PART FOUR:
Donor Education and Advising in the Philanthropy Sector

Chapter 8:

Transforming Philanthropists and their Practice: The Work of Philanthropic Intermediaries

In this, the last part and final chapter of this thesis, I focus on the work of the intermediary organisations and individuals whose self-assigned role is to guide and support the philanthropic practice of contemporary elites in Brazil and the UK. As the philanthropic intermediary sector has grown over recent decades in both countries, it has become an increasingly visible and influential arena for the definition of the philanthropic project of contemporary global elites. Analysis of the work of this sector thus throws light on the ways in which the elite philanthropic project is shaped and made tangible, while also revealing many of the (political and programmatic) contradictions and ambiguities within it. Here again, we see the intermingling of concerns over philanthropic identity, wealth and its management and maintenance (inheritance processes, succession of family businesses, etc.) and broader operational objectives in the design of philanthropic practice.

The landscape of philanthropic intermediary organisations in Brazil and the UK comprises dedicated organisations providing donor education and advisory services, lone ranger consultants, (British) banks providing philanthropy services as part of a wider package of ‘wealth management’ products, and individuals within community foundations and other structured vehicles for giving. The sector is made up of only a small number of organisations and a handful of freelance professionals in both countries. In 2012, Breeze et. al. (2015: 296) reported a total of 38 organisations and individuals listed on the website of Philanthropy UK. An equivalent figure is not available for Brazil, but I would estimate that there were less than ten dedicated intermediary organisations in the sector at the time of my fieldwork.²²⁰ In both countries, the emergence of the majority of these professionals and organisations (or their appearance in existing institutions such as banks and community foundations) dates from the late 1990s onwards, in line with the development of new ideas about philanthropic strategy

²²⁰ There is a great deal of movement of professionals among organisations within this sector, and as these organisations are all young and small, individuals can have great influence. Several of the intermediaries I interviewed for this chapter have since moved on, and some of these organisations now look different in their absence. The account presented here is, therefore, one of a specific moment in the lifecycle of these organisations.

and the increased interest in philanthropy among corporations and economic elites outlined in chapters 1 and 2.²²¹

While some philanthropic intermediaries led this movement, others emerged as a consequence of it. As the Head of Philanthropy at the UK's Community Foundation Network told me in interview,

This idea that you can network donors and offer them educational possibilities to fulfil their potential as donors, that's quite new. Before it used to be about [offering] donor services, and those were fairly transactional kind of things. Now there's much more of an interest in *developing* donors.

As noted in earlier chapters, a large part of my fieldwork for this thesis was spent carrying out participant observation in two intermediary organisations, research which also served as a gateway to philanthropists as well as other intermediaries. The first of these intermediary organisations was the Institute for Philanthropy (IfP) in London, where I worked intermittently as an intern and consultant, and later as Director for Research. I also participated in the IfP's donor education programme, The Philanthropy Workshop (TPW). The second was the *Instituto Geração* (IG - Generation Institute) in São Paulo, where I had previously participated in and written about the Institute's *Programa Nova Geração* (PNG - New Generation Programme) while I was carrying out my master's course. Returning to the IG during three research trips for the present thesis, I worked as a volunteer and helped to develop a network for graduates of the PNG.²²²

Below, I begin with a broad overview of the activities and services offered by philanthropic intermediaries in Brazil and the UK, and the professional experience of working in an intermediary organisation. I then go on to look in more detail at the work of four different intermediary organisations, demonstrating the range of approaches at play within the sector and the various attempts made by those working in it to influence philanthropists in line with

²²¹ The concept of philanthropy advising is not, however, new. As noted in chapter 7, philanthropic advisors (sometimes known as "philanthropoids") played an important role in the development of twentieth century foundation philanthropy in the USA (see e.g. Arnove 1980; Howe 1980; McGoey 2015a: 15-16).

²²² While working at the Institute for Philanthropy in London, I also helped to coordinate a week-long module of The Philanthropy Workshop in Brazil, attended events with alumni of the programme and interviewed alumni on several occasions in order to write about their philanthropy, in my capacity as Director for Research. At the *Instituto Geração*, my volunteer activities included researching case studies, taking part in a programme evaluation project, translation of documents and participation in a one-day workshop with the current cohort of the PNG.

these different ideas. Participant observation in different organisations in this sector - and among philanthropists and other intermediaries I met through them - enabled me to examine at first hand the ways in which intermediaries interact with philanthropists in the promotion of certain types of philanthropic discourse and practice, as explored below. These activities throw up many questions concerning what philanthropy is, should be and why and for whose benefit it is practiced. They also highlight the political complexity of activity in this sector, brought sharply into focus as intermediaries navigate recurring themes of equality and inequality, control over decision making, the power of money and different understandings of the mechanisms of social change.

As has been the case for other aspects of elite philanthropy discussed in this thesis, when the range of approaches seen in the work of philanthropic intermediaries in Brazil and the UK is examined from a comparative perspective, broad similarities can be found alongside context-specific differences. The historical development of elite philanthropy in the two countries has, as previously discussed, led to different national tendencies, such as the dominance of corporate philanthropy in Brazil and the Brazilian preference for operating foundations (in which philanthropists design and run their own programmes) over grant-making foundations (which make grants to other third sector organisations). The Brazilian model sits in contrast to that found in the UK, which boasts a higher number of (non-corporate) family foundations and individual philanthropists (working without the institutional structure of a foundation), and where philanthropists display an almost universal preference for grant-making over the design of their own programmes. These differences, as well as the attempt by many Brazilian intermediaries to steer the sector in the direction of its British and North American counterparts, inevitably impact the work and outlook of intermediaries in the two countries, and will be discussed below.

Overview of the Sector: Activities and Services

Philanthropic intermediaries in Brazil and the UK adopt a variety of institutional structures. Some work in dedicated advisory and donor education organisations, in the wealth management programmes of banks (in the UK only), in community foundations (again predominantly in the UK) or as private consultants, either working freelance or within other

third sector organisations.²²³ Intermediary activities take on a variety of forms, and intermediary organisations in both countries usually offer a number of different services. Private advising or consulting is the most common, usually carried out on a one-to-one basis with individual philanthropists or with the board of a foundation or philanthropy programme. For family foundations, philanthropy advisers also offer inter-generational workshops designed to engage both children and adults in a family's philanthropy.

Some dedicated donor education organisations run courses in philanthropy (such as the programmes discussed below). Within and outside of donor education programmes, intermediaries host site visits to potential grantee charities and learning journeys at home or abroad (designed to introduce philanthropists to a range of NGOs working for a particular cause, or to give a broad overview of third sector activity in a specific country). Intermediaries also promote networking among philanthropists, through formal mechanisms such as membership organisations and donor education programme alumni networks, and informally through events and introductions. Research and the dissemination of information are further activities carried out by intermediary organisations. In both countries, the philanthropy sector produces a range of publications in the form of guides to different aspects of philanthropy, research on philanthropic activity and publications showcasing 'good practice', and in the UK the sector has a small number of dedicated media outlets.²²⁴

Intermediary organisations in both countries also maintain a busy schedule of events on various aspects of philanthropic practice, and some bestow prizes on the 'best' examples of corporate and family philanthropy. Some intermediaries also carry out advocacy on behalf of the sector (in relation, for example, to the introduction of more fiscal incentives for philanthropy). Finally – although more unusual in Brazil – many community foundations and giving circles in the UK act as supported vehicles for giving, managing grant-making and relations between donors and grantees on behalf of philanthropists.

In both Brazil and the UK, the professional philanthropy sector operates as part of an international network, via which intermediaries exchange information, form institutional

²²³ Although they form part of the same professional sector, I haven't included here philanthropic foundation staff, or third sector organisations contracted to run or advise on the programmes of operating foundations (more common in Brazil than in the UK), as the role of these is usually to assist in carrying out philanthropy rather than to advise on how it should be done. It is worth noting however that these roles sometimes become blurred in practice.

²²⁴ The most important of these is *Alliance Magazine: For philanthropy and social investment worldwide*.

partnerships and attend events around the world. In both countries, the USA serves as the most important international reference point for the sector (unsurprisingly, as it has the strongest tradition of foundation philanthropy of any country in the world and is the most active in promoting strategic philanthropy and donor education).²²⁵ During my fieldwork however, I also observed direct institutional relations between Brazil and the UK, including a partnership between São Paulo's IDIS (*Instituto para o Desenvolvimento do Investimento Social* - Institute for the Development of Social Investment) and the CAF (Charities Aid Foundation) in London, which had jointly created a 'Foundation School' donor education programme for philanthropists in both countries.

In parallel to the educational and advisory services outlined above, a burgeoning segment of the financial services sector is dedicated to the provision of financial advice to wealthy philanthropists. Most financial advice in relation to philanthropy is focused on calculating how wealthy individuals can achieve the biggest possible tax breaks on their philanthropic donations. As Raddon (2008: 35) has noted in her research among Canadian estate lawyers advising clients on donating to charities in their wills, "estate lawyers typically interpret their professional duty of care in terms of maximizing the "tax efficiency" of individual clients' estate plans".

The work of financial advisers takes on particularly shady tones in the case of schemes such as the "donor-advised fund" (or DAF), a charitable vehicle that enables wealthy individuals to make donations into a holding account, from which the funds can then be passed on to charitable organisations and causes. In an article on the rise of DAFs in the USA,²²⁶ Cullman & Madoff (2016) explain that DAFs are classified as charities, so by putting funds into them, donors are eligible for charitable tax breaks. DAF holders, however, are under no legal obligation to pass the funds in them on to actual charities within any timeframe, including within their lifetime (on a donor's death, a DAF is passed into the custody of his or her heirs). This means that funds that would otherwise have gone to charitable causes can instead be stockpiled in DAFs indefinitely, while extensive tax revenues are lost in the process.

DAFs also represent a huge source of revenue for the financial sector, as the funds that sit in

²²⁵ Beyond Brazil, the UK and the USA, these institutional networks extend to a range of other countries, most notably Russia, India, China, Mexico and Singapore.

²²⁶ While not yet as popular as in the USA, the trend for DAFs is also growing in the UK (see Kyriakou 2015).

them are used as investment capital by the financial institutions that manage them, and financial advisers charge ongoing fees for their custody. For donors, DAFs also offer the opportunity to calculate the best time to donate ‘tax-efficiently’ and can receive a broad range of donated assets, including certain kinds of property, stocks and shares that bring higher tax benefits. Cullman & Madoff report that by 2014, the total value of assets held in DAFs across the USA was over US\$70 billion, and that in 2015, the second-most-popular “charity” (measured in terms of total donations) in the USA was the DAF provider Fidelity Charitable, created by the financial services firm Fidelity Investments. These authors note that, “Goldman Sachs, T. Rowe Price, Raymond James, and many others have also created donor-advised funds, making charitable giving a growing part of the financial world’s business model for attracting and servicing its clientele” (ibid).²²⁷

Intermediary Experiences

During my time working as Director for Research at the Institute for Philanthropy (IfP) in London, a typical week would include a number of activities. I would often be working on several research projects simultaneously (such as an in-house report on spend out philanthropy²²⁸ and its pros and cons for UK foundations, a report on philanthropy during the economic downturn commissioned by an American bank and a publication celebrating the IfP’s ten year anniversary). My activities might also include speaking on a news programme for BBC Radio Wales about the IfP’s work on funding during the recession, a meeting at HM Treasury to discuss the possible introduction of a new ‘Lifetime Legacies’ charitable tax relief, an event at the EAPG (European Association for Philanthropy and Giving) on the role of the financial adviser in developing a culture of effective philanthropy in the UK and a

²²⁷ The research on which the current chapter is based was carried out in intermediary organisations whose main role, as outlined above, was the provision of donor education services. The promotion and management of DAFs, and similar schemes for tax-efficient giving, was carried out in parallel to these activities by advisers in the financial services sector. There was clear overlap between these two realms of professional activity, and a few British institutions even offered both types of services (albeit in different departments), such as Coutts Bank (profiled below) and the Charities Aid Foundation. The strategic philanthropy advisers I met in the field also advocated for ‘improved’ tax breaks for charitable giving in a number of forums. They maintained professional links with financial advisors and clients were often passed back and forth between them. My own research, however, was focused on intermediaries providing educational services and not on financial advisers, and the work of these professionals is not, as such, the main focus of this chapter.

²²⁸ ‘Spend out’ philanthropy (known as ‘spend down’ or ‘limited lifespan’ in the USA) refers to a foundation’s decision to spend all of its philanthropic capital within a specific time frame (often the lifetime of its founder), rather than creating an endowment in perpetuity. (The latter is the more common model for British foundations, which usually build an endowment and use the interest generated from it to carry out their philanthropy. Brazilian foundations are generally funded with an annual budget, so the distinction is less relevant to Brazil.)

dinner for alumni of the IfP's donor education programme on the theme of climate change funding and strategy.²²⁹

Among my colleagues at the IfP, those responsible for programmatic content would also spend time visiting charities, social businesses and social entrepreneurship programmes, while programme co-ordinators and those engaged in one-to-one advising moved between family foundations, community foundations and corporate offices. Meanwhile, our CEO, when not co-ordinating the whole operation, appeared to spend hours on the phone and at lunch meetings with wealthy clients, discussing everything from philanthropic strategy to family dilemmas over inheritance.

Philanthropic intermediaries inhabit an ambiguous space, between the corporate and third sectors and between wealthy elites and the beneficiaries of their philanthropy. The professional roles they play are also ambiguous. At once educators, experts and service-providers, intermediaries (at different levels in the professional hierarchy of organisations) are engaged in acts of brokerage, collaboration, negotiation and legitimisation. Philanthropic intermediaries are charged with influencing their wealthy clients' ideas about the reality of particular social issues and the most effective ways of creating social change. Yet they are also dependent on those clients for their custom and must take care, as such, not to cause offence or contradict clients' ideas too forcefully. In parallel, intermediaries often find themselves mediating between elite philanthropists and their (institutional and individual) grantees, in spaces that see the meeting of very different cultures and expectations.

Intermediaries (at least those not from a wealthy background themselves) also have to learn about working with the rich. While working at the Institute for Philanthropy, my colleagues and I were often reminded by our managers of the importance of keeping ourselves tidy and well-dressed, especially on days in which clients or members of the organisation's board would be present in the office. This caused some angst among younger employees, who protested that their third-sector salaries did not reach to the purchase of expensive clothes. I had further insights into working with the wealthy during a week-long trip to Brazil organised by the IfP, where I was jointly responsible for coordinating activities for 20 philanthropists from around the world. On our second day in Rio de Janeiro, I was asked to

²²⁹ This would be an unusually busy week, but all of these are real projects in which I was involved or events that I attended during my time working at the IfP.

organise a haircut for one of the group's participants; when I queried whether this was really part of the IfP's role I was told by my boss that, while he agreed that it wasn't, our wealthy clients were used to this kind of all-inclusive service from people working for them, and while our philanthropists were away from home it fell to us to meet that expectation. A more complicated challenge was a risk assessment exercise for our planned activities in Rio, which included planning for the hypothetical kidnapping of our group of HNWI philanthropists, whose combined net worth was estimated to be well into the billions.

Some intermediaries and their clients see the decision to work in the sector as an ethical career choice, which implies a commitment to working towards social change and, in parallel, a moral or political rejection of other more lucrative or mercenary careers. This is by no means a universal construal of the decision to work in the philanthropy sector, and it was interesting to observe the situations in which this idea emerged. One such moment was during a meeting at the Institute for Philanthropy in London, when the chairman of the board of directors – a leading private equity financier and philanthropist – remarked to the Institute's assembled staff that they were to be applauded for dedicating themselves to a career of doing good. The comment seemed to take several of the staff members by surprise. I knew from working alongside them that most considered their posts at the Institute to be highly respectable and rewarding, far from a professional sacrifice.

The latter interpretation of a job in the philanthropy sector - that of a professionally, as much as an ethically motivated career choice - was clearly articulated on several occasions during my fieldwork in Brazil, where the distinction between ethical/ political and professional motivations for working in the sector were more pronounced than in the UK. Some, like the staff of the *Instituto Geração* profiled above, still held strong ethical motivations for pursuing these careers. But others noted that the expansion and de-politicization of the third sector during the 1990s and early 2000s (see chapter 1) had brought a new kind of professional to the sector. One very hands-on philanthropist, herself very unusual in having broken the mould of her elite contemporaries to follow a career in the highly politicised Brazilian third sector of the 1980s, described this shift to me in interview:

My generation had a more ideological role, [we were involved in] political militancy, political parties, movements against the dictatorship in Brazil ... it was the generation of '68 throughout the world. There were very few members of the elite that got involved in this, it was a student movement. Today is a different context. It's not about

that militancy, it's an interest of many young people in getting involved in social initiatives. Now it's each one with his or her own [motivations]. Some are opting to do this as a career ... it used to be a political option, today it's a career, for better or for worse. So it becomes a job, and people don't necessarily have the same commitment to it, it's a different moment, there are people who have chosen to work in an NGO because they are really committed to social issues, and others because it's a job like any other job. [...] It wasn't better or worse before, it's different and [the sector] is responding to contemporary necessities.

(My translation from Portuguese)

These ambiguities in the roles, motivations and expectations of philanthropic intermediaries in Brazil and the UK are typical of an emerging sector, in which the gamut of professional possibilities is highly fluid and many individuals are engaged in defining their own career trajectories. In this respect, the philanthropic intermediary sector displays many parallels with the broader third sector within which it is located in both countries. To a large degree, however, these ambiguities are also inherent to the nature of philanthropic intermediaries' work. Both factors are relevant to the next part of this chapter, in which I explore the different approaches taken by intermediaries to the task of donor education.

Teaching Elites how to do Philanthropy: Different Approaches within the Intermediary Sector

Despite the small size of the sector, ideas about the role and purpose of elite philanthropy and how it should be practised do vary among philanthropic intermediaries. Below I explore the approaches of a selection of different intermediary organisations in Brazil and the UK, comparing their ideas about philanthropy and the objectives and methods they use to influence the practice of their wealthy clients and members. These examples illustrate some of the crucial differences in the ways in which philanthropy becomes operationalized in the intermediary sector.

Philanthropy as Wealth Advice: Coutts Bank (London)

Coutts Bank in London is the most prominent of the UK banks offering philanthropy services to its high-net-worth clients. Its philanthropy advising services, publications and events also

make it one of the most important intermediary organisations within the sector. At Coutts, the institutional motivations for the provision of philanthropy services are unambiguous. Philanthropy services fall within the remit of the bank's Wealth Institute, where they sit alongside other 'wealth governance' services in the areas of family business and wealth succession, and are available exclusively to the bank's clients. As Sara,²³⁰ a senior member of the philanthropy services team, explained to me in interview:

The whole philosophy here is that we want to advise our clients across the spectrum of what they wish to achieve from their wealth. So if you've just sold your business, and you're in that position where you're going to take a step back and look at your life and think I've got this money, now what do I want to achieve with it and what do I want it to achieve for me ... you might want to grow some part of it, you might want to preserve some part of it, you might want to pass some on to your kids. And then there is this whole area of what we call 'life enrichment' and that is quite a wide bucket, it could include art, or buying a yacht, or philanthropy. [...] It's very much a part of that whole service, and we think that as a result it differentiates us in the market, it differentiates our bankers as individuals. Anyone can talk about a bond product or whatever [...] but it's about connecting with the emotional as well as the financial. [...] It's building a connection, with both sides of what our clients ... of what gets them up in the morning. And we think that by doing that [...] we build more enduring relationships with our clients, they want to do more business with us, and it just engages us much more with them beyond just a transactional relationship.

At Coutts, enduring relationships with clients are built not only through the provision of banking and financial management services but also through services designed to meet other needs specific to the very wealthy. These include support in running family businesses, which require the management of delicate family dynamics, skills in conflict resolution, and a balancing of the interests of those family members that work directly in the business and those who do not. Newly-wealthy entrepreneurs face issues of 'succession planning', relating to the passing of money and values concerning money down to future generations. One client, Sara told me, had come to her because his fourteen-year-old son had spent two and a half thousand pounds on his last mobile phone bill. He had told her "I'm just absolutely appalled, this boy doesn't understand the value of money." Other wealthy clients said things like the following:

I come from quite a modest background, I understand the value of money, I've worked incredibly hard. My kids on the other hand have a completely different perception and hey, why wouldn't they, because they've never seen the kind of ... you can't say, you

²³⁰ Not her real name.

know that council estate in Leicester? They have no idea about that council estate in Leicester. And you can't expect them to have that understanding. But if you want to talk about values - it's important to think about others, or hard work is important, or whatever else those values might be - philanthropy is a great way to sort of embody those and to pass them on.

The motivation for offering philanthropy services at Coutts was, therefore, part of a broader business strategy for strengthening relations with clients of the bank, based on an understanding of the potential role of philanthropy in helping wealthy clients tackle broader issues relating to 'life enrichment', family business management and inheritance.²³¹ In Sara's words, "philanthropy is often positioned as part of a solution within broader work that [the Wealth Institute] might be doing around succession planning and governance." As such, the focus of philanthropic intermediaries at Coutts was placed fully on the interests of clients and the provision of services to meet their needs. Intermediaries at Coutts did not see their role as one of encouraging the wealthy to practice philanthropy as a form of social responsibility. As Sara told me:

We pass absolutely no judgement. So we would never say, for instance, you *ought* to do this [...] because it's the right thing to do, you should be giving money ... never. And I've sat in a room with a client who said, "I'm worth fifty million pounds and I don't think I'm ready to get involved with philanthropy, because I don't think I have enough money." So everyone is different.

