

# PHILANTHROPY MATTERS

THE CENTER ON PHILANTHROPY AT INDIANA UNIVERSITY  
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*What's inside*

Extracurriculars = civic engagement

Lessons from philanthropy's past

Giving report for 2001

# MAPPING the NONPROFIT COMMUNITY

# PHILANTHROPY MATTERS

INCREASING UNDERSTANDING AND IMPROVING PRACTICE

Volume 12 Issue 1 • 2002

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With this issue of *Philanthropy Matters*, we look at how research about philanthropy's past and present is helping nonprofits prepare for their future.

Do you think you know most of the nonprofits in your area? In our cover story, "Mapping the Nonprofit Community," we describe how an effort to locate every nonprofit organization in one state—believed to be the first such study in the nation—is producing surprising results. When complete, the research may serve as a model for other communities and states and help all of us better understand how nonprofits can work with government, business, and each other to meet community needs.

We hope "Back to Philanthropy's Future" will inspire and encourage you. Today's fundraisers, donors, volunteers, grantmakers, and others may recognize a number of lessons for the present in a forthcoming encyclopedia of previous generations of notable givers and volunteers.

One way we can safeguard philanthropy's future is to prepare the *next* generation of philanthropists. "Growing Up Engaged" discusses how youth involvement in certain kinds of extracurricular activities may break down income- and education-related obstacles to future civic involvement. This new study indicates that nonprofit organizations may want to actively incorporate the teaching of civic skills into their programs.

As the future of fundraising becomes increasingly international, more fundraising professionals will need information about the language and landscape of philanthropy in other nations. "Parlez-vous Fundraising?" highlights one organization's efforts to reinforce the importance of understanding the ways in which philanthropy varies in diverse cultures.

Thank you for the support and feedback you have given to *Philanthropy Matters*. Our readers are our inspiration. Whatever your role in the nonprofit sector, we hope you'll let us know what parts of the magazine are most meaningful to you and that you'll also offer suggestions to help us continue to improve as we seek to provide the information you need.

Cordially,

Eugene R. Tempel  
Executive Director and Publisher

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Timeline on pages 8 and 9 reprinted from *Notable American Philanthropists: Biographies of Giving and Volunteering*, published by Oryx Press, an imprint of Greenwood Publishing.

# GIVING RESEARCH HELPS NONPROFITS PUT THEIR FUNDRAISING INTO CONTEXT

Americans gave an estimated \$212 billion to charity in 2001

Two recent research reports, *Giving USA* and the Center on Philanthropy's Philanthropic Giving Index (PGI), provide nonprofits with information that can help them better understand their own fundraising results and answer some widely raised questions about how charitable giving fared in 2001 in the midst of recession and crisis.

Americans gave an estimated \$212 billion to charity in 2001, according to *Giving USA*, the annual yearbook of philanthropy published by the AAFRC Trust for Philanthropy and researched and written by the Center on Philanthropy. Last year, giving grew 0.5 percent over 2000. Adjusted for inflation, giving in 2001 decreased 2.3 percent from the previous year.

"Giving is closely tied to the economy. Not surprisingly, 2001 giving fits the pattern that we have seen during previous recessions," said Leo P. Arnoult, CFRE, chair of the AAFRC Trust for Philanthropy. "In six of the eight recession years since 1971, giving dropped by 1 to 5 percent when adjusted for inflation. The 2.3 percent drop in giving, when adjusted for inflation, falls within the normal range for a recession year, in spite of concern last fall that giving would decline precipitously."

Despite the slowed economy, however, giving remained above 2.0 percent of the Gross Domestic Product, which it reached in 1998. "Americans' commitment to philanthropy remained strong even in the face of downward economic pressures," said John J. Glier, chairman of the American Association of

Fundraising Counsel. "The \$212 billion total is the highest level of giving ever reported; even adjusted for inflation the total is the second highest on record, following 2000."

For 2002, the economy will continue to be an important factor for contributions, but the perceived effects from September 11 appear to be fading. "While the fundraisers in our survey feel that giving to September 11 relief initially affected giving to other causes, they think its impact on other charities is lessening over time," said Eugene R. Tempel, executive director of the Center on Philanthropy, in announcing the Center's summer 2002 Philanthropic Giving Index (PGI).

