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Philanthropy for Indigenous Causes: More than a ‘cup of tea’?

Why?

1. There are 350 million Indigenous people across 90 countries.
2. Their lands contain 80% of the world’s remaining cultural and environmental diversity.¹
3. In Australia 2.5% (517 000) of the population identify as Aboriginal and Torres Strait Islander.²
4. The difference in life expectancy between Indigenous people and other citizens is around seven years in North America and New Zealand. In Australia, the gap is almost two and a half times as great.
5. The Australian Indigenous all cause mortality rate is twice the non-Indigenous rate.
6. The Australian Indigenous infant mortality rate is 2 to 4 times the non-Indigenous rate.
7. The unemployment rate for Indigenous Australians is 16% and for non-Indigenous people it is 5%.
8. In 2006 the Australian Indigenous median weekly income was $278 or only 59% of non-Indigenous peoples’ $473.
9. Australian Indigenous students retention rate to year 12 is 47% compared to the non-Indigenous rate of 76%.³
10. Less than 1% of Australian nonprofit organisations (NPOs) is involved in supporting Aboriginal and Torres Strait Islander people.⁴
11. Australian NPOs get 10% of their funding from philanthropic sources compared to 15% in other countries.⁵
12. Anecdotally only a small % of philanthropic funding in Australia is applied to Indigenous needs.

What?

This qualitative study aimed at understanding the issues affecting the decisions and actions of philanthropic/grantmaking organisations and individuals who wish to support Indigenous causes in the current Australian context.

How?

The ethics-approved study was conducted in 2009 and was based on preliminary findings from a 2005 study⁶:

• 19 semi-structured interviews were conducted with grantmakers from four of the eight States and Territories.

• Representatives of Foundations, Trusts, Prescribed Private Funds and/or individual philanthropists were involved.
• Participants distribute between less than $50,000 and over $2 mil per year.
• Some participants represented grantmaking institutions that had only recently begun funding Indigenous causes; others have been funding these needs for many decades.

Results?

Three major themes emerged from data analysis

• Theme 1 - Community wide factors are elements that are perceived to have an impact on philanthropy for Indigenous causes, which are outside or under limited control of either the grantmakers or grantseekers e.g. values, environmental and social factors, the roles of government and the philanthropic sector and the global financial crisis (GFC).
• Theme 2 - Funding system factors are structural elements that relate to the design and implementation of the philanthropic funding system for Indigenous causes and that affect either grantseekers and/or grantmakers e.g. sector and organisational attitudes and beliefs relating to Indigenous causes; granting models; funding infrastructure [including grantmaker priority areas, funding levels, decision making processes and application processes] and required grantseeker attributes.
• Theme 3 - Human factors are those elements that relate to the agency of individuals in both the philanthropic and Indigenous communities and the infrastructure which supports this agency (in other words, things that determine an individual’s ability to cause change and the relationships and resources that support their actions e.g. individual leadership, attitudes and emotional involvement, relationships and networks, skills and knowledge and skill and knowledge transfer processes.

In most particulars the experience of participants in this study reflects that identified both in the academic literature and informed comment from grantseekers and grantmakers in those countries with a similar history and cultural demographic.

Reflection on some Community Wide Factors

Participants perceived that there was public apathy towards Aboriginal issues in 2005. This is supported by the findings of Chris’s analysis of public opinion polls conducted in the late 1990’s. This attitude has evolved towards an increased awareness of Indigenous issues in the wider community, attributed by participants to the national Apology, is also reflected in other studies. The views of some participants that the rhetoric has not been matched with action is reflected in the persistence of a gap between Indigenous and non-Indigenous outcomes identified by the latest ‘Overcoming Indigenous Disadvantage’ report produced by the Australian Government. While disappointing, this is by no means unique. Canada’s continued quest to address Indigenous issues, notwithstanding a similar apology to their Aboriginal peoples has been similarly slow to produce results and remains the subject of a human rights action. Participant concern regarding the geographical delineation of Aboriginality as ‘rural’ is reflected in the literature. The term ‘rural’ when used to describe Aboriginal populations has both limited and illuminated grantmaking and engagement practices in participant organisations and the philanthropic sector generally. ‘Urban blindness’ or a failure to see and address areas of disadvantage in urban centres is exacerbated by a ‘noble savage’ attitude which can direct more resources to rural areas while maintaining a neo-colonial perspective.

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This articulated impact of geography on Indigenous disadvantage has been reported elsewhere. Research suggests that while Indigenous Australians in city areas are doing quite well on average relative to their remote counterparts, disadvantage could be more usefully thought of as locationally associated — with some particular ‘hot spots’ such as particular city suburbs, regional towns, town camps, remote Indigenous towns, and outstations.