Philanthropy as Strategy: Institute for Philanthropy (London) & GIFE (São Paulo)

By far the most common approach found among philanthropic intermediaries in The UK and Brazil aimed to improve the practice of elite philanthropy by focusing on philanthropic strategy. This approach advocated the idea that philanthropy has the potential to bring about significant social change, but that in order for it to do so philanthropists must develop a better understanding of social issues and apply themselves to the acquisition of a series of technical skills. This emphasis can be seen in the following statement from the Institute for Philanthropy (IfP):

²³¹ The casting of philanthropy as a mechanism for dealing with these issues in wealthy families has been explored further in chapters 4 and 5.

We are one of the world's leading organisations providing international donor education. We believe that if you give people with the capacity to give the skills, knowledge and networks to give, they will increase the impact and size of their giving.
(Institute for Philanthropy 2009: 25)

As discussed in chapter 7, this technical approach was termed 'strategic philanthropy' in the UK and '*investimento social privado*' (private social investment, or ISP) in Brazil. The focus of intermediary organisations that promoted it was centred on the practice of philanthropy itself - and attendant issues of strategy, impact and effectiveness - rather than on the benefits of philanthropy for the wealthy, as seen in the example of the 'wealth advice' approach profiled above.²³²

The transformation of philanthropic practice in line with the 'strategic' approach was often described by philanthropic intermediaries in terms of an evolutionary model, which took its starting point from the well-known proverb: "Give a man a fish and you feed him for a day. Teach him how to fish and you feed him for a lifetime." The model was described to me in interview by the secretary general of GIFE (*Grupo de Institutos, Fundações e Empresas* - Group of Institutes, Foundations and Businesses, Brazil's advocacy and membership organisation for institutional philanthropy) as follows:

During the 90s there was a big shift, from a charitable approach of giving people fish, to teaching people how to fish [...] and now in the 2000s we're learning how to reorganise the fishing production chain as a whole [...] which is a much more complex, profound and systemic vision than that of just teaching the individual how to fish.
(My translation)

Although GIFE's secretary general was speaking here about the history of philanthropy in Brazil, I heard the same model used to talk about strategic philanthropy in the UK and elsewhere. It was referred to in relation to changing trends in philanthropic practice over different historical periods, and also as a description of changes in the approach of individual

²³² The Brazilian intermediary organisation IDIS (*Instituto para o Desenvolvimento do Investimento Social* - Institute for the Development of Social Investment) took a similar strategic approach, described as follows on its website: "Private social investment is the voluntary and strategic allocation of private resources, be they financial, in kind, human, technical or managerial, for the public benefit. In order to have impact and promote social transformation, this investment depends on focussed research, creative planning, pre-defined strategies, careful execution and the monitoring of results. This is the proposal of IDIS." (<http://idis.org.br/sobre/>, accessed 10/06/15, my translation)

philanthropists that intermediaries hoped to bring about through their advising and donor education programmes.²³³

The corporatization of homily wisdom seen in the metaphor of teaching philanthropists to intervene in the organisation of the fishing production chain, rather than simply handing out fish to their beneficiaries, represented a broader discourse among ‘strategic philanthropy’ intermediaries on the outdated approach of many elite philanthropists (as discussed in the previous chapter). These included the tendency of philanthropists to focus on ‘sticking plaster’ remedies to social problems, rather than investing in ‘upstream’ solutions capable of bringing about long-term social change. Elite philanthropists, many intermediaries also told me, had no experience of the challenges facing NGOs and other third sector organisations, and little understanding of social realities beyond their own privileged lifestyles. They were reluctant to invest in long-term social projects, or in the core organisational costs and capacity building of NGOs, and rarely attempted to increase the impact of their philanthropy by trying to get effective social projects adopted as public policy. As one Brazilian intermediary explained to me in interview:

When they [the philanthropists] are deciding about projects, they say, “it’s my money, I’ll decide where it goes.” But they don’t have the ability yet to decide because the criteria they’re using to choose projects are limited, by their lack of technical understanding of social issues. So when the elite intervene in the third sector, they’re making decisions from ‘up here’ about ‘down there’. [...] They have the money, they have the will, but they have so much confidence in their own beliefs that they disrespect the rest.

(My translation)

In my fieldsites, the education and training of elite philanthropists by ‘strategic’ intermediaries was based on two parallel objectives. The first was a transformation of philanthropists’ attitudes towards their beneficiaries, brought about by challenging beliefs in the superiority of elite worldviews and by educating elite philanthropists about the work of the third sector and about social realities beyond their own. The second – reflecting the

²³³ Although its overall approach differed from the organisations discussed in this section, the *Instituto Geração* (Generation Institute), profiled below, also used this model. The following appears in the English language translation of a 2011 publication presenting the Institute’s work: “Give the fish or teach how to fish? Or...clean up the river, or pave the road to the river? Maybe even invest in conservation issues in fishing, manufacture environmentally friendly fishing rods, or encourage fishermen to form cooperatives? Perhaps make an artistic documentary about fishing, bring together supporters of responsible and cooperative fishing, teach fishermen how to read, improve the chances of the children of fishermen to attend university...” (Cardoso 2011: 8).

metaphorical distinction between handing out fish to the hungry and reorganising the fishing production chain – was a transformation in the design of philanthropic practice from ‘charity’ to ‘strategic philanthropy’ or ‘*investimento social privado*’ (private social investment). Below, I explore how this ‘strategic approach’ to transforming philanthropists and their practice was developed in The Philanthropy Workshop, the donor education programme run by the Institute for Philanthropy in London.

The Philanthropy Workshop

The Institute for Philanthropy (IfP), home to The Philanthropy Workshop (TPW), was founded in London in 2000 by New Zealand-born lawyer Hilary Browne-Wilkinson. Originally a research and advocacy organisation, it began to offer donor education when a new Chief Executive, Dr. Salvatore La Spada, was recruited in 2006. In his previous post, La Spada had been the director of TPW at the Rockefeller Foundation in New York. With his move to the IfP, La Spada brought the programme with him.²³⁴

At the time I was carrying out my fieldwork, the IfP ran three education programmes alongside TPW, from its offices in London and New York. These were: Next Generation Philanthropy, aimed at young inheritors aged 18-30 beginning to take part in their family or family business philanthropy (or to develop their own); Strong Foundations, which worked with philanthropic foundation staff and Community Foundation Futures, a programme developed in partnership with the UK Community Foundation Network to support community foundation staff in working with donors, and to teach them about strategic philanthropy. The IfP also ran Think Philanthropy, a research, events and advocacy programme,²³⁵ and the UK branch of the Youth and Philanthropy Initiative. The latter was a programme developed in Canada by an alumna of The Philanthropy Workshop, and was

²³⁴ The participants of TPW were recruited from among a global elite of wealthy philanthropists, including but not exclusively British ones. It was the only donor education programme of its kind offered within the (small) British philanthropic intermediary sector at the time I was carrying out my fieldwork, and was seen by some within the sector as an American import, due to its origins at the Rockefeller Foundation. Many aspects of its approach, however - including ideas about how to define philanthropic objectives, choose a portfolio of grantees and build relationships with grantees - were mirrored in the work of other intermediaries I met in London. I do not, as such, present TPW here as typically representative of the activities of the British philanthropy sector, but as one example of that sector’s work at the moment in which I carried out my fieldwork within it.

²³⁵ While I worked at the IfP during my fieldwork, I ran this programme in my capacity of Director for Research.

designed to introduce secondary school students to philanthropy and the work of charities through a grant-making scheme in their local communities.²³⁶

The Philanthropy Workshop was taught over three week long modules during the course of a year, in London, New York and a country in the developing world (which changed each year). Participant ‘cohorts’ were usually made up of around 12 philanthropists. The cost of the programme in 2007-2008 was £8,000 or US\$15,000, excluding all personal expenses such as airfares and accommodation. The approach of TPW was global, both in the sense of recruiting philanthropists from around the world and of drawing on examples from the third sectors and philanthropy sectors of different countries. It was designed as a practical programme, based on the teaching of a set of skills and ideas that, if followed correctly, would lead to more strategic and effective philanthropy. A promotional pamphlet on the programme stated that, “individuals who participate in the Workshop can expect the following”:

- A conceptual framework for strategic philanthropy;
- The skills to implement their own strategic philanthropy programme;
- A personalised mission statement and a work plan to put into action the skills and tools gained from the Workshop;
- A confidential forum for peer group discussions;
- Interaction with local and international leaders who are defining and carrying out creative solutions to the pressing social issues of our time;
- A deeper understanding of one’s values and motivations for giving through exposure to a wide variety of perspectives; and
- Following participation in the Workshop year, the opportunity to become a member of the TPW Network, a global association of philanthropists which offers opportunities for continued interaction, collaboration, and learning.

(From a pamphlet produced by the IfP in 2008)

The Workshop’s three modules were structured around a mixture of teaching and presentations from IfP staff and other experts from within the sector, group and individual written exercises and discussion, visits to third sector organisations and meetings with third sector ‘leaders’, social entrepreneurs and other philanthropists. All activities were accompanied by extensive and well-researched written material provided by the IfP staff. Case studies were often used as a method for exploring social issues and possible

²³⁶ These programmes were, however, short lived. In 2011, La Spada left to become Executive Director of a philanthropic foundation in the Middle East, and shortly after the IfP closed all programmes except TPW, and merged with a former offshoot of the programme in the USA.

philanthropic approaches to intervening in an issue. For example, one day of the London module in which I took part focused on the issue of young people and crime, and involved a visit to a prison (where we met with the prison director, staff and several inmates) and to a selection of charities, one offering support to recently released prisoners, one working on prison reform and another working with vulnerable inner-city children at risk of engagement with crime. These visits (and others like them) were always followed by a debriefing session where participants of the Workshop discussed the issues raised during the day, the different approaches taken by the charities we had visited and the potential ways in which a philanthropist might approach this issue and decide how to select grantees working on it.

Participants of the Workshop were taught how to develop a ‘theory of change’ on which to base philanthropic intervention in a particular area, and required to write a personal ‘mission statement’ for their philanthropy as a whole. The programme also covered topics such as how to assess the effectiveness of a charity, how to recognise a good leader and how to recognise charities or leaders with the potential to improve their effectiveness with the right kind of support, as well as grant-making skills such as how to carry out site visits to a charity, how to communicate with grantees, how to carry out ‘due diligence’ on a charity in order to check its legal and financial status and how to work with grantees to usefully evaluate the impact of grants. Finally, TPW looked at how participants could ‘leverage’ the impact of their philanthropy by using their influence and networks to become public advocates for the causes they support. Participants were encouraged to promote philanthropy among their peers by going public about their work in the press and via other channels, as opposed to carrying out their philanthropy anonymously.

An important part of the research work I carried out at the Institute for Philanthropy involved showcasing the transformative effects of participation in TPW, through case studies and interviews with participants in which they described their experiences during the programme. These were in line with the two broad objectives of TPW outlined above: the transformation of philanthropists’ attitudes towards potential beneficiaries, in parallel with a greater understanding of the work of the third sector and of social realities different from their own, and adoption of the principles of strategic philanthropy.

Evidence of the former transformation was often found in participants’ accounts of the ‘developing world’ module of the programme, which was described as an unprecedented

opportunity for elite philanthropists to make contact with people living in cultural settings and economic conditions a world away from their own, and to see first hand the impact of third sector activity on their lives. In the two quotes below, TPW participants describe their trips to India and Vietnam respectively during the programme:

I learnt how small the world is, and that people who live far away are closer than we think, and are not so different from ourselves. The things people wanted for their children in these remote parts of India were the same as the things we want for our own children.

(Institute for Philanthropy 2010: 33)

One of the real high points [of TPW] was in Vietnam, getting on motorbikes and going off through the paddy fields and then sitting down for two hours with a woman who was living on fifty US cents per day, while her daughter was being educated potentially up to university level. It was absolutely fascinating and it was a real insight into the enormous impact that a programme was having on one life. And suddenly all the presentations and so-forth, they became relevant when applied to real life.

(ibid: 37)

In other publications, detailed case studies demonstrated participants' application of the tenets of strategic philanthropy to their practice, such as the following profile of London-based philanthropist Catherine Zennström,²³⁷ featured in an IfP report that I co-wrote on core support funding. Zennström's approach to her philanthropy was considered a model example of strategic funding by the staff of the IfP:

In the human rights portfolio, the team has forged strategic partnerships with institutions, experts, and non-governmental organisations (NGOs) to ensure that there is genuine and durable change at the policy level in three key areas: human rights defenders, the "invisible" groups that are least visible in society and therefore most vulnerable to abuse, and addressing historical abuses. The area of focus is Europe and the strategy emerged from an extensive review of the urgent human rights problems in the region combined with an understanding of the key leverage points in the European debate where the philanthropic voice could add to the discussion. [...] This is the privilege of a private funder – to engage in the issue, to be flexible, to get diverse actors around the same table, and to encourage their grantees to leverage off the work of each other to further expand their influence. [...] Grants are often focused around long terms goals and relationships, where a philanthropist can provide not only funding, but also access to key stakeholders, strategic advice and a sounding board for new ideas.

(Institute for Philanthropy 2009: 19-20)

²³⁷ French-born Catherine Zennström worked in the telecom industry before becoming a human rights advocate. Her husband Niklas Zennström is a Swedish internet entrepreneur and the founder of online communications programme Skype. They are the co-founders of Zennström Philanthropies, a family foundation which funds in the areas of human rights and climate change.

The presentation of this material inevitably begs the question of the gap between discourse and practice in the work of the IfP and similar intermediary organisations and of their philanthropist clients. To what extent are philanthropists' attitudes really transformed by participation in programmes like these? Is strategic philanthropy really more effective in creating social change? How do grantees experience strategic philanthropy? And how, if at all, are relations of power and control between philanthropists and grantees affected by application of its principles?

The answers to these questions are of great importance, but they are not the subject of this thesis, and would require a different research project to the one on which it is based. Instead, my objective here is to interrogate the approaches to philanthropy seen in the work of different intermediary organisations. The strategic philanthropy approach did promote a serious engagement of philanthropists with the social issues with which they are concerned, and endorsed the commendable endeavour of bringing elite philanthropists out of the bubble of their own privileged experience. These objectives, however, were limited by the concept of social change adopted by most philanthropists and intermediaries I met in the field. In alignment with the free market ideology discussed elsewhere in this thesis (see chapters 6 and 7), this was posited on ideas of technical expertise and the creation of opportunities for improvement in the lives of the poor, leaving underlying structures of socio-economic inequality unscathed and elite philanthropists' personal and professional connections to these structures unexplored.

Not only were these connections left unexplored in the discourse of strategic philanthropy, but care was also taken by intermediary organisations to avoid making reference to them. Discussion during a staff meeting at the IfP about how staff should respond when asked about the Institute's position on tax evasion and avoidance among our wealthy clients concluded with the instruction to reply that the tax affairs of our clients were none of our business, and not relevant to the IfP's work as a philanthropy adviser. The behaviour of wealthy clients was sometimes the subject of raised eyebrows behind closed doors at the IfP, such as when a client casually mentioned to a member of staff over the phone that the weather had been so bad in the city where she lived that she and her husband had gone out in their private jet earlier that morning, just to get above the clouds and see some sunshine. But during The Philanthropy Workshop, participants were always accommodated in luxury hotels, even in

countries in the ‘developing world’, and transported to and from site visits in private vehicles, signalling to participants that coming into contact with the philanthropic ‘other’ entailed only a brief departure from the elite comfort zone and that, at the end of the day, distance from that ‘other’ would always be restored.

I have discussed the internal logic of elite ideologies of social change elsewhere in this thesis (see chapter 6), and reiterate here that we shouldn’t doubt the sincerity of philanthropists’ and intermediaries’ belief in the capacity of action based on this logic to improve the lives of the poor, even if we do not share that belief. In considering the approach of strategic philanthropy education it is also important to remember that - as also discussed elsewhere - inequality and poverty are typically considered as unrelated concepts within elite ideologies of social change. While poverty is seen as a problem to be eradicated, inequality of itself is considered a healthy, motivating and necessary aspect of social organisation within the capitalist socio-economic system.²³⁸

A further aspect of elite philanthropy revealed by analysis of strategic philanthropy education is the role played by philanthropic practice in the formation of elite identities (see chapter 4). The following testimonies from participants of TPW appear in a publication by the Institute for Philanthropy to mark the organisation’s ten-year anniversary:

I suppose I’m surprised at how far I’ve come. [...] The surprise about doing TPW is how it changes your whole sense of identity, your philanthropic identity.
(Institute for Philanthropy 2010: 35-36)

TPW and the process of giving is quite a personal experience. [...] That wasn’t a forced thing at all, it wasn’t ‘oh let’s all look inwards and understand our emotions’, it was more a case of people being confronted with what their purpose in life was.
(ibid: 37)

The objective of encouraging participants to develop a ‘philanthropic identity’ was pursued not only within the programmatic content of TPW but also on an individual basis between

²³⁸ Recent years have seen a proliferation of academic literature on socio-economic inequality (see e.g. Dorling 2014). One of the pioneering works in this canon is Wilkinson and Pickett’s (2009) *The Spirit Level*, which provides wide-ranging evidence from societies around the world of the negative effects of inequality on factors including physical and mental health, education, trust and community life. One consequence of studies such as this has been to draw public attention to the true (and shocking) extent of inequality in countries of both high and low GDP. The example cited above, of the philanthropist who resorted to a trip in her private jet just to get some sunshine, is a revealing anecdotal example of this contemporary reality.

participants and IfP staff. These attempts were often complicated by differing ideas about the definition and purpose of philanthropy. One staff member related a conversation with a TPW participant in which he had persuaded her to consider a voluntary research project she had carried out for her local community foundation as part of her philanthropy, even though she had not made a financial contribution to the foundation on this occasion. In another instance, a staff member was disapproving of a client who had decided to sponsor a project in his son's (private) school. This, according to the intermediary, should not be considered philanthropy, as the beneficiaries were privileged children.

These complex attempts on the part of intermediaries, to define philanthropy and to encourage wealthy clients to adopt the role of philanthropist, hint at the ambiguous positions occupied by philanthropic practice in the formation of elite identities. They also shed light on the contradictory ways in which different actors in this landscape – both philanthropists and their advisers - perceive, define and seek to validate their practice. As discussed below, similarities can be drawn with the work of another intermediary organisation in my Brazilian fieldsite.

Looking Towards the Future

In the Brazilian intermediary sector, another organisation adhering to the strategic philanthropy approach was GIFE (*Grupo de Institutos, Fundações e Empresas* - Group of Institutes, Foundations and Businesses) the advocacy and membership organisation for institutional philanthropy. At the time I was carrying out my fieldwork, GIFE was developing a ten-year plan to encourage changes in the philanthropy carried out by Brazil's economic elite. In the following extract from an English-language collection of essays on global philanthropy, GIFE's (then) secretary general Fernando Rossetti (2010: 283) lays out the project's objectives:

The GIFE Vision for Private Social Investment in 2020 consists of three main axis, or objectives:

- Social legitimacy and relevance
- Thematic and geographic scope
- Diversity of social investment

Rossetti goes on to explain that the first of these aims relates to the need for philanthropic initiatives to improve their management and governance structures, to create better systems for evaluating the impact of their work and to build better relations with other organisations in the third sector. The second objective refers to the thematic concentration of institutional philanthropy, currently focused overwhelmingly in areas “such as education, culture and youth” (ibid: 283), and its geographic concentration in the wealthier regions of Brazil such as the states of São Paulo and Rio. GIFE’s final aim is to encourage a greater diversity of philanthropic bodies, in order to loosen the dominance of corporate philanthropy in Brazil. Rossetti (ibid: 284) argues that:

Corporate philanthropy, even the most sophisticated and social justice-oriented, has a very palpable limit – the brand. It is rare for a corporation to get involved in polemic causes or in social actions that might generate any conflict. So the main tendency is to invest in consensual fields, such as education and culture, rather than in potentially riskier themes such as human rights, corruption control or rural land property. [...] Brazil has some of the most interesting and innovative corporate social investment experiences in the world [...] But only a more diversified sector, with new family, community and independent foundations, can make resources available for other social issues and regions.²³⁹

GIFE launched this project, entitled ‘*Visões para 2020*’ (Visions for 2020) at its bi-annual conference, held in Rio de Janeiro in April 2010. On the last day of the same conference, GIFE held an event to debate the achievements and failures of Brazilian philanthropy over recent years. This was staged as a mock court trial in which philanthropy, termed *investimento social privado* (private social investment) or ISP by GIFE, stood in the dock as the ‘defendant’, with a ‘judge’, ‘barristers’ and ‘witnesses’ represented by third sector and philanthropy sector professionals. A series of accusations were put to the defendant and debated by the barristers and witnesses, after which the ‘jury’ (the audience of conference delegates watching the trial) were invited to vote electronically (using individual remote handsets) on the extent to which they agreed or not with each accusation. The accusations put to the ‘defendant’ and the majority verdict of the ‘jury’ are reproduced below:

²³⁹ My fieldwork also brought me into contact with a group of representatives of independent grant-making foundations, who were developing a project that reflected these concerns. These were small foundations funded either from abroad or through donations from individuals in Brazil (i.e. neither elite family or corporate foundations), whose work involved the re-granting of these funds to a variety of projects carried out by Brazilian third sector organisations. They focused on a range of themes including human rights, the environment and women’s rights. Meeting in Rio de Janeiro and São Paulo, they had begun to discuss ways of giving visibility to this form of philanthropy and of promoting grant-making philanthropy more widely among Brazilian philanthropists (who, as discussed elsewhere, typically carry out their own programmes through operating foundations).