The semiannual Philanthropic Giving Index is similar to a Consumer Confidence Index for charitable giving and is based on responses from more than 200 fundraising executives and consultants for nonprofits. "Only 5.5 percent of respondents said September 11-related giving will still come at the expense of other charities by fall 2002," Tempel said. While nearly 60 percent of fundraisers felt that giving to September 11 relief hurt giving to other nonprofits in the weeks following the tragedy, they thought the impact had moderated by summer 2002 and would continue to decrease, according to Kathryn Steinberg, associate director of research at the Center on Philanthropy.

The \$1.88 billion that *Giving USA* estimates was contributed to September 11 relief by the end of 2001 was less than 1 percent of total giving for the year. Giving

to some organizations was significantly reduced in September and October, but, looking at the year as a whole, other economic factors appear to have been more important to 2001 fundraising.

According to Melissa S. Brown, managing editor of *Giving USA*, the report provides a summary of factors for nonprofits seeking to benchmark their own fundraising results in 2001. Research shows that when economic indicators grow more slowly or fall, so does the rate of growth in giving. In 2001, personal income, a critical component for individual giving, grew at the slowest rate since 1993; the stock market dropped 13 percent between January and December, which affected individual, corporate, foundation, and bequest contributions; and corporate pretax profits, which are linked to corporate giving, fell 17 percent.

In economic hard times, some types of organizations usually lose ground. Contributions in 2001 to the education, health, and public-society benefit subsectors showed inflation-adjusted drops ranging from 1 to 5 percent compared with 2000 estimates. Contributions for arts institutions, environmental organizations, and religion increased by 1 to 3 percent, while gifts for international affairs entities rose by 10 percent. An unusual finding in 2001 is growth of 12 percent in giving to human services, a subsector that showed a slowed rate of fundraising growth in prior recessions. About half of the human services growth in 2001 resulted from gifts to September 11 relief funds; the balance was not directly related to the tragedy.

It's too soon to tell what will happen to contributions in 2002, Center on Philanthropy officials say. Historically, changes in the economy have been reflected in changes in giving. Both personal income and the stock market are highly correlated with giving—that is, giving is likely to rise or fall as they do. Until the end of the last decade, personal income was more closely identified with giving, but in the late 1990s, the stock market was a stronger predictor of giving changes.

"The stock market declined in the summer of 2002, while other economic factors in the first half of the year indicated that the economy appeared to be in a recovery mode," said Patrick M. Rooney, an economist who is director of research for the Center on Philanthropy. "It remains to be seen whether the giving patterns we have observed in the past will hold true in 2002, or whether new trends may be emerging."



*Giving USA 2002* with data for 2001 is available through [www.givingusa.org](http://www.givingusa.org); contact [info@aafrc.org](mailto:info@aafrc.org) with questions about *Giving USA*. For the summer 2002 Philanthropic Giving Index, see [www.philanthropy.iupui.edu](http://www.philanthropy.iupui.edu), or contact Kathryn Steinberg at [ksteinbe@iupui.edu](mailto:ksteinbe@iupui.edu).

# MAPPING the NONPROFIT COMMUNITY



**“The nonprofit picture is much richer and more complex than anyone ever imagined.”**

*Kirsten Grønberg, Efroymsen Chair in Philanthropy and professor of public and environmental affairs and philanthropic studies at Indiana University*

On any given day in your community, someone needs volunteers for a local clean-up day; wants to find a support group; is eager to donate or raise money for a worthy cause; or is interested in joining, say, a model train-collecting club. Connecting with the appropriate nonprofit organization might entail hours of searching the Web and the Yellow Pages, maybe without success. In the meantime, that support group could be meeting two blocks away in someone’s living room.

Understanding the “big picture” of nonprofits on a local and statewide level—what they are, where they are located, who they serve, how they are funded, how they interact with one another, why they exist—is a critical, if daunting, task. However, as government relies more heavily on nonprofits to deliver services, and the need to communicate and network with other organizations to meet community needs increases, it’s a task whose time has come.

## Surveying the Landscape

An extensive new study sponsored by the Center on Philanthropy is bringing the big picture into sharp focus. Directed by Kirsten Grønberg, Efroymsen Chair in Philanthropy and professor of public and environmental affairs and philanthropic studies at Indiana University, the study is a comprehensive attempt to locate every nonprofit in Indiana, create a database of those organizations, and understand how nonprofits function within their communities. Grønberg is leading a team of IU School of Public and Environmental Affairs faculty colleagues in the study, including Wolfgang Bielefeld, Karen Evans, Leda Hall, and Tom Guthrie. When complete, the research may serve as a model for other states to begin to better quantify and understand their own nonprofit sectors.

