

“I’m seated behind a desk in Amsterdam, so why should I be the one making decisions?”

Plutocratic philanthropy: Elite influence in philanthropic foundations and participatory grantmakers

Abstract

The modern version of the large philanthropic foundation found in the US and the UK emerged in the early 20th Century, but these have increased in size and ambition in recent years. Foundations such as the Gates Foundation offer wealthy elites an opportunity to perpetuate their influence, and thus are accused of enabling plutocratic philanthropy. The growing field of participatory grantmaking aims to address concerns about elite influence in traditional foundations by devolving decisions about philanthropic funding to those affected by the outcome of those decisions. In this research I develop a case study, based on 15 semi-structured interviews with people involved in both traditional foundations and participatory grantmakers, to understand articulations of participatory grantmaking and provide insight into how the approach differs in practice from traditional foundations. I find that in participatory grantmaking issues of power are foregrounded, and notions of legitimacy, agenda-setting and accountability differ. Participatory grantmaking articulates activists as legitimate decision-makers, and unlike traditional foundations, where staff feel primary accountability to an unelected board, participatory grantmaking staff feel accountable to a broader movement. I discuss the broader implications of these findings for participatory grantmaking as well as the use of participatory approaches in more traditional foundations.

Key words: Philanthropy, Inequality, Elites, Democracy, Grantmaking, Nonprofit, Foundations, Participation

Contents

Abstract	1
Contents page	2
1. Introduction	3
2. Literature Review	8
2.1 Philanthropic foundations	9
2.2 Legitimacy, agenda-setting and accountability	10
2.3 Participatory grantmaking	13
3. Research aims and methodology	16
3.1 Reflexivity	16
3.2 Methodology	18
3.3 Ethics and limitations	21
4. Discussion of findings	23
4.1 Different worlds	24
4.2 ‘Funders’ and ‘Activists’ as legitimate actors	25
4.3 ‘Shifting power’ as agenda-setting	29
4.4 ‘Boards’, ‘Movements’ and alternative accountability	33
4.5 Differing mindsets	36
5. Conclusion	41
Bibliography	43
Appendix 1: Case study data	48
Appendix 2: Participatory grantmaker information	50
Appendix 3: Interviewee information	53

“I’m seated behind a desk in Amsterdam, so why should I be the one making decisions?” **Plutocratic philanthropy: Elite influence in philanthropic foundations and participatory grantmakers**

Charitable foundations are large and growing. In 2012, foundations in the United States had \$715 billion under their control, and between 2003 and 2008, 10,000 new foundations were created (Schlegel 2016). The scale of US philanthropy is unusual, but trends in the United Kingdom are similar, and in both countries philanthropy has been encouraged to fill gaps in public services as tax revenue reduces (Cordelli 2016). Yet UK tax relief for philanthropy removed £1.8 billion of revenue from democratic budget control in 2016 alone (Almunia, Lockwood, Scharf 2017), and philanthropic funds have been used for initiatives that include voter suppression campaigns that disenfranchised African-Americans with ‘surgical precision’ (Murphy 2017). Philanthropy offers the wealthy disproportionate influence over policy-making, culture change, and other aspects of society (Callahan 2017). Put simply, philanthropy allows those *with* wealth the ability to intervene in the lives of those *without* wealth. The most significant vehicle for this influence is philanthropic foundations.

The tax incentives governments offer to philanthropic foundations are an indication of their perceived benevolence and legitimacy. In popular discourse too, philanthropists are admired and lauded for their generosity (Acs 2013). The discretion the ultra-rich hold to distribute their wealth as they see fit is considered a natural part of our societies, though this is a relatively recent phenomenon (Saunders-Hasting 2018). Foundations accord the wealthy the means of pursuing their philanthropic interests in perpetuity, serving to magnify their ‘hyperagency’, arguably the distinctive class trait of the rich (Schervish 2004).

With its \$44 billion endowment, the Bill and Melinda Gates Foundation¹ has attracted a level of attention and scrutiny to philanthropy that hasn't been present since Rockefeller and Carnegie invented the modern foundation as we know it (Zunz 2016). This scrutiny is especially important at a time when large-scale institutional giving is providing essential services (Russakoff 2015), being celebrated as a solution to poverty (Acs 2013) and incentivised by governments as a counter to austerity (Eikenberry & Breeze 2018). Yet much of the literature focuses on 'efficiency': scrutinising the outcomes of philanthropy and evaluating results, often using terminology borrowed from business such as Value for Money. While questions about efficiency may be necessary, I argue they are of secondary importance to broader questions of how such large fortunes were accumulated, to what ends the money is directed and, most importantly of all, who is setting the agenda. In this research I focus not on 'Have needs been met, or not, by philanthropy?', but rather on 'Who determines these needs?'

As philanthropic foundations are inextricably linked to inequality, questions of 'who decides' are particularly problematic. Foundations exist due to fortunes being amassed, and would not exist in the absence of needs requiring alleviation. Yet foundations may perpetuate the very inequalities that bring them into existence (Eikenberry & Mirabella 2018), inequalities that many foundations claim they are established to redress². In foundations, the power to make decisions that affect the lives of others normally lies with a small group of unaccountable trustees: their boards. The Gates Foundation's resources are allocated at the

¹ Henceforth referred to as Gates Foundation.

² The Gates Foundation's website proudly states 'We are impatient optimists working to reduce inequity'. There is no mention of the \$20 billion in tax relief the foundation accrued nor the anti-competitive practices Gates engaged in while amassing his fortune (McGoey 2015).

discretion of just four board members: Bill, his wife Melinda, his father Bill Senior, and the billionaire Warren Buffett.

This arrangement, whereby the interests of donors are heavily privileged over the interests of the people affected by their activities, has been criticised as ‘plutocratic philanthropy’ (Saunders-Hasting 2018). Crouch has argued that we are experiencing ‘post-democracy’, which is leading towards ‘the establishment of a new dominant, combined political and economic, class (2004: 52). Charitable foundations contribute to this, as the rich avoid taxation and thus democratic governance by exercising their philanthropic preferences.

Regardless of the intentions or outcomes of a foundation’s activities, inequity exists in philanthropic interactions. There are fundamental questions about the legitimacy of agenda-setters within foundations. The power to determine needs that require alleviation, as well as the method by which those needs are addressed, lies with a small group of elites who experience little external accountability³. On what grounds do those with wealth make decisions about the lives of those without wealth? Horvath & Powell (2016) argue that foundations such as Gates’ hold the ability to change public discourse, set the agenda for change, and erode government services. Their philanthropy ‘seeks to shape civic values in the image of funders’ interests and, in lieu of soliciting public input, seeks to influence or change public opinion’ (Horvath & Powell 2016: 90). They suggest that ‘some form of community oversight’ is necessary, as a moderator of the injustice of philanthropy is ‘the degree to which such actions are viewed as legitimate’ (Horvath & Powell 2016: 122).

³ Foundations board members are accountable only to charity regulators; ‘far from substantive accountability’, as Reich (2016: 68) puts it.

This research investigates participatory grantmaking, an emerging field of philanthropy which claims to address these concerns by shifting decision-making away from wealthy elites towards the communities that are affected by the decisions. Participatory grantmaking as an idea is growing in popularity and it gives primacy to questions of ‘who decides’. There is, however, very little research on participatory grantmaking approaches. This research explores how participatory grantmaking is articulated, and how this differs from traditional foundations. I explore differing notions of legitimacy, agenda-setting and accountability, and conclude that participatory grantmaking articulates an ethos in opposition to traditional foundations. Although further research is needed, I argue that participatory grantmaking poses an important alternative to the discourse of efficiency that has depoliticised philanthropic debates.

Participatory grantmaking is an umbrella term, covering a spectrum of practices that engage constituents in the grantmaking process. For this study, I focus on organisations established entirely as participatory grantmakers, rather than on participatory practices in traditional foundations. In traditional foundations, staff will solicit proposals from nonprofit organisations working in an area of interest defined by the board. Staff review these proposals, then make recommendations to the board, who then make the final decision. Participatory grantmakers, on the other hand, tend not to have boards, instead having large numbers of community members reviewing proposals. For example, the Red Umbrella Fund, based in Amsterdam but operating globally, was founded in 2012 to distribute grants to sex worker organisations. As well as defining the strategy, sex workers recruit the staff (who oversee administration), approve the budget, and assess proposals to decide which get funding.