‘Accusation’	Overall verdict of the ‘jury’
1. Philanthropists work in their own interests and not in response to the real needs of society.	Disagree (fully)
2. Real social transformation cannot be brought about through philanthropy.	Agree (partially)
3. Philanthropy does not listen to the voices and requests of civil society organisations.	Agree (partially)
4. Philanthropy carries out hundreds of individual activities without considering how they will all join together.	Agree (partially)
5. The work of philanthropists is not subjected to the same principles of transparency and accountability imposed on the beneficiaries of their philanthropy.	Agree (jury split between fully & partially)
6. The use of fiscal incentives is not a legitimate form of philanthropy.	Disagree (fully)

(Recorded in my fieldnotes from GIFE Conference, Rio de Janeiro, 09/04/2010)

At the end of the trial, the judge passed his verdict on philanthropy, ruling that the defendant had been resistant to tackling the important issues facing Brazil, but noting in his defence that was still in his adolescence, that there hadn’t been any schools when he was growing up and that there had been very high expectations of him. The judge also noted that the defendant had learned from his ‘Northern neighbours’ (a reference to philanthropy in the USA), but had also wanted to make his own way in the world. He recommended that the defendant would do better if he worked more closely with the public sector, took care not to reinvent the wheel, and did more direct grant-making to third sector organisations. Overall the defendant was judged delinquent but not dangerous to society. He was absolved of his crimes but required to carry out some educational activities.

The activities outlined above are concerned with broad changes in the Brazilian philanthropy sector and cannot, as such, be compared directly to the educational and advising activities of the Institute for Philanthropy. They must also be considered in the local context of the

Brazilian third sector, which I have outlined in chapter 1. Many of the changes that GIFE proposes for the future of Brazilian philanthropy – a wider diversity of philanthropic vehicles, shifting the sector away from corporate dominance, more grant-making in parallel to operational programmes, greater engagement with the rest of the third sector and a broader variety of philanthropic causes – would bring the activity of the sector closer to that found in the UK, and they posit the development of the philanthropy sector as an evolutionary process towards an ideal type based on the model provided by the UK and the USA. I have presented the examples of GIFE and the IfP together, however, in order to draw attention to a similarity in approach, defined as much by what these attempts to influence philanthropy omit, as by what they contain.

The proposals set out in GIFE's vision for 2020 and its mock trial of elite philanthropy look quite revolutionary when considered alongside the typical modes of practice of contemporary Brazilian philanthropy. Like the IfP's mandate for strategic philanthropy, however, they stop short of a structural critique of elite philanthropy. While GIFE calls for radical changes to the sector, it presents these changes as technical and strategic, suggesting that their assimilation by the sector can be achieved simply by educating and engaging elite philanthropists. Nowhere in GIFE's proposals is there a discussion of the *political and economic* barriers to the development of a philanthropy more supportive of the country's third sector. Or of the fact that the roots of this sector lie in a tradition of radical social movements which emerged in protest against the extreme social and economic inequalities that define Brazil's social structure, and in the demand of a fairer distribution of the power held by a tiny economic elite – that same elite that is today responsible for the philanthropy advocated by GIFE.

The absence of philanthropic investment in 'polemic' causes is not, as such, simply a question of brand management. Economic elites have deeper reasons for not wanting to fund third sector organisations calling for structural economic and social change, and challenging the distribution of power in Brazilian society. In contrast to GIFE and the IfP however, whose discourse is not concerned with philanthropy's relationship to the structures upholding social and economic inequality, the last intermediary organisation I discuss in this chapter actually attempted to place this question at the centre of its approach.

(Gentle) Challenges to Elite Worldviews: Instituto Geração (São Paulo)

The final intermediary organisation whose work I will explore is the *Instituto Geração* (IG - Generation Institute) in São Paulo. Unlike the other organisations profiled above, one of the IG's central objectives was to create social change by encouraging young wealthy elites to understand their own role and that of their families in the creation and maintenance of inequality in Brazil. Through this process of awareness-building, the IG aimed to encourage these young elites to adopt attitudes of social responsibility, and to commit money and time to philanthropic and other socially minded activities. A report produced by the Institute on the first five years of its work states that:

Distribution of wealth and opportunities is a knot that needs to be undone. The right time to change this situation is always now, and the best person to act is each one of us. The Generation Institute believes that economically privileged young people can play a new role in this process. Made up of opinion makers with high levels of education, networks of potential contacts and influence, and strong economic power, this is a group of people who really can make a difference in the construction of a more egalitarian society.

(Cardoso 2011: 3-4, English-language version of original report in Portuguese)

As I got to know the IG's two founders in the field, I learnt that they considered the creation of the IG both a personal and a political project, grounded in their desire to encourage social and economic awareness among their peers within Brazil's economic elite. Both founders were young women from wealthy São Paulo families with previous experience working in the third sector, including at IDIS (*Instituto para o Desenvolvimento do Investimento Social* - Institute for the Development of Social Investment). Unlike many of their peers, both had eschewed a career in business, finance or law in favour of a commitment to working in the third sector in the pursuit of social change.²⁴⁰

The motivations of the founders of IG were reflected among others working for them at the Institute. One staff member, who had worked in an investment bank before moving into the third sector, told me in interview:

²⁴⁰ One of the IG's two founders had also studied social sciences at the public University of São Paulo, an unusual first degree among the members of the economic elite I met in Brazil, most of whom had degrees in economics, law or business administration. This philanthropy professional's trajectory and preoccupation with issues of socio-economic inequality and social change are discussed in more detail in Sklair (2010: 173-179).

I started to lose interest in [working in] the financial market. Because I realised that money didn't really make me happy ... different from the others, I wasn't interested in competing for bonuses, or for more money, it wasn't what motivated me. I started to think that the relations were kind of distorted in that world. There were lots of people worried about what they had and not about who they were.

(my translation from Portuguese)

The IG began life as a single programme, the *Programa Nova Geração* (PNG - New Generation Programme) in 2006. A year later the IG was created to provide an institutional framework for the programme and other activities were introduced (including private advising, learning journeys, themed workshops and a structured network for PNG alumni), but the PNG remained the principal activity of the new institute. The PNG took place over five residential weekend seminars during the course of a year, plus a series of informal meetings between seminars. It was aimed at members of the Brazilian economic elite (inheritors or self-made) aged between 25 and 40, concerned about the country's social and economic inequalities. At the time of my fieldwork (2008-2010) only two foreigners had taken part in the programme, myself and one other non-Brazilian living in the country.²⁴¹

The approach of the PNG was focused on the personal development of participants. The programmes' coordinators aimed to broaden participants' understanding of the causes of social and economic inequality in Brazil and to draw explicit connections between the (historical and contemporary) creation of wealth by individual participants and their families, the development of the country and the creation and perpetuation of these inequalities. As Paula,²⁴² a consultant hired by the IG to help develop the programme, explained to me in interview, the PNG was designed to:

Help these people [participants] to begin to pay attention to their own processes of development. So we start to look at social development from the perspective of the individual, helping these people to connect with their own experiences, and the impact experiences have had on them. And when we help these people to connect to the history of civil society, and to connect the history of their own families to this history of civil society, in a way we are bringing social issues which are 'over there' closer to here. [...] And helping these people to include themselves in these issues.

(my translation)

²⁴¹ I participated in the PNG as part of the research carried out for my master's degree at the University of São Paulo and have written elsewhere about my participant observation of the programme (see Sklair 2010: 165-206).

²⁴² Not her real name.

In conversations in the field, the founders and executive team of the IG told me that this approach was crucial to the development of philanthropy in Brazil. The extreme levels of Brazil's social and economic inequality, together with the self-imposed segregation of the country's economic elite, their ignorance of the causes of inequality and distance from the rest of the third sector, and the 'backwardness' of philanthropy in Brazil compared with countries like the USA and the UK meant, I was told, that many Brazilian philanthropists – especially younger ones – were not ready for the more technical donor education programmes found in other countries.

The PNG's 'personal development' approach and its founders' belief that social transformation has to begin with the individual were reflected in the programme's content, structure and aims. The thematic content of the programme is outlined here in an extract from the English-language version of a publication produced by the IG on its work:

- The Brazilian social question: expanding the view
- The history of non-governmental organizations in Brazil
- Participatory democracy and citizen participation
- Forms of social organization and intervention
- Private family and business social investment
- Business sustainability and social responsibility
- Social enterprise and sector 2.5
- The dynamics of wealth, poverty, and inequality in Brazil
- Social causes: conception and development
- Uses of money: exchange, lending, and donation
- Solidarity and development economics
- Management of social organizations
- Social entrepreneurship and social enterprise

(Cardoso 2011: 44)

These themes were explored through meetings with third sector, philanthropy and CSR professionals, site visits to third sector organisations, readings, group discussion, artistic activities and "self-awareness exercises" (ibid: 32). In the years following the programme's creation, its coordinators developed the PNG to align its structure and methods more closely to its conceptual framework. This meant moving away from a pre-determined programme of activities to a more free-form structure, which evolved according to participants' interests and learning over the course of the seminars. The same publication explains that:

It is important to highlight that the PNG is not a course. The Program creates an opportunity for reflection on each individual's own practice, social action and real life

experience. And, by absorbing lessons stemming from social action, ways of doing things change, and the transformations are huge. As the PNG is not a course, there are no classes, and no lectures in the conventional sense of the term. Instead, what takes place are reflections and exchanges of ideas with specialists and pioneers.

(ibid: 44)

While the programme encouraged participants to increase their philanthropy and to practice it in different ways, this was only one of a much wider range of possible outcomes that the PNG's coordinators imagined for its participants. The central aim of the programme was the personal transformation of participants through increased awareness of social and economic inequalities, and through helping participants to position themselves (economically and historically) within a broader social landscape. As one participant states in the IG's publication:

The great thing about the Program is that it takes a macro photo and places you in it. It puts you in place for you to make this link between your story and the story going on in the world.

(ibid: 48)

In parallel with this aim, the PNG was based on a "concept of social action as part of everything the individual does in society, rather than involvement only with specific causes" (ibid: 20). The possible repercussions of the personal transformation of PNG participants could, therefore, take many forms. A significant outcome might be a participant using his or her influence on the board of their family businesses to introduce fairer or more sustainable business practices to the company, or leaving a job in finance to work in the third sector. The following testimony from a PNG participant demonstrates this kind of outcome of the programme:

In 2007, when he got involved in the New Generation Program, Tiago Calheiros Mabilde's aim was to learn more about how the third sector works. The experience changed his life. He redirected his professional career, increased his voluntary work, and together with PNG colleagues, set up a social enterprise. "I was living on auto-pilot, and PNG made me see that, and I was able to reflect on my life, my values and my future".

(ibid: 15)

As the PNG was based on the premise that "small attitudes make a difference, and especially when the social actor is already a leading force in elite society" (ibid: 20), small changes in participants' everyday behaviour, such as the cultivation of more responsible consumption

patterns (e.g. deciding against the purchase of a second – or third or fourth– car), fairer treatment of employees or paying domestic workers a higher wage were considered equally important outcomes of the programme.

The process of defining the objectives of the PNG and deciding when those objectives had been achieved did not, however, come without its difficulties. These questions were the topic of extensive discussion among staff at the *Instituto Geração*, and took on particular relevance within the context of the Institute’s ongoing fundraising efforts, which were necessary to sustain its activities.²⁴³ As discussed in the last chapter, in line with the norms of evaluation processes transferred from the corporate to the third sector, access to funding was often dependent on an organisation demonstrating the results or ‘Key Performance Indicators’ (KPIs) of its work. With such a wide and often intangible range of outcomes, it was very difficult to measure and systematise the impact made by the PNG for the benefit of potential funders. While I was volunteering at the IG, the staff decided to begin collecting case study testimonies from PNG participants, in an alternative attempt to demonstrate the impact of the programme, as (I was told at the time by a staff member), “indicators don’t show the results of our work”.²⁴⁴

These concerns were also part of a bigger discussion at the *Instituto Geração* about what the PNG was really trying to achieve, and the methods used in the programme. This discussion was in large part encouraged by Paula, the consultant mentioned above, who had been hired by the IG to help design and facilitate the PNG. Paula worked on the pilot programme of the PNG and remained at the *Instituto Geração* for several years, and was very influential in the development of the programme. Unlike the founders and executive staff of the IG, who were all from elite families (as discussed above), Paula did not come from an elite background. She worked for an NGO which specialised in advising a wide range of other third sector organisations, from grassroots social movements to CSR initiatives, and she brought a highly critical perspective on Brazil’s elite philanthropy sector to her role at the IG. In an interview

²⁴³ A related theme was the problems faced by the IG (and other intermediary organisations in the Brazilian and British sectors) in persuading philanthropists of the value of donor education and advisory services. Donor education programmes (and the organisations that offered them) were expensive to run, but attempts to cover full costs through the fees charged to participants inevitably made programmes so expensive that they failed to attract participants. Costs, therefore, often had to be supplemented by external funding, usually sought among other philanthropists and foundations already ‘enlightened’ to the importance of philanthropy education.

²⁴⁴ See chapter 7 for a wider analysis of these concerns over techniques for evaluation.

with me she outlined this perspective (which she emphasised was her personal view and not necessarily representative of the views of the IG or of the NGO she worked for):

I have the impression, looking at the social investment movement in Brazil, looking in fact at the whole movement of business participation in Brazil's social issues, that its principal motivation is one of social control and market control. I don't see [...] visions of the nation, visions of the world, or even strategic plans to strengthen the state in the politics of social investment of the majority of business and family foundations. [...] When [philanthropists] intervene, it's only in the aspect of income generation. And so the aspect of culture ... this is why I say that it's a politics of the maintenance of control. They don't want to increase the culture of these people [the beneficiaries of their philanthropy], they don't want to increase their power, they want to increase their *buying* power. So [these same businesses] are producing products for classes D and E²⁴⁵ and they're really increasing their potential for profit. Today the front page of the newspaper announces that 'banks are opening agencies in the *favela*', so now they've got their eye on classes C and D and this is the approach, income generation, wealth generation [...] and inequality? Well, they want to reduce financial inequality, but inequality of participation in decision-making ... they don't want to reduce that. They want to continue making the decisions, except that now [the poor] have mobile phones, sound systems and freezers, so they tell them to stop complaining.

(my translation)

Paula told me that she had been motivated to work with the *Instituto Geração* because of its founders' commitment to raising the social awareness of young members of Brazil's economic elite. She was a strong adherent – along with the founders of the IG - to the idea that social change begins with the raising of individual consciousness.²⁴⁶ Paula believed, however, that the IG's founders were often too hesitant in challenging the worldview of the participants of the PNG, and in including content in the programme that would go too far beyond the parameters of their own elite experience. The question of how and how far participants should be challenged to think beyond these parameters appeared in decision-making at the IG on everything from what kind of hotels should be chosen to accommodate participants during modules to the programmatic content of the PNG. Paula told me in interview that,

I can see that it's easy for [the *Instituto Geração*'s leaders] to say, let's visit a social business, let's have a session on social investment, let's get in the guy from GIFE, and

²⁴⁵ In Brazil, socio-economic classes are often categorised using letters, in descending order starting from class 'A'. This terminology is commonly used in relation to the marketing of products by companies to specific demographics.

²⁴⁶ Paula and others at the IG cited Goethe, Alan Kaplan and David A. Kolb as important influences in the development of this theory of social change.

it's just more of the same, you see? But there's a tension here because they [the IG's leaders] say to me, but Paula, for them [the participants] this is already really new. So there's no point in you trying to introduce them to other things because it would be so shocking for them that they wouldn't even be able to take in what you're showing them. [...] So taking them to visit the MST's Florestan Fernandes School²⁴⁷ is something that isn't even ... that would break the paradigm of [the IG's leaders]. So ok then, we're not going to take anyone to meet the MST. I understand what they're saying, it's true, but this tension is there today in the PNG. Which is, how are we going to help these people [participants] look at these social issues through different glasses than the ones they already have in their pockets.

(my translation)

Despite their stated intentions, the founders and staff of the IG were nervous about challenging their clients to explore deeper and more uncomfortable truths about their own relationship to social and economic inequality, such as those that might be revealed during a visit to the MST (the Landless Workers' Movement, discussed in chapter 6) concerning the continuing monopoly of Brazil's agricultural land by a small handful of elite families, and those families' collusion in the historical persecution of the MST by private and state mechanisms for social control. In the absence of such challenges, Paula feared that the impact of the PNG could be no more than "*epidérmico*" (skin deep).

These tensions did not, however, create conflict between Paula and the other leaders of the PNG. Paula found small ways to challenge participants' understanding of social issues during the programme, such as during two group discussions that she related to me in interview. In one, she had explained to a participant who had pointed to Brazil's drug trade as a source of social problems that this trade was in fact sustained by middle and upper-class consumption. In the other, she had challenged another participant to explain how profits were achieved within his own private equity firm, drawing attention to the relationship between poverty, unemployment, the redundancy measures central to his firm's activity and said profits.

Interventions from Paula such as these were tolerated and even encouraged by the other leaders of the PNG. Their resistance to Paula's proposal for a more radical programme of activities within the PNG seemed to be less a question of differing ideologies as one of concern about how to manage the learning process of their young elite clients. Juliana,²⁴⁸ one

²⁴⁷ Escola Nacional Florestan Fernandes is the school for social movement activists established by the MST (*Movimento dos Trabalhadores Rurais Sem Terra* – Landless Workers' Movement) in Guararema, São Paulo state.

²⁴⁸ Not her real name.

of the leaders of the programme, explained to me in interview that participants came to the PNG at different stages of their development in becoming “agents of transformation”. While some were only just beginning to develop an awareness of social issues and the work of the third sector, others were further along in the development of their social consciousness and needed more content to further their learning. Participants in a third stage of development were ready to transform their learning into concrete action in their own lives, and needed specific types of support for this. The leaders of the PNG, she told me, needed to recognise the developmental stage of each participant and work with them at that point.

In addition, Juliana explained, the process of developing social consciousness and translating this into concrete action was not an easy one for young members of the elite. “One thing I’ve realised” she told me,

... is that you make a really big change when you start to develop a new perspective on the world. It’s not just a change in yourself, you start to relate differently to your friends, to your family, to your employees, to everything around you. You need a network of people to support you in this process. [...] And the barriers [to making this change] are not always internal, sometimes they’re external. [...] Often this involves a rupture in relation to your family’s principles, and in family relationships. Sometimes it means going against your family’s story of construction [of wealth] [...] So you have to have a lot of confidence. Especially if you’re a person from our generation, you will probably encounter resistance from the generation above, from other people and from the wider world, because the whole world values accumulation.

(my translation)

These different ideas on the part of the leaders of the PNG, concerning the extent to which participants should be challenged – and how they should be supported - in the process of personal development towards greater social consciousness and action, ran through the many conversations I witnessed and participated in at the *Instituto Geração*, and shaped the design and implementation of the programme. While all the intermediaries involved in the PNG could cite concrete examples of the impact made by the programme on individual participants, there was also much frustration – not only on the part of Paula, but others too - at the slow nature of the transformation of many participants, or at the apparent failure of some participants to transform at all. These frustrations increased during the staff’s attempts to create a network among the young people who had ‘graduated’ from the PNG, which involved much discussion around the desired purpose and activities of this network. The

staff's frustration relating to the conflicting desires to both promote and control the formation of this network and to see it develop 'organically' among its members without input from the IG, further reflected the Institute's ambiguous position regarding the objectives of its work and the methods by which these objectives should be met.

Transforming the Philanthropists

I have described above the differing approaches informing the donor education and advisory work carried out by philanthropic intermediaries in a number of different organisations. Irrespective of these differences, however, these organisations shared a common discourse on the 'transformation' of their clients. The idea that taking part in programmes such as The Philanthropy Workshop or the *Programa Nova Geração* should be a transformative experience which profoundly alters the participant's philanthropy and other activities in the third sector and beyond, as well as his or her personal outlook, ideas and attitudes, was an almost dogmatic assertion amongst intermediaries working in these organisations. It was also an idea that was enthusiastically adopted by participants who considered themselves transformed by the process.