“As far as we know, this is the first attempt in the nation to look at nonprofits comprehensively and systematically using an entire state

as a test site,” says Grønberg. The study is also unique in its focus on all types of nonprofits—including those that are faith-based, charitable organizations, civic/advocacy groups, and membership organizations—and in its attention to measuring the nature and extent of linkages between individuals and nonprofits and among nonprofits themselves.

Having a complete portrait of the nonprofit landscape is very important for our society on a number of significant levels, says Grønberg. “On a public policy level, this nation is increasingly looking to local community organizations to address issues and provide services that might have been provided by government in the past,” she said. “States and local communities need to know what organizations are out there and how they can work together.”

## Reading the Legend

But there may be more fundamental issues at stake as well. Research such as this may shed additional light on the depth of Americans’ civic engagement—involvement in social networks that promote trust, cooperation, and the well-being of communities. Some researchers have argued that this social capital has declined to the point of endangering the very foundation of democratic society, while other scholars think these arguments have overlooked some indicators of civic engagement. Nonprofit organizations, whether they are service providers, congregations, membership associations, or

advocacy groups, are major centers of social capital in local communities. We need to understand the role all of them play in those communities, Grønbjerg says.

Previous research on the composition and funding structures of the nonprofit sector has focused mainly on charitable nonprofits, and usually just the subset of those that file tax returns, says Grønbjerg. “By including virtually all types of nonprofits, we were able to identify about 10 times as many organizations as we would have found using that criteria, and even our estimate doesn’t include true ‘grassroots’ organizations, about which we know even less,” she adds.

### Interpreting Scale

To arrive at a more extensive understanding of the nature and number of nonprofits, the Indiana Nonprofit Sector project is proceeding in three phases. The first phase involved creating a database of the state’s nonprofits and a detailed survey of about 2,000 Indiana nonprofits (including expanded samples in a dozen communities across the state).

The database started with a combination of the most recent IRS listing of Indiana tax-exempt organizations, the Secretary of State’s list of incorporated nonprofits, and Yellow Pages listings of churches, congregations, temples, and mosques. “Field

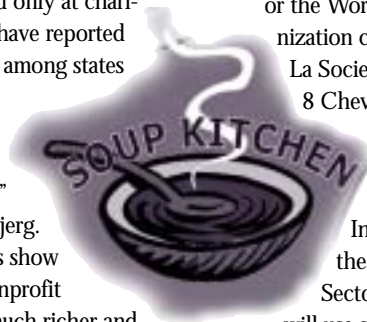
associates” in a diverse group of selected communities then verified the listings and added additional nonprofits from local listings. A random-digit dialing telephone survey asked people about their personal affiliations with nonprofits. Using all of these methods and sources, the researchers came up with a list of more than 59,400 nonprofits. When they mapped the density of nonprofits by county, they found that it ranged from 59 to 122 nonprofits per 10,000 people. “Previous national measures that have looked only at charitable filers have reported the density among states to range between 3 and 14 per 10,000,” says Grønbjerg. “Our results show that the nonprofit picture is much richer and more complex than anyone ever imagined.”

“We think people will discover organizations they didn’t know about — potential collaborators, partners, and ways of strengthening community capacities,” says Grønbjerg.

As an example of the nonprofit sector’s diversity, she points out a few organizations that her study identified in one metropolitan Indiana community. “Most people know about the charities there,” she says. “But do they know about the Jewish War Veterans group; the Glassmolders,



Pottery, Plastic, and Allied Workers; the Back 40 Flying Club; property groups; community associations; the Model Train Society; or the World War I veteran’s organization called Voiture Nationale La Societe des 40 Hommes et 8 Chevaux?”



### Construction Ahead

In the second phase of the Indiana Nonprofit Sector study, researchers will use survey results to profile each participating community’s nonprofit sector and to document the sector’s contributions to the state and local communities as well as the nature of challenges Indiana nonprofits face. The project team also plans to examine links among individual nonprofit organizations and how those links relate to community social, political, economic, and cultural characteristics. The third phase will involve in-depth case studies of nonprofits in selected communities. A better understanding of the nonprofit sector, through community profiles, will allow philanthropy and government leaders to identify how to strengthen nonprofits to help them provide for community needs and improve social

capital, says Grønbjerg. For example, if communities can track all health-related organizations — not just hospitals but also mutual benefit organizations like breast cancer survivor support groups — they can do a better job of working together to provide services.