In terms of resources, participatory grantmaking represents a drop in the philanthropic ocean, yet it is increasingly popular. A recent Ford Foundation report, *Participatory grantmaking: Has its time come?*, outlines factors driving this trend that include ‘foundations under fire for hewing to traditional, closed-door practices’ and critics accusing philanthropists of ‘acting too much like oligarchs’ resulting in ‘a push to democratize philanthropy’ (Gibson 2017: 8). Participatory grantmaking, it claims, democratises philanthropy by centering those who are often marginalised in philanthropic processes. Investigating this area illuminates critiques of plutocratic philanthropy.

In the next section, I review the literature on philanthropic foundations. I then detail my research methodology. In Section 4 I discuss my findings, before concluding my argument in Section 5.

2. Literature Review

Studies of philanthropy exist in many disciplines, yet it is ‘under-analyzed’ and what academic literature exists is scattered and diverse (Reich et al. 2016). Surprisingly little attention has been paid to philanthropy, and even less has been said about philanthropic foundations, despite their influence (Callahan 2017). This may be because the lines between private philanthropy and foundations are blurred (Reich et al. 2016), the scope is too broad (Harrow 2010), or because academics fear philanthropist ire (Roelofs 2007). Reich argues that foundations ‘represent, by definition, plutocratic voices in a democratic society committed, at least in principle, to the equality of citizens’ (2016: 67), and as such merit further scrutiny.

Here I focus on ‘plutocratic philanthropy’, whereby philanthropy offers elites a means of governing on the basis of wealth, and the institutions that ‘privilege, magnify, and enforce the influence of the rich’: their foundations (Saunders-Hastings 2018: 150). This research separates the moral arguments about donors and the impact of their giving from the structural problems of elite influence, especially approaches that cede control to them. Accounts of the motivations and benefits accrued by philanthropists have been dealt with extensively elsewhere (e.g. Morvaridi eds. 2015), as have explorations of the successes and failures of their endeavours (e.g. Russakoff 2015). Reich asks ‘how does, and should, philanthropic power, which tends naturally to be exercised by the wealthy, interact with expectation of equal citizenship and political voice in a democracy?’ (Reich 2016: 2). It is this interaction I explore.

2.1 Philanthropic foundations

My focus is on US and European philanthropy, as the institutions under discussion emerge from these contexts. This research does not assess philanthropy from a Global South perspective, but acknowledges that practices that are considered precursors to participatory grantmaking arise from the South (Eikenberry 2009). The US context dominates literature on philanthropy, perhaps due to the global scale and influence of US foundations (Roelofs 2015) and the high involvement of private philanthropy in public services in the US (Saunders-Hasting 2018). The dominance of US modes of philanthropy requires further investigation, particularly from a decolonial perspective, as foundations often mirror a highly problematic humanitarian discourse of ‘benevolent intervention’ (Kapoor 2004). The prevalence of US foundations demands special attention in a globalised context, as ‘the way philanthropy is done, the way it is structured, and its preferred objects become battlegrounds for other issues’ (Ilchman, Katz, Queen 2007: 19). Nickel & Eikenberry (2010) argue these issues are of particular salience as the era of globalisation encourages ‘philanthropic governing capacity’. They argue that ‘philanthropic governance has a long history of managing the public’s perception of wealth in order to make gross inequity appear as though it is a benevolent relationship’ (Nickel & Eikenberry 2010: 272), and foundations are a particularly effective means of achieving this. In the promotion of the US-style private foundation, a particular model of philanthropy is being exported, raising questions of isomorphism.

Philanthropic questions require ‘normative (value-orientated) scholarship and positive (empirically oriented) social science,’ yet the two areas ‘rarely engage one another’ (Reich et al. 2016: 14). Harrow argues that work on foundations is often ‘more theory-driven than

empirically-led' (Harrow 2010: 30). Roughly, we see empirical research that focuses on foundation activities, particularly their efficiency in meeting their objectives (e.g. Ostrower 2007); or normative literature that explores issues of justice, such as compatibility with democratic principles (e.g. Reich et al. 2016). There is a need to bridge the gap, as this research does, between theory-driven discussions of justice and empirically-led investigations into operations. Literature on foundations has also tended to focus on the benefactors - the motivations of and benefits accrued by individual philanthropists - rather than institutions. This is despite their potential to magnify influence, leading to accusations that foundations are 'prime constructors of hegemony' (Roelofs 2007: 479).

2.2 Legitimacy, agenda-setting and accountability

Foundations are a defining feature of richness in philanthropy, because although any citizen may engage in philanthropy, only the wealthy can establish foundations to enforce their philanthropic preferences. As such, they embody 'philanthropy as an exercise of plutocratic power' (Saunders-Hasting 2018: 150). The foundation is the most important means the wealthy have to 'transmit influence across decades' (ibid: 152). The gap in research also includes foundation personnel. Harrow notes that despite the increasing importance of professional staff, 'research on the workforce is not extensively pursued' (Harrow 2010: 125). One study, by Hwang & Powell, did investigate staff influence, concluding they act as a driving force for rationalisation in the broader nonprofit sector: 'the impact of normative isomorphism is not explained by funding exigencies but by the imprint of specific carriers,' namely 'foundation officers' (2009: 287).

Foundations have not gone without criticism. Scholars outline the history of suspicion that dogged the establishment of the first foundations in the US over a century ago. Viewed as ‘deeply antidemocratic’ institutions, existing ‘in perpetuity’ and ‘unaccountable’, their establishment was resisted (Reich 2016: 65; see also Zunz 2016; Roelofs 2007). Yet now, perhaps due to the ascendance of philanthrocapitalism, an approach to philanthropy that mimics businesses in the profit-driven capitalist world by focussing on efficiency (Bishop & Green 2008), foundations are openly promoting the benefits of the system of profit accumulation, and philanthropists are championed (Acs 2013). This has led to suggestions that citizens now view philanthropic actors as legitimate governors (Horvath & Powell 2016).

These concerns raise issues of the exploitation needed to amass such fortunes. Eikenberry & Mirabella have noted that within the literature ‘there is little questioning that the same system that created problems that need to be addressed should be used as the approach to address these problems’ (Eikenberry & Mirabella 2018: 45). Austerity adds another dimension. The US, UK and Irish governments have encouraged philanthropy as a counter to their austerity policies (Eikenberry & Breeze 2018), yet both the original income and investment profits of foundations are tax-exempt, and as such they operate with ‘twice stolen wealth’ (Gilmore 2009). Cordelli (2016) argues that in times of inequality the wealthy have a duty of reparations, regardless of whether they are responsible. Philanthropists should be considered debtors, and as such denied any discretion over the use of the funds (Cordelli 2016). Yet this discretion is the norm in philanthropy.

Foundations give small numbers of unelected people remarkable influence. The Gates Foundation determines public policy on education, pursuing charter schools, standardised testing and teacher accountability regardless of the lack of evidence of efficacy of these

approaches (McGoey 2015). Gates has a larger global health budget than the World Health Organization, which Nickel & Eikenberry note offers their four board members ‘the governing capacity to decide which diseases are eradicated - who lives and who dies - not because they represent the public and collective will, but because they have accumulated massive profits’ (Nickel & Eikenberry 2010: 272).

Foundation boards are rarely representative of the population they intend to serve, or even the population at large: UK foundations’ boards are 99% white, 66% men, and 60% aged over 65 (Goddard 2018). Evidence from the US also shows that the rich hold different perspectives to everyone else. Page, Bartels and Seawright (2013) demonstrated that only 17% of those in the top 1% of income agreed that wealth should be redistributed via heavy taxes, in comparison with 52% of the general public. Therefore it is unsurprising such a small percentage of foundations pursue social justice (Schlegal 2016). It is not only in foundations that positions of power are disproportionately held by rich white men, yet unlike CEOs or MPs, foundation boards have neither market nor electoral accountability (Reich 2016). Philanthropy is ‘a privatized form of governance imposed by the unelected wealthy’ (Nickel & Eikenberry 2010: 274). Their conclusion is similar to Cordelli (2016) and Horvath & Powell (2016): ‘the individuals whose well-being philanthropic governors seek to impact through their wealth ought to have a voice in how their lives are governed’ (Nickel & Eikenberry 2010: 257).

Saunders-Hastings notes ‘deference to donor control may seem like a natural and universal feature of philanthropic giving’, but in reality ‘the instruments by which elite philanthropists enjoy durable influence’ are policies designed to cater to their preferences (Saunders-Hastings 2018: 158). In ancient Greece the wealthy could donate only after negotiations with citizens

and public acceptance of their gift. Instead of deference to elites, we must seek alternatives that reduce their control. In doing so ‘we should direct our attention to the oligarchic outliers in our societies: institutions that intentionally or predictably amplify the influence and authority of the rich over other citizens’ - namely, foundations (ibid 158). I argue an alternative exists in participatory grantmaking.

