

## THE PHILANTHROPIC TRADITION IN AMERICA

*"What a particular group of persons understands, believes, and acts upon, even if quite absurd to outsiders, may nonetheless cement social relations and allow the members of the group to act together and accomplish feats otherwise impossible. Moreover, membership in such a group and participation in its sufferings and triumphs give meaning and value to individual human lives."1*

Let me begin with a working definition of philanthropy. Philanthropy may be defined as "voluntary action for the public good," in which voluntary action embraces voluntary service, voluntary giving, and voluntary association. When defined in that way, philanthropy is extremely broad in scope and, on any comparative measure, enormous in scale. In fact, it is usually the magnitude of philanthropy (the statistical measures of the number of volunteers, donors, associations, dollars contributed, hours volunteered, recipients served, people employed, etc.) that is used to describe American philanthropy.

In this paper, I choose to view philanthropy from another perspective, the perspective of mythistory.<sup>11</sup> As we enter upon this new Polish-American partnership to study the role of the voluntary sector in social welfare, we should endeavor to make visible our respective mythistories--that is, the stories we have created about the philanthropic facts of our two societies. I want to emphasize the stories and not just the facts themselves; it is the stories that shape and motivate philanthropy. (To the extent that we are able to be self-critical, we will also note the inconsistencies between myth and history, breaks in the patterns we would impose on, or infer from, the facts.)

Philanthropy, as I use it here, is not as self-conscious in Poland as it is in the United States, which means that we must be aware that philanthropy will usually carry a different name or wear a different label. In a city like Gdansk, with its long tradition of philanthropy, its early development as a civil society, and its recent role in the struggle for freedom as the home of the Solidarity movement, myth and history are powerful resources for presenting the story of philanthropy. We will find in them, I am sure, an interpretation of the Solidarity movement that would see it as a triumph of "voluntary action for the public good."

The mythistory of American philanthropy is a moral narrative that reveals the role of good works in shaping the good life and the good society. In interpreting the philanthropic facts, this 6 philanthropic mythistory intends not only to inform, but to reveal the national character.

It could be said that the philanthropic tradition is America's most distinctive virtue--it is the aspect of American life and character most worthy of praise. Philanthropy is put forward as a corrective of the less attractive features of American culture--its individualism, materialism, and commercialism. Despite the pattern of evidence that would label Americans as self-centered and materialistic, the philanthropic narrative reveals another pattern, one of generous behavior and concern for the well-being of

others. Coming to the aid of the neighbor and the stranger is as important a symbol of American life as its popular culture and its economic vitality.

Philanthropy does indeed permeate the lives of Americans. It is difficult to escape the influence of past acts of generosity, even though they are usually taken for granted. I refer to symphony halls, colleges and universities, parks, libraries, museums, hospitals, and also to shelters for the homeless, scholarships for the studious, day-care centers for the children of working mothers, travel stipends for scholars, companionship for the dying, funds for the purchase of paintings.

The presence of these resources in our lives reveals something about the national character, something that is taken to be true about Americans, truths that are shared. "Without such social cement," William McNeill argues, "no group can long preserve itself."<sup>2</sup>

Throughout history, religion has provided the rationale for charity (seen as acts of mercy to relieve suffering, especially among the most vulnerable), and it remains central to philanthropy in both Poland and the United States. Organized religion in the United States claims special privileges under the law, based at least in part on its service to the widow, the orphan, the poor, and the stranger. Statistically, religion represents almost half of all philanthropic giving and voluntary service. Although it is impossible to make a clear distinction between funds which are given to religious institutions for charity and those which are given for liturgical purposes, it is clear that American philanthropy relies heavily on American religion. And, in justifying itself, American religion relies heavily on American philanthropy.

Religion is one of two streams of thought and action in the American philanthropic tradition. The other is the grounding of philanthropy in the Constitution. Although the courts have not developed an explicit interpretation of the Constitution that supports the philosophy and practice of philanthropy, one can find an argument for philanthropy in the First Amendment. It is in the First Amendment to the Constitution (the first of the ten amendments known to us as "the Bill of Rights") that freedom of assembly is made a fundamental right. And in the Tenth Amendment, everything that is not explicitly reserved to the federal government is left to the States and "to the people." That is, under American law, the people are free to do as they choose as long as it is not forbidden; so they may assemble and form voluntary associations to engage in the public business with no public mandate.

