

# MONITOR INSTITUTE

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## REPERCEIVING PHILANTHROPY

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It's been a long time since I thought of myself as a virgin. But I am a TED Virgin. I didn't realize until I got here that my assignment is to tell you how the spirit of TED is taking over philanthropy. It's actually true. TED, after all, is all about passion and creativity. I'm here to tell you how and why this is such a passionate, creative—and indeed historic—moment in philanthropy. The TED prize is a great example of the new inspiration, and indeed, many TEDsters—many I see here—are leading the charge in transforming philanthropy today.

Chris wisely put me here at the end, I think, as I believe you will hear echoes of so much of the past four days in what I have to say.



I want to help you reperceive what philanthropy is, what it could be and what your relationship to it might be. And I want to offer you a vision—an imagined future if you will, of what's at stake, how, as the poet Seamus Heaney puts it, “once in a lifetime the longed-for tidal wave of justice can rise up, and hope and history rhyme....”

First, consider these word pairs:

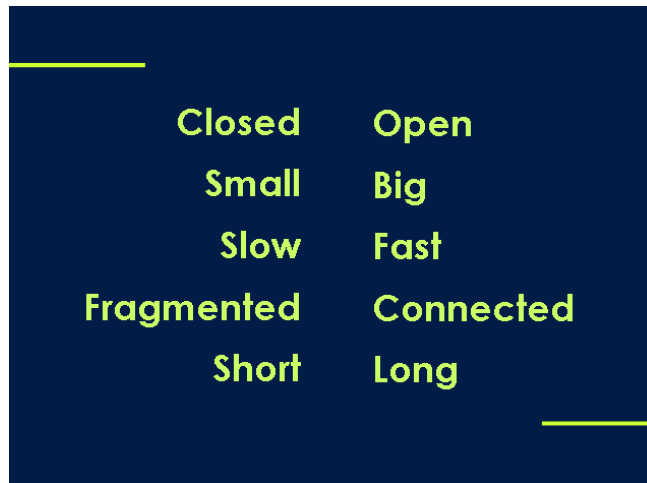
Closed...open

Small...big

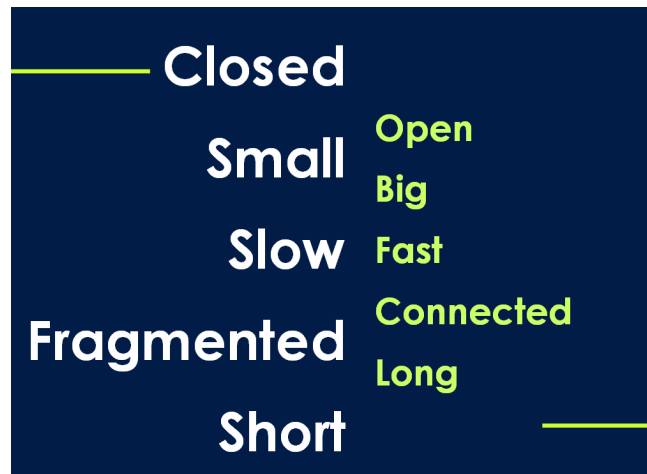
Slow...fast

Fragmented...connected

Short...long

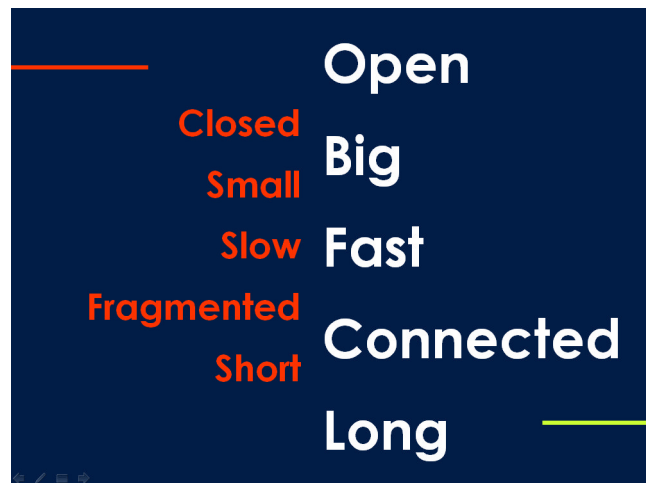


We all know which side of these word pairs we want to be on. When modern organized philanthropy was invented at the beginning of the 20<sup>th</sup> century—which is when the foundation form was invented—its leaders would not have seen themselves on the wrong side of these word pairs—as closed off to input and set in their ways, small and risk averse, slow to respond to new needs. And indeed they weren't—they were reinventing charity and turning it into what they called the business of benevolence.