2.3 Participatory grantmaking

Participatory grantmaking has been rising in prominence as an approach that aims to involve affected communities in philanthropic decision-making, yet to date has not been the subject of much academic research. Limited research exists on similar approaches: for example, Eikenberry’s work on giving circles offers a perspective on ‘democratizing philanthropy’ (Eikenberry & Breeze 2018) yet because decisions are still made by donors, criticisms remain. Research on alternative accountability in community foundations offers insight, yet community foundations undertake general funding that responds to the interests of their donors (Ostrower 2007), traits not shared by participatory grantmakers. Closest to participatory grantmaking is the research on what Silver (1998) and Ostrander (1995) call ‘alternative foundations’ in the US: those funding progressive social change by ‘making grant decisions in ways that challenge class power’ (Silver 2007: 538). Although their research focused on the benefits accrued by individuals, the design of institutions was shown to temper donor influence (Silver 1998). These alternative foundations are precursors to participatory grantmakers, yet salient differences remain, as decisions remain with staff and boards.

Literature on participatory approaches developed outside philanthropy is relevant to this study. Substantial research on participatory methods exists in Development Studies. In 2009

Chambers undertook an overview of the participatory approaches he helped to pioneer, concluding the ‘mindset’ (what he calls ‘ABC’: Attitudes and Behaviour Change) is of paramount importance (Chambers 2009: 87). Critics of participatory development are informative too, especially those who follow Spivak in viewing these interventions as inevitably hegemonic (e.g. Kapoor 2004), as well as theorists that employ a Foucauldian analysis in warning that participatory practices may mask the nature of circulating power (e.g. Cooke & Kothari eds. 2001).

Participation in governance is so ubiquitous some claim a ‘participation revolution’ has occurred: ‘increasing citizen voice is viewed as a necessary counterweight to elite power and bureaucratic rationality’ (Lee, McQuarrie, Walker 2015: 7). Yet Baiocchi & Ganuza (2017) note that participatory governance has detractors, who see it as a tool of neoliberal rationalisation, as well as champions, who view it as a ‘citizen revolution’. Their ethnography of participatory budgeting, a participatory approach to government budget-setting, shows the method has both radical and reductive potential. This research follows theirs, by ‘say[ing] something about what participation as currently practiced, makes possible’, rather than testing its effects (Baiocchi & Ganuza 2017: 10).

Amongst nonprofit practitioners, information on participatory grantmaking has been growing. The publication ‘*Who Decides?*’ (Hart 2014) popularised the term and by 2016 articles, blog posts and conference sessions were spreading. In 2017, the Ford Foundation released ‘*Participatory Grantmaking: Has its time come?*’, and in 2018 a GrantCraft guide on the subject will be launched. All agree the basic tenant is to engage constituents in grantmaking, although some claim a ‘paradigm shift’ in philanthropy is occurring (Hart 2014).

In summary, relatively little literature exists on foundations, despite their sizeable resources and potential to magnify elite influence. Foundations are growing in ambition, and encouraged as a solution to global problems. Yet foundations allow the rich to make decisions about the lives of the poor by virtue of wealth alone. Participatory methods, positioned as a corrective to inequalities in governance and development, are gaining momentum as an alternative form of philanthropic institution, yet our understanding of this is limited. This research contributes to this gap, combining theoretical notions of philanthropic inequality with empirical investigations into articulations of participatory grantmaking, to explore how this approach may differ to traditional foundations.

3. Research aims and methodology

This research reflects on the philanthropic trends in the literature and the criticisms they provoke. Following Baiocchi & Ganuza (2017) I am less concerned with the extent to which participation is ‘successful’ than I am with its potential to foreclose or open alternatives to mainstream philanthropic practice. The following research questions are explored:

- How do those involved in participatory grantmaking articulate their work?
- How does this differ to traditional foundations, particularly around elite influence?

I develop a case study as the most appropriate methodology, as it is useful for multi-disciplinary research on under-studied issues (Harrison et al. 2017). The case study is based primarily on ethnographic interviews with advocates of participatory grantmaking, to explore their perspectives on practices and their meanings. My methods are also informed by action research, as I am a member of the community under investigation, and thus a collaborative approach was taken with research subjects. As part of the participatory grantmaking community, my intention was to create knowledge to inform potential future interventions for implementers and academics.

3.1 Reflexivity

Having worked in the nonprofit sector for over a decade, I am inevitably a participant in this research. I have been outspoken on the challenges of philanthropy, and since 2014 have worked with participatory grantmakers, both on a paid and voluntary basis. My background renders me heavily staked. However, my interest in researching this field stems from a

genuine curiosity about its claims and underlying principles. I was deeply conscious of biases as the research unfolded, and highly motivated to scrutinise my assumptions. Practically, my positionality enhances this research as I benefit from remarkable access and a familiarity with sector debates. Methodologically, it is apt a participatory method is investigated by someone involved (Chambers 1994c).

Inspired by feminist research practice, I aimed to create knowledge for - rather than on - my research subjects, and therefore reached out to organisations I work with. My closeness to the issue was evident during data collection, as I used my network to find subjects and gather information. Interviewees likely articulated issues to me in a way they would not have done with a researcher unfamiliar with the subject, for example by explicitly comparing their approaches to organisations I have worked with. This presents opportunities, such as greater detail, as well as potential challenges, for example when a shared viewpoint was assumed. Adopting ‘the role of an informed outsider’ (Welch et al 2002: 625) was not always possible, yet interviewees were remarkably frank, likely due to a sense of shared experiences.

I began the research process highly conscious of my lack of objectivity, but as I explored action research (e.g. Reason & Bradbury eds. 2001) and standpoint theory (e.g. Harding 2004) an awareness grew of my positionality as an asset, theoretically as well as practically. During one interview, a respondent said ‘*many of us have honed those skills that are needed to navigate the philanthropic sector*’, which has salience here. Had I not ‘honed these skills’ I would have been forced to use only publicly available information and possibly a few interviews with the sector’s most vocal characters. Instead, I was able to compose emails that granted access to normally secretive foundations. My background offers a familiarity with sector jargon that was useful during data collection and analysis. I hold a significant amount of tacit knowledge,

and I worked hard to access it via deep reflection. I documented my assumptions throughout the process, and returned repeatedly to my notes to draw out what had shifted in my understanding.

3.2 Methodology

A case study was chosen, where participatory grantmaking as an approach is the case being studied. Focussing on a single grantmaker would limit the usefulness of the research: ‘their’ approach is not ‘the’ approach. Case studies are especially useful for complex areas where boundaries are unclear (Harrison et al. 2017). The structured approach of Yin (2004) informed design, with sampling based on Merriam & Tisdell (2016). Interviews were chosen as a means of drawing out narratives and meanings, complemented by other evidence. Formal fieldnotes were not taken, but ongoing observational notes (for example, reflections at conferences) were organised and used to inform the analysis (Emerson et al. 2001). Table 1 offers a brief overview of data analysed. Further details can be found in Appendix 1.

Table 1: Data analysed

Overview of case study data sources
Interviews with participatory grantmaking advocates I conducted in May and June 2018 (12 in total)
Philanthropy sector print media, including covers and articles
Online information, including nonprofit sector reports, blogs and websites
Dataset 2: <i>The case study data was complemented by a secondary dataset I conducted in March 2018 for a study that investigated the perspective of senior staff in traditional foundations, henceforth referred to as Dataset 2.</i>
Interviews conducted with traditional foundations that fund social justice (3 in total)

Triangulation was used for ‘richer conceptualizations’ and to check for bias, rather than factual cross-checking (Eden & Huxham 2006: 401). Although the range of data collected allows a fuller understanding, case studies demand high levels of organisation, and data needs to be compiled and coded systematically in order to be analysed in a methodical manner (Gerring 2006). This required balancing against an inductive and iterative process of categorisation and analysis. An initial batch of interviews was transcribed and analysed using a thematic approach informed by discourse analysis, before two further batches were conducted. Analysis included re-reading transcripts and documents before coding them; re-coding, clustering and grouping themes with similar data; comparing responses in Nvivo; and the development of mind-maps. The analysis was primarily guided by the research question, but an inductive approach allowed for other topics to emerge. The findings were coded and grouped using the network approach of Attride-Stirling (2001).