Equally, within these organisations, certain participants were considered to have escaped transformation. In these cases, the participant's failure to transform was usually put down to his or her own personal incapacity for such transformation, unwillingness to take the experience seriously or some other form of resistance. As discussed above, debate among intermediaries at the *Instituto Geração* on the failure of the PNG to transform some participants also questioned the content and reach of the programme itself – concerns that were not expressed at the Institute for Philanthropy.

The trope of transformation runs through the different aspects of elite philanthropy explored in this thesis in various ways. Intermediaries oversee the (personal) transformation of philanthropists and the (technical) transformation of their practice, as discussed in the current chapter. Elites attempt to bring about their own transformation *into* philanthropists in order to bring meaning and significance to their lives. Philanthropists seek the transformation of the world, via the transformation of individual selves (the beneficiaries of their practice) in

accordance with neoliberal ideologies on the self-improvement of the poor.²⁴⁹ As stated at the outset of this chapter, critical disagreement with the tenets underlying these various objectives should not lead us to doubt their sincerity.

Analysis of the various approaches to philanthropy education and advising highlights questions about who philanthropy is for, what it constitutes as a practice and different ideas about its potential for creating change in the world. Depending on the intermediary organisation, elite philanthropy becomes a way of managing the problems associated with passing inheritance between generations, a fulfilling personal application of wealth, a means of solving social problems without challenging elite ideological doctrines, a source of funding for third sector activity or a medium for instilling social and economic consciousness in young members of the economic elite.

From a critical perspective, the philanthropic ‘strategy’ promoted by the majority of the intermediaries in my fieldsites – summarised most persuasively in the evolutionary model via which philanthropists are encouraged to move from handing out fish to reorganising the fishing industry - emerges as a method for giving enough to demonstrate the sincerity of philanthropy, but not enough to actually change the underlying socio-economic structures that make philanthropy necessary in the first place. Philanthropy thus serves as a mitigating device, a mechanism for negotiating the relationships necessary for the maintenance of these wider structures.²⁵⁰ The specific contribution of philanthropy intermediaries is the role they play in helping to negotiate these relationships.

Within this context, the ambiguity seen in the work of philanthropic intermediaries is both inevitable and functional, helping to (symbolically and substantively) mitigate the effects of socio-economic inequality while avoiding real challenges to its underlying causes. The sincerity of philanthropists and their advisers, wholly committed to their own ideological interpretation of the problems at hand, is not in doubt here. But it is questionable whether elite philanthropy in this mode can ever ultimately do more than serve the interests of its practitioners.

²⁴⁹ See chapters 4 and 6 on identities of wealth and ideologies of social change, respectively.

²⁵⁰ Corporatist trade union movements in countries such as Brazil and Argentina have historically played a similar mitigating role, facilitating the management of labour relations from above.

In parallel to this broader analysis, the comparative ethnographic material presented above reveals particularities in the cases of Brazil and the UK. The ambiguities present in the work of British intermediaries reflect the requirements of a globalised economic (philanthropic) elite for the mitigation of the fallout from the economic structures that continue to serve their growing affluence. Brazil, in its condition as an emerging BRIC player on the global economic stage, aspires to mimic the practices of elite philanthropists in the UK and the USA, just as its corporate sector increasingly seeks to fashion itself on the model of late capitalism seen in those countries. In these circumstances, the ambiguities seen in the British philanthropy sector become accentuated in Brazil, as in the cases of GIFE and the *Instituto Geração*, profiled above.

This chapter has attempted to show that these resultant ambiguities – and the diversity of meanings and objectives that arise from them – are an inevitable and functional aspect of the elite philanthropic project, and by extension of the engagement of economic elites with issues of social and economic inequality. It is a central argument of this thesis that analysis of elite practice and experience must encompass these ambiguities. When it does so, such analysis is able to provide texture and legitimacy to critiques of elite ideology and its role in upholding structures of inequality.

Conclusion

Diverse Manifestations of a Shared Project

There are infinite ways of practicing philanthropy. Philanthropists do not all share similar ideas about why they do it, who benefits and what they seek to achieve by engaging in it. And not all philanthropists, of course, are to be found among the ranks of the wealthy. The focus of this thesis, however, has been the philanthropy of economic elites, in two contemporary settings. I have attempted to demonstrate how, in this context, philanthropic practice is shaped by the particular ideologies of these elites, and how the scale of their wealth and influence makes their philanthropy a tangible and specific source of power. Driven by elite ideologies of social change, this breed of philanthropy becomes a handmaiden to the wider project of global capitalism, both in terms of promoting its central tenets and of attempting to mitigate the worst of its excesses, in order to ensure its continuity.

Global elite philanthropists operate through a wide variety of different mechanisms, often overlapping (as has been discussed in previous chapters) with public and private initiatives for the provision of market-based solutions to social problems. Along this very broad range of philanthropic projects, however, we can see the same ideologies at work time and again. While funding by the Gates Foundation of for-profit corporations for the provision of financial services to the poor (McGoey 2015b) might seem a disconnected practice from the design by a Brazilian family business foundation of an operating programme to provide professional training opportunities for young people, these in fact represent common examples of a shared elite project. Informed by the same ideological faith in the capacity of global capitalism to alleviate poverty and solve the seemingly intractable problems of the international development agenda, Gates' grant-making to for-profit companies and the Brazilian foundation's attempts to incorporate the poor into the free-market economy are expressions of a shared ideology, with Gates simply taking the approach of the Brazilian foundation to its logical extreme. Through examples such as these (and the many others described in this thesis), elite philanthropy in its myriad manifestations

around the world becomes part of the way in which the structures of global capitalism are constantly recreated and sustained.

A Global Philanthropic Elite?

As discussed in the introduction to this thesis, I did not set out on the current research project with the intent of producing a full comparative study of elite philanthropy in Brazil and the UK. Rather, ethnographic material on the UK has been used here to examine the ways in which Brazilian philanthropy seeks to replicate or diverge from the older and more established traditions of its British counterpart, and how different historical contexts have influenced the development of elite philanthropy in the two countries. I also chose to look at these two national contexts alongside one another, however, in order to test the hypothesis that wealthy philanthropists around the world are today highly connected and share similar ideologies and practices, even when their philanthropy is carried out within national boundaries. In short, I argue that the subjects of my research form part of a global philanthropic elite, whose practices can be considered part of the same global, philanthropic project. Membership of this philanthropic elite is of course contingent on inclusion within the broader ranks of the global economic (usually corporate)²⁵¹ elite, although – importantly - membership of the latter does not automatically imply affiliation with the former.

My attempts to demonstrate the existence and shared project of this global philanthropic elite have undoubtedly led me to emphasise the similarities I observed in the discourse and practice of philanthropists in Brazil and the UK, at the expense of exploring in more detail the differences. A closer examination of the historical and cultural differences between elite philanthropy in the two countries would require a somewhat different research project. In defence of the choices guiding the current study, however, I did find (as evidenced in the ethnographic material presented in this thesis) remarkable similarities in the discourse, ideology and focus of elite philanthropy in Brazil and the UK, *despite* obvious differences in the context and

²⁵¹ As discussed in the introduction, my definition of ‘elites’ is a financial one, based on inclusion in the ranks of the super-rich, whether by dint of commercial activity, celebrity status in the arenas of sport and entertainment, or inheritance.

practicalities of philanthropy in my two fieldsites. Regardless of the fact that British philanthropists are overwhelmingly engaged in grant-making activities while their Brazilian counterparts usually design and run their own programmes, that British elites commonly separate family and business in their philanthropic endeavours - while Brazilians rarely do, and that elite philanthropy in the two countries is influenced by radically different historical relations with the rest of the third sector, elite philanthropy in Brazil and the UK has come to rest in a remarkably similar place over the last two decades.²⁵²

As explored in the different parts of this thesis, I found in both my fieldsites that philanthropy was seen as a meaningful response to the experience of being wealthy and a tool for managing inheritance and family business succession. Equally, I observed a common faith in market-based solutions and tools for philanthropic practice, a recurring emphasis on the idea of entrepreneurship and an almost universal obsession with evaluation and results. All this gives weight to my argument that recent decades have seen the emergence and growing consolidation of a global philanthropic elite, whose shared philanthropic venture serves broader attempts to mitigate, promote and reproduce the global capitalist project.²⁵³

Critical Ethnography and Elite Philanthropy

In the chapters that make up this thesis, I have discussed a wide range of themes that emerged from my fieldwork among elite philanthropists in Brazil and the UK, as well as many of those addressed by critical commentators on the practice of philanthropy connected to or resembling that I observed in the field. In chapters one to three, I outlined the historical development of elite philanthropy in my two fieldsites, and the ways in which these histories have been influenced by changing political and economic policy in both countries, and by the development of the broader third sector.

²⁵² The historical overview of elite philanthropy in Brazil and the UK provided in chapters one and two of this study is important in this respect. These chapters demonstrate how - despite much divergence in the two histories they depict - many of the contemporary trends common to philanthropy in both countries do have their roots in earlier developments, especially the ascent of neoliberal economic ideology and policy during the 1980s and 1990s.

²⁵³ This argument would of course be tested by further research on institutionalised elite philanthropy in other countries, which is beyond the scope of this study.

In chapter four, I explored the ways in which the practice of philanthropy in my fieldsites was influenced by ideas about the purpose of wealth and the meaning of success, and by elite attempts to forge personal identities, to manage (the giving and receiving of) inheritance and to create ‘legacies’ for themselves and their families. These themes were developed in chapter five, where I looked at how philanthropy becomes entangled in the creation of historical family narratives and attempts to keep family firms - and family capital – intact with the passing of time. In chapters six, seven and eight, I discussed other aspects of elite philanthropic ideology and practice, looking at ideas about poverty and social change, discourse on philanthrocapitalism and attempts by philanthropists to promote market-based solutions to social problems, as well as the specific role of philanthropic intermediaries in disseminating ideas and advising philanthropists within the sector. Ethnography, the favoured research method of anthropological enquiry, enabled me to witness first hand – and relate in my textual account - the interplay of these themes in the everyday experience of the people I met in the field.

As discussed at the outset of this thesis, however, the process of writing up my research project saw my objectives change, from the original aim of keeping critique out of my ethnography, to an attempt to develop a critical account of elite philanthropy with reference to and incorporating the range of experience of elite philanthropists that I had witnessed in the field. In short, I decided to try to write a critical ethnography of elite philanthropy. Where, however, does such an objective leave the project of critique, and that of ethnography? The ambiguities involved in my attempt to develop a critical ethnography of my research subject can perhaps be most clearly seen in chapter five of this thesis, which looks at the ways in which discourse on philanthropy and social responsibility is woven into the historical family narrative of one business family I met in Brazil. In the field, I spent time with members of three generations of this family, who welcomed me warmly into their homes on several occasions. They were genuinely interested in my research and spent many hours openly discussing their experiences, motivations and difficulties in relation to attempts to develop philanthropic practice through family and corporate structures. We also spent a lot of time discussing the experience of being part of a business family, and related (and complex) issues around money, identity, family relationships,

inheritance and succession. The ethnographic material presented in chapter five is just a fraction of that which I gathered in the field on these occasions.

In short, this family told me their collective story, and returning home to write up my fieldwork, I drafted a chapter based on this story. This was not a very nuanced or critical piece of work, and my supervisor was not hugely impressed. Where was the historical context? What else was going on in this picture? I did some more research, and quickly unearthed some more historical material on the family firm, from sources outside the family. Only then did I learn of the very different ways in which much of what the family had told me about its 'socially responsible' past had been experienced by its employees at the time, and how activities remembered as acts of philanthropy by the family had been interpreted differently by workers and union leaders during ongoing labour disputes in the past.

Was the sanitised version of events presented to me in the field a typical elite family narrative, conveniently leaving out much of the conflict and ambiguous representation surrounding the family's activities in the past? Probably. So what should I do with this ethnographic account, so carefully gathered in the field during hours of not only my, but also the family's, time? From a purely critical perspective, perhaps I should have used my new findings to discredit the family's account entirely. On the other hand, proponents of non-critical ethnography (e.g. Yarrow and Venkatesan 2012; Marcus 1983, see introduction for discussion) might suggest I prioritise the family's account in the field. But I felt that either approach would be missing something. I don't think the family were trying to trick me in the field. The story they told me really was their version of events, a version that they wholeheartedly and sincerely believed in, and thus *ethnographically* important. Surely the potential of a critical ethnography would be to put *both* the family's story *and* the historical account into the picture?

Recent work on the theme of mutuality in the fieldwork encounter (see e.g. Sanjek (ed.) 2015) stresses experiences of common discovery and shared goals between the anthropologist and his or her research participants in the field. Despite our differing interpretations of much of their practice, these experiences were often present during my fieldwork with elite philanthropists and their advisers in Brazil and the UK. In the

case of Fábio (not his real name), the youngest member of the family profiled in chapter five that I spent time with in the field, our research relationship developed into a friendship, and we shared many doubts and questions about the themes we discussed. In an article on different interpretations of the concept of mutuality, João de Pina-Cabral (2013: 258) discusses the work of Johannes Fabian (1995), noting that, for this author, "... an unavoidable aspect of all fieldwork interaction would be the occurrence of a feeling of *shared revelation*". In my ethnographic encounter with Fábio - as evidenced by the e-mail correspondence I quote in the introduction to this thesis - 'shared revelation' did indeed feel like a mutual experience in the field. Experiences and relationships such as these, in fact, were some of the most important and revealing parts of my fieldwork.

Discussion of mutuality in the fieldwork encounter is in many ways problematic for research among powerful elites, not least because it usually assumes a shared moral project between researcher and research participant (e.g. Sanjek 2015). I would argue, however, that a shared moral project is *not* a prerequisite for the experience of mutuality in the field, or for the task of respectfully putting forward a different interpretation of events from that presented by the participants in one's fieldwork. In my own case, moments of mutuality in the field helped me to better understand the personal experience of my research participants, while a critical ethnographic approach enabled me to demonstrate how the personal and the political are part of one continuous realm, encompassing both the experience of the elite philanthropists among whom I conducted my fieldwork and the wider world which their practice helps to shape. It follows that personal and family experiences are as much influenced by (and an influence on) elite ideologies as the design of philanthropic practice. Wealthy Brazilian and British elites are not doing morally (or culturally, or operationally) distinct things when they are making money through business transactions, passing it down to younger generations, attempting to preserve it through successful business succession processes and giving it away in 'strategic' and 'businesslike' philanthropic practice. All of these processes encapsulate the same moral values, serving as attempts to simultaneously 'make the world' and 'make the world a better place'. Through these practices, wealthy elites seek to legitimise their own power, influence, wealth and status, and the supremacy of the global capitalist system, but they also seek to legitimise *themselves* and their own experience.

It is precisely this interconnectedness of the different aspects of elite experience that often stifles attempts by elite actors to go against the ideological grain in alternative projects for social change. It is worth returning here to the quote (already discussed in chapter eight), from one philanthropic adviser I met in the field, on the difficulties of persuading her clients to listen to alternative ideological perspectives on poverty, inequality and social change. “One thing I’ve realised” she told me,

... is that you make a really big change when you start to develop a new perspective on the world. It’s not just a change in yourself, you start to relate differently to your friends, to your family, to your employees, to everything around you. [...] And the barriers [to making this change] are not always internal, sometimes they’re external. [...] Often this involves a rupture in relation to your family’s principles, and in family relationships. Sometimes it means going against your family’s story of construction [of wealth] [...] So you have to have a lot of confidence. Especially if you’re a person from our generation, you will probably encounter resistance from the generation above, from other people and from the wider world, because the whole world values accumulation.

(my translation from interview in Portuguese)

In elite worlds, where everyone “values accumulation” and the idea of greater distribution of wealth and social justice represents “a rupture in relation to your family’s principles,” elite ideology represents not just a political worldview but a set of guiding principles embedded in every aspect of personal experience. It is here that lies the real barrier to progressive social change.

Bibliography

- ABONG. (2006) *ONGs no Brasil: perfil das associadas à Abong*. São Paulo: ABONG (Associação Brasileira de Organizações Não Governamentais).
- _____. (2010) *Sustentabilidade das ONGs no Brasil: acesso a recursos privados*. Rio de Janeiro: ABONG (Associação Brasileira de Organizações Não Governamentais).
- _____. (2014) *O dinheiro das ONGs: como as organizações da sociedade civil sustentam suas atividades – e porque isso é fundamental para o Brasil*. ABONG (Associação Brasileira de Organizações Não Governamentais) and Observatório da Sociedade Civil.
- Abreu, M de P. (2008a) ‘The Brazilian economy, 1930-1980’, in Bethell, L. (ed.) *The Cambridge history of Latin America, Volume IX: Brazil since 1930*. New York: Cambridge University Press, pp. 283-393.
- _____. (2008b) ‘The Brazilian economy, 1980-1994’, in Bethell, L. (ed.) *The Cambridge history of Latin America, Volume IX: Brazil since 1930*. New York: Cambridge University Press, pp. 395-429.
- ACF/CAF (2007) *Grantmaking by UK trusts and charities*. London: Association of Charitable Foundations and Charities Aid Foundation.
- Agüero, F. (2005) ‘The promotion of corporate social responsibility in Latin America,’ in Sanborn, C. and Portocarrero, F. (eds.) *Philanthropy and social change in Latin America*. Cambridge, Massachusetts: Harvard University David Rockefeller Center for Latin American Studies and Harvard University Press, pp. 103-134.
- Ahmed, A. S. and Shore, C. (1995) ‘Introduction: is anthropology relevant to the contemporary world?’, in Ahmed, A. S. and Shore, C. (eds.) *The future of anthropology: its relevance to the contemporary world*. London: Athlone.
- Albuquerque, A C C de. (2006) *Terceiro setor: história e gestão de organizações*. São Paulo: Summus.
- Alessandrini, M. (2002) *A fourth sector: the impact of neo-liberalism on non-profit organisations*. Paper presented at the Jubilee Conference of the Australasian Political Studies Association. Australian National University, Canberra.
- Alexander, C. (2009) ‘Illusions of freedom: Polanyi and the third sector’, in Hann, C. and Hart, K. (eds.) *Market and society: the great transformation today*. Cambridge: Cambridge University Press, pp. 221-239.

- Anderson, P. (2011) 'Lula's Brazil', *London Review of Books*, 33, pp. 3-12.
- Appadurai, A. (1986) 'Introduction: commodities and the politics of value', in Appadurai, A. (ed.) *The social life of things: commodities in cultural perspective*. Cambridge: Cambridge University Press, pp. 3-63.
- Arnove, R. (1980) 'Introduction', in Arnove, R. (ed.) *Philanthropy and cultural imperialism: the foundations at home and abroad*. Boston, Mass.: G. Hall.
- _____. (ed.) (1980) *Philanthropy and cultural imperialism: the foundations at home and abroad*. Boston, Mass.: G. Hall.
- Atkinson, A. B. (1996) 'Seeking to explain the distribution of income', in Hills, J. (ed.) *New Inequalities: The Changing Distribution of Income and Wealth in the United Kingdom*. Cambridge: Cambridge University Press, pp. 19-48.
- Barriguelli, J. C. (1975) 'Conflito e participação no meio rural', *Anais do VIII Simpósio Nacional dos Professores Universitários de História, A Propriedade Rural, Vol. III, LXVI Coleção da Revista de História*, pp. 857-873.
- Barros, R., Carvalho, M. D., Franco, S. and Mendonça, R. (2010) 'Markets, the state, and the dynamics of inequality in Brazil', in López-Calva, L. F. and Lustig, N. (eds.) *Declining inequality in Latin America: A decade of progress?* Washington, D.C.: Brookings Institution Press, pp. 134-174.
- BBC (2012) *Tax relief limit on charity to be axed in fresh U-turn*. Available at <http://www.bbc.co.uk/news/uk-politics-18278253> (Accessed: 16 December 2015).
- _____. (2006) *Buffett donates \$37bn to charity*. Available at <http://news.bbc.co.uk/2/hi/business/5115920.stm> (Accessed: 20 May 2016).
- Beck, U. (1992) *Risk society: towards a new modernity*. London: Sage.
- Benioff, M. and Adler, C. (2007) *The business of changing the world: twenty great leaders on strategic corporate philanthropy*. New York: McGraw-Hill.
- Bethell, L. (2008) 'Politics in Brazil under Vargas, 1930-1945', in Bethell, L. (ed.) *The Cambridge history of Latin America, Volume IX: Brazil since 1930*. New York: Cambridge University Press, pp. 3-86.
- Bishop, M. (2009) 'Saying something different', *Alliance Magazine*, 14(3), pp. 34-35.
- Bishop, M. and Green, M. (2008) *Philanthrocapitalism: how the rich can save the world and why we should let them*. London: A & C Black.