The role philanthropy may play in addressing Aboriginal disadvantage in Australia is currently ‘under construction’. The existence of tax relief for philanthropic effort identifies philanthropy in Australia as a ‘common good’. Australian philanthropy is in a very different space to that of much of the rest of the world. A shorter history, fewer dollars and a more collaborative viewpoint necessitated by the size of the ‘market’ and its geographic variance puts Australia in a unique position. Internationally, the role of philanthropy in supporting the civic sector and helping it to change the profit and public sectors is well established as the quid pro quo relationship between philanthropy and government. Participants in this study expressed a much more tenuous view of the relationship between them. The government, perceived as output driven, inflexible and dogmatic - ‘a cup of tea mob’ - is only relatively recently being engaged in collaborative efforts by the sector and this at local rather than strategic levels. Participants are concerned that government may co-opt philanthropic intent, to serve government purpose. Some participants are also at pains to discourage nonprofit dependence on their funding. This diversity of the philanthropic sector in Australia and the complexity of Indigenous causes may provide the opportunity for the development of new ways of working to deliver public goods.

**Reflections on some Funding System Factors**

Other research suggests that in Australia, philanthropy is a small, highly specialised and comparatively underdeveloped part of the third sector and is distinguished by secretiveness forged by a fear of inundation and a national culture which discourages displays of great wealth. Participants reinforced this view. It is not only hard to form a reliable view of the sector but almost impossible to determine the resources it has mobilised for Indigenous benefit. As participants report, this last is also due to the limitations of record keeping systems. While some participants reported as much as 30% of their total funding going to Indigenous causes, few believed their investment to be significant or sufficient. The impact of the 2008 GFC on the philanthropic sector in Australia identified by participants (expressed in reduced available funding, contraction to established relationships and increasing quality markers across the system), is similar to that identified by other authors in the UK, the US and New Zealand. And while long term funding has begun to mean decades for some participants, for many more it remains in the realm of 2-3 years - well short of the type of sustainable commitment identified as best practice in Indigenous circles.

Notwithstanding these resource constraints, participants see the Australian philanthropic sector as capable of going beyond the government ‘cup of tea’ approach, addressing the complex Indigenous ‘problem’ with more innovative and independent thinking, flexibility, long term commitment, collaborative and cross-sector funding and a willingness to adopt different benchmarks than might be found in bureaucracy or even more traditional philanthropy. Such an attitude supports the reflections of a number of researchers and a growing practice change across the globe (see for example Anheier and Leat, 2006). Also in line with international experience some participants are evaluating program impact and outcomes in explicit ways and moving to a capacity building model of philanthropy. This enthusiasm for a ‘new way of working’ mirrors the ‘renewed optimism’ for social

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justice philanthropy identified in the US. In both Australia and the US, the contemporary change in the political environment has been cited as conducive to developing a supportive environment for rights based philanthropy. There was little difference between the activities associated with best practice by these Australian participants to those identified by leading social justice funders and practitioners in the US (see 19). Taken together, the perceived importance of the change in political environment on reinvigorating the practice and discussion of social change philanthropy on both sides of the Pacific cannot be underestimated.

However, there is a dynamic tension between this strategic shift in philanthropic attitude and the systems that underpin it. Although some philanthropy in Australia is developing governance protocols that support key decision making roles for Indigenous peoples in grantmaking decisions and project design and implementation on their territory, in many cases the practicalities do not match the values based rhetoric. Governance protocols guide implementation of funding programs and will ultimately determine the way actions play out on the ground. The persistent emphasis from many grantmakers on deductible gift recipient status and written applications continues to hamper Indigenous access to philanthropic funding in Australia.

Reflections on some of The Human Factor(s)

The research revealed a grantmaker emphasis on passion, personal and individual networks, reputation and established trust in grantmaking decisions. In some cases, this might be potentially elitist, denying those without existing relationships the ability to be heard in the grantseeking arena. More importantly it possibly undervalues the real state of Indigenous leadership as outlined by Smith and Hunt. To outsiders, Indigenous organisations and their leaders are often the most visible expression of governance in communities. But ‘community governance’ for Indigenous people is in fact a form of multi-networked, nodal governance that includes not only organisations, but also wider networks of leaders, families and communities.

By engaging with this model of Indigenous leadership, the perceived lack of ‘suitable’ Indigenous leaders expressed by some participants could be addressed.

The coupling between leadership preferences and organisational behaviours in the philanthropic sector identified by some participants reflects an established academic debate. Recent research calls the accepted importance of organisational leadership into question. Their research suggests that the situations in which CEOs have the most significant impact on performance are those where opportunities are scarce or where CEOs have slack resources. Both criteria could arguably be applied to the philanthropic sector. If this is so, strategic changes currently visible in the sector, unsupported by a depth of policy and a distribution of skill and knowledge may be unsustainable.