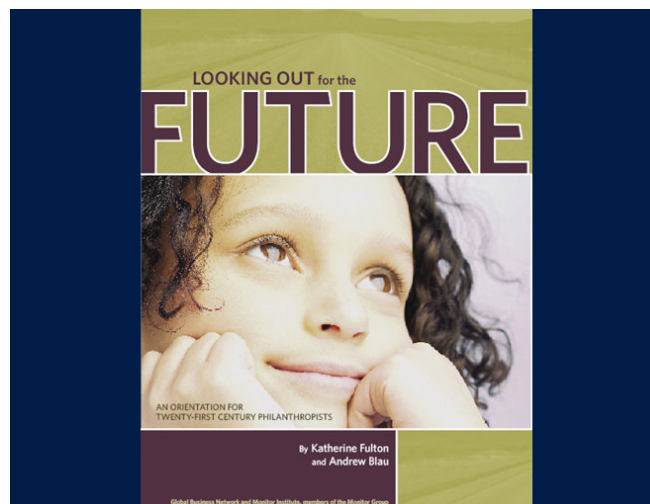


But by the late 20 century, this is exactly how a new generation of critics and reformers have begun to view organized philanthropy, even though much good work has been done. Through no one's design, we find ourselves with a fragmented system that is often frustrating to givers and receivers alike. And it lacks the capability to deal with complex problems that require long time frames.

As philanthropy now becomes a large global industry, the thing to watch for is how it's trying to flip the prevailing operating assumptions—to become open, big, fast, and connected, in service of the long term. A new entrepreneurial spirit is rapidly emerging in many quarters, propelled forward by new leaders, new tools and new pressures. This is great news—because one way to think about philanthropy is that it's private creativity in service of the public good.



I know this shift to a more entrepreneurial era well, because I've been actively participating in it, and writing and speaking about it now for nearly 10 years. Copies of our public report, *Looking Out for the Future*, are available all over the TED site, and it tells the story of how this moment in the evolution of philanthropy is shaping up to be as important as 100 years ago.

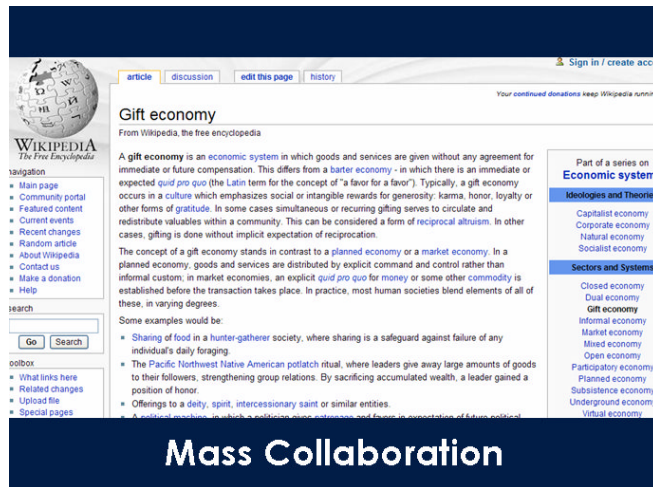


**What I'm so excited about is this: We're not just thinking our way into a new way of acting....we are acting our way into a new way of thinking. Philanthropy is Re-Organizing itself before our very eyes.**

Now I want to show you some of the coolest examples. I'm not going to dwell on the important stories you have heard the most about already—the biggest new philanthropic players like Gates, and Google.org, and Soros and the Omidyars. Instead, I want to talk about the democratization of philanthropy--the potential power of the philanthropy of the rest of us—as Bill Clinton said here at TED—how ordinary citizens have more power than at any time in history.

I'll quickly touch on five categories of experiments, each of which challenges a key assumption from the past. Watch for how each gives you new choices about how to use your creativity and resources.