Although interviewees are unlikely to consider themselves ‘elite’, the definition Welsch et al. (2002) use for corporate elites - a senior manager with responsibility for an area of high status, in possession of considerable expertise, networks and exposure (Welch et al. 2002: 613) - is applicable to some of my research subjects. Elite interviewees can pose challenges, including access, openness and power-dynamics (Welch et al. 2002) but, due to my background, access was less a function of willingness to engage and more a logistical issue. I had to negotiate times with interviewees’ assistants and meet in non-ideal circumstances (over breakfast in their hotel, for example). Questions were designed to mitigate the potential that elite interviewees offer only the ‘party-line’, for example by encouraging personal anecdotes.

The 12 interviewees were selected to offer a range of perspectives on participatory grantmaking with a particular focus on three organisations: FundAction, Edge Fund and Red

Umbrella. Details on these organisations are in Appendix 2. Due to the context-specific nature of participatory grantmaking, differences between them are substantial, but they were chosen for what they have in common. They all share a deep level of community involvement in aspects such as initial design, ongoing strategy and budget approval, in contrast to foundations that have a participatory aspect yet use a traditional approach for the majority of their decision-making. They are all Europe-based, which offers something of a shared context. Finally, they all articulate a focus on social justice. Many participatory grantmakers do not employ a justice lens: aims are closer to service delivery. Although comparing these objectives would be interesting, for this research I focus solely on participatory grantmakers based in Europe with a social justice purpose. This was necessary for the research to be manageable, although it limits the generalisability of the findings.

Roles in participatory grantmaking are blurred⁴. All interviewees wear ‘*many hats*’, as one put it. Table 2 shows a rough categorisation, and further details are in Appendix 3.

Table 2: Primary role of interviewees

Staff of a participatory grantmaker	4
Staff of a traditional foundation that funds participatory grantmaking (for example, Open Society Foundation funds FundAction)	4
Other affiliation (e.g. individual donor, participant, advocate)	4

⁴ For example, Magda is a feminist activist in Poland. This led to her becoming a volunteer advisor for the global participatory grantmaker FRIDA. Her experiences with FRIDA encouraged her to found FemFund, Poland’s first participatory grantmaker. To fundraise for FemFund, she joined FundAction, a European participatory grantmaker. Therefore, Magda is a participant, funder and grantee, with no firm lines between these roles.

Interviews took place in May and June 2018 using a semi-structured approach based on a topic guide with a core group of questions. Information such as gender and race were not solicited, as I felt this was inappropriate for the purpose of this study. In my experience participatory grantmaking is considerably more diverse than traditional foundations, but further exploration could investigate this - as well as other features such as class position - properly.

3.3 Ethics and limitations

Reputational risks for participants was an ethical concern. However, the focus was on the approach rather than organisations, and all data was anonymised from the offset, saved with pseudonyms on a password-protected server. Two participants wanted to understand more about the study than the consent form and information sheet provided. Both are from backgrounds where surveillance is common, so they were made comfortable that interviews would avoid any discussion of their activities.

An investigation into participatory approaches that doesn't talk to participants - the community the approach intends to serve - is obviously limited. Reasons for neglecting this stakeholder are methodological and practical. Firstly, this research explores the claims of participatory grantmaking, rather than the results. Secondly, participant interviews were discussed, but after the first analysis it became clear the perspective of advocates alone would demand substantial time. Thirdly, interviews with participants were challenging to organise in the timeframe, as they had extremely limited availability. Having built relationships with participants keen to share their views, I would like to consider future research that centres their perspectives, in-keeping with the principles of participatory approaches. This concern is

partly mitigated, as the '*many hats*' worn in participatory grantmaking mean that at least five of the 12 interviewees have also been participants. For example, two interviewees had become staff of participatory grantmakers having formerly participated in the process. These '*many hats*' resist straightforward categorisation, but adds depth to the findings.

Interviews with wealthy benefactors of foundations have not been conducted. Their motivations, backgrounds and various forms of capital have been explored extensively elsewhere (e.g. McGoey 2015; Levy 2016; Callahan 2017). Philanthropists are regularly afforded the opportunity to articulate their interests, intentions and ideologies. In keeping with my feminist intentions to challenge structural inequalities, the focus of this study is on those who seek to build alternatives to the current system. As such, the perspectives of those on the margins of the sector - those least likely to be interviewed by the media or invited to speak at conferences, for example - are prioritised.

4. Discussion of findings

Many themes emerged in the analysis, but I focus on findings that illustrate the ethos participatory grantmaking ascribes to, comparing it to that of traditional foundations. I find that those involved with participatory grantmaking articulate their work in opposition to traditional foundations, where elite influence is the norm.

The findings construct a narrative around two separate groups of people, that I categorise as ‘Funders’, and ‘Activists’. I argue that this distinction demonstrates how those involved in participatory grantmaking differ from traditional foundations in terms of who they view as legitimate decision-makers, as the data shows normative intentions for decisions about money (and hence strategy, staffing, grantmaking etc.) to be made by those *‘closest to the issue’*. I argue that this accounts for the substantial difference in accountability articulated by participatory grantmakers, who feel accountable to *‘the movement’*, and those in traditional foundations, who feel primary accountability to *‘the board’*.

Although I cannot make claims around the practical outcomes of these sentiments, participatory grantmaking appears to differ in articulations of legitimacy and accountability, and in doing so upends notions of elite agenda-setting. This conclusion demands caution however: the narrative of Activists and Funders oversimplifies complex issues, and participation holds substantial risks.

4.1 Different worlds

Two different worlds emerged in the analysis that frame the rest of the findings: ‘Reality’, which is evoked with outdoor metaphors such as the ‘grassroots’, ‘the ground’ and ‘outside’; and the ‘Foundation World’, which employs indoor metaphors, recalling offices, closed doors and boardrooms. Every respondent spoke about foundations as removed from reality in some way. The phrase ‘different worlds’ was used several times, with the world ‘outside’ foundations depicted as somehow more ‘real’. One interviewee described this separation as ‘a construction of otherness’, perpetuated by both staff and grantees. This construction takes on further physical dimensions: as well as ‘outside’, when discussing the non-foundation sphere, the notion of ‘the ground’ was raised by more than half of interviewees, and the term ‘grassroots’ used 18 times. The Ford Foundation say ‘Getting outside our own frame of reference is healthier’, so they should open up to ‘real people’. There is a sense that there is a natural, healthy, experience in ‘the field’.

This stands in contrast to the physical depictions evoked when discussing foundations that conjure up indoor metaphors, coded as the ‘Foundation World’. The ‘world of philanthropy’⁵ was mentioned by nine interviewees, always as a separate sphere from ‘the ground’. There were several mentions of ‘sitting in an office’, along with references to boardrooms, meeting rooms and desks. These were normatively imagined, offered as examples of the wrong place to be making decisions, illustrated in comments such as ‘they sit behind closed doors’ and ‘giving is done behind closed doors’. There is a sense that foundations are indoors, stifled and cut-off. The physical spaces encountered during data collection inform this picture. Both of the premises of traditional foundations I visited were unmarked buildings on quiet side-streets in central London, where two sets of locked doors guarded the office entrance. These barriers invite

⁵ Interviewees use ‘philanthropy’ as shorthand for large, traditional, institutional foundations.

suspicion from participatory grantmaking staff: *I wonder, in those kind of closed spaces where decisions are being made, who are they accountable to?*

This theme raises questions about the location of participatory grantmaking, posed by staff themselves:

I feel like philanthropy more broadly maybe isn't that interested in questions of capitalism. And so, then, I wonder where an organisation like [mine] sits within the wider philanthropy world' (Tina)

One interviewee called participatory grantmaking 'an oasis' in the Foundation World.

Another said they felt it is a 'bridge' between the two worlds. One traditional foundation

representative said they were involved in participatory grantmaking as they are 'trying to get

[their] hands dirty'. Unpacking articulations of participatory grantmaking involves

understanding the shared perspective of the indoor Foundation World as separate to Reality outside.

4.2 'Funders' and 'Activists' as legitimate actors

The findings show a clear separation of roles, as two distinct groups of people emerge, categorised as 'Funders', and 'Activists'.