There is no more important issue for us to clarify than to determine to what extent the people of our two countries are free to form associations whose purpose is to provide welfare services or to influence welfare policy, and to what extent they must model or manage their activities according to legislative guidelines or administrative rules and requirements. What are the rationales offered in each country? How does each of our countries justify "voluntary action for the public good"? There is a religious rationale; there is a political rationale. We should illuminate both.

In the United States, a role for philanthropy is supported by a broad social philosophy, based on the religious and political rationales. We assume that philanthropy has a role to play in matters of social welfare. But we debate about the relative weight to be assigned to each of the four sources of assistance: self-help, mutual aid, government assistance, and philanthropy. Self-help: Most Americans assume that each person has an obligation to meet his or her own individual needs, or to make an earnest effort to do so. Mutual aid: People also have formal reciprocal relations with others--family first, of course, but other close social and economic relations as well. Government assistance: Many things exceed the capacity, the will, or even the interests of individuals and their allies in the groups to which individuals belong; these things can only be achieved, or can best be achieved, by obligatory joint action through government.

At the moment there is profound disagreement about the proportion of responsibility to be assumed by each of these four dimensions, especially by the federal government. The dramatic shift in the political leadership of the Congress to a Republican majority for the first time in decades leaves us with a Democratic president reacting to a competing political agenda. The Republicans, under the rubric of a "Contract with America," have made welfare policy a leading target. Federal welfare programs, they contend, are wasteful, inefficient, and even harmful to the people they are intended to serve. The result is alleged to be a vast bureaucracy, which contributes to an unbearable burden of annual deficits and accumulated debt. Their argument denounces welfare programs for undermining the family and for encouraging teenage pregnancy, juvenile crime and delinquency, and other social pathologies. Many Democrats have joined with Republicans in this all-out assault on welfare policy.

There is a heavy moral tone in this debate. The argument is that welfare is based on a philosophy of paternalism that breeds dependence; in the nineteenth century, the process was called "pauperization"--one creates a pauper by taking persons who are temporarily in need and making them permanently dependent. worse, laziness and lack of self-help are not only tolerated but excused; people are on welfare as if the system rather than the individuals were responsible for their plight.

These are familiar arguments to American ears, but they may not be familiar at all to a Polish audience that is comfortable with its own welfare philosophy. For my own part, I would urge that we all engage in a serious critique of the principal arguments for and against both public and private welfare provision. And we should not allow our personal and professional preferences to distort our analysis as politics and ideology presently bias the American debate.

The Republican victory in November 1994 may or may not have marked a "defining moment" in modern American history, analogous in importance to the "Great Society" programs of the 1960s and the "New Deal" of the 1930s, but it has caused the reigning assumptions about welfare policy to be challenged so effectively that they will not soon recover--or perhaps even survive. For example, it is now broadly accepted that mothers on welfare should work, reversing a policy that mothers should receive assistance in order to be able to remain at home with their children. In the past it was assumed that, for

mothers who did work, neighbors and relatives nearby could provide daycare. That seems no longer possible, especially in the inner city where the need is greatest. Old policies appear to have been abandoned before new policies have been developed--assuming there will be support for new policies and their costs.

Because the largest number of Americans living in poverty are children, the new view of welfare will affect children more than other age groups. Children are the ones who suffer most from poverty, and the violence and neglect that poverty breeds. If it is true, as a social philosopher once said, that a civilization is best measured by the way it treats its children, then contemporary American civilization will be measured and found wanting. (If that hard judgment is flawed or misconceived, the work of our seminar will do much to show its falsity.)

There are other matters of concern for those of us who try to understand and interpret the American philanthropic tradition. Doubts about the sector's present state of health suggest that the tradition may be in jeopardy. As Dwight Burlingame has brought out in our discussions, trends in philanthropic giving may be in decline. One explanation is demographic: the increase in the number of retired people, among whom giving predictably declines.<sup>3</sup> There are other factors also, cultural factors, which are much more difficult to measure. Cultural factors are as important as demographic ones; we must avoid the temptation to concentrate on the latter because of the research problems encountered in the former. For example, it would be of great interest to know whether philanthropic giving among Roman Catholics in Poland has increased, reflecting the leadership of John Paul II. (In the United States one informed observer of philanthropic giving estimates that giving among Roman Catholics has declined significantly because of the Pope's opposition to birth control and to admission of women into the priesthood. Scholars in the United States and Poland will have serious difficulty in eliciting accurate information on such a sensitive topic, which makes the topic no less important or interesting. A distinguished American historian writes of "the elastic, inexact character of truth, and especially of truths about human conduct," which makes history so much more difficult than natural science.)