The first is mass collaboration, represented by Wikipedia. Remember that philanthropy—which is as old as human history—involves gifts of many kinds—of time, of talent, of ideas, as well as money. What is Wikipedia, after all, but a type of philanthropy—people giving their time to do something they believe is worthwhile?

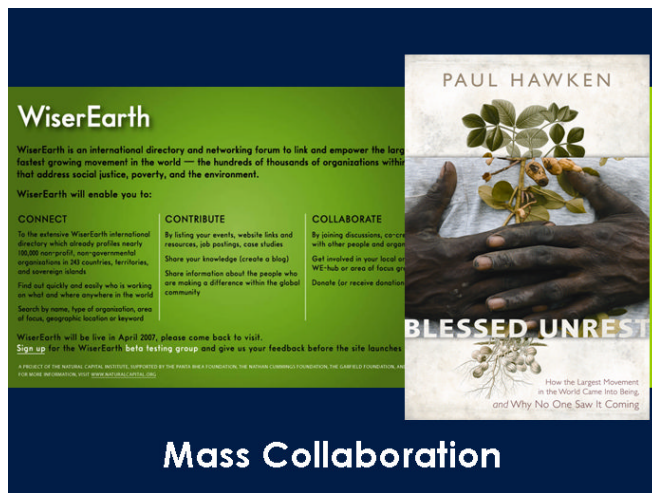


Clay Shirky, that great chronicler of all things networked, has beautifully characterized how this phenomenon challenges one of our deepest assumptions: “We have lived in this world where little things are done for love and big things for money. Now we have Wikipedia. Suddenly big things can be done for love.”



It feels like nearly every week I learn of a new “Big Things for Love” experiment—including some we’ve heard about here, including last year’s TED wish from Cameron Sinclair—his Open Architecture Network that went live this week.

A debut to watch for later this spring is WISER, a new wiki site built to coincide with the publication of Paul Hawken’s new book, *Blessed Unrest*. WISER stands for World Index for Social and Environmental Responsibility. It aims to document, link and empower what Paul calls the largest and fastest growing movement on the planet, the nearly 1 million citizen groups who represent humanity’s immune response to today’s threats.



## Mass Collaboration

As these new “big things for love” experiments proliferate, it’s likely that only a few of them will take off. But the ones that do will be the most open, biggest, fastest and most connected type of philanthropy ever invented in human history.

So that’s the first category of experiment—mass collaborations. Look to them to open up entirely new possibilities.

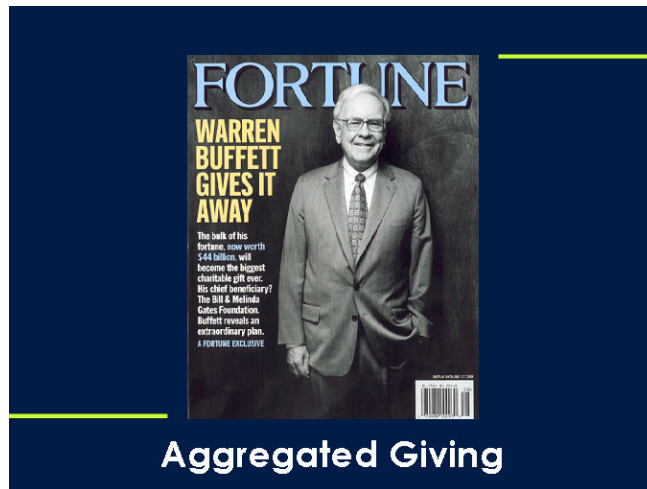
The second category is online philanthropy marketplaces, which are to philanthropy what eBay and Amazon are to online commerce. Think of these as peer to peer philanthropy, empowering givers and receivers alike, and challenging the assumption that only very wealthy givers get to be full participants in organized philanthropy. Take a look sometime if you haven’t already at Donors Choose—supported by Omidyar Network—Network for Good, Global Giving, Changing the Present, Kiva, Youth Give, Give India.



## Online Philanthropy Marketplaces

Look for the winning marketplaces in the years to come to help all of us here—and millions of people around the world—enlarge our circle of giving.

The third category is represented by Warren Buffet’s historic act last summer. Aside from his inspiring generosity, he challenged one of organized philanthropy’s deepest assumptions: that every donor should have his or her own fund or foundation.