'The first time that I saw a funder from an activist perspective, I thought that they were kind of aliens to me because we lived very different realities' (Mary)

'[Participatory grantmaking] is co-creating a system where decisions on individual grants are made through peer review panels composed of activists rather than people like me' (Ian)

'I do not see myself as a funder [laughs]. I still see myself as somebody who's massively part of the movement. I think I see myself as an activist, first and foremost, who happens to work for a radical funder' (Tina)

Clearly, this oversimplifies a complicated issue. The Activist outlined here is romanticised, almost fetishised, and certainly homogenous, inviting criticisms of essentialising through the production of an 'authentic' activist (Kapoor 2004: 638). It also creates the illusion of consensus on who is a valid decision-maker, whereas the complex process of defining legitimate participants is actually an ongoing challenge in the participatory grantmaking process. How a participant is determined is contested, and staff acknowledge their role in this process is not neutral; one raised the concern that staff hold '*invisible power*'. The simplistic dichotomy between Activist or Funder drawn here also recalls work on the binaries created in participatory development ('professional' / 'local' becomes 'powerful' / 'powerless') which may 'simplify the nature of power and reassert it' (Kothari & Cooke 2001: 142). The participatory grantmaking process involves a contestation of identities that is not acknowledged when the identity of Activist is considered resolved, as it appears to be in these articulations.

Nevertheless, it is clear that few interviewees want to primarily identify as a Funder. The three interviewees who openly described themselves as Funders all did so with caveats, via self-consciousness (*'I find that hard to say that with a straight face'*), or emphasising that they are 'used to be' an Activist. This dynamic is highlighted in responses to the question '*How did you*

come to be here?”, coded as ‘The Origin Story’. Of the 15 interviewees who were asked this, only one stated that working in the sector was an intentional choice because she was attracted to the benefits it offers. The largest group, seven of the 15, including all the traditional foundation representatives, specifically emphasised an unintentional ‘fall’ into the sector, having previously slogged it out ‘*on the other side*’ (i.e., in nonprofit organisations).

‘My trajectory was not at all in philanthropy, I was a practitioner, for sure’ (Maria)

This reticence to identify as a Funder creates an identity crisis, particularly for staff of participatory grantmakers. The separation of Activist and Funder recalls Friedson (1994), whereby ‘Amateurs’ are motivated by love and ‘Professionals’ by money. This is expanded upon by Hwang & Powell (2009) in their work on the rationalisation of nonprofits, where they see ‘a contrast between grassroots volunteers and career-minded professionals’ which ‘raises issues that are at the heart of nonprofits’ identity and culture’ (2009: 289). These identity issues were clearly articulated by one interviewee, who emphasised the change she had wrestled with since leaving activism to join a participatory grantmaker. The two distinct roles of Activist and Funder are clear, alongside a longing for a legitimacy to act that the identity of Funder does not offer:

‘I’ve been a sex worker myself for sixteen years. I did various forms of activism... I would have never gone into funding myself, but it happened that my boyfriend say ‘listen, you can do this job’... I don’t think I would have got a job in any funding organisation if it’s not for the structure, which is participatory grantmaking... But it’s been a challenge to step back and allow these discussions to happen without me involved, because I think you have a different role when you become a funder. I think it has helped me to stop calling myself an activist because, now, I have a salary and I don’t

think it's fair for some activists... For the first few weeks, I was like 'I don't want to be a funder, I only want to be an activist!'" (Mary)

Participatory grantmakers believe that Activists should act, so Funders must 'step back'. Mary draws a distinction - Funders are paid, professional and privileged, and Activists exist in precarity - that was drawn elsewhere:

'I would name myself an activist but I would not name myself an activist similar to someone whose day-to-day life is "on the frontlines," right, because I am removed from it, and I can choose'
(Helena)

This notion of 'choice' seems key. Activists can't 'choose' to engage, as they are directly affected by the issue, rather than having a professional or financial relationship to it. The distinction drawn between Funders and Activists is related to the agency that choice offers: a Funder is someone who is financially secure enough to choose to distance themselves from the cause they are pursuing. As such, Funders hold agency that Activists do not. However, 'if agency is the capacity to make choices largely within the rules and resources that are socially given, hyperagency is the capacity to be a creator or producer of those rules and resources', then it is the philanthropist that creates the foundation who holds hyperagency (Schervish 2003: 2). This hyperagency exists in part due to a philanthropic system that endorses elites influence, allowing them to set agendas through their donations. Recall that 'deference to donor control may seem like a natural and universal feature of philanthropic giving' (Saunders-Hasting 2018: 158), yet it is recent laws, policies and norms that cede this control. In participatory grantmaking however, what is viewed as 'natural' is an inversion of this

control: legitimate decision-makers are Activists, those who usually lack agency in the process.

Following Weber, Horvath & Powell ‘consider legitimacy to represent faith a particular social order, most notably, the extent to which that order is collectively felt to be natural and proper’ (2016: 120). Horvath & Powell interpret the lauding of philanthropists as an indicator of the increasing legitimacy of philanthropic governance in the eyes of public. If ‘legitimacy’ is faith in a social order, then it seems that participatory grantmaking holds faith in a different social order. They depict those with agency – Funders, and philanthropists - as illegitimate in participatory grantmaking processes. Instead, what is ‘collectively felt to be natural and proper’ is Funders stepping back. Activists have legitimacy that is lacking in the Funder, perhaps because in participatory grantmaking ‘lived’, rather than professional, experience is valued:

‘directors of lots of [traditional organisations] know nothing about the local context. And when I say “know nothing,” they might have read books or have some kind of academic knowledge, but they do not have lived experience and it never felt like that was being particularly centred’ (Tina)

Participatory grantmaking articulates Funders as illegitimate decision-makers, calling into question a central tenant of traditional foundations and provoking questions of what this decision-making means.

4.3 ‘Shifting Power’ as agenda-setting

Despite the diversity of interviewees, all those involved in participatory grantmaking raised notions of ‘power’. More than half used the same term - ‘*shifting power*’ - and the need to ‘*share power*’ or ‘*devolve power*’ also came up repeatedly. Participatory grantmaking data contrasts with Dataset 2 - interviews conducted with senior staff from traditional foundations that fund social justice – where, tellingly, all three interviewees did not mention the need to ‘shift power’ at all. This absence of a discourse of power is revealing.

Those involved in participatory grantmaking problematise the power asymmetry that exists in foundation processes. Issues of power are foregrounded, motivating discussions. Although further research is needed to fully flesh out the different conceptualisations of power, in this context, ‘power’ appears associated with ‘the ability to make decisions about money’. This is regularly implied, and made explicit in some statements:

“There’s an awful lot of talk about empowerment but giving the decision to the people who are running the projects, and the campaigns, and the social movements, it’s definitely real empowerment because you are realistically handing the power over” (Paul)

Although all interviewees employed ‘*shifting power*’ in their rhetoric, another oversimplification occurs if we assert participatory grantmaking ‘shifts power’ to make decisions without fuller discussion of what this entails. For those interviewed, power appears to stem from decision-making about money, yet there does not appear to be an articulation of the tension inherent when decisions about money are linked to distribution of resources in a scarce environment. As we have seen, philanthropic wealth is often used to plug gaps in essential services, and as such decision-making about these funds may implicate the decider

in a system of unfairly distributed resources. Asserting that devolving decisions is an unequivocally positive practice is blind to the burden placed on deciding participants. Interviewees did, however, problematise the idea that any type of decision-making constitutes meaningful participation. The data shows that the level of decision-making that participants are involved in plays a substantive difference:

‘There’s big scope in terms of the level of power that you share in participatory processes, so some people might call something participatory when there’s a consultation... For us, activists [are] involved right from the start’ (Serena)

Participatory governance literature shows that the effects of the approach depend on the perceptions of participants about the level of decision-making they are involved in: whether they feel able to define the terms of engagement, rather than simply choosing from different options presented to them ready-made (Baiocchi & Ganuza 2017.) Are participants in participatory grantmaking being implicated in pre-determined agendas, or empowered to define the agenda?

Discussions of agenda-setting are fundamental, because the determination of needs is of particular political significance. When we consider ‘what is the balance of improved efficiency against distorted goals?’ (Crouch 2004: 110), it is the architects of these goals that are the true agenda-setters, not those who determine which delivery methods are used to reach them. The majority of philanthropic debate focuses on ‘improved efficiency’ via tinkering with modes of delivery, to the neglect of questions of who defined this efficiency in the first instance. Building on Fraser’s work on needs interpretation, a focus on delivery masks political questions when ‘the interpretation of people’s needs [is] simply given and

unproblematic' (Fraser 1989: 164). In current philanthropic governance, those who determine what needs should be met are those who are least likely to have experienced those needs. Around 60% of US nonprofits intend to serve people of colour, yet only 7% of foundations are led by people of colour, and nearly half of all foundation boards do not have a single non-white member (Dubose 2014). Furthermore, the philanthropic system delegates definitional authority to those 'who have already benefited from a definition of needs that allowed them to amass enough wealth that they are able to establish their own means of delivering social policy independent of the state' (Nickel & Eikenberry 2010: 274).