- Blackwood, A. S., Roeger, K. L. and Pettijohn, S. L. (2012) *The nonprofit sector in brief: public charities, giving, and volunteering, 2012*. Urban Institute.
- Blastland, M. and Dilnot, A. (2007) *The tiger that isn't: seeing through a world of numbers*. London: Profile Books.
- Boito, A. (2007) 'Class relations in Brazil's new neoliberal phase', *Latin American Perspectives*, 34, pp. 115-131.
- Bornstein, E. (2012) *Disquieting gifts: humanitarianism in New Delhi*. Stanford, California: Stanford University Press.
- Bourdieu, P. (1977) *Outline of a theory of practice*. Cambridge: Cambridge University Press.
- Branford, S., Kucinski, B. and Wainwright, H. (2003) *Politics transformed: Lula and the Workers' Party in Brazil*. London: Latin America Bureau.
- Branford, S. & Rocha, J. (2002) *Cutting the wire: the story of the Landless Movement in Brazil*. London: Latin America Bureau.
- Brazil Foundation. (2008) *Relatório Anual / Annual Report 2008*. São Paulo: Brazil Foundation.
- Breeze, B. (2013) 'How donors choose charities: the role of personal taste and experiences in giving decisions', *Voluntary Sector Review*, 4, pp. 165-183.
- _____. (2012) *Donor and governmental perceptions of philanthropy*. London: Alliance Publishing Trust.
- _____. (2011) *The million pound donors report 2011*. Coutts & Co in association with the Centre for Philanthropy, Humanitarianism and Social Justice at the University of Kent.
- _____. (2009) *Natural philanthropists: findings of the family business philanthropy and social responsibility inquiry*. London: Institute for Family Business.
- _____. (2008) 'Is there anything new about 'new philanthropy'?' Paper presented at the Voluntary Action History Society conference 2008, Liverpool.
- _____. (2006) *Robin Hood in reverse: exploring the relationship between income and charitable giving*. Working paper. Centre for Civil Society, London School of Economics and Political Science.
- Breeze, B., Gouwenberg, B., Schuyt, T. and Wilkinson, I. M. (2011) 'What role for public policy in promoting philanthropy?', *Public Management Review*, 13, pp. 1179-1195.

- Breeze, B., Halfpenny, P. and Wilding, K. (2015) 'Giving in the United Kingdom: philanthropy embedded in a welfare state society', in Handy, F. and Wiepking, P. (eds.) *The Palgrave Handbook of Global Philanthropy*. Basingstoke/New York: Palgrave Macmillan, pp. 285-306.
- Breeze, B. and Lloyd, T. (2013) *Richer lives: why rich people give*. London: Directory of Social Change.
- Bronfman, C. and Solomon, J. (2010) *The art of giving: where the soul meets a business plan*. San Francisco: Jossey-Bass.
- Buarque de Holanda, S. (1995 [1936]) *Raízes do Brasil*. São Paulo: Companhia das Letras.
- Budny, D. (2007) *The global dynamics of biofuels: potential supply and demand for ethanol and biodiesel in the coming decade*. Woodrow Wilson International Center for Scholars, Brazil Institute Special Report, Issue No. 3.
- Bueno, M. I. T. da C. (2012) *Brazil: international estate planning guide, individual tax and private client committee*. São Paulo: Mattos Filho, Veiga Filho, Marrey Jr. e Quiroga Advogados.
- Buford, B. (2004) *Finishing well, what people who REALLY live do differently!* Nashville: Integrity Publishers.
- _____. (1994) *Halftime: changing your game plan from success to significance*. Michigan: Zondervan.
- Butler, S. (2015) 'How new thinking is shaking up old money', *OZY*. Available at <http://www.ozy.com/fast-forward/how-new-thinking-is-shaking-up-old-money/65312> (Accessed: 14 April 2016)
- Caldeira, T. P. R. (2000) *City of walls: crime, segregation, and citizenship in São Paulo*. Berkeley: University of California Press.
- Cameron, D., Taylor, J. and Webb, C. (2007) *Charitable giving by wealthy people*. Ipsos MORI for Her Majesty's Revenue and Customs.
- Cannadine, D. (1990) *The decline and fall of the British aristocracy*. New Haven and London: Yale University Press.
- _____. (1999) *The rise and fall of class in Britain*. New York: Columbia University Press.
- Capgemini and Merrill Lynch. (2011) *World wealth report 2011*. Capgemini and Merrill Lynch Global Wealth Management.

- Cappellin, P. and Giuliani, G. M. (2004) *The political economy of corporate responsibility in Brazil: social and environmental dimensions*. Technology, Business and Society Programme Paper No. 14, United Nations Research Institute for Social Development.
- Cardoso, E. (2011) (no title) Unpublished manuscript. São Paulo: Instituto Geração.
- Carnegie, A. (2006) *The “gospel of wealth” essays and other writings*. (Edited with an introduction by Nasaw, D.) New York: Penguin Books.
- Cave, T. and Rowell, A. (2015) *A quiet word: lobbying, crony capitalism and broken politics in Britain*. London: Vintage.
- Charity Financials. (2015) *The fundraiser grant making spotlight: annual report September 2015*. Charity Financials / Wilmington Insight.
- Chomsky, N. et al. (1997) *The cold war and the university: toward an intellectual history of the postwar years*. New York: The New Press.
- Clifford, J. (1983) ‘On ethnographic authority’, *Representations* (University of California Press), 2, pp. 118-146.
- Clifford, J. and Marcus, G. E. (eds.) (1986) *Writing culture: the poetics and politics of ethnography*. Berkeley: University of California Press.
- Colby, G. and Dennett, C. (1995) *Thy Will Be Done: The Conquest of the Amazon: Nelson Rockefeller and Evangelism in the Age of Oil*. New York: Harper Collins.
- Conley, J. and Williams, C. A. (2008) *The corporate social responsibility movement as an ethnographic problem*. Paper Prepared for Wenner-Gren Foundation Seminar on “Corporate Lives,” School for Advanced Research, Santa Fe, New Mexico.
- Costas, R. (2014) ‘Petrobras scandal: Brazil’s energy giant under pressure’. Available at www.bbc.co.uk/news/business-30129184 (Accessed: 26 January 2015).
- Coutts and Co. Bank (2008) *The Coutts handbook for philanthropy for clients of Coutts*. London: Coutts.
- Cullman, L. B. and Madoff, R. (2016) ‘The undermining of American charity’, *The New York Review of Books*. Available at <http://www.nybooks.com/articles/2016/07/14/the-undermining-of-american-charity/> (Accessed: 25 August 2016).
- Dadush, S. (2010) ‘Profiting in (RED): the need for enhanced transparency in cause-related marketing’, *New York University Journal of International Law and Politics*, 42(4), pp. 1269-1336.

- DaMatta, R. (1995) 'For an anthropology of the Brazilian tradition; or "a virtude está no meio"', in Hess, D. J. and DaMatta, R. A. (eds.) *The Brazilian puzzle: culture on the borderlands of the Western world*. New York: Columbia University Press, pp. 270-291.
- _____. (1991) *Carnivals, rogues, and heroes: an interpretation of the Brazilian dilemma*. London: University of Notre Dame Press.
- Daniliauskas, M. and Gouveia, T. (2010) *ABONG: panorama das associadas*. São Paulo: ABONG (Associação Brasileira de Organizações Não Governamentais).
- Davis Smith, J. (1995) 'The voluntary tradition: philanthropy and self-help in Britain 1500-1945', in Davis Smith, J., Rochester, C. and Hedley, R. (eds.) *An introduction to the voluntary sector*. London: Routledge, pp. 9-39.
- Davis Smith, J., Rochester, C. and Hedley, R. (1995) 'Introduction', in Davis Smith, J., Rochester, C. and Hedley, R. (eds.) *An introduction to the voluntary sector*. London: Routledge, pp. 1-8.
- Deakin, N. (1995) 'The perils of partnership: the voluntary sector and the state, 1945-1992', in Davis Smith, J., Rochester, C. and Hedley, R. (eds.) *An introduction to the voluntary sector*. London: Routledge, pp. 40-65.
- Dimenstein, G. (2005) 'Como a criança ensinou à imprensa o terceiro Caminho', in Ioschpe, E. (ed.) *3º Setor: Desenvolvimento Social Sustentado*. Rio de Janeiro: Paz e Terra. pp. 165-173.
- Dobkin Hall, P. (1992) 'The empty tomb: the making of dynastic identity', in Marcus, G. E. and Dobkin Hall, P. *Lives in trust: fortunes of dynastic families in late twentieth-century America*. Colorado: Westview Press, pp. 255-348.
- Dodd, N. (2014) *The social life of money*. Princeton / Oxford: Princeton University Press.
- Dolan, C. and Johnstone-Louis, M. (2011) 'Re-siting corporate responsibility: the making of South Africa's Avon entrepreneurs', *Focaal*, 60, pp. 21-33.
- Dolan, C. and Rajak, D. (2011) 'Introduction: ethnographies of corporate ethicizing', *Focaal*, 60, pp. 3-8.
- Domhoff, W. G. (1983) *Who rules America now? A view for the 80s*. New York: Simon and Schuster.
- _____. (1967) *Who rules America?* Englewood Cliffs, NJ: Prentice-Hall.
- Dorling, D. (2014) *Inequality and the 1%*. London / New York: Verso.

- Dowie, M. (2001) *American foundations: an investigative history*. Cambridge, Massachusetts: MIT Press.
- Ecks, S. (2008) *What is "global corporate citizenship"? A view from the Indian pharmaceuticals market*. Paper presented at ESRC Economic Anthropology conference. London: London School of Economics.
- Edwards, M. (2010) *Small change: why business won't save the world*. San Francisco: Berrett-Koehler / Demos.
- _____. (2008) *Just another emperor? The myths and realities of philanthrocapitalism*. Demos: A Network for Ideas and Action, The Young Foundation.
- Edwards, M. and Fowler, A. (2002) 'Introduction: changing challenges for NGDO management', in Edwards, M. and Fowler, A. (eds.) *The Earthscan reader on NGO management*. London: Earthscan, pp. 1-11.
- Escobar, A. (1995) *Encountering development: the making and unmaking of the third world*. Princeton, New Jersey: Princeton University Press.
- Evans, P. J. (1982) 'Reinventing the bourgeoisie: state entrepreneurship and class formation in dependent capitalist development', *American Journal of Sociology*, 88, pp. S210-S247.
- _____. (1979) *Dependent development: the alliance of multinational, state, and local capital in Brazil*. Princeton, Guildford: Princeton University Press.
- Fabian, J. (1995) 'Ethnographic misunderstanding and the perils of context', *American Anthropologist*, 97(1), pp. 41-50.
- Falconer, A. (2004) *Oded Grajew: a new type of business leadership is possible*. Brazilian Association of Leadership Development/The Synergos Institute.
- Falconer, A. and Vilela, R. (2001) *Recursos privados para fins públicos - as grantmakers Brasileiras*. São Paulo: Peiropolis / GIFE / The Synergos Institute.
- Favela Rising. (2005) Directed by Jeff Zimbalist and Matt Mochary. [DVD] New York: Sidetrack Films / VOY Pictures.
- Ferguson, J. (1994) *The anti-politics machine: development, depoliticization, and bureaucratic power in Lesotho*. University of Minnesota Press.
- Fernandes, R. C. (2005) 'O que é o Terceiro Setor?', in Ioschpe, E. (ed.) *3º Setor: desenvolvimento social sustentado*. Rio de Janeiro: Paz e Terra. pp. 25-33.

- _____. (1994) *Privado porém público: o terceiro setor na América Latina*. Rio de Janeiro: Relume-Dumará.
- Fishlow, A. (1990) 'The Latin American state', *The Journal of Economic Perspectives*, 4, pp. 61-74.
- Fleishman, J. L. (2009) *The foundation: a great American secret*. New York: Public Affairs.
- Foer, F. (2016) 'Can Brazil be Saved?', *Slate*, 7 August. Available at: http://www.slate.com/articles/news_and_politics/cover_story/2016/08/how_once_booming_brazil_was_brought_low_and_how_it_can_save_itself.html (Accessed: 12 August 2016).
- Forbes. (2009) *Global 2000 list*. Available at http://www.forbes.com/lists/2009/18/global-09_The-Global-2000_Rank_20.html
- _____. (2009) *World billionaires list*. Available at <http://www.forbes.com/lists/2009/10/billionaires-2009-richest-people.html>
- Fox, R. G. (1991) 'Introduction: working in the present', in Fox, R. G. (ed.) *Recapturing anthropology: working in the present*. Santa Fe, New Mexico: School of American Research Press, pp. 1-16.
- Freyre, G. (1946) *The masters and the slaves (casa-grande & senzala): a study in the development of Brazilian civilization*. New York: Knopf.
- Frúgoli Jr., H. (2000) *Centralidade em São Paulo: trajetórias, conflitos e negociações na metrópole*. São Paulo: Cortez / Edusp.
- _____. (1992) 'Os shoppings de São Paulo e a trama do urbano: um olhar antropológico', in Pintaudi, S. and Frúgoli Jr., H. (eds.) *Shopping centers: espaço, cultura e modernidade nas cidades brasileiras*. São Paulo: Ed. da Unesp.
- Gamble, A. (2005) 'The meaning of the third way', in Seldon, A. and Kavanagh, D. (eds.) *The Blair effect 2001-5*. Cambridge: Cambridge University Press, pp. 430-438.
- Garrison, J. (2000) *From confrontation to collaboration: civil society-government-World Bank relations in Brazil*. Washington, D.C.: The World Bank.
- Garsten, C. and Jacobsson, K. (2011) 'Transparency and legibility in international institutions: the UN Global Compact and post-political global ethics', *Social Anthropology/Anthropologie Sociale*, 19(4), pp. 378-393.
- Giddens, A. (2000) *The third way and its critics*. Cambridge: Polity Press.

- _____. (1998) *The third way: the renewal of social democracy*. Cambridge: Polity Press.
- GIFE. (2009) *Perspectivas para o marco legal do terceiro setor*. São Paulo: GIFE (Grupo de Institutos, Fundações e Empresas).
- _____. (2010) *Censo GIFE 2009-2010*. São Paulo: GIFE (Grupo de Institutos, Fundações e Empresas).
- Gledhill, J. (2001) “Disappearing the poor?” A critique of the new wisdoms of social democracy in an age of globalization’, *Urban Anthropology and Studies of Cultural Systems and World Economic Development*, 30(2-3), pp. 123-156.
- Gledhill, J. and Hita, M. G. (2009). *New actors, new political spaces, same divided city? Reflections on poverty and the politics of urban development in Salvador, Bahia*. BWPI Working Paper 102 ed. University of Manchester: Brooks World Poverty Institute.
- Glennerster, H. (2013) ‘Differing public policy traditions’, in Hills, J. et. al. *Wealth in the UK: distribution, accumulation, and policy*. Oxford: Oxford University Press, pp. 149-164.
- Glucksberg, L. (2015) *The gentrification of gentrification*. Paper presented at Elites and urban dynamics: new perspectives seminar. ESRC Alpha Territory Project in association with the LSE International Inequalities Institute. 22 July 2015, London School of Economics.
- Godbout, J. T. (1998) *The world of the gift*. London: McGill-Queen’s University Press.
- Goddard, K., Jenkins, R. and Pharoah, C. (2014) *Giving trends. Top 300 foundations*. London: Association of Charitable Foundations / Cass Business School / Centre for Charitable Giving and Philanthropy / Pears Foundation.
- Goldstein, R. J. (2001) *Political repression in modern America from 1870 to 1976*. Urbana & Chicago: University of Illinois Press.
- Goodman, A., Johnson, P. and Webb, S. (1997) *Inequality in the UK*. Oxford: Oxford University Press.
- Gordon, J., Harvey, C., Henderson, K. and Shaw, E. (2010) *Entrepreneurial philanthropy: theoretical antecedents and empirical analysis of economic, social, cultural and symbolic capitals*. Paper presented at Babson Kauffman Entrepreneurship Research Conference, University of Lausanne, Switzerland, 12/06/10 - 14/06/10.
- Graeber, D. (2001) *Toward an anthropological theory of value: the false coin of our own dreams*. New York: Palgrave.

- Green, S. F. (2013) 'Achievement and private equity in the UK: a game of abstraction, sociality and making money', in Long, N. J. and Moore H. L. (eds.) *The social life of achievement*. New York / Oxford: Berghahn.
- Gregg, P. (2011) 'New Labour and inequality', in Diamond, P. and Ksenny, M. (eds.) *Reassessing New Labour: market, state and society under Blair and Brown*. Oxford: Wiley-Blackwell / *The Political Quarterly*.
- Grinberg, N. (2008) 'From the 'miracle' to the 'lost decade': intersectoral transfers and external credit in the Brazilian economy', *Revista de Economia Política*, 28, pp. 291-311.
- Grün, R. (2005) 'Convergência das elites e inovações financeiras: a governança corporativa no Brasil', *Revista Brasileira de Ciências Sociais*, 20, pp. 67-90.
- Gupta, A. and Ferguson, J. (eds.) (1997) *Anthropological locations: boundaries and grounds of a field science*. Berkeley: University of California Press.
- Haddad, S. and Oliveira, A. C. (2001) 'As organizações da sociedade civil e as ONGs de educação', *Cadernos de Pesquisa*, 112, pp. 61-83.
- Handy, C. and Handy, E. (2006) *The new philanthropists: the new generosity*. London: William Heinemann.
- Hann, C. and Hart, K. (2011) *Economic anthropology: history, ethnography, critique*. Cambridge: Polity Press.
- Harper, R. (2000) 'The social organization of the IMF's mission work: an examination of international auditing', in Strathern, M. (ed.) *Audit cultures: anthropological studies in accountability, ethics and the academy*. London: Routledge, pp. 21-54.
- Harrow, J. and Pharoah, C. (2010) *Payout with an English accent: exploring the case for a foundation 'distribution quota' in the UK*. Working Paper presented at ARNOVA 39th Annual Conference, 18-20 November 2010, Alexandria, USA.
- Hart, K. (2011) 'The financial crisis and the end of all-purpose money', *Economic Sociology: the European Electronic Newsletter*. Available at http://econsoc.mpifg.de/archive/econ_soc_12-2.pdf
- _____. (2009) 'Money in the making of world society', in Hann, C. and Hart, K. (eds.) *Market and society: The Great Transformation today*. Cambridge: Cambridge University Press, pp. 91-105.
- _____. (2000) *Money in an unequal world: Keith Hart and his memory bank*. New York/London: Texere.

- Hart, K., Laville, J. and Cattani, A. D. (eds.) (2010) *The Human Economy*. Cambridge: Polity Press.
- Hay, I. (2013) 'Establishing geographies of the super-rich: axes for analysis of Abundance', in Hay, I. (ed.) *Geographies of the super-rich*. Cheltenham: Edward Elgar, pp. 1-25.
- Hecht, K. (2014). 'Why sociologists should research the increase in top income and wealth inequality', *Discover Society*, 15. Available at <http://discoversociety.org/2014/12/01/why-sociologists-should-research-the-increase-in-top-income-and-wealth-inequality/>
- Hills, J. (1996) 'Introduction: after the turning point', in Hills, J. (ed.) *New inequalities: the changing distribution of income and wealth in the United Kingdom*. Cambridge: Cambridge University Press, pp. 1-17.
- Hilton, M. et. al. (2012) *A historical guide to NGOs in Britain: charities, civil society and the voluntary sector since 1945*. New York: Palgrave Macmillan.
- Ho, K. (2009) *Liquidated: an ethnography of Wall Street*. Durham / London: Duke University Press.
- Hochstetler, K. (2008) 'Organized civil society in Lula's Brazil', in Kingstone, P. R. and Power, Timothy. J. (eds.) *Democratic Brazil revisited*. Pittsburgh, Pa.: University of Pittsburgh Press, pp. 33-53.
- Howe, B. (1980) 'The emergence of scientific philanthropy, 1900-1920: origins, issues and outcomes', in Arnove, R. (ed.) *Philanthropy and cultural imperialism: the foundations at home and abroad*. Boston, Mass.: G. Hall.
- Hutton, W. (1995) *The state we're in*. London: Vintage.
- IBGE. (2012) *As fundações privadas e associações sem fins lucrativos no Brasil 2010*. Rio de Janeiro: IBGE (Instituto Brasileiro de Geografia e Estatística).
- Ilchman, W. F., Katz, S. N. and Queen, E. L., (eds.) (1998) *Philanthropy in the world's traditions*. Bloomington: Indiana University Press.
- Institute for Philanthropy. (2010) *Strategic philanthropy: our first decade 2000-2010*. London: Institute for Philanthropy.
- _____. (2009) *Supportive to the core: why unrestricted funding matters*. London: Institute for Philanthropy.
- Institute for Philanthropy and Barclays Wealth. (2011 [2009]) *Give differently: a 'how to' guide to philanthropy*. London: Institute for Philanthropy and Barclays Wealth.
- Instituto Ethos. (2007) *Ethos indicators on corporate social responsibility 2007*. São Paulo: Instituto Ethos.

