

Global Giving

MATTERS

Issue 45

Fall 2011

In This Issue

Global Giving Matters looks at the efforts of two philanthropists striving to create a more peaceful world. One is Tom Oliver, who through his World Peace Partnership and the inaugural World Peace Festival is seeking holistic and sustainable solutions to achieve global peace. The other is Steve Killelea, founder of the Institute for Economics and Peace. He is deepening understanding of the connections between peace and economic growth, and since 2007 has shared that understanding through the Global Peace Index.

2 World Peace Festival, Global Peace Index build momentum for peace

5 Global Giving Round-Up

- Global Impact Investing Rating System to measure social returns
- Basketball star gives back to his home town in Argentina
- Wealth in middle-income countries could change the nature of aid, and suggests role for philanthropy
- Rise in philanthropy from India's wealthy and middle class
- Distrust, fear inhibit charitable giving in Mexico
- Venture philanthropy model invests £6.8m in Scottish children's charities
- Where is the Bill Gates of global education?

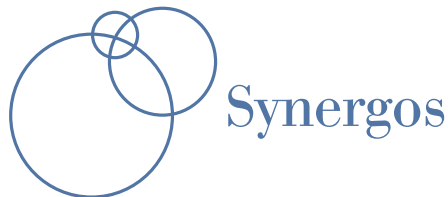
9 Resources & Links

- A new resource on large grants: Million Dollar List
- The five (and six) Cs of philanthropy

10 Your Ideas Wanted

www.globalgivingmatters.org

comments@globalgivingmatters.org



Global Giving Matters presents best practices and innovations in philanthropy and social investment around the world.

It is an initiative of The Synergos Institute's Global Philanthropists Circle under the direction of Adele S. Simmons, President of the Global Philanthropy Partnership, and Beth Cohen, Senior Director, Global Philanthropists Circle. Sharon McGowan is the lead features writer.

To subscribe or unsubscribe, visit www.synergos.org/subscribe/.

ISSN 2157-264X

© 2011 Synergos

World Peace Festival, Global Peace Index build momentum for peace

Philanthropist **Tom Oliver** is a man of many talents. A singer, songwriter and pianist, Oliver has performed at well-known venues around the world.

For the past few years Oliver has focused on tackling the most pressing challenge on the planet – bringing about a state of world peace.

In August, Oliver's **World Peace Partnership** held the inaugural **World Peace Festival** (www.worldpeacefestival.org) in Berlin, with the goal of seeking holistic and sustainable solutions to achieve global peace. Attended by peace activists, philanthropists, students, Nobel Peace Prize laureates, government and NGO leaders, policymakers, military generals, high-level business executives, and UN officials and ambassadors, the weeklong festival has spurred participants to take concrete steps toward peace.

As Oliver puts it, “Everything should be about really having an impact on the ground.”

About 500 guests from 32 countries – including a significant percentage of women – attended the conference that was part of the festival, which also included arts and cultural programming such as a film festival open to the public. Organizers decided to keep the size of the conference manageable to enable meaningful interaction between the speakers and the audience, and among the speakers and panelists. WPF will foster an ongoing relationship with all participants, who also will have an opportunity to connect through an intranet, Oliver notes.

Among the key initiatives launched at the World Peace Festival is The Arms Deal, a campaign to tax profits on arms exports. The initiative will use smart philanthropy and investment to create a fund “to eradicate poverty and provide equity as the sustainable foundation for peace and development around the world,” Oliver says.

The arms program boasts an impressive list of supporters, including military generals and Nobel Peace Prize laureates. According to Oliver, the Development for Peace program will include a mass activation campaign coupled with public advocacy to enlist “the right countries as first movers.” He points out that if the six biggest arms-manufacturing countries adopt the tax, \$2 billion per year would be generated to help meet the United Nations’ Millennium Development Goals of ending poverty and hunger. Other programs announced at the festival fall under the categories of governance for peace, environment and peace, and inner peace and religious tolerance.

Oliver said he was especially pleased with the “terrific support from the UN.” UN official **Jordan Ryan** took an active part in the festival, speaking on several occasions and participating in pre-conference sessions with global leaders. Jordan is UN Assistant Secretary-General, assistant administrator of the United Nations Development Programme (UNDP), and director of the Bureau for Crisis Prevention and Recovery. UNDP also invited several other leading UN officials from around the world, including UN ambassadors, to participate in the sessions and panels. The results of the conference were submitted as an official contribution to the UN General Assembly.