## Aggregated Giving

Today many new funds are making it easier for givers and investors to join forces around a common goal—to aggregate their giving. One of the pioneers has been Acumen, led by Jacqueline Novogratz, which got an early boost here at TED. Take a look, if you haven't already, at New Profit, Inc., New Schools Venture Fund, Venture Philanthropy Partners, Social Venture Partners, and the Global Fund for Women to name just a few of my favorite new brokers. These funds are to social good what venture funds, private equity and mutual funds are to private investing. But they add a twist—their donors also form a community.



## Aggregated Giving

Look to these entrepreneurs to organize donors and investors, large and small, for greater impact, by making it easier for all of us to connect in order to think and act bigger, together.

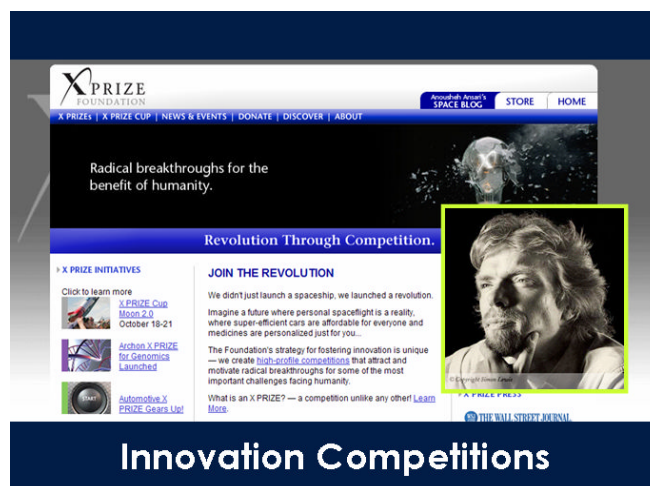
Now let's pause for a moment and look at these first three categories together—mass collaboration, online marketplaces and aggregated giving. Together, they help us re-perceive the full definition of organized philanthropy—which in the past has been equal to foundations. Now there are so many ways we can organize ourselves to do something more than just respond to the people who can easily find us—our colleges, our religious institutions, all the people close to us already.



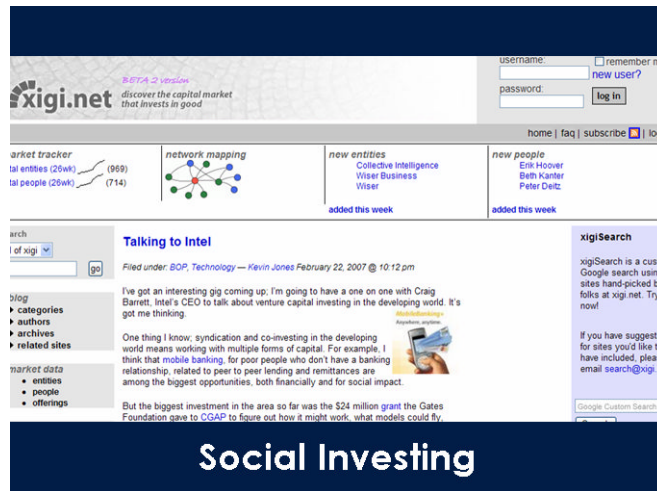
Imagine what this could all lead to one day when these three types of experiments mashup if you will, becoming the experiments of the future. Someday someone will put up \$100 million to meet a specific, inspiring goal—that’s not far fetched, there were 21 gifts of \$100 million or more in the US last year—but only if it’s matched by millions of smaller donations gathered online from across the globe, thereby creating the visibility and building the support and the will and the talent necessary to meet the challenge, as well as raising the money.

I’ve left my fourth and fifth categories—innovation competitions and social investing—for last, because many of you will have seen the recent publicity surrounding them. But let’s quickly look at the key pieces they add.

Innovation prizes—such as Richard Branson’s Earth Challenge Prize and the X Prizes—are betting that well publicized competitions can attract more talent and money to the toughest challenges, thereby increasing the chance that a big, breakthrough innovation will result. By doing so, they challenge the old practice of focusing on the individual or organization—and instead put the problem at the center. Look to these innovation prizes to address problems that require a new technological or scientific solution.