- Instituto Hedging-Griffo. (2007) *Relatório de atividades Instituto Hedging-Griffo 2006/2007*. São Paulo: Instituto Hedging-Griffo.
- Ioschpe, E. (ed.) (2005) *3º setor: desenvolvimento social sustentado*. Rio de Janeiro: Paz e Terra.
- IPEA. (2006) *A iniciativa privada e o espírito público: a evolução da ação social das empresas privadas no Brasil*. Brasília: IPEA (Instituto de Pesquisa Econômica Aplicada).
- Isto É Dinheiro. (2009) *As melhores do dinheiro*. Isto É Dinheiro (special edition). Editora Três. Edition 619/A, Ano 12 (Agosto), pp. 94-118.
- Jaime, P. (2005a) *Da construção à crise de identidade das ONGs: notas para uma pesquisa etnográfica*. Paper presented at XII Congresso Brasileiro de Sociologia, Belo Horizonte, 31/05/05 to 03/06/05.
- _____. (2005b) ‘O empresariado e a questão social: apontamentos para a interpretação de um novo associativismo empresarial no Brasil’, *Revista Brasileira de Administração Pública*, 39, pp. 939-978.
- Jencks, C. (1987) ‘Who gives to what?’, in Powell, W. and Steinberg, R. (eds.) *The non-profit sector: a research handbook*. New Haven, Conn.: Yale University Press.
- Kavanagh, D. (1997) *The reordering of British politics: politics after Thatcher*. Oxford: Oxford University Press.
- Kendall, J. (2003) *The voluntary sector: comparative perspectives in the UK*. London / New York: Routledge.
- Kendall, J. and Knapp, M. (1996) *The voluntary sector in the UK*. John Hopkins Nonprofit Sector Series. Manchester / New York: Manchester University Press.
- Kinderman, D. (2011) ‘‘Free us up so we can be responsible!’ The co-evolution of corporate social responsibility and neo-liberalism in the UK, 1977–2010’, *Socio-Economic Review*, 2011, pp. 1–29.
- Kipnis, A. B. (2008) ‘Audit cultures: neoliberal governmentality, socialist legacy, or technologies of governing?’, *American Ethnologist*, 35(2), pp. 275-289.
- Kisil, M. (2006) *Uma “nova filantropia” na sociedade brasileira: o investimento social privado*. Available at www.idis.org.br/biblioteca/artigos/nova-filantropia.pdf/view (Accessed: 17 February 2014).

- Kitson, M. (2004) 'Failure followed by success or success followed by failure? A re-examination of British economic growth since 1949', in Floud, R. and Johnson, P. (eds.) *The Cambridge economic history of modern Britain, volume III: structural change and growth, 1939-2000*. Cambridge: Cambridge University Press.
- Kyriakou, S. (2015) 'Donor-advised funds: models of efficiency', *FT Wealth*, 4 December. Available at <http://www.ft.com/cms/s/2/035d4754-8eb1-11e5-8be4-3506bf20cc2b.html#axzz4IKBQyA25> (Accessed: 25 August 2016).
- Lafer, I. M. (2010) *Indicadores para avaliação de projetos sociais: os Projetos Comunitários FMCSV*. Maria Cecília Souto Vidigal Foundation. Powerpoint presentation given at the 'Indicators for the Evaluation of Social Projects' event, organised by Instituto Fonte and the Fundação Itaú Social, São Paulo, 27/05/2010.
- Lancet, The. (2009) 'What has the Gates Foundation done for global health?', Editorial, *The Lancet*, 373(9675), pp. 1577.
- Landim, L. (1988) 'A serviço do movimento popular: as organizações não-governamentais no Brasil', in Landim, L. (ed.) *Sem fins lucrativos: as organizações não-governamentais no Brasil*. Rio de Janeiro: ISER (Instituto de Estudos da Religião).
- _____. (1993) *Defining the nonprofit sector: Brazil*. Working Papers of the Johns Hopkins Comparative Nonprofit Sector Project, no. 9, The Johns Hopkins Institute for Policy Studies.
- _____. (1996) 'Introdução: notas para um perfil das ONGs', in Landim, L. and Cotrim, L. L. (eds.) *ONGs: um perfil: cadastro das filiadas à Associação Brasileira de ONGs (ABONG)*. São Paulo: ABONG/ISER.
- _____. (1998a) "'Experiência militante": histórias das assim chamadas ONGs', in Landim, L. (ed.) *Ações em sociedade: militância, caridade, assistência etc.* Rio de Janeiro: NAU.
- _____. (1998b) 'Notas sobre a campanha do Betinho: ação cidadã e diversidades Brasileiras' in Landim, L. (ed.) *Ações em sociedade: militância, caridade, assistência etc.* Rio de Janeiro: NAU.
- _____. (2005) 'A "new volunteering" in the Brazilian context', in Sanborn, C. and Portocarrero, F. (eds.) *Philanthropy and social change in Latin America*. Cambridge, Massachusetts: Harvard University David Rockefeller Center for Latin American Studies/Harvard University Press, pp. 87-100.
- Lansley, S. (2006) *Rich Britain: the rise and rise of the new super-wealthy*. London: Politico's.

- Latour, B. (2004) 'Why has critique run out of steam? From matters of fact to matters of concern', *Critical Inquiry*, 30, pp. 225-248.
- Lessa, C. A. and Rossetti, F. (2005) 'Brazil: creating a more diverse Sector', *Alliance Magazine*, December 2005. Available at www.alliancemagazine.org/feature/brazil-creating-a-more-diverse-sector/ (Accessed: 5 March 2015).
- Letts, C. W., Ryan, W. P. and Grossman, A. S. (1997) 'Virtuous capital: what foundations can learn from venture capitalists', *Harvard Business Review*, March-April 1997, pp. 1-16.
- Lewis, D. and Kanji, N. (2009) *Non-governmental organizations and development*. London / New York: Routledge.
- Lewis, D. and Mosse, D. (2006) *Development brokers and translators: the ethnography of aid and agencies*. Kumarian Press.
- Li, Y. (2015) 'The flow of soul: a sociological study of generosity in England and Wales (2001 – 2011)', in Li, Y. (ed.) *The handbook of research methods and applications on social capital*. Cheltenham: Edward Elgar Publishing.
- Lima, B. P. (2014) 'Brasil é um dos que menos tributam herança no mundo', *O Estado de São Paulo*, 23 May. Available at <http://economia.estadao.com.br/noticias/geral,brasil-e-um-dos-que-menos-tributam-heranca-no-mundo-imp-,1170532> (Accessed: 20 April 2016).
- Lloyd, T. (2004) *Why rich people give*. London: Association of Charitable Foundations.
- Lumley, T., Rickey, B. and Pike, M. (2011) *Inspiring impact: working together for a bigger impact in the UK social sector*. London: New Philanthropy Capital.
- MacDonald, N. and Borms, L. T. de. (eds.) (2010) *Global philanthropy*. London: MF Publishing.
- Marcus, G. E. (1999) 'Critical anthropology now: an introduction', in Marcus, G. E. (ed.) *Critical anthropology now: unexpected contexts, shifting constituencies, changing agendas*. Santa Fe, New Mexico: School of American Research Press, pp. 3-28.
- _____. (ed.) (1983) *Elites: ethnographic issues*. Albuquerque: University of New Mexico Press.
- Marcus, G. E. and Dobkin Hall, P. (1992) *Lives in trust: fortunes of dynastic families in late twentieth-century America*. Colorado: Westview Press.
- Marcus, G. E. and Fischer, M. J. (1986) *Anthropology as cultural critique: an experimental moment in the human sciences*. Chicago: University of Chicago Press.

- Martinelli, A. C. (2005) 'Empresa-cidadã: uma visão inovadora para uma ação transformadora', in Ioschpe, E. (ed.) *3º setor: desenvolvimento social sustentado*. Rio de Janeiro: Paz e Terra, pp. 81-88.
- Martins, P. H. (ed.) (2002) *A dádiva entre os modernos: discussão sobre os fundamentos e as regras do social*. Petrópolis, RJ: Vozes2.
- Mauss, M. (1967 [1925]) *The gift: forms and functions of exchange in archaic societies*. New York: Norton & Co.
- McGoey, L. (2015a) *No such thing as a free gift: the Gates Foundation and the price of philanthropy*. London: Verso.
- _____. (2015b) 'The philanthropy hustle', *Jacobin*, 19, pp. 27-33.
- _____. (2014) 'The philanthropic state: market-state hybrids in the philanthrocapitalist turn', *Third World Quarterly*, 35(1), pp. 109-125.
- _____. (2012) 'Philanthrocapitalism and its critics', *Poetics*, 40, pp. 185-199.
- Mello, J. (2012) *Taxes on inheritance in Brazil*. Available at <http://thebrazilbusiness.com/article/taxes-on-inheritance-in-brazil> (Accessed: 20 April 2016).
- Melo, M. A. (2008) 'Unexpected successes, unanticipated failures: social policy from Cardoso to Lula', in Kingstone, P. R. and Power, T. J. (eds.) *Democratic Brazil Revisited*. Pittsburgh, Pa.: University of Pittsburgh Press, pp. 161-184.
- Merry, S. E. (2011) 'Measuring the world: indicators, human rights, and global governance', *Current Anthropology*, 52(S3), pp. S83-S95.
- Milbourne, L. (2013) *Voluntary sector in transition*. Bristol: Policy Press.
- Miller, P. and Rose, N. (2008) *Governing the present: administering economic, social and personal life*. Cambridge: Polity Press.
- Mills, C. W. (1956) *The power elite*. New York: Oxford University Press.
- Mollona, M. (2005) 'Gifts of labour: steel production and technological imagination in an area of urban deprivation, Sheffield, UK', *Critique of Anthropology*, 25(2), pp. 177-198.
- Mooney, M. and Smouha, B. (no date) *The practical approach: a handbook on how skilled volunteers can help charities measure their impact*. London: Coalition for Efficiency and Charity Finance Group.
- Morvaridi, B. (ed.) (2015) *New philanthropy and social justice: debating the conceptual and policy discourse*. Bristol: Policy Press.

- _____. (2015) 'Introduction', in Morvaridi, B. (ed.) *New philanthropy and social justice: debating the conceptual and policy discourse*. Bristol: Policy Press.
- Mundo Neto, M. (2010) 'Atores na construção do mercado do etanol: as organizações de representação de interesses como foco da análise', *Revista Pós Ciências Sociais*, 7(13).
- Nader, L. (1974 [1969]) 'Up the anthropologist - perspectives gained from studying up', in Hymes, D. H. (ed.) *Reinventing anthropology*. New York: Random House.
- NCVO. (2012) *UK civil society almanac 2012*. London: NCVO (National Council of Voluntary Organisations).
- Nonprofit Quarterly. (2008) 'Study finds nonprofit leaders more effective than corporate heads', *Nonprofit Quarterly*, 7 January. Available at <https://nonprofitquarterly.org/2008/01/07/study-finds-nonprofit-leaders-more-effective-than-corporate-heads/> (Accessed: 24 August 2016).
- Nunberg, B. (1986) 'Structural change and state policy: the politics of sugar in Brazil since 1964', *Latin American Research Review*, 21(2), pp. 53-92.
- Odendahl, T. (1990) *Charity begins at home: generosity and self-interest among the philanthropic elite*. New York: Basic Books.
- Oliveira, F. de. (2003) 'The duckbilled platypus', *New Left Review*, 24, pp. 40-57.
- _____. (2006) 'Lula in the labyrinth', *New Left Review*, 42, pp. 5-22.
- Osella, C. and Osella, F. (2009) 'Muslim entrepreneurs in public life between India and the Gulf: making good and doing good', *Journal of the Royal Anthropological Institute (N.S.)*, pp. S202-S221.
- Osella, F., Stirrat, R. and Widger, T. (2015) 'Charity, philanthropy and development in Colombo, Sri Lanka', in Morvaridi, B. (ed.) *New philanthropy and social justice: debating the conceptual and policy discourse*. Bristol: Policy Press, pp. 137-156.
- Ouroussoff, A. (2010) *Wall street at war: the secret struggle for the global economy*. Cambridge: Polity Press.
- Owen, D. (1964) *English philanthropy 1660-1960*. Cambridge, Massachusetts: The Belknap Press of Harvard University Press.
- Parmar, I. (2012). *Foundations of the American century*. Columbia University Press.

- _____. (2002) ‘To relate knowledge and action’: the impact of the Rockefeller Foundation on foreign policy thinking during America’s rise to globalism 1939-1945” *Minerva*, 40, pp. 235-263.
- Partridge, D. J., Welker, M. and Hardin, R. (eds.) (2011) ‘Corporate lives: new perspectives on the social life of the corporate form’, *Current Anthropology*, 52(S3), pp. S3-S16.
- Passos, N. (2014) ‘Os 30 anos de ódio ao MST nas páginas de Veja’, *Carta Maior*, 13 February. Available at <http://www.cartamaior.com.br/?/Editoria/Midia/Os-30-anos-de-odio-ao-MST-nas-paginas-de-Veja/12/30253> (Accessed: 11 August 2016).
- Paula, S. G. de and Rohden, F. (1998) ‘Filantropia empresarial em discussão: números e concepções a partir do estudo do prêmio eco’, in Landim, L. (ed.) *Ações em sociedade: militância, caridade, assistência etc.* Rio de Janeiro: NAU.
- Peston, R. (2008) *Who runs Britain?* London: Hodder & Stoughton.
- Petrobras. (2010) *Relatório de sustentabilidade 2010*. Available at www.petrobras.com.br/pt/sociedade-e-meio-ambiente/relatorio-de-sustentabilidade (Accessed: 26 January 2015).
- Pharoah, C. (2011) *Charity market monitor 2011*. London: CaritasData.
- Pharoah, C. (with Gordon, J. and Keidan, C.) (2011) *Family foundation giving trends 2011*. Centre for Charitable Giving and Philanthropy / Pears Foundation / Cass Business School / University of Strathclyde Business School.
- Philanthropy Review. (2011) *A call to action: to encourage more people to give and people to give more*. Recommendations from the Philanthropy Review, June 2011.
- Philanthropy UK. (2008) *A guide to giving, 3rd Edition*. London: Philanthropy UK (ACF) / Coutts.
- Piketty, T. (2014) *Capital in the twenty-first century*. Cambridge, Massachusetts / London: The Belknap Press of Harvard University Press.
- Pina-Cabral, J. de. (2013) ‘The two faces of mutuality: contemporary themes in Anthropology’, *Anthropological Quarterly*, 86(1), pp. 257-275.
- Pochmann, M. (2007) ‘Política social na periferia do capitalismo: a situação recente no Brasil’, *Ciência & Saúde Coletiva*, 12, pp. 1477-1489.
- _____. (2010) ‘Estrutura social no Brasil: mudanças recentes’, *Serviço Social & Sociedade*, 104, pp. 637-649.

- _____. (2011) 'Políticas sociais e padrão de mudanças no Brasil durante o governo Lula', *SER Social*, 13, pp. 12-40.
- Pochmann, M., Campos, A., Barbosa, A., Amorim, R. and Aldrin, R. (eds.) (2005) *Atlas da exclusão social no Brasil, vol. 3: os ricos no Brasil*. São Paulo: Cortez.
- Polanyi, K. (2001 [1944]) *The great transformation: the political and economic origins of our time*. Boston: Beacon Press.
- Poovey, M. (1998) *A history of the modern fact: problems of knowledge in the sciences of wealth and society*. Chicago: The University of Chicago Press.
- Power, M. (1997) *The audit society: rituals of verification*. Oxford: Oxford University Press.
- _____. (1994) *The audit explosion*. London: Demos.
- Power, T. J. (2001) 'Blairism Brazilian style? Cardoso and the "Third Way" in Brazil', *Political Science Quarterly*, 116, pp. 611-636.
- Prahalad, C. K. and Hart, S. L. (2002) 'The fortune at the bottom of the pyramid', *Strategy + Business*, 26, pp. 1-14.
- Prochaska, F. (2011) 'The Maurice Bond lecture 2010: the changing fashions and fortunes of philanthropy', *Archives: The Journal of the British Records Association*, XXXVI(123-4), pp. 50-61.
- _____. (1988) *The voluntary impulse: philanthropy in modern Britain*. London: Faber & Faber.
- _____. (1980) *Women and philanthropy in 19th century England*. Oxford: Oxford University Press.
- Raddon, M. (2008) 'Neoliberal legacies: planned giving and the new Philanthropy', *Studies in Political Economy*, 81, pp. 27-48.
- Rajak, D. (2014) 'Corporate memory: historical revisionism, legitimation and the invention of tradition in a multinational mining company', *PoLAR: Political and Legal Anthropology Review*, 37(2), pp. 259-280.
- _____. (2011) *In good company: an anatomy of corporate social responsibility*. Stanford, California: Stanford University Press.
- Ramos, A. R. (1997) *The indigenous movement in Brazil: a quarter century of ups and downs*. Available at <https://www.culturalsurvival.org/ourpublications/csq/article/the-indigenous-movement-brazil-a-quarter-century-ups-and-downs> (Accessed: 2 January 2016).

- Rankin, K. (2001) 'Governing development: neoliberalism, microcredit and rational economic woman', *Economy and Society*, 30(1), pp. 18–37.
- Rentoul, J. (1987) *The rich get richer: the growth of inequality in Britain in the 1980s*. London: Unwin Hyman.
- Riles, A. (2011) *Collateral knowledge: legal reasoning in the global financial markets*. Chicago/London: The University of Chicago Press.
- Rodrigues, M. C. P. (2013) 'Aspectos centrais a serem considerados para avaliar o investimento social privado', in Deboni, F. (ed.) *Investimento social privado no Brasil: tendências, desafios e potencialidade*. Brasília: Instituto Sabin, pp. 123-129.
- Roelofs, J. (2003) *Foundations and public policy: the mask of pluralism*. Albany: State University of New York Press.
- Rose, N. (1999) *Powers of freedom: reframing political thought*. Cambridge: Cambridge University Press.
- Rossetti, F. (2010) 'Brazil: from philanthropy to private social investment', in MacDonald, N. and Borms, Luc T. de. (eds.) *Global philanthropy*. London: MF Publishing, pp. 271-285.
- Rushton, S. and Williams, O. D. (eds.) (2011) *Partnerships and foundations in global health governance*. New York: Palgrave Macmillan.
- Sabóia, J. C. de. (1978) 'De senhores a trocadores de cebola', Masters Thesis, University of Campinas, Brazil.
- Sahlins, M. (1972) *Stone age economics*. Chicago / New York: Aldine Atherton.
- Salamon, L. M. (ed.) (2014) *New frontiers of philanthropy: a guide to the new tools and actors reshaping global philanthropy and social investing*. Oxford: Oxford University Press.
- _____. (2010) *Rethinking corporate social engagement: lessons from Latin America*. Kumarian Press.
- Salamon, L. M. and Anheier, H. K. (1997) 'Introduction: in search of the nonprofit sector', in Salamon, L. M. and Anheier, H. K. (eds.) *Defining the non-profit sector: a cross-national analysis*. Manchester / New York: Manchester University Press, pp. 1-8.
- Salverda, T. and Grassiani, E. (2014) 'Introduction: anxiety at the top', *Comparative Sociology*, 13, pp. 1-11.

- Sanborn, C. A. (2005) 'Philanthropy in Latin America: historical traditions and current trends', in Sanborn, C. and Portocarrero, F. (eds.) *Philanthropy and social change in Latin America*. Cambridge, Massachusetts: Harvard University David Rockefeller Center for Latin American Studies / Harvard University Press, pp. 3-29.
- Sanborn, C. A. and Portocarrero, F. (eds.) (2005) *Philanthropy and social change in Latin America*. Cambridge, Massachusetts: Harvard University David Rockefeller Center for Latin American Studies / Harvard University Press.
- Sanghera, B. and Bradley, K. (2015) 'Social justice, liberalism and philanthropy: the tensions and limitations of British foundations', in Morvaridi, B. (ed.) *New philanthropy and social justice: debating the conceptual and policy discourse*. Bristol: Policy Press, pp. 175-190.
- Sanjek, R. (2015) 'Introduction: deep grooves, anthropology and mutuality', in Sanjek, R. (ed.) *Mutuality: anthropology's changing terms of engagement*. Philadelphia: University of Pennsylvania Press.
- Savage, M. (2014) 'Social change in the 21st century: the new sociology of 'wealth elites'', *Discover Society*, 15. Available at <http://discoversociety.org/2014/12/01/focus-social-change-in-the-21st-century-the-new-sociology-of-wealth-elites/> (Accessed: 13 September 2015).
- Schoenmaker, J. (2006) ... *E então floresce: Terra Viva, a saga de uma empresa familiar*. Holambra: Associação Schoenmaker.
- Schwittay, A. (2011) 'The marketization of poverty', *Current Anthropology*, 52(S3), pp. S71-S82.
- Seldon, A. and Collings, D. (2000) *Britain under Thatcher*. Harlow: Longman / Pearson Education.
- Shaxson, N. (2011) *Treasure islands: tax havens and the men who stole the world*. London: Vintage Books.
- Shore, C. (2002) 'Introduction: towards an anthropology of elites', in Shore, C. and Nugent, S. (eds.) *Elite cultures: anthropological perspectives*. London: Routledge, pp. 1-21.
- Shore, C. and Nugent, S. (2002) (eds.) *Elite cultures: anthropological perspectives*. London: Routledge.
- Shore, C. and Wright, S. (2000) 'Coercive accountability: the rise of audit culture in higher education', in Strathern, M. (ed.) *Audit cultures: anthropological studies in accountability, ethics and the academy*. London: Routledge, pp. 57-89.