“There can be no doubt,” says Grønbjerg, about the importance for states and communities of developing solid information about the nonprofit sector, “given the complexity of the nonprofit world and the substantive policy issues at stake.”

 Contact Kirsten Grønbjerg at (812) 855-5971 or [kgronbj@indiana.edu](mailto:kgronbj@indiana.edu). For the project’s Web site, see [www.indiana.edu/~nonprof](http://www.indiana.edu/~nonprof).



# Growing Up Engaged

**A new study indicates that youth participation in some extracurricular activities may break down education and income barriers to future civic engagement.**

**W**hat makes one young person grow into an adult who will give something back to the community while others sit by the sidelines? Previous research shows that youth from families with higher education and income levels are more likely to become adults who vote or volunteer. A new report, however, finds that participating in certain extracurricular activities may help other young people overcome income- and education-related obstacles to civic involvement, according to the report's author, Mary Kirlin, assistant professor with the School of Public and Environmental Affairs at Indiana University-Purdue University Indianapolis.

The study, which surveyed alumni of the YMCAs Youth and Government (Y&G) program in California, one of 38 such programs nationwide, "indicates that, at least for this group, participants whose income and education characteristics—their own and their parents'—would otherwise be associated with low civic engagement turn out to be among our most highly engaged citizens. It also reinforces what we already know, that adolescent participation in extracurricular activities is related to later civic engagement."

## *Building Civic Skills*

Participants in the Y&G program write proposed legislation, practice speaking skills, and many raise money to pay their own program fees. They attend statewide conferences where delegates elect officers; role-play as legislators, attorneys, and judges; and attend social activities. Other studies have shown that students involved in such activities learn civic skills necessary for later civic involvement, such as expressing opinions, facilitating debate, and working with others to accomplish goals. Research indicates that membership in 4-H clubs, student government, and other student-led clubs are most likely to lead to civic engagement in adulthood. Participation in sports, drama, and band have not been associated with later civic engagement.

Kirlin, who was active in the California program for 20 years and now serves as its state director in Indiana, says that though Y&G participants do tend to be more affluent, she couldn't help wondering if the civic skills that students gain through participation could eliminate income and education hurdles.

## *Measuring Engagement*

To find out, Kirlin sent surveys to 7,900 Y&G alumni, with another 3,000 mailed later to randomly selected non-respondents. Respondents' civic engagement was measured based on the following self-reported behaviors:

- voter registration
- voting in the 2000 presidential election



## Taking Fundraising Seriously: Youth and Philanthropy

For two days, August 22–23, the Center on Philanthropy at Indiana University brought together a wide range of experts—senior-level nonprofit and foundation executives, philanthropy scholars, youth organization leaders, educators, and philanthropists—to examine from a variety of viewpoints the impact of philanthropy on youth and how youth are making a difference with their philanthropy.

Discussions included topics such as:

- Youth as donors, fundraisers, and grantmakers
- Passing along philanthropic values to children
- Involving at-risk youth in philanthropic activities
- How youth philanthropy benefits the young person, the community, and the nonprofit sector
- Service learning and philanthropy in the school curriculum
- The role of youth-philanthropy and youth-serving nonprofit organizations
- Government voluntary and community service initiatives

The symposium's discussions will be published and distributed to advance the level of research in the nonprofit sector, increase understanding of the fundraising field, and provide practical information for nonprofit practitioners.



For information, contact Brenda Gross at [bgross@iupui.edu](mailto:bgross@iupui.edu) or by phone at (317) 684-8918.

- contributing to political campaigns
- contacting elected officials
- volunteering for a political candidate
- participating in protests, marches, or demonstrations
- attending meetings of local boards or councils
- working informally with others on some issue or problem
- serving on a board or as an officer in an organization.

For all measures, Y&G alumni were significantly more likely to be engaged than members of the general U.S. population. Kirlin then focused on the levels of interpersonal interaction required for each measure. Registering to vote, voting, and contacting an elected official can be self-interested acts, while working informally with others or being a member of a board require extensive interaction and cooperation with others, she notes. "These are the areas where you really need to be able to interact with others to make a difference," Kirlin says.