The fifth and final category—social investing—is the biggest of all, because it seeks to open up the very definition of philanthropy itself—the core assumption that business is business and philanthropy is the main tool for private actors who want to create social change. Take a look sometime at xigi, the new community site set up to track the emerging capital market for good. It currently lists nearly 1000 entities investing debt and equity in social enterprises.

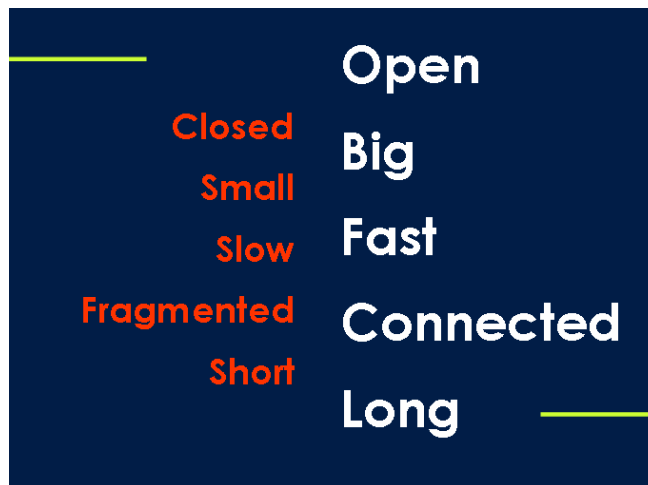


Look to the pioneering new social investors to remind us that if we can leverage even a small fraction of capital searching for a return, the scale and speed of the social change could be astonishing.

Mass collaboration. Online marketplaces. Aggregated Giving. Innovation Competitions. Social investing. Just five categories that give everyone here so many new ways to make a difference. And these categories don't even cover the many experiments underway. Things like the TED Prize, the Clinton Global Initiative and Millenium Promise, the hybrid efforts that may be creating new categories entirely.

We are acting our way into a new way of thinking, and being. Of course, not every experiment—or big player—embodies every one of these new principles. But these words do capture the overall aspiration:

Open. Big. Fast. Connected.....



And, let us hope, also LONG, the word I haven't talked about much yet, because it's going to be the hardest, and it's still early. Even as we learn to move more quickly and with more urgency, we must remember that it's going to also take a long time to address the complex challenges we face. Unless we develop this new stamina to stick with things, the experiments I've been talking about here will turn out to be just another fad.

I AM hopeful, because it's not just philanthropy that is busy reorganizing itself. Leaders in other parts of civil society, and in business, are busy challenging business as usual, as well. I find a growing moral hunger everywhere I go—including here at TED.

Commentators have already begun to search for language to describe this new era which is bursting out of the old boundaries of philanthropy:

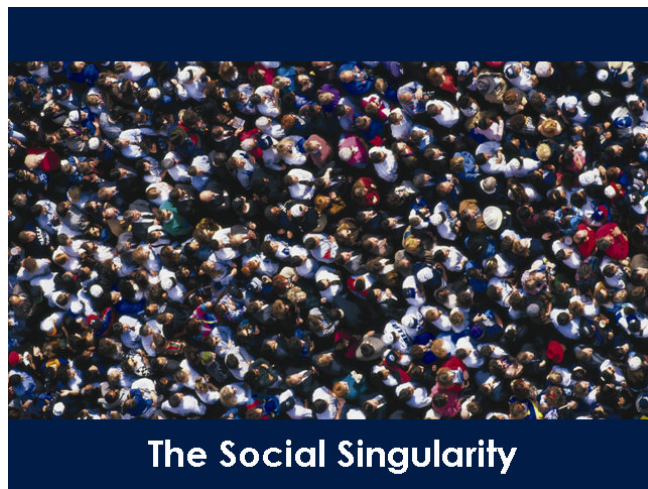


Philanthrocapitalism. Venture Philanthropy. Microphilanthropy. Capitalism 3.0. Blended Value. Natural Capitalism. Philanthroentrepreneurs.

Whatever we call it—it's different from what we have experienced before and developing rapidly.

I have begun to call this emergent future—my imagined future if you will—The Social Singularity, which is a different type of frontier than we have been hearing about today, the human one.

Many of you will recognize that by evoking a Social Singularity I am riffing off the science fiction writer Verner Vigne's famous vision of a technological singularity--how trends can accelerate and converge to create a shockingly new reality.