- Shoup, L. H. and Minter, W. (1977) *Imperial brain trust: the council on foreign relations and United States foreign policy*. New York / London: Monthly Review Press.
- Silva, R. R. (2009) 'Avaliação e desenvolvimento organizacional: encontros e desencontros', in *Avaliação de práticas sociais: fazer saber, saber fazer. Relatório Anual 2009*. São Paulo: Instituto Fonte.
- Sklair, J. (2010) *A filantropia paulistana: ações sociais em uma cidade segregada*. São Paulo: Humanitas.
- Stewart, K. (2005) 'Equality and social justice', in Seldon, A. and Kavanagh, D. (eds.) *The Blair effect 2001-5*. Cambridge: Cambridge University Press, pp. 306-337.
- _____. (2007) 'Equality and social justice', in Seldon, A. (ed.) *Blair's Britain 1997-2007*. Cambridge: Cambridge University Press, pp. 408-435.
- Stolckes, V. (1986) *Cafeicultura: homens, mulheres e capital, 1850-1980*. São Paulo: Brasiliense.
- Strathern, M. (2000) 'New accountabilities', in Strathern, M. (ed.) *Audit cultures: anthropological studies in accountability, ethics and the academy*. London: Routledge, pp. 1-18.
- _____. (1988) *The gender of the gift*. Berkeley: University of California Press.
- Stuckler, D., Basu, S. and McKee, M. (2011) 'Global health philanthropy and institutional relationships: how should conflicts of interest be addressed?', *PLoS Medicine*, 8(4), pp. 1-10. Available at <http://journals.plos.org/plosmedicine/article?id=10.1371%2Fjournal.pmed.1001020> (Accessed: 03 September 2016).
- Szazi, E. (2005) 'Creating a favorable environment for philanthropy and civil society: the case of Brazil', in Sanborn, C. and Portocarrero, F. (eds.) *Philanthropy and social change in Latin America*. Cambridge, Massachusetts: Harvard University David Rockefeller Center for Latin American Studies / Harvard University Press, pp. 307-330.
- Taylor, R. (2005) 'Mr Blair's British business model – capital and labour in flexible markets', in Seldon, A and Kavanagh, D. (eds.) *The Blair effect 2001-5*. Cambridge: Cambridge University Press, pp. 184-206.
- _____. (2007) 'New Labour, new capitalism', in Seldon, A. (ed.) *Blair's Britain 1997-2007*. Cambridge: Cambridge University Press, pp. 214-240.
- Teixeira da Silva, F. (2012) "'Justiça de classe": tribunais, trabalhadores rurais e memória', *Revista Mundos do Trabalho*, 4(8), pp. 124-160.

- Thompson, A. A. (2005) 'Do compromisso à eficiência? Os caminhos do terceiro setor na América Latina', in Ioschpe, E. (ed.) *3º setor: desenvolvimento social sustentado*. Rio de Janeiro: Paz e Terra, pp. 41-48.
- Tiratsoo, N. (1997) '“You've never had it so bad”: Britain in the 1970s', in Tiratsoo, N. (ed.) *From blitz to Blair: a new history of Britain since 1939*. London: Weidenfeld & Nicolson.
- Toynbee, P. and Walker, D. (2008) *Unjust rewards: exposing greed and inequality in Britain today*. London: Granta.
- Urban, G. (1983) *Missions and Indians in Brazil*. Available at <https://www.culturalsurvival.org/ourpublications/csq/article/missions-and-indians-brazil> (Accessed: 2 January 2016).
- Veblen, T. (1994 [1899]) *The theory of the leisure class*. New York: Dover Publications.
- Whitaker, B. (1974) *The foundations: an anatomy of philanthropy and society*. London: Eyre Methuen.
- Wiepking, P. and Handy, F. (eds.) (2015) *The Palgrave handbook of global philanthropy*. Basingstoke / New York: Palgrave Macmillan.
- Wilkinson, R. and Pickett, K. (2009) *The spirit level: why more equal societies almost always do better*. London: Allen Lane.
- Williams, N. and Griffith, M. (2009) *Future focus: what will our funding be like in five years' time?* London: National Council for Voluntary Organisations / Third Sector Foresight.
- Wright Mills, C. (1956) *The power elite*. New York: Oxford University Press.
- Yanagisako, S. J. (2002) *Producing culture and capital: family firms in Italy*. Princeton, New Jersey: Princeton University Press.
- Yarrow, T. and Venkatesan, S. (2012) 'Anthropology and development: critical framings', in Venkatesan, S. and Yarrow, T. (eds.) *Differentiating development: beyond an anthropology of critique*. New York / Oxford: Berghahn Books.
- Zelizer, V. A. R. (1994) *The social meaning of money*. New York: BasicBooks.
- Zizek, S. (2006) 'Nobody has to be vile', *London Review of Books*, 28(7), p. 10.

Appendix 1

Organisations in this Study: BRAZIL

Unless otherwise specified, data represents activities and structure of organisations during the period in which fieldwork was carried out for this study (2008-10). All currency conversions are for the relevant year, or for 2010 if year not stated.

Type	Name	Location	Year Founded	Funding and Spending (where information available)
Intermediary Organisations (Advisory, network-building and service-providing orgs)	Instituto Geração (Generation Institute) www.institutogeracao.org.br	São Paulo	2007	Founded with grant from an American philanthropist. Later funded by grants from Brazilian philanthropists and income from fee-paying services.
	Founder(s): Daniela Nascimento Fainberg and Tatiana Piva A. Sartori. (Young inheritors and third sector professionals. Tatiana worked previously at IDIS (see below). Daniela worked at the W.K.Kellogg Foundation's Brazil office and later created the Family Philanthropy Programme at IDIS.)			
	Activities: Supports wealthy Brazilians (aged 25 to 40) to engage with issues of socio-economic inequality and social change in Brazil, and to build a network of like-minded peers. Flagship programme is the PNG (<i>Programa Nova Geração</i> – New Generation Programme).			
	IDIS - Instituto para o Desenvolvimento do Investimento Social	São Paulo	1999	Founded with grant from the W.K. Kellogg Foundation (USA). Later funded by donations from individuals, businesses and foundations, and income from fee-paying services.

(Institute for the Development of Social Investment) www.idis.org.br			
Founder(s): Marcos Kisil (formerly Regional Director for Latin America and the Caribbean at the W.K. Kellogg Foundation)			
Activities: Promotes philanthropy and CSR in Brazil, through private advising, courses and other activities.			
GIFE Grupo de Institutos, Fundações e Empresas (Group of Institutes, Foundations and Businesses) www.gife.org.br	São Paulo	1995	Funded by membership fees, events, courses and donations. Total income 2010: R\$4,885,803.00 (c. £1.7m). GIFE also has an endowment, valued at R\$1,469,294.00 (c. £520k) in 2010.
Founder(s): Collaboration between 25 Brazilian corporate foundations.			
Activities: Network and support organisation for corporate, family, independent and community foundations, with 134 member foundations in 2010.			

Instituto Ethos de Empresas e Responsabilidade Social www3.ethos.org.br	São Paulo	1998	Funded by membership fees, donations and sponsorship. Total income 2008: R\$11,239,000.00 (c. £3.2m)
Founder(s): A group of Brazilian businessmen, connected to the progressive think tank <i>Pensamento Nacional das Bases Empresariais</i> (PNBE) (National Business Thought).			
Activities: Promotes practice of CSR, and has played a central role in defining and disseminating the concept in Brazil.			
Instituto Fonte www.institutofonte.org.br	São Paulo	2002	Funded by: revenue from fee-paying services; sale of books, guides and research materials and donations from individuals, philanthropic foundations and businesses. Total income 2009: R\$1,903,432.00 (c. £568k) Total spending 2009: R\$2,090,069.00 (c. £598k)
Founder(s): Merger between NGOs <i>Instituto Christophorus</i> and F.O.N.T.E. <i>Fomento Nacional para o Terceiro Setor</i> (National Support for the Third Sector).			
Activities: Supports a diverse range of individuals, business and (public and non-profit) organisations working in the arena of social development to better understand, design and develop their work.			

FICAS www.ficas.org.br	São Paulo	1997	Funded by revenue from fee-paying services and donations.
Founder(s): A group of academics seeking to strengthen the Brazilian third sector.			
Activities: Runs training programmes and other initiatives to strengthen and support civil society organisations, working principally as a bridge between civil society organisations and business institutes and foundations.			
RedEAmérica www.redeamerica.org	Colom-bia (headquart ers), branches in 11 countries in Latin America.	2002	RedEAmérica member foundations and businesses and the IAF fund NGOs throughout the region. Much grant-making is carried out through collective (national or international) funds, through which member foundations and businesses jointly select and finance projects.
Founder(s): Founded by the Inter-American Foundation (IAF) (an independent U.S.A. government agency, which works in international development in Latin America and the Caribbean).			
Activities: Promotes corporate engagement in grassroots development in Latin America.			

Foundations i) Corporate (family business)	Instituto JCA www.jcaholding.com.br/responsabilidade-social	Niteroi (Rio de Janeiro state)	2004	Funded by JCA group.
	Founder(s): Jelson da Costa Antunes, founder of family-owned JCA Group, operating in cargo and passenger transport, principally coach lines. Companies include Auto Viação, which ranks among the top ten middle market companies in Brazil.			
	Activities: Operating foundation. Awards competitive school scholarships for local children; runs training courses for young people in coach mechanics and supports social initiatives designed by young people from local shanty towns.			
	Fundação NovAmérica www.novamerica.com.br	Assis (São Paulo state)	1995	Funded by Grupo NovAmérica, which invests c. R\$1m (c. £347k) annually in its projects.
Founder(s): Grupo NovAmérica. Founded by Renato de Rezende Barbosa, ownership later passed to his three sons. One of Brazil's largest sugar and ethanol producers, Grupo NovAmérica was partly sold to Brazilian Grupo Cosan in 2010. Usina Nova América ranks at 354 among the 500 richest companies in Brazil with a net revenue of R\$1,119,663,000.00 (c. £315m). Cosan ranks at 157 with net revenue of R\$2,871,640,000.00 (c. £830m). ²⁵⁴				

²⁵⁴ Unless stated otherwise, all data on company rankings is collected from *Isto É Dinheiro* (This is Money) magazine's 2009 list of the 500 biggest companies in Brazil (ranked by net revenue in 2008). The list includes foreign multinationals active in Brazil. See: 2009 (August). *As Melhores Da Dinheiro. Isto É Dinheiro* (special edition). Editora Três. Edition 619/A, Ano 12, pp. 94-118

<p>Activities: Main activity is <i>Projeto Futuro</i> (Project Future), for local children and young people, comprising a choir, brass band, dance and theatre groups, a professional training programme and an environmental education programme.</p>			
<p>Instituto Votorantim www.institutovotorantim.org.br</p>	<p>São Paulo</p>	<p>2002</p>	<p>Funded by Grupo Votorantim.</p> <p>2010 budget included over R\$32m (c. £11.1m) for grant-making and the <i>Instituto's</i> own programmes, and a further R\$12.5m (c. £4.3m) for its other CSR and sustainability projects. (Total of over R\$44.5m, c. £15.5m).</p>
<p>Founder(s): Grupo Votorantim. One of the largest industrial groups in Latin America, and still family-owned, Votorantim's companies operate in the areas of cement, metals, energy, steel, wood pulp, agribusiness and finance. Among the 500 richest companies operating in Brazil: Banco Votorantim (Votorantim's financial services company) ranks at 34, with a net revenue of R\$12,796,397,000.00 (c. £3.7b); Votorantim Cimentos (cement) ranks at 68, with a net revenue of R\$6,000,952,000.00 (c. £1.7b); Votorantim Metais Zinco (zinc) ranks at 240, with a net revenue of R\$1,862,563,000.00 (c. £544m) and Votorantim Metais Níquel (nickel) ranks at 391, with a net revenue of R\$1,061,096,000.00 (c. £315m).</p> <p>Currently led by Antônio Ermírio de Moraes, who together with his family ranked 224 in the 2009 Forbes World Billionaires list, with a fortune of \$2.8 billion (c. £1.9b) (see: http://www.forbes.com/lists/2009/10/billionaires-2009-richest-people_Antonio-Ermirio-de-Moraes-family_YTTJ.html). Antônio Ermírio de Moraes has supported several NGOs and provides pro-bono managerial and consultancy support to the hospital <i>Sociedade Beneficência Portuguesa de São Paulo</i>. For many years he wrote a column for the newspaper <i>Folha de São Paulo</i>.</p>			
<p>Activities: Operating and grant-making foundation, also responsible for the Votorantim Group's broader CSR and sustainability activities. Works in areas of: education; work and professional training; culture (promotion of cultural democracy); sport, and protection of vulnerable children.</p>			

Fundação Educar DPaschoal www.educardpaschoal.org.br	Campinas (São Paulo state)	1989	Funded by companies in DPaschoal Group and donations.
Founder(s): Grupo DPaschoal (auto services and coffee producers). Main company ranks at 310 among the 500 richest companies in Brazil with a net revenue of R\$1,374,117,000.00 (c. £401m).			
Activities: Operating foundation focusing on education and young people.			
Associação Terra Viva de Responsabilidade Social e Ambiental (Terra Viva Association for Social and Environmental Responsibility) www.terraviva.agr.br/responsabilidade-social/projetos/ [Information correct for 2005-06]	Holambra (São Paulo state)	2001	Funded by Grupo Terra Viva and Schoenmaker family. Total funds 2005/06: R\$ 238,000.00 (c. £59k)

<p>Founder(s): Grupo Terra Viva. Agricultural business group, with companies working in: plants and flowers; bulbs; young plants and agriculture (potatoes, cattle, cereals and oranges). Founded by Klaas and Gemma Schoenmaker, immigrants from the Netherlands who settled in the Dutch colony of Holambra with their 11 children in 1959. Terra Viva is still owned by the Schoenmaker family. In 1989 the company introduced a series of participatory management practices based on the Sociocratic principles of Gerard Endenburg.</p>			
<p>Activities: CSR/corporate philanthropy programme for company employees, their families and wider community, inc. renovation and construction of employees' houses; dance, art, social, sport and recreational activities.</p>			
<p>Instituto Camargo Corrêa www.institutocamargocorra.org.br</p>	<p>São Paulo</p>	<p>2000</p>	<p>Financed by the Camargo Corrêa Group. Total income 2010: R\$14,901,610.00 (c. £5.2m) Total spending 2010: R\$12,259,841.00 (c. £4.3m)</p>
<p>Founder(s): Camargo Corrêa Group. One of Brazil's largest family-owned corporate groups, currently under control of sisters Renata de Camargo Nascimento, Regina Camargo Pires Oliveira Dias and Rosana Camargo de Arruda Botelho. Cement is biggest area of activity, but also energy, engineering and construction, real estate, shipbuilding and offshore, transport, clothing and footwear (inc. production of the Havaianas flip-flop by company Alpargatas).</p> <p>Among the 500 richest companies in Brazil: Construtora Camargo Corrêa (construction) ranks at 85, with a net revenue of R\$4,712,568,000.00 (c. £1.3b); CCR (transport infrastructure) ranks at 164, with a net revenue of R\$2,734,214,000.00 (c. £773m) and Alpargatas (clothing and footwear) ranks at 270, with a net revenue of R\$1,658,790,000.00 (c. £487m). Camargo Corrêa also holds controlling stakes in the CPFL group of energy companies, several of which also rank within Brazil's top 500 companies.</p> <p>The Camargo Corrêa sisters and the Camargo Corrêa corporate group are involved in a wide range of philanthropic, CSR and corporate sustainability activities.</p>			

	<p>Activities: Operating and grant-making foundation. Runs projects for economically disadvantaged children and young people, in partnership with local government, schools and third sector organisations, to strengthen and network these organisations and support sustainable community development.</p>			
ii) Corporate (non-family business)	<p>Instituto Hedging-Griffo www.institutohg.org.br</p>	São Paulo	2003	<p>Funded by donations from Credit Suisse Hedging-Griffo, and other companies and individuals (including company clients). In 2010 received R\$3,404,320.00 (c. £1.2m) from these funding sources (R\$2,078,057.00 of this from Credit Suisse Hedging-Griffo) and made grants totalling c. R\$3,112,750.00 (c. £1.1m)</p>
	<p>Founder(s): Corporate foundation of Credit Suisse Hedging-Griffo Corretora de Valores S.A., a leading Brazilian private banking, asset management and investment banking firm that was partially acquired by Swiss bank Credit Suisse in 2006.</p>			
	<p>Activities: Operated own programmes until 2008, then became a solely grant-making foundation. Funds in areas of: education; professional training for young people; health and social assistance. Projects usually target children and young people.</p>			
iii) Family / Individual	<p>Fundação Maria Cecília Souto Vidigal www.fmcsv.org.br</p>	São Paulo	1965	<p>First Brazilian foundation to create an endowment (<i>fundo patrimonial</i>) to fund its activities. Endowment worth R\$35.5m (c. £12.3m) in 2010.</p> <p>In 2010, the Foundation spent a total of R\$5.8m (c. £2m).</p>
	<p>Founder(s): Gastão Eduardo de Bueno Vidigal and his wife Maria Cecília Souto Vidigal. Owner of the bank Banco Mercantil de São Paulo, founded by his father Gastão Vidigal, Gastão Eduardo also owned the steel company Brasmetal and was Finance Minister of the state of São Paulo during the early 1960s. After his death, the Banco Mercantil de São Paulo was sold in 2002 to the bank Bradesco (which in 2009 ranked at number 4 among Brazil's top 500 companies).</p>			

<p>Activities: Operating foundation. Originally founded to support research on haematology, after the death of the founders' youngest daughter from leukaemia. In 2001 the second and third generations of the family redesigned the foundation's activities to focus on provision for early childhood development.</p>			
<p>Fundação Tide Setubal www.ftas.org.br</p>	<p>São Paulo</p>	<p>2005</p>	<p>Endowed foundation, created using founder's private capital. Endowment income supplemented with annual contributions from founder and other (inc. government) funding.</p> <p>In 2010: endowment valued at R\$60.2m (c. £21m); total income R\$6.9m (c. £2.4m); total spending: R\$6.6m (c. £2.3m).</p>
<p>Founder(s): Maria Alice Setubal. Third sector professional with and president of the <i>Centro de Estudos e Pesquisas em Educação, Cultura e Ação Comunitária</i> - Cenpec (Centre for Studies and Research in Education, Culture and Community Action). One of seven children and heirs of Olavo Setubal, who was chairman and a controlling shareholder of Itaú Bank, mayor of São Paulo and later Minister for Foreign Affairs, and founder of <i>Itaú Cultural</i>, one of the bank's philanthropic foundations. (Itaú bank has a longstanding history of corporate philanthropic activity, carried out through two corporate foundations). Itaú bank was co-founded by the Setubal and Villela families, and became the biggest bank in the Southern hemisphere when it merged with Unibanco in 2008. In 2009 Itaú Unibanco ranked at number 3 among the 500 richest companies in Brazil, with a net revenue of R\$64,471,000,000.00 (c. £18.5b).</p>			
<p>Activities: Operating foundation named after the founder's mother Mathilde (Tide), a philanthropist who founded the São Paulo <i>Corpo Municipal de Voluntários</i> (Municipal Volunteer Force). Foundation's aim is to promote development and the empowerment of the local community in the region of São Miguel Paulista, a poor area on the eastern periphery of the city of São Paulo, where Tide Setubal was particularly active in her social work.</p>			

Instituto Arapyau www.arapyau.org.br	São Paulo	2008	Funded by founder.
<p>Founder(s): Guilherme Leal. Billionaire who made his fortune as a partner in Natura cosmetics company. Also a leading philanthropist and CSR advocate in Brazil, and ran for vice-presidency in the 2010 Brazilian elections alongside Green Party presidential candidate Marina Silva. In 2009 Natura ranked 1956 in Forbes' 2009 'Global 2000' list of the world's biggest companies (see: http://www.forbes.com/lists/2009/18/global-09_The-Global-2000_Rank_20.html) and 115 among Brazil's top 500 companies, with a net revenue of R\$3,618,019,000.00 (c. £1b). Guilherme Leal himself ranked 601 on Forbes' 2009 list of the world's billionaires, with a personal net worth of \$1.2b (c. £830m) (see: http://www.forbes.com/lists/2009/10/billionaires-2009-richest-people_Guilherme-Peirao-Leal_46KG.html).</p>			
<p>Activities: Grant-making foundation. Funds in areas of sustainable development, education, leadership training, the environment, urban sustainability, political participation and the strengthening of democracy.</p>			
Núcleo Oikos www.nucleooikos.org.br	São Paulo	2008 [closed 2014]	Funded by founders (private capital).
<p>Founder(s): Ricardo and Felipe Leal (sons and heirs of Guilherme Leal – see above).</p>			
<p>Activities: Grant-making foundation. Funds community projects and NGOs in the Amazônia and Vale do Ribeira regions of Brazil, integrating environmental, cultural and income generation objectives.</p>			

Instituto Alana www.alana.org.br	São Paulo	1994	Funded by founders. Total income 2010: R\$1,686,113.94 (c. £591k)
<p>Founder(s): Ana Lucia de Mattos Barretto Villela, and her brother Alfredo Egydio Arruda Villela Filho. The Villela family co-founded Itaú Bank (together with the Setubal family – see above). Ana Lucia and Alfredo became major shareholders of the Itaúsa Group (which controls Itaú Unibanco, among other businesses) as young children when they lost their parents in an airplane crash. (Brother and sister were brought up by their aunt, Milú Villela, another major shareholder in the Itaúsa Group, who is also president of the São Paulo Museum of Modern Art and a renowned philanthropist). Ana Lucia trained as a teacher and taught in both the private and state education systems before giving up to work full-time at the <i>Instituto Alana</i>.</p> <p>Ana Lucia was the youngest female billionaire in Brazil in 2016, and ranked 1118 on Forbes’ 2015 list of the world’s richest billionaires (see: www.forbes.com/profile/ana-lucia-de-mattos-barretto-villela/). Itaú Unibanco ranks number 3 among the 500 richest companies in Brazil, with a net revenue of R\$64,471,000,000.00 (c. £18.5b). Other companies in the Itaúsa portfolio include Itaú Seguros (insurance), ranked at 149 among the top 500, with a net revenue of R\$2,975,882,000 (c. £859m) and Itaútec (technology), ranked at 254, with a net revenue of R\$1,786,616,000.00 (c. £515m).</p>			
<p>Activities: Works in the shanty town Jardim Pantanal, which occupies an area of land previously owned by the <i>Instituto</i>’s founders in São Paulo. Supports socio-educational initiatives and community mobilization via an extensive education, assistance and teacher training programme. Also promotes dialogue among education professionals on advertising aimed at children, childhood consumption and child obesity in schools, and advocates for pro-childhood public policy in Brazil around these issues. Has brought legal action against companies in breach of legislation protecting children.</p>			

iv) Foreign ²⁵⁵	Ford Foundation (Brazil Office) www.fordfoundation.org/regions/brazil	Rio de Janeiro	Brazil office: 1962	Ford Foundation endowment (investment portfolio valued in 2010 at US\$10.5 billion (c. £6.5 billion)). Ford Foundation total programme spending 2010 (all regions): US\$526 million (c. £326 million) Total spending on grants in Brazil 2010: US\$12,757,500.00 (£7.9m)
	Founder(s): Ford Foundation founded in the USA in 1936 by Edsel and Henry Ford (as separate entity to the Ford Motor Company). Now has offices in 11 countries.			
	Activities: Grant-making foundation. In Brazil, focuses on: strengthening enforcement of justice and rights systems; securing land rights and sustainable natural resources use; promoting a balance between freedom of expression and media regulation; strengthening Afro-Brazilians and Indigenous people's organisations and leadership.			
	Brazil Foundation www.brazilfoundation.org	Rio de Janeiro / New York (USA)	2000	Funded by donations from network of over 6,000 supporters, mostly Americans and Brazilians living in the USA. Between 2000 and 2008: raised US \$11m (c. £5.6m) for direct funding of projects; served as intermediary conduit for grants totalling US \$5.8m (c. £2.9m). 2008 total assets: c. US \$1.3m (c. £660k)
Founder(s): Leona Forman. Former Chief of Information Centers Service, UN; born in China to Russian Jewish family, lived in Brazil from age 13 to 26 before moving to USA.				