Y&G alumni, regardless of income or education level, are three to five times more likely than the general U.S. population to participate in civic activities requiring interaction with others, suggesting that the social skills they develop in programs like Y&G are particularly relevant in their adult lives. Kirlin then identified three groups of alumni that

previous research predicts would not be civically engaged as adults: those whose parents' jobs did not require a college education, alumni over 25 years of age who did not hold at least a bachelor's degree, and alumni whose income was less than \$25,000 per year. With only one exception, making campaign contributions, Y&G alumni in these three groups had civic participation levels roughly equal to their more affluent Y&G counterparts and significantly higher than the general U.S. population.

### *The Power of Friends*

There are a couple of caveats to consider with the study, Kirlin says. First, because participation in Y&G is voluntary, there may be a bias toward people who are naturally inclined to be socially and politically active. She notes, though, that 65 percent of respondents to her survey said they joined Y&G because their friends were involved, not because they were politically inclined. Second, the researchers did not have access to all Y&G alumni, and only 13.5 percent of those who received the survey returned it, suggesting that respondents may be the most active among Y&G alumni. "Having said all that, the civic engagement rates for adults from lower income and education backgrounds are significant, and can't be discounted," she says.

Kirlin's study indicates that nonprofit organizations may want to actively incorporate the teaching of civic skills in their

programs. One way to do this is to rely more on young people for decision making and structuring activities. The study also has implications for fundraising, she adds. "Programs that are high on civic skill development should promote it, highlighting the role they are playing in the development of active citizens. Many funders are focused on civic engagement, and this would pose an attractive opportunity for them," she says.

Kirlin adds that research in this area is limited by its retrospective nature, identifying subjects as adults and working backward to learn about their youthful attitudes and activities. She is exploring ways to overcome that limitation. "We need to have information about what people are doing right now in high school that we can track as they grow into adulthood."

Kirlin presented her research at the Center on Philanthropy's 15th Annual Symposium, Taking Fundraising Seriously: Youth and Philanthropy, August 22–23, 2002, in Indianapolis.



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# BACK TO PHILANTHROPY'S FUTURE

*A new book tells the story of American philanthropists of the past and offers inspiration for practitioners in the present.*

Asked to name important American philanthropists, the average person might be able to cite Rockefeller, Ford, Carnegie, and maybe someone whose name graces a local institution.

Robert T. Grimm Jr., director of the American Philanthropists Project sponsored by the Center on Philanthropy at Indiana University, hopes that the book he's working on will make household names of more than 100 American philanthropists who have built and shaped the nation's philanthropic history. The stories that go along with the names, he says, have many lessons—and a lot of inspiration—for current philanthropy professionals. They also remind us that philanthropists of yesterday and today are in many cases more alike than different in their philanthropic behaviors.

Funded by Lilly Endowment Inc. and the Indiana Humanities Council, *Notable American Philanthropists: Biographies of Giving and Volunteering* (Oryx Press, an imprint of Greenwood Publishing) will be published in November. A glance at the table of contents reveals a key goal of the project: to examine the diverse ways in which people and groups participate in philanthropy. The entry on Jane Addams is followed by "American Indian Philanthropy: Family and Giving in Lakota Communities"; migrant labor activist Cesar Chavez is right next to steel magnate Andrew Carnegie. The book's broad range of philanthropic models, says Grimm, will prove informative to donors, volunteers, nonprofit professionals, and more general audiences. "These biographies vividly portray how much personal pleasure can be derived from setting out upon a philanthropic path," he says.

The misperception that only multibillionaires can choose that path is one that Grimm and the Center on Philanthropy hope to counter. Grimm made a point, in fact, of focusing on impact more than on wealth when he decided, in consultation with a national advisory committee, which philanthropists to include. "You don't have to have a lot of money to make a difference," he says, "but you do have to be thoughtful and strategic."



## 1810

Elizabeth Seton and the Sisters of St. Joseph create the first free Catholic school in the United States in Emmitsburg, Maryland. The school becomes the model for the Catholic parochial school system in the United States.

## 1690s

Influenced by reform societies that developed in England after the Glorious Revolution of 1688, Cotton Mather begins to promote similar voluntary associations (also known as neighborhood benefit societies) in America.

## 1751


Pioneering the matching-grant concept, Benjamin Franklin persuades the Pennsylvania Assembly to offer matching funds if private contributions for a hospital reach a certain level. The Pennsylvania Hospital opens the following year.