Participants identified a wide range of methods by which knowledge and skills are transferred between individuals, organisations and sectors. Methods could be described as:

- Interactive (where exchange occurs through person to person contact such as formal training, formal mentoring, informal mentoring, learning by doing and personal experience)
- Learning by the lighthouse (where exchange occurs through reports such as case studies, program evaluations, international narratives, marketing, literature searches and resource development)
- Colonisation (where exchange occurs when programs are transferred from one setting to another)

The initial impetus for a focus on skills and knowledge development in this system was a perceived lack of the ability by Indigenous organisations, to meet philanthropic application and governance

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standards. In order to address this perceived lack, some philanthropic organisations developed ‘capacity building’ programs based on this deficit view. Formal training was thought to be necessary for Indigenous people but informal networking and experiential knowledge transfer was the preferred way of building skill in the philanthropic sector. Politely accepted by the Indigenous community, these opportunities became instead, a vehicle by which the barriers between the two worlds began to be broken down. During these interactions it became obvious to leaders within the philanthropic community that learning needed to be bi-directional. Coupled with the growing number of personal ‘aha’ moments among philanthropic personnel, the system has began to explore a postcolonial stance, challenging the unequal relations of power seen when dominant groups assume control over meanings and social structures.

Some participants have identified a need to know about, understand and exploit the learnings of Indigenous programs active in the philanthropic sector. While most have not investigated international practice in Indigenous cause grantmaking, the practice principles identified by First Peoples Worldwide (2006) are similar to those emerging from the Australian system. Similarly, the idea of transferring programs from one community to another, recognised as problematic but desirable by a number of participants, finds contemporary discussion in international literature. Issues here include paying attention to the idea of propagation rather than replication and the lack of capacity of an originating organisation to support program roll out. Posner argues that the idea of propagation recognises that though the complex human, organisational and context-specific issues that make a program successful in one area cannot be replicated in another, the principles can be applied with a local focus. Such an approach is highly compatible with the attention being paid to capacity building processes by some participants and their funding organisations.

Participants frequently used the term ‘capacity building’ when discussing ‘new’ ways of working with the Indigenous community. Whether participants used the term in relation to organisations or communities was not always clear. The definition of the term and its relationship or otherwise to community development and community capacity building remains academically problematic. In practice though, there are a plethora of guides and models available. At this stage, the evaluation of capacity is currently focussed on the Indigenous sector, mirroring the deficit approach that led to the current situation. Awareness of the philanthropic sector’s capacity to impact Indigenous causes is patchy and by no means formally measured. Some authors caution that measurement and assessment may be to the detriment of the emergence of creative and innovative foundations. However, so little is known in this case that building the case for and guiding the direction of improvement is a maze of Minosian proportions.

Reflections on System Changes 2005-2006

In 2005, the philanthropic sector and the Indigenous sector were emerging from a largely independent existence. Interaction between them was most often expressed through a grantmaking system that had evolved to meet the needs of the non-Indigenous community. Early interactions supported an unequal power balance. The grantmaking system was largely impervious to cultural differences and was a barrier to the delivery of outcomes. Through a process of learning by doing, and leadership from some in the philanthropic sector who were either engaged with international best practice or had personal experience, a new way of working began to take shape. While not universal, a semi-porous grantmaking system is now more likely to be seen. Groups are learning from each other and the system both develops and supports extended relationships. The interaction between this system and the wider geo-political landscape is limited by a lack of capacity, a degree of distrust and uncertainty.

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and a lack of clarity of the respective roles of philanthropy and government and how they might best work together to improve wellbeing in the Australian Indigenous community.

So What?

The study found that while government funding programs are perceived as output driven, inflexible and dogmatic - ‘a cup of tea mob’ - participants see the Australian philanthropic sector as capable of addressing the complex Indigenous ‘problem’ with more innovative and independent thinking.

From the point of view of contextual impacts, success criteria, barriers, structural imposts and emotional involvement, the practical experience in grantmaking for Indigenous causes of participants in this study reflects that found elsewhere. However the focus of many grantmakers on organisational rather than community capacity and the potentially elitist emphasis evident sometimes on established relationships continues to hamper Indigenous access to philanthropic funding in Australia. Further, if the strategic changes currently visible in the sector are unsupported by a depth of policy and a proactive transfer and distribution of skill and knowledge they may be unsustainable.

Electronic copies of the complete working paper ACPNS 50: Philanthropy for Indigenous cause: more than a ‘cup of tea’? are available from the ACPNS website at www.cpns.bus.qut.edu.au