It could well be that the Social Singularity ahead is the one we most fear—a convergence of catastrophes caused by environmental devastation, poverty, pandemics, and weapons of mass destruction. That's because our collective capacity to confront the significant social and environmental challenges facing us has not kept pace with our capacity to create those problems. The survival of our civilization is now in our hands, as never before in human history.

But there is an alternative imagined future—a positive Social Singularity, and I believe we can see the seeds

of it all around us. The really exciting thing about today is that there is now so much going on simultaneously—AND it's newly visible.

What if the philanthropic forces I've discussed combine with each other with many other forces emerging in the world today and actually become mutually catalytic...not siloed and separate but reinforcing each other to create a lasting breakthrough in how we address and solve the problems we collectively face?

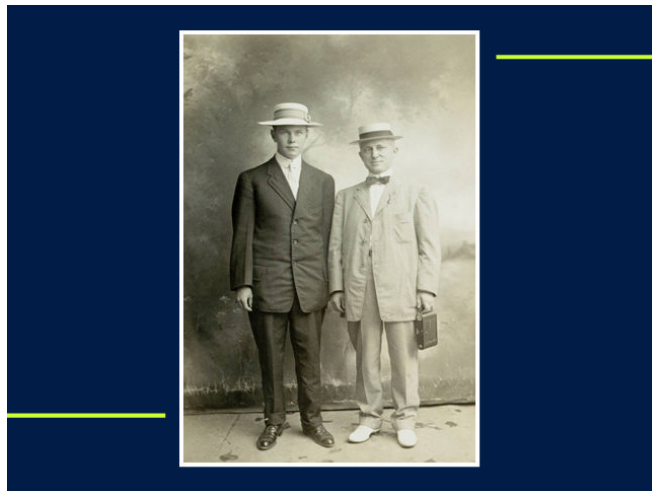
What if we really can do bigger and bigger things for love—bringing together idealism and realism, generations and sectors....creating new initiatives and new communities that were once unimaginable?

I believe we can, and that TED is but one manifestation of what is newly possible. We can create a future in which hope and history rhyme.

We do, however, have a clear challenge ahead. The experiences we have had to date—individually and collectively—haven't prepared us for what we need to do and who we need to be.

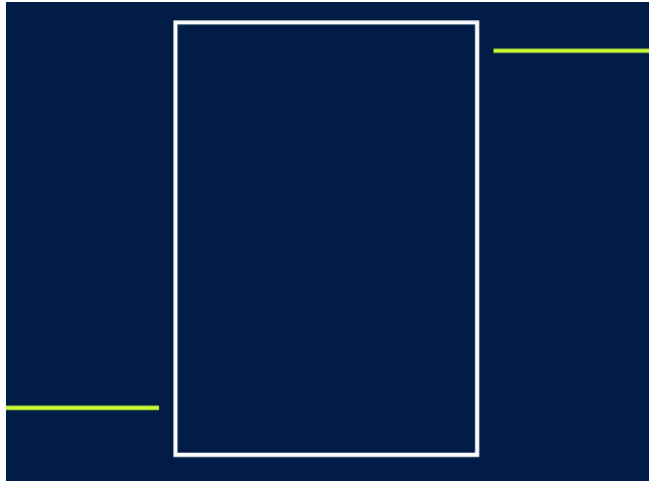
We must have a critical mass of citizen leaders willing to change and learn, willing to dedicate ourselves to opening our minds, our hearts, our spirits—and yes, our pocketbooks, and our calendars—more than ever before.

That's why I have one last thing to show you: This photograph, taken nearly 100 years ago. This is grandfather and great-grandfather—a newspaper publisher and a banker, both great community leaders and philanthropists. I grew up hearing many stories about them, and could see all around me in our community the big things they had done for love.



My journey to keep opening myself up has led me to a life that would be unimaginable to them. But I keep this photograph close by, in my office, because I have always felt a mystical connection to these two men, one that has informed and inspired my life.

In their honor, I offer you this blank slide, and I ask you to think ahead, to the community you want to be part of creating.



Imagine your own photograph here. Imagine that it is 100 years from now...and your grandchild or great grandchild or niece or nephew or god child is looking at a photo of you....  
What story do you most want them to tell?