## 1903

Booker T. Washington secretly finances *Giles v. Harris* and then funds *Giles v. Teasely* the following year; both cases challenge Black disenfranchisement. Throughout his life, Washington secretly funds numerous Black newspapers and racial discrimination cases within a highly racist society.

## 1839

Per John Lowell's bequest, the Lowell Institute provides its first public lecture. Thereafter, the Lowell Institute becomes a major cultural force in nineteenth- and twentieth-century Boston as well as a model of elite cultural philanthropy.



## Lessons in Giving

Benjamin Franklin may have been a bit too strategic. An outstanding philanthropist during his lifetime, Franklin included in his will a 200-year bequest for an apprentice loan program, but the apprenticeship system became defunct shortly after his death. Franklin's apprenticeship funds subsequently gave no loans for years at a time and became involved in considerable litigation. Knowing such stories, Grimm believes, can help fundraisers advise today's philanthropists to avoid similar mistakes. "Philanthropy's past can illuminate both successes and failures that aren't always apparent in the present," he says.

Grimm also offers stories of philanthropists, such as the Dayton family of Minneapolis, who serve as positive examples for current and future givers. As corporate philanthropy leaders, the Daytons (starting in 1946) annually gave five percent of their pre-tax profits—separating their corporation from most other companies—and viewed their giving as a long-term investment in their company's profitability. This reputation for goodwill helped to save the Dayton Hudson Corporation from a hostile takeover in the late 1980s, when Minneapolis community leaders and even the Minnesota governor rallied behind the company and worked to block the takeover.

## New Stories of Giving

A significant portion of the book's entries represent original research: much of the information included about, for example, the Pew family, the Guggenheim family, and the Dayton family has never been published in such a comprehensive form. Several other biographies also incorporate new material, including those of Bernice Pauahi Bishop, founder of Kamehameha Schools; James Herman Robinson, founder of Operation Crossroads Africa; Pierre Goodrich, founder of the Liberty Fund; and Jesse Edward Moorland, founder of the first African American research library. Many of these philanthropists, although not well-known, have made an important impact.

A case in point is Mary Elizabeth Garrett, a nineteenth- and twentieth-century Baltimore philanthropist who supported women's education. Garrett used her philanthropy to encourage positive institutional change. The prestigious Johns Hopkins University School of Medicine may never have opened and surely would not have been open to women without the generosity and savvy of Garrett and the Women's Fund Committee that she helped lead. Garrett attached her final and substantial contribution to a proviso that guaranteed women equal treatment in the admission process and while they were students. Garrett's strategy not only opened up more oppor-

tunities for women, but by incorporating additional stipulations requiring a more comprehensive educational background for medical students, she also began to improve the structure of American medical education.

## A Gift for the Future

Publication of *Notable American Philanthropists* coincides with a recent surge in service learning programs and other philanthropy-oriented curricula in K–12 and higher education. Grimm insisted on clear, simple writing from his contributors, so that the book can be easily understood by students of all levels and the general interest reader. Grimm hopes that "anyone who wishes to be thoughtful about giving and volunteering" or to understand philanthropy's impact on society will find the volume helpful.

In her introduction to the volume, Susan Berresford of the Ford Foundation writes, "at its best philanthropy can bring great personal fulfillment, create needed change in society, and demonstrate tangibly the fundamental values of freedom and pluralism integral to our history." A thorough knowledge of this history and tradition of philanthropy—what Grimm describes as "a rich and strong tradition"—may be the best way to ensure philanthropy's future health.



Contact Bob Grimm at [bgrimm@indiana.edu](mailto:bgrimm@indiana.edu).

*Notable American Philanthropists: Biographies of Giving and Volunteering* will be available in November 2002 through the Center on Philanthropy at [www.philanthropy.iupui.edu](http://www.philanthropy.iupui.edu) or by contacting Denys Pittman at [dpittman@iupui.edu](mailto:dpittman@iupui.edu) or (317) 684-8901.

Influenced by Harry Guggenheim, his aviator son, Daniel Guggenheim establishes the Guggenheim Fund for the Promotion of Aeronautics. Within a few years, the foundation's work develops the first successful commercial air passenger service.

# 1926

## 1912

At her Savannah mansion, Juliette Gordon Low founds the Girl Scouts of America with 18 girls.