Philanthropic agenda-setting means that authoritative definitions of needs are being written by those who benefit most from the current unequal system, and their vast influence on policy, culture and public space means this has effects beyond their foundations (Nickel & Eikenberry 2010). As currently practiced, philanthropy allows elite hyperagents to set the agenda for all of us.

By reducing discussions of philanthropy to delivery modes rather than what the underlying policies represent, the true nature of philanthropy is disguised and the discourse depoliticised. Philanthropy contends that the system is 'natural and cannot be remedied except by those who have excelled within it' (Nickel & Eikenberry 2010: 275). This research suggests that participatory grantmaking differs by articulating an alternative for what is 'natural', as well as who can 'remedy' the situation. Excelling within the system de-legitimises governing power, as hyperagency erodes credibility in this decision-making model. Questioning the legitimacy of decision-makers rejects assumptions that those with wealth must make decisions about those without it, politicising the discourse. In articulating their vision for participatory grantmaking, three respondents recalled the disability rights slogan '*Nothing about us without us*':

'If you take that [slogan] seriously, then how can you still think of traditional funding mechanisms whereby whoever is at the office behind a desk makes the decisions?' (Serena)

How this approach differs to traditional foundations may account for a key research finding, around notions of accountability.

4.4 'Boards', 'Movements' and alternative accountability

In response to the straightforward question *'How do you view accountability?'*, all four staff members of participatory grantmakers said they were accountable to *'the movement'*, whereas four staff members of traditional foundations felt accountable to *'the board'*. Although this *'movement'* is not defined, it appears to centre a cause rather than a specific group of individuals. Interviewees may have mentioned secondary stakeholders (*'myself, my organisation, grantees'*), but their primary accountability is different. Furthermore, the participatory grantmakers did not mention a *'board'* at all, and the traditional foundations did not mention a *'movement'* (or anything similar).

'I'm primarily accountable to the board and the mission of the organisation which is legally, you know, inscribed' (Rob)

'I think we're accountable to the movements we're a part of... Some organisations are much closer to [mine] so, by virtue of relationship, we are more accountable to them or they can call us out more. But, in general, I think the movement is who we're accountable to' (Helena)

Although we must be cautious about the generalisability of this finding - especially as not all traditional foundation representatives responded as clearly - this division is striking. The interviewees were otherwise inconsistent in perspectives based on their professional affiliation; shared views tended to be shared by all. The negative construction of Funders and the Foundation World was common across all respondents, so it is surprising that this issue is so clearly differentiated. All interviewees share a vision of a world free from injustice and inequality, and all have similar backgrounds. Yet the traditional foundation representatives do not mention a broader cause or community holding them to account. Their accountability remains 'indoors', in the boardroom.

Differences in accountability seem linked to the differing mindsets of these organisations. Callahan (2017) has shown the source of foundation funding influences how it is managed - tech philanthropists establish foundations like start-ups, for example, resulting in what Hwang & Powell call the 'manifestation of a managerial mindset' in the nonprofit sector. Foundations play the 'critical role' in pushing a 'managerial worldview' because their funds 'bring particular mind-sets and practices with them' (Hwang & Powell 2009: 293). The impact of this is substantial: not only are foundations reproducing business practices within their own organisations, they are 'colonizing new domains of work, and erecting new status hierarchies' everywhere (ibid: 269). One consequence is increasingly centralised decision-making. The rationality of the managerial mindset seems incompatible with the distributed, relational approach we see in participatory grantmaking. Yet Baiocchi & Ganuza (2017) show participatory methods have a history of being championed by neoliberal bureaucrats pursuing rationalising ends, as well as citizens protesting a crisis of democracy. As such, participatory grantmaking may serve different purposes depending on the initiator's intentions. The transformative potential of participatory grantmaking may vary depending

on mindset: whether participants are considered consumers, as imagined in the philosophy of New Public Management, or political agents, as imagined by radical social movements.

The use of the term 'Activist' in this articulation suggests participatory grantmakers seek radical possibilities, yet simple conclusions cannot be drawn. One interviewee said he imagines that once his foundation becomes more participatory he will feel more accountable to '*our end beneficiaries*'. Despite an enthusiasm for participation, in his imagining, those affected are still at a distance: at the '*end*' of the process, 'benefitting', rather than initiating and owning it. Another example can be found in the Ford Foundation's approach. Ford deploy outdoor metaphors that betray a fear alongside attraction. Although terms like '*grassroots*' are used, the term '*outsider*' is used repeatedly when talking about people affected by the issues. The metaphor is of the ocean: foundations can '*catch the wave*' of participatory grantmaking if they '*dip their toes into those waters*'. The rhetoric here is less 'ethos' and more 'experiment', and as such the level of participation differs. Ford convene '*a group of nonprofit leaders, trustees and experts*' to '*generate ideas*', which may have a '*big influence*' on their strategy. Rather than deferring to those affected, they '*let outsiders in*' to their process. Here participatory grantmaking is less of a '*bridge*' than a door, allowing outsiders in to the Foundation World, where the agenda has already been set. Ford view participation as a means of increasing efficiency towards pre-determined agendas.

'*Shifting power*' from Funders to Activists appears to involve transferring accountability, moving from 'inside' accountability to 'outside' accountability. Traditional foundation staff are negative about the Foundation World yet still hold 'inside' accountability, and do not articulate a need to 'shift power'. Capitulation to a board is normalised, despite a history of over-accumulating wealth being the sole source of authority for most board members. In

traditional foundations, an excess of money functions as legitimacy to lead, rather than the negator of legitimacy that it functions as in participatory grantmaking. Participatory grantmaking staff, on the other hand, see accountability ‘outside’, raising questions of further differences in mindsets.

4.5 Differing mindsets

The construction of the ‘*mindset*’ of participatory grantmaking requires further exploration. Diversity of perspectives on what constitutes participatory grantmaking was expected; the sector has struggled to define it. Yet despite investigating a niche within a niche (participatory grantmakers in Europe with a social justice mission), there was still a broad range of expressions of participatory grantmaking. However, one recurring theme is useful: participatory grantmaking as a ‘*mindset*’.

Participatory grantmaking constructs itself in opposition to traditional foundations, a notion of difference that echoes the rest of the findings presented. Even when respondents are part of traditional foundations, they view them critically. The Gates Foundation embodies this: three participants mentioned Gates unprompted. Mostly negative characteristics (‘*top down*’ ‘*old school*’ ‘*narcissistic*’) were associated with traditional foundations:

‘there’s this kind of myopia that just doesn’t enable this kind of critical, open process of reflection to materialise’ (John)

'I think there's probably more subtle barriers [to participatory practices] about, you know, kind of old power and professionalisation and so on and seeking control' (Rob)

'Often, traditional donor spaces are seen as hierarchical and dominated by white, older men'
(Magda)

One of the traditional foundation staff talked about himself and colleagues as:

'people that are usually quite distant from the field - from reality, in a way. So, I have conferences like this one which is [pause]... At different moments during the conference, I see connections to reality, but most of it [laughs]' (Ian)

The conference mentioned is the European Foundation Centre (EFC) conference, a space where the Foundation World manifests. An annual gathering with a registration fee of €1500, it takes place in a hotel in a different capital city each year, offering hundreds of foundation representatives the opportunity to network, share learning and celebrate success. In 2018, attractions included a tour of the National Opera of Belgium and a viewing of the private library of the King Baudouin Foundation. In contrast to the participatory grantmaking events I attended where I felt distinctly middle-class and privileged with my MacBook and vintage clothes, at the EFC I stood out as a young person of colour amidst a sea of suited 'agents of wealth' (Callahan 2017) carrying briefcases and business cards. Several interviewees mentioned the EFC conference, recalling their experiences:

'We were in Rome and the topic was poverty and we were in one of the poshest hotels and it was... [pause] It was just so ridiculous' (Maria)

'It was unbelievable. I was just like 'Oh my god, I don't want to be part of this group!' Of course, I am... [pause] It was just extraordinarily homogenous' (Rob)

The desire to not be *'part of this group'* is an example of the negative depictions of those in the Foundations World: Funders. Described as *'a managerial class made up of majority white people'*, amongst those involved in participatory grantmaking, Funders are viewed as separate, 'cut off', subject to suspicion and even disdain. This is evident in the sarcastic manner that participatory grantmaking staff described Funders, as a *'managerial class'* with *'a particular kind of education'*, *'using fancy language'* and living *'the good life'*. Our original problem, that philanthropy allows those with wealth to intervene in the lives of those without wealth, finds its mirror here. In participatory grantmaking, the very credentials that enable people to join the Foundation World prevent them from being part of Reality, and thus the characteristics that allow them to become decision-makers undermines their legitimacy as decision-makers:

'I'm seated behind a desk in Amsterdam, so why should I be the one making decisions?' (Helena)

Nickel & Eikenberry argue that, like Carnegie before him, Gates uses philanthropy 'to achieve widespread internalization of a story of reality that allows for gross disparities in wealth not only to be taken for granted as a *necessary and natural condition*, but also as a basis for the wealthy governing the poor' (2010: 272, emphasis in original text). We now also see a history of excess wealth becoming the basis for global policy-making on public goods such as health and environment. That privileged elites have vast unaccountable influence via their foundations is an accepted story; discussions in sector media or the popular press rarely question the legitimacy of the philanthropist. Instead, debates focus on the relative efficiency

of their different approaches ⁶. This serves to depoliticise philanthropic debate, perpetuating a hegemonic agenda (Roelofs 2015). As such, perhaps the most important potential for participatory grantmaking is as a space that calls into question who is a legitimate actor in philanthropic governance.