In addition to concerns about diminished giving, estimates of the level of voluntary service indicate some cause for concern there as well. Voluntary service is another factor that is difficult to measure, because so much of it is given in informal, unrecorded ways. Estimates of voluntary service are often skewed by the lack of clear guidelines and definitions. Americans often count their voluntary work in behalf of political candidates alongside their voluntary work at church or at the local museum. Some people volunteer to satisfy private, rather than public, objectives--searching for companionship, for example--and exclude that from their report of voluntary service. Others include service to their professional association even though the benefits are limited to members. Nonetheless, estimates are available and they indicate, among other things, that the tradition of voluntary service may not be being passed on to the younger generation as one might hope.

At least, such are the signs. My own experience with trend reports about the young, however, is that they are out-of-date almost before they are published: the young are mercurial and largely unpredictable and are likely to continue that way, much to the frustration and annoyance of social scientists.

A third area of concern is the growth in "support groups" and "self-help groups."<sup>4</sup> Millions of Americans give time and money to personal improvement or to the alleviation of personal problems. Americans come together in groups to deal with the blight of alcohol abuse, to stop smoking, to lose weight, to find a better mate (or a better sex life with the same mate). Americans exercise together, study art together, travel to places like Gdansk together. The purpose of all this activity is personal and private: it is my weight loss I care about, not yours or some stranger's. Philanthropic activity, on the other hand, is presumably collective and public.

The preliminary statistical evidence indicates that self-help/support groups engage the energies and resources of a much larger number of people than anyone realized. For those of us concerned with voluntary giving and voluntary service for the public good, these groups may constitute a powerful rival claim for attention and participation.

### The Future

This essay began with a mythistorical profile of the American philanthropic tradition and its role in shaping the American character. It is a story that has been told to and by Americans for generations. Immigrants have found it persuasive, even compelling; many from very different traditions have found American philanthropy as important to their integration into American life as voting or shopping at the mall. (Perhaps not quite.) The question that has been raised is whether the American philanthropic tradition has become problematic. Is its future threatened or merely difficult to predict?

#### I.

First, it seems clear that the recent "reforms" of social welfare will result in increased expectations of philanthropy. The numbers of people denied public assistance will increase, and presumably many of them will turn to private charity for help. The absolute numbers of people living below the poverty line will also increase; if they resemble those being disqualified for assistance under federal programs, they will turn either to state-level programs or to private charity. Thus the total of those in need of private charity will be significantly larger than in recent years.

However, present levels of giving for human services suggest that the profile of private charitable giving will have to change dramatically if new levels of expectation are to be met. There is no evidence that such drastic change will occur in giving patterns, at least not without new incentives to change the priorities of giving and to increase the level of contributions. As Dwight Burlingame reported, average household giving has in fact declined in recent years.

I raise these points to emphasize that philanthropy may be tested severely at a moment of relative weakness rather than strength, and when expectations of philanthropy will have been raised by political rhetoric that is designed to lessen criticism of changes in welfare policy. There will be more homeless people on the streets and fewer shelters to help them. Whether there will be an increase in voluntary service to help meet the additional need, no one can predict.

This may indeed be a "defining moment" for American philanthropy, as it is for American society as a whole.

Those who wish to see philanthropy survive and grow stronger must make a more persuasive case for heightened philanthropic activity overall, but especially in the area of social welfare and human services. The present share for social welfare is about nine percent. If that share increases but the total overall giving remains constant or declines, other priorities will suffer.

## II.

The challenge to build a better knowledge base for understanding and promoting the role of voluntary giving and service in social welfare takes on a new and immediate urgency. We look to scholarship to provide us with a basis on which to develop new strategies. As far as I know, we do not yet have the information that we need on the depth and detail of philanthropic giving for welfare purposes. Nor do we know enough about how priorities change in response to changing conditions.

However, thanks to the rapid academic development of the field of philanthropic studies over the past decade, we are much better prepared now than heretofore to respond to this challenge. The Association for Research on Nonprofit Organizations and Voluntary Action (ARNOVA) and its new counterpart, the International Society for Third Sector Research, give us a large and growing network of scholars. On the welfare issue especially, it is noteworthy that the great majority of the scholars in both organizations are social scientists.

