

10th Anniversary Essays
The Globalization of Giving
By Jane Wales

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CELEBRATING TEN YEARS

BY WALTER W. POWELL, ROB REICH, & PAUL BREST

Celebrating the 10th anniversary of the *Stanford Social Innovation Review* (SSIR) provides an appropriate occasion to reflect on the state of the field and the role that the publication plays in it.

By comparison to medicine or teaching, civil society, the nonprofit sector, and philanthropy—we'll lump them together for present purposes—have constituted a weak field. The field has lacked cross-cutting standards of practice, assessment, and accountability. The activities and outcomes of nonprofit organizations and foundations are opaque and not readily susceptible to observation. Professional organizations have found it challenging to provide deep support to their broad diversity of constituents and interests. And notwithstanding the well-respected activities of the Association for Research on Nonprofit Organizations and Voluntary Action (ARNOVA), the sector has not attracted anywhere near the amount and quality of academic research that its role in society and global affairs would justify. Though hyperbolic, it gets the point across to say that in the United States this has been a field mainly organized around a provision of the tax code, section 501(c)(3).

Although the field has developed considerably over the past decade or so, it still has far to go. Among the necessary components of a field are vehicles for gathering and disseminating knowledge for the benefit of its practitioners, theorists, and empirical researchers. Not so long ago, prospective donors who wanted to learn more about a nonprofit organization had little more than a self-serving glossy annual report or a pretty website to rely on. Now we have Guidestar, GiveWell, Philanthropedia, the Center for High Impact Philanthropy, Charity Navigator 3.0, and a host of other entities dedicated to providing information about nonprofit organizations and foundations.

Similarly, not so long ago, if a scholar or policy wonk wished to read up on the sector, there was little more than ARNOVA's journal, the *Nonprofit and Voluntary Sector Quarterly*, and the *Chronicle of Philanthropy*, a newspaper that highlights nonprofits' work and fundraising results and publishes the sector's classified employment ads. With the entry of SSIR and other magazines like *Nonprofit Quarterly*, *Alliance*, *Foundation Review*, and a host of blogs and new online media, this has begun to change. Each of these publications plays an important role in strengthening the field and linking its participants together.

SSIR is part of the Stanford Center on Philanthropy and Civil Society (PACS). Its title reflects the conviction that social innovation spans all sectors—nonprofit, business, and government. The magazine's forward-looking spirit also reflects its home in Silicon Valley, an incubator of social enterprises as well as high-tech start-ups. We acquired the journal several years ago from its founders at the Stanford Graduate School of Business because we



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were convinced that the field needed a unifying publication committed to the best contemporary writing.

SSIR's editors continue to have a catholic view of the journal's mission, which, to quote the title of a recent article, recognizes that "innovation is not the holy grail," but just one means to the end of improving society. SSIR is neither a scholars' nor a practitioners' journal, but a place where academic disciplines and practice meet for their mutual benefit.

SSIR's purpose is to promote thoughtful reflection and stimulate debate among nonprofits, foundations, businesses, governments, and scholars around the globe. The journal has been a vehicle for disseminating developments in the field, including new partnerships and hybrid entities that are springing up among these sectors, impact investing, and an increased attention to global issues. We welcome the growing number of journals devoted to philanthropy and the nonprofit sector.

Notwithstanding this wonderful diversity, our ambition is that as SSIR enters its second decade, it will increasingly be seen as *the* essential publication for the field.

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THE GLOBALIZATION OF GIVING

BY JANE WALES

When *Stanford Social Innovation Review* (SSIR) was first conceived in Silicon Valley a decade ago, newly wealthy, problem-focused entrepreneurs had seized the opportunity to use their knowledge, networks, and finances to advance the social good globally.

They were both the architects and the beneficiaries of the information age and the technology-driven globalization it enabled. They wanted to see its dangers mitigated and its benefits more equitably shared. They formed learning communities like the Global Philanthropy Forum (GPF), built consultancies like FSG and Bridgespan

Group, explored novel market-based methods like “impact investing,” employed the tools of information and cellular technologies, and soon coalesced around standards for evaluating impact.

Their question was not whether, but how.