# 1914

Creating the first African American research library, Jesse Moorland donates his substantial collection of books, artifacts, and numerous other materials to Howard University.

## 1921

Troubled by the prejudice against contemporary American art, Gertrude Vanderbilt Whitney founds the Whitney Museum of American Art.

## 1957

After years of efforts, Hector P. Garcia is able to end the Texas public schools' segregation of Mexican Americans by combining the efforts of the American G.I. Forum and the League of United Latin American Citizens (LULAC) behind *Hernandez v. Consolidated ISD*.

## Parlez-vous Fundraising?

Philanthropy exists in every culture, but the language of philanthropy and fundraising is not a universal one. Experts agree that understanding the linguistic and cultural differences and sensitivities among cultures is critical for successful fundraising.

Scholars at the Indiana Center for Intercultural Communications (ICIC) are exploring the linguistics of philanthropic fundraising, a largely untapped field of study that they hope will lead to new insights for nonprofit practitioners. ICIC is a research and service center in the School of Liberal Arts at Indiana University–Purdue University Indianapolis (IUPUI) focused on finding solutions to intercultural communication problems and providing training for individuals and groups nationally and internationally.

Ulla Connor and Thomas Upton and their colleagues at the ICIC began their work on the study of language and fundraising when they assisted with a Center on Philanthropy symposium on the topic in 1998. “There are linguists who have studied persuasive discourse around the world—the language of business, of sales, of advertising, and of law,” says Connor, director of the ICIC and professor of English, philanthropic studies, and women’s studies at IUPUI.

But, she says, linguists had not systematically studied the language of philanthropic fundraising before the symposium, which led to the ICIC’s ongoing project to build a corpus of fundraising texts from the United States and study the persuasive use of language in case statements, annual reports, grant proposals, and direct mail letters.

Believed to be among the largest bodies of philanthropic fundraising texts in the world, the corpus is available on CD-ROM, and has been the basis for several published papers.

### An Intercultural Inquiry

The corpus project planted the seeds for the next phase of ICIC’s research, comparative case studies of organizations associated with the International Nursing Association (INA) in four countries—the United States, Finland, Germany, Japan—and one similar organization in Mexico. Between the fall of 2000 and spring of 2001, working with bilingual collaborators, they conducted one- to two-day interviews with INA-related or similar leaders in each country. The results are being published this summer and fall in two issues of the Council for Advancement and Support of Education’s (CASE) *International Journal of Educational Advancement*.

Connor and Upton emphasize that the INA case studies reflect information gathered from only one organization in each country and should not be broadly extrapolated to others. “Not all organizations in a given culture are going to operate the same way as the one we studied,” Upton says.

“Basically, we asked: ‘What do you do, what’s important to you, where does your money come from and where does it go, what do you see as the most important thing you do to raise funds or promote yourself, how do you go about doing that, and why?’” says Upton, director of the English as a Second Language program and associate professor of English at IUPUI.

The initial plan, Connor says, included studying large numbers of fundraising letters, grant proposals, and other literature for linguistic differences in their approaches. But they found so much variation in each affiliate’s fundraising practices that they could not find comparable texts for linguistic comparison.

The interviews provided additional evidence that fundraising and fundraising language are very culturally dependent. In Finland, for example, INA-affiliated interviewees indicated that the prevalence of government-funded social programs affects the way fundraising is viewed. In fact, they said that fundraising U.S.-style is considered inappropriate social behavior there. “In Finland, they don’t even have a word for fundraising,” says Connor, a native of Finland and author of the Finnish case study. “The literal translation is ‘begging for money.’”

On the other hand, Upton and ICIC board member Marcela O. de Rovzar, who conducted the case study of the American British Cowdray School of Nursing in Mexico City, found that officials there do not necessarily see solicitations as inappropriate. But officials of the school said that Mexican values that tend to emphasize providing support to family and those closest to you influence fundraising. “Our respondents indicated that you are more likely to be successful with fundraising in Mexico if you are interacting with people who have a personal interest in your cause or a relationship with you on a personal level,” Upton says.

Scholars at the Indiana Center for Intercultural Communications are exploring the language of fundraising

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Visit the Center on Philanthropy at Indiana University Web site, [www.philanthropy.iupui.edu](http://www.philanthropy.iupui.edu) or call 800-854-1612 or 317-684-8911.