Other dignitaries at the conference included Nobel Peace Prize laureates **Mairead Maguire** and **Shirin Ebadi**; **Tim Cross**, a retired Major General from the United Kingdom; **Steve Killelea**,

founder of the **Institute for Economics and Peace** and creator of the **Global Peace Index**; **Benjamin Kunbuor**, Interior Minister of Ghana; **Clare Short**, former UK Secretary of State for International Development; and **Arun Gandhi**, non-violence activist and grandson of Mahatma Gandhi. **Michelle Bachelet**, the head of UN Women and former president of Chile, appeared via video to announce a partnership with the World Peace Festival.

Also addressing the conference via video was Archbishop **Desmond Tutu**, who told the audience, “This great event is a milestone for our times – a turning point in the efforts of hundreds of thousands of people worldwide to transform violent conflict. It merits your whole-hearted support.”

Participants agreed that the conference was extraordinary because of the diverse group of people who attended. Oliver said, “This was part of my original vision. When we bring a very diverse group of global leaders and experts from all areas together around the subject of peace, we can find new solutions that are truly holistic and sustainable.”

The World Peace Festival prompted the creation of a Fund of Hope that was kick-started by a wealthy private investor in partnership with the WPF to improve the prospects of disenfranchised people and thereby help to stabilize societies. Best-selling author **Deepak Chopra** vowed to spearhead an effort to get 100 million people involved before the next festival and start a global movement for peace.

A relatively new member of the **Global Philanthropists Circle**, Oliver was already acquainted with several members, including Killelea, **Philipp Engelhorn** (founder of Cinereach), and **Brigitte Mohn** (who heads the German Stroke Foundation and the health program at Bertelsmann Stiftung). Oliver is excited by the “high caliber and brilliant minds” of the people he’s met. “They are dedicated to improving the lives of others around the planet, and making the best possible contribution they can as individuals,” he says. Killelea and Mohn both spoke at the World Peace Festival.

Peace starts with me

Judging by his many successes, one might be tempted to think that everything always has come easily for Oliver. However, he was a heavy stutterer as a child who overcame his physical difficulties and learned to speak five languages fluently. He committed himself to use his power as an individual to change the lives of as many people as possible for the better.

Oliver also was strongly influenced by his cosmopolitan upbringing. Born in Germany, he grew up living both there and in the United States. He earned a scholarship to attend Choate Rosemary Hall, a private boarding school in Connecticut, and later enrolled at the Wharton School at the University of Pennsylvania. His wife is Brazilian.

“A multi-religious, cosmopolitan upbringing has helped me to realize that religious tolerance is a very important part of peace and a very important element in the prevention of conflict,” Oliver observes.

Although he says he is not religious, Oliver is clearly spiritual. “Being one with nature is a crucial element of inner peace; and peace starts with each and everyone of us,” he says. As a consequence, “Peace starts with me” is the theme of the World Peace Festival. Part of its plan is to show people practical paths to peace, and make them aware of the importance of inner peace in their own life and its relevance for world peace.

Oliver was inspired to create the World Peace Partnership and hold a World Peace Festival when he returned to Berlin after a memorable performance in Spain in 2005. “Music has always been a bridge by which people connect to their inner self,” said the classically trained musician.

“After a fantastic concert, I was so full of energy and passion,” Oliver recalls. He stood at the Brandenburg Gate, which had become a symbol of division and despair but is now a “world-wide symbol of freedom, peace and reunification,” he says. “Looking back, it seems clear to me why [the vision] came to me in that city, at that moment, and that time and that location.”

Oliver didn’t act on his idea immediately. Instead he moved to a new home in the south of France and began growing the vision “from the inside out.” About three years ago, he started approaching people about the partnership and the festival.

Although he knew people around the world through his schooling and performing career, “ninety-nine percent of the connections and networks that we have brought together I did not know before I started the initiative,” he says. “People from around the globe started to respond to the vision immediately and were highly motivated and energized to join the movement, contribute and make a difference.”

Oliver draws inspiration from the environmental movement, which came from a marginal campaign driven by “the California crowd” to become a mainstream concern for everybody, and especially corporations, he says. In addition, environmentalists have regularly brought together global stakeholders to address issues such as global warming, scarce resources, extinction and other environmental threats. “Peace has not seen that to the same extent,” he says. “Peace is the new green.”

Deepening understanding of peace

While the economic benefits of “going green” have come into sharper focus in recent years, the bottom-line impact of peace is just beginning to emerge, in large part due to the efforts of **Steve Killelea** and the **Global Peace Index (GPI)**, which he created in 2007.