It was a moment of invention. And *SSIR* emerged quickly as both a player in and documenter of “new philanthropy’s” evolution.

Ten years later, “new philanthropists” are no longer an isolated few. And although philanthropy and civil society have long held a special place in American society, they are also forces for good within societies throughout the Global South.

Take Africa, where—through a combination of good fortune

In the decade ahead we may find that *SSIR*’s authors hail as often from Manila, Guangzhou, Lagos, Johannesburg, or São Paulo as they do now from Palo Alto, Cambridge, London, Seattle, and Durham.

—JANE WALES, Global Philanthropy Forum



and smart economic policies—27 out of 30 of its largest economies have experienced great growth, raising the collective GDP by 4.9 percent per year between 2000 and 2008 and enabling a new generation of successful African business leaders to emerge.

Global demand for commodities is one source of Africa’s growth. But according to the McKinsey Global Institute, the majority of the gain is attributable to choices made: the ending of civil conflicts, the opening of economies to trade and investment, the privatization of state-owned enterprises, the strengthening of regulatory and legal systems, and the provision of critical physical and social infrastructure.

Although growth is robust, however, it is not yet broad-based. And although development is rapid, it is far from inclusive. So newly affluent beneficiaries of this new economic order—like their Silicon Valley counterparts—are using their capacity for giving, investing, and influencing as a tool to reward good governance, to stimulate economic activity at the bottom of the pyramid, and to import or invent novel solutions to the persistent problems of poverty, disease, and discrimination.

In their search for lasting solutions, they are strengthening the capacity, transparency, and accountability of the governments they partner with. They are building the resilience of the nonprofit organizations and small enterprises they support. Moreover, these highly connected, tech-savvy leaders are strengthening philanthropy itself, by building an African Philanthropy Forum and embedding it in the GPF’s larger global network, where they are likely to teach, to partner, and to persevere.

Their bold goal: an Africa able to meet its own development needs.

A similar dynamic is visible in fast-growing economies in Asia and Latin America, where creators of new wealth are seeking to reduce disparities, right injustices, remove indignities, and grow the middle class. They too are employing all the tools of strategic

philanthropy, including “shared value” corporate strategies, often putting their companies to the service of social goals by sourcing locally, labeling transparently, and changing operations in ways that reduce their carbon footprint.

Like their Silicon Valley counterparts, they are investing in the capacity of the social sector, importing some models and creating others. China’s Foundation Center replicates the products and services of its namesake and mentor in New York City. Guidestar India has emerged as an important part of the landscape. Some of Asia’s social entrepreneurs join the Aspen Network of Development Entrepreneurs or are seen at SOCAP’s annual meetings. And philanthropists from

throughout the region joined in the Philanthropy in Asia Summit, convened by the National Volunteer and Philanthropy Centre, the Resource Alliance, and GPF. Brazil’s philanthropic leaders have done the same, hosting I Fórum Brasileiro De Filantropos & Investidores Sociais.

Through such learning communities, philanthropists connect not only with their American and European counterparts, but—importantly—with strategic philanthropists from throughout the Global South. The south-to-south transfer of knowledge that results is likely to be the source of the world’s next wave of philanthropic innovation and impact.

SSIR will be at the heart of this knowledge transfer. In the decade ahead, we may find that its authors will hail as often from Manila, Guangzhou, Lagos, Johannesburg, or São Paulo as they do now from Palo Alto, Cambridge, London, Seattle, and Durham. And the names Lien, Chen, Elumelu, Masiyiwa, Dangote, Civitas, Mwangi, and Ibrahim will be just as familiar to its readers as Gates, Carnegie, Rockefeller, MacArthur, Hewlett, Packard, Omidyar, Ford, and Skoll.

And that—as Bill Clinton might say—is a very big deal.

JANE WALES is founder and CEO of the Global Philanthropy Forum, president of the World Affairs Council, and vice president of Philanthropy and Society at the Aspen Institute.

DESIGN-LED INNOVATION IN GOVERNMENT

BY CHRISTIAN BASON

What does it feel like to start a new business and encounter government red tape and bureaucracy? What will it take to design a digital platform to help the unemployed rapidly find a voluntary mentor to coach them in finding a job? How can education reform be made tangible enough to spur real change in schools across an