Questioning philanthropy is not unique to participatory grantmaking. However, the rising profile of this approach offers an opportunity to foreground issues of power, in contrast to debates of efficiency that have dominated with philanthrocapitalism. Participatory budgeting has been shown to open up new spaces, and ‘the resulting tensions and debates, implicitly and explicitly challenged the legitimacy of the status quo’ (Baiocchi & Ganuza 2017: 137). By presenting an alternative to traditional foundations, participatory grantmaking may hold similar potential to challenge the status quo, creating space for a new story of legitimacy that has not previously been widespread. Steeped in thinking about power, the differing mindset of participatory grantmaking is articulated here:

‘I think the actual processes that you go through to do this work are as crucial as the numbers of people that you reach. So, if your processes are not centering particular voices, if you’re not working non-hierarchically, if you’re not thinking about whether or not you’re representative or not, if you don’t care about how many men are in the organisation and how white the organisation is and all of that because you don’t consider that to be important, if you don’t have those kind of intersectional approaches, then I don’t see why you would go for a participatory model’ (Tina)

⁶ A Google search for ‘philanthropy + legitimacy’ offers 397,000 results, whereas ‘philanthropy + efficiency’ yields 3.8 million results.

There is a marked difference however between this articulation of participatory grantmaking and that of the Ford Foundation, who encourage funders to ‘*experiment with some participatory activities*’, because ‘*what better way is there to show that you understand how the world in which we’re living requires new ways of thinking?*’ This mindset appears instrumentalist, absent of the political discourse deployed by Tina. More research is needed to develop an understanding of participatory grantmaking that accounts for such differing attitudes.

These issues echo challenges predicted in the nascent stages of the ‘participation revolution’ in international development 30 years ago, when a major advocate warned that the rhetoric of participation may be adopted without real change, as some simply ‘relabel’ their work ‘when it is still extractive rather than participatory’ (Chambers 1994: 959). Participatory grantmaking runs a similar risk of co-option by dominant forces to perpetuate the status quo. Funders may see it as an opportunity to buy legitimacy, or as something experimental to raise their profile, just two risks mentioned by interviewees of this research. Casting participatory grantmaking in an instrumentalist light, the mindset of extractivism remains, yet now has the veneer of participation. Herein emerges a greater risk than a watering-down of the agenda. If philanthropy depends on inequality for its existence (Nickel & Eikenberry 2018), participatory approaches may offer a legitimising response to concerns about elite philanthropy. We see a warning in literature on participatory governance: ‘participation enhances the legitimacy of institutions and their authority at moments when they are rife for question’ (Lee eds. 2015: 249).

5. Conclusion

Those in participatory grantmaking articulate their work as ‘shifting power’, and in doing so raise questions of legitimacy, agenda-setting and accountability that differ to traditional foundations. Traditional foundations endow those *with* wealth the power to intervene in the lives of those *without* wealth. Participatory grantmaking questions this relationship, and in doing so challenges ‘deference to donor control’ (Saunders-Hasting 2018). This research suggests that participatory grantmaking may offer an alternative to those foundations that magnify elite influence through unaccountable, undemocratic agenda-setting, and in doing so may offer a partial response to critiques of plutocratic philanthropy. This demands scrutiny however, as there is a need to explore the mindset of participatory grantmaking, its antecedents and influence, and the subject is not served by the current literature on foundations. Drawing upon research from related fields, such as Development Studies, may help fashion a critique that speaks more directly to the possibilities and risks posed.

Regardless of how it is implemented, participatory grantmaking will not address the issues of inequality that philanthropy is born from. However, ‘it is possible to work within the belly of the beast and still engage in persistent critique of hegemonic representations’ (Kapoor 2004: 640). This study finds that participatory grantmaking may enhance the agency of recipients of philanthropic funds, and in doing so displace the heavy emphasis on elites in traditional foundations. Rather than a system of hierarchy, an alternative relationship is cultivated, which may offer a counter-narrative to the current philanthropic hegemony, whereby wealth serves as legitimacy to lead. By centring those usually marginalised, participatory grantmaking is ‘weakening donor control’, serving as a step towards a more equitable form of philanthropic institution (Saunders-Hasting 2018: 159).

Perhaps the most important aspect of participatory grantmaking is its potential to politicise discussions by creating a space to debate alternatives to the current philanthropic system. Attention is currently disproportionately focussed on results, rather than who determined those results, yet ‘it is our own deference to philanthropic plutocrats that stands in need of explanation’ (Saunders-Hasting 2018: 159). By articulating an alternative to traditional foundations, participatory grantmaking resists the normalisation of philanthropic governance.

BIBLIOGRAPHY

- Aberbach, J. and Rockman, B. (2002). 'Conducting and Coding Elite Interviews'. *PS: Political Science and Politics*, 35(4), 673-676.
- Acs, Z. (2013). *Why philanthropy matters: How the wealthy give and what it means for our economic wellbeing*. Princeton: Princeton University Press.
- Agar, M. (2006). 'An Ethnography By Any Other Name'. *Forum: Qualitative Social Research*, 7(4).
- Almunia, M., Lockwood, B. and Scharf, K. (2017). 'More giving or more givers? The effects of tax incentives on charitable donations in the UK'. *CESifo Working Paper Series No. 6591*.
- Attride-Stirling, J. (2001). 'Thematic networks: an analytic tool for qualitative research'. *Qualitative Research*, 1(3). 385-405.
- Baiocchi, G. and Ganuza, Ernesto. (2017). *Popular democracy : The paradox of participation*. Palo Alto: Stanford University Press.
- Bishop, M. and Green, M. (2008). *Philanthrocapitalism: How the Rich Can Save the World*. New York: Bloomberg Press.
- Beerbohm, E. (2016). 'The Free-Provider Problem: Private Provision of Public Responsibilities'. in Reich, R., Cordelli, C. and Bernholz, L. *Philanthropy in Democratic Societies*. Chicago: University of Chicago Press
- Burawoy, M. (2009). *The Extended Case Method: Four Countries, Four Decades, Four Great Transformations, and One Theoretical Tradition*. Los Angeles: University of California Press.
- Callahan, D. (2017). *The Givers: Wealth, Power, and Philanthropy in a New Gilded Age*. London: Knopf.
- Chambers, R. (2009). *Revolutions in Development Inquiry*. Routledge, London.
- Chambers, R. (1994). 'The Origins and Practice of Participatory Rural Appraisal'. *World Development* 22(7), 953-969.
- Chambers, R. (1994b). 'Participatory Rural Appraisal: Challenges, Potentials and Paradigms'. *World Development*, 22(10), 1437-1454.
- Chambers, R. (1994c). 'Paradigm Shifts and the Practice of Participatory Research and Development'. *Institute of Development Studies Working Paper 2*.
- Cooke, W. and Kothari, U. (2001). *Participation: the new tyranny?*. London: Zed Books.
- Cordelli, C. (2016). 'Reparative Justice and the Moral Limits of Discretionary Philanthropy'. in Reich, R., Cordelli, C. and Bernholz, L. *Philanthropy in Democratic Societies*. Chicago: University of Chicago Press.