The Australian-born IT entrepreneur posits that for nations and the world, peace and economic well-being are inseparable. The Global Peace Index measures 23 indicators and ranks 153 countries on their relative peacefulness.

For 2011, the GPI rates Western Europe as the most peaceful region in the world, while Sub-Saharan Africa is the least peaceful. The top five most peaceful nations according to the index are Iceland, New Zealand, Japan, Denmark and the Czech Republic; the United States ranks 82nd.

“The GPI helps you better understand attitudes needed to create peace,” Killelea says.

“Focusing study on peace is different than the study of conflict. The things you do to stop conflict are different than what you would do to create a resilient society that is self-sustaining.”

He began to see the logic of changing focus in this way about seven years ago while traveling in the Congo, one of several areas where his family foundation, **The Charitable Foundation**, operates. “I was a businessman wandering through Africa wondering ... if we can’t measure peace, how do we know whether our actions are helping or hurting?”

He created the GPI because he believes peaceful conditions are necessary for economic growth. As he explained in a recent interview published by the Foreign Policy Association, “If one thinks about peace then it is easy to see that when violence is reduced then all sorts of efficien-

cies enter into the system. Stable environments allow for better long-term planning thereby reducing risk, reductions in the cost of insurance and security, freer movement of people and an environment more likely to attract capital.”

Killelea has traveled the world explaining the GPI concept, and believes it’s gaining traction. He said that business schools and universities have extended the research, examining the relationship between per-capita income and peace, and the growth of markets under peaceful conditions, to cite two examples.

The **Institute for Economics and Peace** (www.economicsandpeace.org), which produces the GPI, estimates that a 25% increase in world peace would add \$2 trillion to the global economy. “That would be enough to fund the UN’s Millennium Development Goals, pay for 2020 carbon-reduction targets for the European Union, pay off in one hit all the debt of Portugal and Ireland, and still have \$1 trillion left,” he says.

Killelea has learned that the difficulty of achieving the ultimate goal is even greater than he thought. “There are a lot of situations that are more intractable than I ever imagined,” he says. “We are more ignorant than what I realized beforehand about peace. Peace is undervalued in society.”

He characterizes selfishness as the greatest obstacle to peace. “It’s putting your own wants and desires before everyone else’s,” he says. “Many people think peace is fine as long as it’s on their terms alone. Once you get into the vicious cycle of violence, it leaves everyone so damaged that it’s very hard to get back to peace.”

Nevertheless, he’s convinced that pursuing peace is the only viable strategy. “There are phenomenal challenges facing the world in the next 20 years,” he says. “Unless we have a peaceful world, we won’t get to the point of addressing these problems.”

Tom Oliver is optimistic that peace is attainable. “Our plan is to take the World Peace Festival around the globe and to create a true mass movement for peace that includes men and women, all religions, races and nationalities. We need to make peace fashionable for young people, more mainstream, and put it on the corporate agenda,” he says.

“This is about rebranding peace.”

Global Giving Roundup

Overviews of news and best practices around the world and links to learn more about them

Global Impact Investing Rating System to measure social returns

The mix of philanthropy and finance known as “impact investing” has evolved since it began in the 1950s with investments in emerging-market enterprises to fight poverty. Today, it’s an established offshoot of socially-responsible investing, with over 300 social investment funds operating. **J.P. Morgan** estimates that the field will grow at least ten-fold by 2020 to include more than \$400 billion in investments in housing, water, health, education, and financial services. But is impact investing actually having an impact in terms of both profit and social benefits? The new **Global Impact Investing Rating System**, or GIIRS, will help answer that question by tracking companies’ social and environmental performance. GIIRS creators hope that this information will attract more people to impact investing and make sure their money is used

well. “We’re trying to show that you can actually do good and do well,” said **Álvaro Rodríguez**, head of IGNIA in Monterrey, Mexico, one of 25 social investment funds that completed a recent GIIRS pilot. “This rating system is putting your feet to the fire: You said you’re trying to have a positive impact – are you meeting that promise or not?” Much of the groundwork for GIIRS’s approach was laid at convenings in 2007 and 2008 including representatives of the **Rockefeller Foundation**, other foundations, family offices, and financial institutions including J.P. Morgan, **Prudential**, and **TIAA-CREF**. So far, GIIRS has been tested with 200 companies in 25 funds on five continents. **Deloitte** has verified responses; a third-party audit is now part of every rating. (*Christian Science Monitor*, September 24, 2011)