The problematic future of philanthropy does not become less so because we know more about it, but knowledge remains the first step toward policy and implementation. At Indiana University we stress the close link between knowledge and action, theory and practice, that emerges when philanthropy becomes a serious academic subject. But the sizable gulf between scholars and practitioners remains, and we have only just begun to build a bridge across it.

The gulf would be narrowed if scholars gave more attention to the areas of fund raising and nonprofit management, two of the most popular interests among people working in American philanthropy these days. There is a strong demand to know more about fund raising--how it works, how to do it, how to be more efficient (in use of resources) and more effective (in achieving purposes). The growing social pressures and rising expectations mentioned earlier will only add to efforts already underway to improve fund

raising effectiveness--that is, to raise more money--and nonprofit management--that is, to spend money more intelligently. Scholars will have to expose themselves to the realities of fund raising and of management practice if they are to judge the sector's performance as well as its capacity and limitations.

Research, both basic and applied, is always necessary. (There is much basic work still to be done on motivation, for example, and on cultural variables affecting philanthropic behavior.) The demand for research may also increase along with other consequences of rising expectations. More than ever, the public will be asking: What are we getting for our money? Does philanthropy make a difference?

### III.

Past research on philanthropy and the training of practitioners, although inadequate and flawed, have laid the groundwork to make teaching about philanthropy now possible. The current emphasis of management programs is on training, but increasingly these programs are adding a new dimension--education in the ethics, values, history, and philosophy of philanthropy. This educational enrichment is in response to an expansion of both the role and the responsibility of the "professional" (although the philanthropic tradition still relies heavily on the volunteer).

We have not yet begun what I hope will be a great expansion of education about philanthropy into the general education of all Americans. Our starting point will be the education of undergraduates, especially those who want to know something about philanthropy but whose careers will be in other fields. The students who will have the greatest influence will be those in teacher education; if we can penetrate that curriculum with knowledge of voluntary giving, service, and association we will begin to reach the truly eager and receptive audience of the very young.

Philanthropy's future might be brighter and less problematic if philanthropy were to permeate education at every level, in informal as well as formal settings.

But why would a society like the United States take such a bold step? What is so important about philanthropy that it dares to lay claim to space in the congested curricula of the schools?

The answer for me is revealed in the history of the struggle to make Poland a civil society. Civil society, my Polish colleague said, means a society "growing more independent of the state." If the Solidarity movement led the way to that independence, it is crucial to see the principle of "voluntary action for the public good" at work in the movement.

Solidarity offered a vision of civil society; many people, like my colleague, shared the vision; they came together in the organization of Solidarity and its counterparts and extensions; and somehow the organizations were able to gather the resources they needed

to pursue their goals. That, in one long sentence, summarizes the pattern of philanthropy in social action--in Poland as well as the United States.

However, the Overwhelmingly dominant role of Roman Catholicism in Poland affects Philanthropy differently than does the pluralism of American religion. Our Polish colleagues will have to help us learn about the role of the Church in philanthropy and in the politics of welfare in their country. one example of the affect of American religious pluralism on philanthropy is the recent attack by "evangelical" and "fundamentalist" Protestant groups on social programs advocated earlier by "liberal" denominations.

The history of philanthropy in western civilization may be seen (mythistory again) as a paradigm of charity that has been expanded into a paradigm of philanthropy. That is, the primal source of all altruistic behavior is seen as action to protect or rescue the vulnerable. Gradually that takes on a broader and longer-term perspective; there is both an awareness that action prevent suffering, and that action can also improve the quality of life. There may be a hierarchy with the demands of charity at the bottom rising to enlightened, rational philanthropy at the top. or philanthropy may be divided into a self-interested concern at the bottom to a sacrificial concern for the stranger at the top.

Such imprecise values shape: the shared truths to which we appeal when we argue for welfare policy based on concepts of justice and mercy. Justice and mercy are abstractions to which Most Of Us might give assent but when we fill in the details we may find important, even irreconcilable differences between us.<sup>5</sup>

My inference is that Polish society has such a different view of these matters that the Americans in this seminar will find it difficult to sustain an image of a generous America, even if they were inclined to do no.

Improvements in practice change the focus of attention but they should build on or challenge received opinion and theory. Fund raising is based primarily on experience and anecdote; that in too thin a foundation on which to base professional training.

Recent embarrassments stemming from fraud and other abuses make the ethics of philanthropy a compelling concern. There is as yet little study of the history of philanthropic ethics or of the moral imagination to enlighten either scholars or practitioners.