Interviewees for the case study on INAs Japanese affiliate developed by Mary Theresa Seit, assistant professor of applied linguistics at Ball State University, and Chitose Asaoka of the Department of Foreign Languages at Dokkyo University in Japan, indicated that fundraising there is framed by social mores that emphasize subtlety, discretion, and the group over the individual. According to the case study on Germany, conducted by Beth Goering, associate professor in the Department of Communication Studies at IUPUI, reductions in government funding are prompting interest in methods of fundraising employed in the United States.

### Multiple Cultures, Multiple Strategies

The INA case studies were based on a small number of related organizations in a limited number of countries; additional studies will be needed to replicate and verify the

preliminary findings. The interviews, however, provide a reminder that a single strategy for fundraising across countries and cultures may backfire, and they reinforce the importance of understanding the variety of approaches to and attitudes about philanthropy in diverse cultures. For example:

- Web sites need to be tailored to the cultural specifics of each culture; one international Web site isn't likely to be effective.
- Legal and tax ramifications of giving in each country vary and may have implications for how fundraising should be approached there. The cost of giving may be very different than in the United States.
- Each country may have different privacy expectations and laws that affect potential fundraising strategies.
- When working in another country, it's preferable to

work with a local collaborator/facilitator or a local nonprofit with similar interests and in-depth knowledge of the cultural and political issues and implications.

- It's important to know not just the culture in a given country, but also the culture of the particular field. For example, the art sector may be very different from the health or environmental sector in each country.
- Be aware of linguistic differences that might arise. For example, Connor says, Americans tend to be overtly polite, using "please" and "would you" expressions, while Finns use more direct questions and imperatives in their speech. Both are equally courteous, but the languages they use operate differently.

The ICIC plans to continue studying fundraising language through its collection of U.S. fundraising materials and by conducting further case studies internationally. This ongoing research will encourage further scholarship and may identify practical applications for fundraising professionals as more linguists around the world focus on fundraising. The Fourth North American Symposium on Corpus Linguistics, organized by the ICIC, November 1-3, 2002, in Indianapolis, will provide an opportunity to learn more about such research.



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# Bookmarks

**Digital Corporate Citizenship: The Business Response to the Digital Divide**

Craig W. Smith  
Paper, 134 pages, \$25

Top high-tech corporations are launching new types of social projects that represent an innovative approach to corporate giving and the practice is spreading to other industries, according to this new book by internationally known corporate philanthropy expert Craig W. Smith.

These "signature initiatives" are larger and potentially more valuable to society than similar enterprises previously attempted by their old-economy counterparts, Smith says. Despite the dot-com crash, they involve millions of the corporations' dollars and remain remarkably sustainable. High-tech companies are learning to deploy their technology and management systems to transform their ties with nonprofit organizations into powerful social programs — with very little cash outlay.

Smith examines these and other examples of "digital corporate citizenship" in this study funded by the Ford

Foundation and published by the Center on Philanthropy at Indiana University. Based on interviews with executives of 60 leading computer, telecommunications, and media corporations, the book goes beyond descriptions of social programs found on corporate Web sites and in glossy annual reports to explore the corporations' motivations for creating these initiatives, how the initiatives fit into corporate management structures, and what they say about the role that nonprofit organizations are playing in relation to today's new-economy corporations.

These new expressions of "digital corporate citizenship," Smith contends, represent an important dimension in the global movement to close the digital divide and contribute to an understanding of how social problems can be resolved in the digital era. But such initiatives, he says, also have implications for corporate strategy and hold a key to the competitive positioning of technology corporations that are eager to be perceived as positive assets for society while opening new markets. He argues that what may emerge from these

corporate social projects is a new way of doing business, if nonprofit leaders and the companies' own employees can accept the change.

Smith has served as director of the Conference Board's Global Corporate Citizenship Program and as a visiting fellow at Harvard University's Center for International Development and the Massachusetts Institute of Technology Media Lab's Digital Nations program. He was a senior consultant to the United Nations, where he helped establish Secretary General Kofi Annan's Task Force on Information Technology. His many roles in global efforts to address digital divide issues include launching Digital Partners and Digital Divide.org.

To order this book or other resources from the Center on Philanthropy at Indiana University, e-mail Denys Pittman at [dpittman@iupui.edu](mailto:dpittman@iupui.edu) or call (317) 684-8901. A list of resources is available on the Center's Web site at [www.philanthropy.iupui.edu](http://www.philanthropy.iupui.edu).



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