Basketball star gives back to his home town in Argentina

Manu Ginobili, a basketball player for the San Antonio Spurs professional team in the United States, is helping homeless and disadvantaged kids in his home town of Bahia Blanca, Argentina by partnering with children’s homes such as **Mama Margarita House**. Ginobili’s returns to Bahia Blanca in the off-season to help mentor kids at Mama Margarita House and attract resources to help it and other nonprofit institutions. “The goal was just to help out,” Ginobili said. “I knew I was becoming popular in Argentina. I was starting to feel that some companies in Argentina wanted to associate with me, so I just wanted to be a facilitator to raise funds and distribute them the way I thought was fair and to institutions that I trusted.” Ginobili has begun to expand his philanthropy past just Mama Margarita by supporting hospitals. (*San Antonio Express News*, September 28, 2011)

Wealth in middle-income countries could change the nature of aid, and suggests role for philanthropy

In a piece in *The Guardian*, **Nick Perkins** of the **Institute of Development Studies** explores the impact of increased income in populous countries such as China, India and Brazil on the future of aid programs. Noting that India is now a middle-income country, he writes that “International development policy is still coming to terms with what that means. Particularly with whether or not we still need to bother with providing aid to countries like India.” But because the government India may not have resources directly address massive problems such as child malnutrition, it must look to strategic interventions that leverage other resources. Some of those resources might come from international philanthropy. The **Rockefeller Foundation** and the Institute for Development Studies, through the Bellagio Initiative (www.bellagioinitiative.org), are looking to create a framework for philanthropy to better interact with aid programs. Perkins also looks to philanthropists from within middle-income countries, but warns that “They need to understand who they can partner with; they need to understand better the detail of how international development works.” (*The Guardian*, September 27, 2011)

Rise in philanthropy from India’s wealthy and middle class

Some top charities in India say the rise in the number of middle class donors has boosted their donations by an average of 20% in the last five years. “We’ve been pleasantly surprised when we tapped into the middle class donor since 2007. The ‘critical’ mass of the middle class has helped us gain almost R10 crore [R100 million – about \$2 million] last year. These are from individual donations of R3,000 per year,” says **Nisha Agarwal**, CEO of Oxfam India. The *Hindustan Times* points to “...the rise in the number of salaried professionals who donate to charities, it shows this is a section that doesn’t want to continue with the ‘*chalta hai, kuch nahin ho sakti*’ attitude. They want to deal with developmental issues themselves, rather than wait for the government.”

A year ago, **Bain & Company** published the first edition of the *India Philanthropy Report*. Based on data from 2006, it found that while many Indians had accumulated significant wealth in the preceding two decades, private philanthropy was not filling the gap that had emerged with poorer members of society. But that is changing, as the 2011 edition points out: “Our data then was from 2006 when total giving was 0.6% of GDP and only a third was private giving. That picture has changed quite significantly over the last five years.” Bain states that giving in 2010 was between \$5 billion and \$6 billion, almost three times the amount in 2006. The Bain report, available at www.bain.com also points to three critical factors in further growing charitable giving: lack of transparency/accountability, unfriendly tax laws, and lack of awareness of ways to give.

A number of online services have emerged to raise awareness about charities and make it easy to contribute, including **GiveIndia**, **Samhita**, and **Charities Aid Foundation India**. In addition, **GuideStar India** and the **Credibility Alliance** offer information to promote transparency and accountability. For example, GuideStar India includes self-reported financial information from more than 1,000 organizations. GuideStar India, which is led by Synergos Senior Fellow **Pushpa Aman Singh**, also helps connect large donors and companies to organizations that can use their support effectively. (*Hindustan Times*, October 1, 2011; *India Philanthropy Report 2011*; *Wall Street Journal Online*, October 21, 2011)

Distrust, fear inhibit charitable giving in Mexico

Violence fueled by narcotics trafficking and other criminality may be contributing to low levels of charitable giving in Mexico. The country ranks lowest among the 34 member nations of the Organization for Economic Cooperation and Development in taxes and second highest in income inequality, so clearly there is great need for private social action. But only 0.04% of GDP was donated to charity in 2003, nearly 40 times lower than the United States. Colombia, Brazil, Argentina and other developing nations also have more giving in relation to GDP. One factor that can perhaps be credited for this lack of philanthropy is the amount of mistrust existent in Mexico, which **Alicia Lebrija**, director of the Televisa Foundation, says “permeates the philanthropy world.” Due to fear of extortion and kidnapping among the country’s wealthy and middle class, individuals and businesses are hesitant to make large amounts of donations. In addition, giving tends to be assistential, as opposed to focusing on social causes and long-term development. (*Washington Post*, August 9, 2011)