²⁵⁵ Non-Brazilian foundations operating in Brazil. Funded (fully or partially) by sources from outside of the country, with offices in Brazil and abroad.

	Activities: Grant-making foundation. Funds NGOs in the areas of: education; health; human rights; participatory development and culture.			
Community Foundations	Instituto Azzi www.institutoazzi.org.br	São Paulo	2007	Organisational costs funded by founder. Grant-making funded by clients.
	Founder(s): Marcos Flávio Azzi (ex-partner in Credit Suisse Hedging-Griffo, see above).			
	Activities: Encourages wealthy individuals (who do not have their own foundations) to engage in philanthropy, by connecting donors with NGOs in São Paulo. The <i>Instituto</i> administers the grant-making process. Donors must commit to a minimum annual donation of R\$100,000.00 (c. £35,000.00). The Institute does not charge for its services.			
	ICom - Instituto Comunitário, Grande Florianópolis (Florianópolis Community Foundation) www.icomfloripa.org.br	Florianópolis (Santa Catarina state)	2005	Organisational costs funded via donations from philanthropic foundations (Brazilian and international), businesses, individuals, government funding and income from fee-paying services. Grant-making funded by clients. Total income 2010: R\$592,251.51 (c. £206k). Total spending 2010 (projects and administrative costs): R\$767.984,53 (c. £267k).

	<p>Founder(s): Lúcia Dellagnello (previous positions include technical advisor for the Brazilian state Secretary of Education and consultant for the W. K. Kellogg Foundation, the World Bank and UNICEF).</p>			
	<p>Activities: Founded on the community foundation model seen in the USA and the UK, to support community development in the Florianópolis region by mobilising, connecting and supporting grant-makers and NGOs.</p>			
Giving Circles ²⁵⁶	<p>ICE - Instituto de Cidadania Empresarial (Business Citizenship Foundation) www.ice.org.br</p>	São Paulo	1999	<p>Annual contributions from members and occasional partnerships with businesses.</p> <p>Total income 2010: R\$2,509,204.00 (c. £869k) Total spending 2010 (projects and administrative costs): R\$2,840,084.00 (c. £973k)</p>
	<p>Founder(s): Group of businessmen and women led by Renata de Camargo Nascimento (see entry on Instituto Camargo Correa above), originally brought together to form the <i>Movimento de Cidadania Empresarial</i> (Movement of Business Citizenship), using a grant from the W. K. Kellogg Foundation's <i>Leadership in Philanthropy in the Americas</i> programme.</p>			
	<p>Activities: The <i>Instituto</i> has 27 members, all businessmen and women from São Paulo, who jointly fund its work. They participate in ICE as individual philanthropists (using their private capital). ICE works to strengthen grassroots NGOs in shanty towns and poor communities in and around São Paulo, promoting collaboration between community representatives, civil society, local government and the private sector.</p>			

²⁵⁶ The term 'giving circle' is not used in Brazil but I have chosen to use it here to describe structures that mirror ones using this terminology in the UK.

	RedEAmérica			
	<i>RedEAmérica</i> acts as both a giving circle and a networking organisation. For details see above in: Advisory and Network-Building Organisations.			
Corporate Philanthropy Programmes and Corporate Sustainability Programmes	Daslu (Corporate philanthropy programme)	São Paulo	2005	Monthly contributions from Daslu, and financial and in-kind donations from local businesses, etc.
	Founder(s): Daslu's then owner, Eliana Piva de Albuquerque Tranchesi. Daslu is Brazil's biggest luxury fashion retailer and department store, founded in 1958 by Tranchesi's mother, Lucia Piva de Albuquerque, and her business partner Lourdes Aranha.			
	Activities: Runs a project in the neighbouring shanty town, created in partnership with the CUFA - <i>Central Única das Favelas CUFA</i> (Central Union of Slums), which offers after-school tutoring for children; sporting activities, computing classes, workshops in job-seeking skills for young people and literacy courses and handicraft workshops for adults. Daslu has also organised a photography exhibition documenting life in the shanty town, which was displayed at the entrance to the shop. (The contrast between Daslu's luxurious premises – a potent symbol of the extravagant consumption of São Paulo's elites – and the extreme poverty of the shanty town on the other side of its heavily guarded walls has attracted much negative attention from the media).			
	Camargo Corrêa Sustentabilidade (Camargo Corrêa Sustainability Programme) www.camargocorrea.com	São Paulo	2006	Internal department of the Camargo Corrêa Group.

	<p>Founder(s): Grupo Camargo Corrêa (see above entry on the <i>Instituto Camargo Corrêa</i>)</p>			
	<p>Activities: CSR/sustainability programme of the Camargo Corrêa corporate group, designed to improve the social, environmental and economic sustainability of the group's companies. Runs a series of activities inc. monitoring the companies' social and environmental impact and an internal competition awarding a <i>Prêmio Idéias e Práticas Sustentáveis</i> (Sustainable Ideas and Practices Prize) to Camargo Corrêa employees for the best ideas to improve the companies' sustainability.</p>			
Memorials	<p>Memorial Rezende Barbosa www.novamerica.com.br/conquistas</p>	Assis (São Paulo state)	2004	Maintained by the Rezende Barbosa family.
	<p>Founder(s): Rezende Barbosa family (see above entry on <i>Fundação NovAmérica</i>).</p>			
	<p>Activities: Created to preserve and disseminate the family's history, particularly that of Renato de Rezende Barbosa (founder of the family business) and to encourage local communities to learn about the cultural heritage and history of the region and of Brazil more broadly. The <i>Memorial</i> runs a documentation centre and an exhibition space, where it works in partnership with the Department of Culture of the State of São Paulo to host itinerant exhibitions.</p>			
Other	<p>ABONG - Associação Brasileira de Organizações Não Governamentais (Brazilian Association</p>	São Paulo and six regional hubs.	1991	<p>Funded principally by donations from international foundations, inc. the Ford Foundation and Oxfam, and membership fees.</p> <p>Total income 2010: R\$1,227,991.93 (c. £417k) Total spending 2010: R\$1,154,719.98 (c. £401k)</p>

	of NGOs) www.abong.org.br			
<p>Founder(s): A working group made up of representatives from Brazilian NGOs.</p>				
<p>Activities: Membership and advocacy organisation representing the Brazilian NGO sector nationally and abroad, and supporting NGOs in their work promoting human rights, democracy and justice in Brazil.</p>				

Appendix 2

Organisations in this Study: UK

Unless otherwise specified, data represents activities and structure of organisations during the period in which fieldwork was carried out for this study (2008-10).

Type	Name	Location	Year Founded	Funding and Spending (where information available)
Intermediary Organisations (Advisory, network-building and service-providing orgs)	IfP Institute for Philanthropy http://www.tpw.org [Merged with TPW West to become The Philanthropy Workshop in 2014]	London / New York	2000 (IfP US opened in New York in 2008)	Funded by grants from individuals and foundations, income from fee-paying services, sponsored research and publications and Alumni Network membership fees. Total income 2010: £972,441.00 (c. £850k in grants, c. £121k in other income) Total spending 2010: £1,037,066.00 (Information given here relates solely to IfP in the UK.)
	Founder(s): A working group led by Lady Hilary Browne-Wilkinson, a solicitor and former chair of The Prince's Foundation (one of the Prince's Charities, a group of charities led by HRH The Prince of Wales).			
	Activities: Founded to promote philanthropy in the UK, with emphasis on the development of tax incentives, regulation of the charitable sector and research on its activities. In 2006, Dr Salvatore LaSpada, former director of donor education programme <i>The Philanthropy Workshop</i> (TPW) at the Rockefeller Foundation in New York, was appointed chief executive, and transferred TPW to the IfP. During			

<p>my fieldwork, the IfP also ran: the <i>Next Generation Philanthropy</i> programme; the <i>Strong Foundations</i> programme, for professional staff of philanthropic foundations and <i>Community Foundation Futures</i> (created in partnership with the Community Foundation Network – see below), to support community foundation staff; the UK branch of the <i>Youth and Philanthropy Initiative</i>; research programme <i>Think Philanthropy</i> and advising services.</p>			
<p>NPC New Philanthropy Capital www.thinknpc.org</p>	<p>London</p>	<p>2002</p>	<p>Funded principally via donations and income from fee-paying services. (Totals below include £334k of advisory client donations, which are funds received from clients and donated to charities by NPC on their behalf.)</p> <p>Total income 2010: £2,780,957.00 Total spending 2010: £2,275,444.00</p>
<p>Founder(s): Former Goldman Sachs partners Gavyn Davies and Peter Wheeler (Wheeler later became Executive Vice President of the US nonprofit organisation <i>The Nature Conservancy</i>).</p>			
<p>Activities: Consultancy and think tank helping funders and charities achieve greater impact. Produces research, tools and advice to shape and encourage (public and sector-wide) debate about what makes charities effective.</p>			
<p>ACF Association of Charitable Foundations www.acf.org.uk</p>	<p>London</p>	<p>1989</p>	<p>Funded principally by membership subscriptions, grants from philanthropic foundations, fee-paying services and attendance fees for its annual conference.</p> <p>Total income 2010: £804,397.00 Total spending 2010: £822,855.00</p>
<p>Founder(s): Information not available.</p>			

<p>Activities: Works on behalf of UK trusts and foundations, to support them in their activities, provide opportunities for networking, collaboration and the sharing of learning and to represent their interests within the broader public context. In 2010 the ACF had 312 member foundations.</p>			
<p>EAPG European Association for Philanthropy and Giving www.philanthropy-impact.org (Became Philanthropy Impact in 2012)</p>	<p>London</p>	<p>1998</p>	<p>Funded principally through membership fees and fees for events and conferences.</p>
<p>Founder(s): Jim Myers, independent philanthropy adviser & co-founder of the European-American Tax Institute.</p>			
<p>Activities: Membership organisation working to promote the sharing of experience, knowledge and technical expertise among professionals involved in philanthropy. In 2009, had 169 members including philanthropy consultants and intermediaries, legal and accounting advisers, financial and investment advisers, philanthropic foundations and trusts, higher education bodies and charities. Runs an extensive programme of events.</p>			

<p>CFN Community Foundation Network www.ukcommunityfoundations.org</p> <p>[Information here correct for 2011-2012. Became UK Community Foundations in 2013.]</p>	London	1991	<p>Initially funded by the Charities Aid Foundation (CAF – see below) and the Charles Stewart Mott Foundation (USA).</p> <p>Total income 2012: £11,496,000.00 Total spending 2012: £17,127,000.00</p> <p>Most income and spending related to the management of grants for donors, for whom the CFN acts as an intermediary by passing funds on to community foundations for disbursement.</p> <p>Other sources of income (unrestricted funding, totalling £542k in 2012) included: the Office for Civil Society (Cabinet Office), membership subscriptions, IT related subscriptions and grants.</p>
<p>Founder(s): Charities Aid Foundation and the Charles Stewart Mott Foundation.</p>			
<p>Activities: Supports UK community foundations and leads the national development of community philanthropy.</p>			
<p>Coutts Institute www.coutts.com/private-banking/coutts-institute/philanthropy-and-social-investment/</p> <p>[Information correct for 2011]</p>	London	2005	<p>Financed by Coutts bank and fee-paying services.</p>

<p>Founder(s): Part of Coutts bank's wealth advisory services. Coutts was founded in 1692, was acquired by the <i>Royal Bank of Scotland Group</i> in 2000 and is now the RBS Group's global wealth division. Angela Burdett-Coutts, Thomas Coutts' granddaughter, was one of England's wealthiest women and most important philanthropists. Over her lifetime, Burdett-Coutts gave away today's equivalent of around £350m to progressive causes.</p>			
<p>Activities: Coutts Institute advises clients on the governance of wealth, covering family business, wealth succession and philanthropy and social investment.</p>			
<p>CAF Charities Aid Foundation www.cafonline.org</p>	<p>Kent and London. Overseas offices in America, Australia and Russia.</p>	<p>1974</p>	<p>CAF manages tax effective giving from individual, trust client and company donors to a range of charitable causes. Other CAF activities and administration costs are funded via: donations, legacies and gifts-in-kind; investment income; CAF Bank net interest income and fee-paying services.</p> <p>For 2010 (including restricted funds in the form of donor giving through CAF): Income: £377.4m Spending: £307.8m</p>
<p>Founder(s): CAF has its origins in the National Council of Social Services, which set up a Charities Department in 1924 to encourage charitable giving. The Council later became the National Council for Voluntary Organisations (NCVO) and its Charities Department became the Charities Aid Fund. In 1974 the latter became an independent organisation and was renamed the Charities Aid Foundation.</p>			
<p>Activities: CAF provides an extensive range of (banking and other) services in the UK and abroad, to support individual and corporate donors in their charitable giving and to meet the banking and other finance needs of charities.</p>			

Foundations i) Family / Individual	Hazelhurst Trust www.hazelhursttrust.org	Surrey	2000	Not available.
	Founder(s): Founded by Helen and Matthew Bowcock after the sale of their software company. The Bowcocks are also extensively involved in community philanthropy in the UK.			
	Activities: Grant-making trust funding in Surrey, with a particular focus on projects supporting local groups to become more sustainable, and on organisations working to strengthen the arts and create behavioural and social change through arts projects in their communities.			
	Bulldog Trust www.bulldogtrust.org [Information correct for 2013]	London	1983	Funded with founder's private capital, and some partner funding from other foundations. Grant-making from 1983 to 2013 totalled over £4m.
	Founder(s): Richard Q. Hoare of the Hoare banking family. Established in 1672, C. Hoare & Co is the oldest bank in the UK and is still family-owned and managed. Richard Q. Hoare was appointed a Managing Partner at the bank in 1969. In 1997 he was also appointed Deputy Lieutenant of Hampshire and in 2006 he received an OBE for services to philanthropy.			
Activities: Supports charities and promotes philanthropy via: direct grant-making activities; a bespoke donor-advised fund service; and the <i>Engaging Experience Philanthropy Network</i> , through which professionals from finance, law, HR, management consultancy, media and the public sector are encouraged to become trustees, and provide pro-bono advice to charities.				

	<p>Impetus Trust www.impetus-pef.org.uk</p> <p>[Merged with the Private Equity Foundation to become Impetus-PEF in 2013]</p>	London	2002	<p>Funded using founders' private capital and donations from corporations, grant-making trusts and individuals.</p> <p>Total income 2010: £3,831,147.00 Total spending 2010: £3,441,548.00</p> <p>Includes £2,146,247.00 worth of pro bono professional services donated from corporate partners and individual associates. Cash grants made to charities during 2009/10 totalled £454,592.00.</p>
<p>Founder(s): Venture capitalists Stephen Dawson and Nat Sloane. Dawson was named Personality of the Year at the 2007 Private Equity Awards, and was awarded an OBE in 2010 for services to the voluntary sector.</p>				
<p>Activities: The UK's first venture philanthropy charitable trust, Impetus applies the principles of venture capital to the charitable sector, seeking a social rather than financial return. It provides charities with long-term funding (typically over 3 to 5 years) alongside management support and specialist expertise, to help them grow and increase their impact, showing measurable social outcomes.</p>				
Giving Circles	<p>Network for Social Change www.thenetworkforsocialchange.org.uk</p>	London (members across the UK)	1985	<p>Administration costs funded by membership fees (£200 plus 3% of all grants made). All other costs and grants funded directly by members.</p> <p>Members commit to making grants totalling at least £3,000.00 per year through the Network (although average given per member in 2009 was £13,000.00).</p> <p>Total grants made in 2010 by Network for Social Change (charitable projects): £829,696.00 Total grants made in 2010 by Funding for Change (non-charitable projects): £90,227.00</p>

<p>Founder(s): A group of wealthy individuals interested in grant-making together.</p>			
<p>Activities: Group of individuals who collectively fund progressive social change – especially in the areas of justice, peace and the environment - through grant-making in the UK and abroad. Some of the Network’s 120 members have inherited their wealth while others have created it. Around 90% of the Network’s funding goes to charitable projects, but the Network also incorporates a company, Funding for Social Change, through which members can make grants to non-charitable projects. Members meet biannually for a residential weekend funding conference, and smaller groups meet additionally throughout the year. Projects funded have included: the Jubilee 2000 Coalition; revitalisation of the New Economics Foundation, and the Oxford Research Group. The Network maintains a low public profile.</p>			
<p>The Funding Network TFN www.thefundingnetwork.org.uk [Information correct for 2012]</p>	<p>London (Affiliate groups around the country)</p>	<p>2002</p>	<p>Administration costs funded through membership fees, fees for event attendance, 5% levy on funds raised for grant-making, donations from members and foundations. Funds raised for grant-making from members at fundraising events (see below). London group total income 2012: £736,856.00 (Of which £141,838.00 in unrestricted funds to cover administrative costs and £595,018.00 in funds raised for charitable grant-making.)</p>
<p>Founder(s): A small group of philanthropists led by Frederick Mulder, an art dealer and 2004 winner of the Judges’ Special Beacon Fellowship Prize for philanthropy. Mulder was awarded a CBE for Services to Philanthropy in the 2012 New Year honours list.</p>			
<p>Activities: TFN is a public giving circle through which individual donors collectively fund charities in the UK and abroad. TFN holds regular funding events, at which pre-selected charities make pitches for project funding, with members publicly pledging funds (as if at an auction) for each project.</p>			

Type	Name	Location	Year Founded	Funding and Spending (where information available)
Other	Coalition for Efficiency www.cfefficiency.org.uk [information correct for 2011]	London	2010	Funded principally using founder's private capital.
Founder(s): Brian Smouha, an accountant and ex-partner in Deloitte & Touche, where he led the audit of the World Bank from 1997 to 2001. Smouha is a trustee of the Bulldog Trust (see above), was the founding chair of GuideStar UK (an online database of charities) and a founding trustee of the Institute for Philanthropy (see above).				
Activities: Helps charities to increase their efficiency and effectiveness, principally via <i>The Practical Approach</i> , a programme designed in collaboration with the Charity Finance Group and ICAEW (the global membership organisation for chartered accountants). Volunteers from the business and financial sectors provide management and financial expertise to charities, to develop key performance indicators for the evaluation of their impact.				