Venture philanthropy model invests £6.8m in Scottish children’s charities

The **Scottish government** and **Inspiring Scotland** have picked 24 children’s charities to share in the £6.8 million **Early Years Early Action Fund** to support vulnerable children and families’ across Scotland. The fund pulls in support from over 120 individuals and businesses, including corporate partners like **Microsoft** and **Pagoda PR**. Some provide free or reduced fee services to awardees. **Andrew Muirhead**, chief executive of Inspiring Scotland, said “We are confident that through our venture philanthropy model of providing substantial development support from the private sector in addition to financial investment, we will strengthen the voluntary sector’s response in supporting families and children with the best start in life.” (*Civil Society UK*, September 27, 2011)

Where is the Bill Gates of global education?

In an opinion piece published by the Brookings Institution, **Justin W. van Fleet** asserts that there is relatively little interest among the signatories of Bill Gates and Warren Buffett’s Giving

Pledge in supporting education around the world. Instead, donations to education, at least by US billionaires, tend to have a domestic focus. “Therefore,” he writes, “in a search for philanthropic champions of education in the developing world, we looked at the philanthropy priorities of billionaires living in developing countries and emerging economies.” There are some major proponents of education around the world, including **Hüsnu Özyegin** (a member of the Global Philanthropists Circle) in Turkey. His foundation has built about 50 schools and girls dormitories in areas with limited access to educational facilities and has provided about 10,000 scholarships to university students from disadvantaged backgrounds. But globally the picture is mixed due to the uneven distribution of billionaires between countries and regions. For example, there are only six billionaires in sub-Saharan Africa, compared to over 100 in Russia, 55 in India and 30 in Brazil. Van Fleet points to the possibility of philanthropy helping start broader efforts, “help[ing] catalyze national discussions and mobilize investments from other actors, such has been the case in the global health sector.” (Brookings Institution, August 18, 2011)

Resources & Links

Activities, websites and other cutting-edge information for global givers

A new resource on large grants: Million Dollar List

The **Center on Philanthropy at Indiana University** has created the **Million Dollar List** (www.milliondollarlist.org), a new online resource of information about large grants. The aim of the site is to fill existing knowledge gaps, assist grant makers in gaining perspective about other large grant makers, show gaps in funding, and create an easy tool to add a global view on strategy in philanthropy and large donations. The site makes the raw data upon which the list is based available for download, and offers tools to explore the data in various ways. In reviewing the site, **Maureen O’Brien** of The Philanthropic Initiative says she “hope[s] the act of reviewing what is being funded – and what is not being funded – with these big gifts gets potential donors thinking more deeply about how they want to be using their giving to address the challenges they care most about.” The site was made possible with support from the **Bill & Melinda Gates Foundation**. (*Deep Social Impact*, October 11, 2011)

The five (and six) Cs of philanthropy

In an article in **Alliance Magazine’s** *Philanthropy News* blog, **Michael Alberg-Seberich** of Active Philanthropy adapts the “five Cs”, created by **Rick Little** as a framework for the positive development of a child, as a value compass for philanthropy. Little, founder of the International Youth Foundation, talks of competence, confidence, connection, character, and caring. For each, Alberg-Seberich identifies a transfer to philanthropy. For example, for connection he writes that, “Philanthropy is about bringing people together and building bridges between people. A donor needs to know where she is coming from and where he wants to go. The consideration of all stakeholders, the collective, is crucial to have a lasting, systemic impact with your investments.” He mentions the addition “contribution” as a sixth C to youth; that is clearly central to philanthropy. Alberg-Seberich concludes by saying this framework can help us understand the “why” of giving. (*Philanthropy News*, October 24, 2011)

Your Ideas Wanted

Global Giving Matters aims to present information on best practices and innovations in philanthropy and social investment around the world. We encourage you to send us:

- Ideas about issues or people you would like to learn more about
- Examples of your own philanthropy
- Comments about this issue.

Write to us at comments@globalgivingmatters.org.

Global Giving Matters does not present solicitations of support for particular initiatives or organizations.

The Synergos Institute
51 Madison Avenue 21st Floor
New York, NY 10010
tel +1 212-447-8111
fax +1 212-447-8119
www.synergos.org