- Crouch, C. (2004). *Post-democracy (Themes for the 21st century)*. Cambridge: Polity.
- Dorfman, J. (2017). The Biggest And Best Tax Break Of All Time. *Forbes*, 13 August 2017.
- Dubose, D. (2014). The Nonprofit Sector Has A Ferguson Problem. *Nonprofit Quarterly*, 5 December 2014.
- Eden, C. and Huxham, C. (2003). 'Researching organizations using action research' *Organizational Research Methods*, 6(3), 383-403.
- Eikenberry, A. and Breeze, B. (2018). 'Growing Philanthropy through Giving Circles: Collective Giving and the Logic of Charity'. *Social Policy and Society*, 17(3), 349-364.
- Eikenberry, A. and Mirabella, R. (2018). 'Extreme Philanthropy: Philanthrocapitalism, Effective Altruism, and the Discourse of Neoliberalism'. *PS: Political Science & Politics*, 51(1), 43-47.
- Eikenberry, A. (2009). *Giving Circles: Philanthropy, Voluntary Association, and Democracy*. Bloomington: Indiana University Press.
- Emerson, R., Fretz, R. and Shaw, L. (2001). 'Participant observation and fieldnotes'. in Atkinson, P., Coffey, A., Delamont, S., Lofland, J. and Lofland, L. *Handbook of ethnography*. Thousand Oaks: SAGE Publications.
- Evans, L. (2016). *Participatory Philanthropy*. A Report for the Winston Churchill Fellowship 2015.
- Fraser, N. (1989). *Unruly Practices: Power, Discourse and Gender in Contemporary Social Theory*. Minneapolis: University of Minnesota Press.
- Friedman, L. J. (2003). 'Philanthropy in America: historicism and its discontents', in L. J. Friedman and M. D. McGarvie (eds.), *Charity, Philanthropy and Civility in America*. Cambridge: Cambridge University Press.
- Fredrickson, J. W. (1986). 'The Strategic Decision Process and Organizational Structure'. *The Academy of Management Review*, 11(2). 280-297.
- Gerring, J. (2006). *Case Study Research: Principles and Practices*. Cambridge: University Press.
- Gibson, C. (2017). *Participatory Grantmaking: Has Its Time Come?*. New York: Ford Foundation
- Gilmore, R. W. (2009). In the Shadow of the Shadow State. In INCITE! Women of Color Against Violence eds. *The Revolution Will Not be Funded*. Boston: South End Press
- Goddard, K. (2018). *Foundation Trustee Boards: the Good, the Bad and the Data*. London: Association of Charitable Foundations.
- Harding, S. (2004). *The Feminist Standpoint Theory Reader: Intellectual and Political Controversies*. London: Psychology Press.

- Harrison, H., Birks, M., Franklin, R. and Mills, J. (2017). 'Case Study Research: Foundations and Methodological Orientations' *Forum: Qualitative Social Research*, 18(1).
- Harrow, J. (2010) *Philanthropy*, in Taylor, R. (ed.) *Third Sector Research*. New York: Springer.
- Hart, M. (2014). *Who Decides: How Participatory Grantmaking Benefits Donors, Communities and Movements*. Paris: The LaFayette Practice.
- Horvath, A. and Powell, W. W. (2016). 'Contributory or Disruptive: Do New Forms of Philanthropy Erode Democracy?' in Reich, R., Cordelli, C. and Bernholz, L. (eds.) *Philanthropy in Democratic Societies*. Chicago: University of Chicago Press.
- Hwang, H. and Powell, W. W. (2009). 'The rationalization of charity: The influences of professionalism in the nonprofit sector'. *Administrative Science Quarterly*, 54(2), 268-298.
- Ilchman, W. F., Katz, S.N., and Queen II, E. L. (2007). Different traditions of philanthropy. in J. Mordaunt and R. Paton (eds.) *Thoughtful Fundraising*. London: Routledge.
- Kapoor, I. (2004). 'Hyper-self-reflexive Development? Spivak on Representing the Third World 'Other''. *Third World Quarterly*, 25(4), 627-647.
- Kothari, U. and Cooke, B. (2001). *Participation: the New Tyranny?* London: Zed Books.
- Krause, M. (2014). *The Good Project: Humanitarian Relief NGOs and the Fragmentation of Reason*. Chicago: University of Chicago Press.
- Leat, D. (2007). 'The Infrastructure of Global Philanthropy, Wings and Wings-CF'. in Anheier, H. K., Simmons, A. and Winder, D. (eds.) *Innovation in Strategic Philanthropy, Global and Local Perspectives*. New York: Springer.
- Lee, C. W., McQuarrie, M. and Walker, E. (eds.) (2015). *Democratizing inequalities: Dilemmas of the new public participation*. New York: NYU Press.
- Levy, J. (2016). Altruism and the Origins of Nonprofit Philanthropy. in Reich, R., Cordelli, C. and Bernholz, L. (eds.) *Philanthropy in Democratic Societies*. Chicago: University of Chicago Press.
- Madoff, Ray D. (2016). 'When Is Philanthropy?: How the Tax Code's Answer to This Question Has Given Rise to the Growth of Donor-Advised Funds and Why It's a Problem'. In Reich, R., Cordelli, C. and Bernholz, L. *Philanthropy in Democratic Societies*. Chicago: University of Chicago Press.
- McGinnis Johnson, J. (2013). 'Necessary but Not Sufficient: The Impact of Community Input on Grantee Selection'. *Administration & Society*, 48(1), 73 -103.
- McGoey, L. (2015). *No such thing as a free gift: The Gates Foundation and the price of philanthropy*. New York: Verso Books.
- Merriam, S. and Tisdell, E. (2016). *Qualitative research*. San Francisco: Jossey-Bass.

- Miller, A.; Gollub, E.; Kaufman, I. and Danzig Epelman, A. (2014). 'The Impact Grants Initiative: Community-Participatory Grantmaking Modeled on Venture Philanthropy'. *The Foundation Review*, 6(3), 6-21.
- Morvaridi, B. (ed.) (2015) *New Philanthropy and Social Justice: Debating the Conceptual and Policy Discourse*. Bristol: Policy Press at the University of Bristol.
- Murphy, B. (2017). *The pope of right-wing politics*. Available at: <https://isthmus.com/opinion/opinion/james-arthur-pope-bradley-foundation/>
- Nickel, P. M. and Eikenberry, A. (2010). 'Philanthropy in an era of global governance' in Taylor, R. (ed.) *Third Sector Research*. New York: Springer.
- Ostrander, S. (1995). *Money for Change: Social Movement Philanthropy at Haymarket People's Fund*. Philadelphia: Temple University Press.
- Ostrower, F. (2007). 'The relativity of foundation effectiveness: The case of community foundations'. *Nonprofit and Voluntary Sector Quarterly*, 36(3), 521-527.
- Page, B., Bartels, L. and Seawright, J. (2013). 'Democracy and the Policy Preferences of Wealthy Americans'. *Perspectives on Politics*, 11(1), 51-73.
- Peck, J. and Theodore, N. (2010). 'Mobilizing policy: Models, methods, and mutations'. *Geoforum*, 41(2), 169-174.
- Pevnick, R. (2016). Philanthropy and Democratic Ideals. in Reich, R., Cordelli, C. and Bernholz, L. (eds.) *Philanthropy in Democratic Societies*. Chicago: University of Chicago Press.
- Reason, P. and Bradbury, H. eds. (2001). *Handbook of action research: Participative inquiry and practice*. London: SAGE.
- Reich, R. (2016). On the Role of Foundations in Democracies. in Reich, R., Cordelli, C. and Bernholz, L. (eds.) *Philanthropy in Democratic Societies*. Chicago: University of Chicago Press.
- Reich, R., Cordelli, C. and Bernholz, L. (eds.) (2016). *Philanthropy in Democratic Societies*. Chicago: University of Chicago Press.
- Roelofs, J. (2007). 'Foundations and Collaboration'. *Critical Sociology*, 33(3), 537-549.
- Roelofs, J. (2015). 'How Foundations Exercise Power'. *American Journal of Economics & Sociology*. 74(4), 654-675.
- Russakoff, D. (2015) *The prize: Who's in charge of America's schools?* New York: Houghton Mifflin.
- Saunders-Hastings, E. (2018). 'Plutocratic Philanthropy'. *The Journal of Politics* 80(1), 149-161.
- Schervish, P. (2003). *Hyperagency and High-Tech Donors: A New Theory of the New Philanthropists*, Boston: Social Welfare Research Institute.

Schlegal, R. (2016). *Pennies for Progress: A Decade of Boom for Philanthropy, a Bust for Social Justice*. Washington, DC: National Council for Responsive Philanthropy

Silver, I. (1998). 'Buying an Activist Identity: Reproducing Class through Social Movement Philanthropy'. *Sociological Perspectives*, 41(2). 303-321

Silver, I. (2007). 'Disentangling class from philanthropy: The double-edged sword of alternative giving'. *Critical Sociology*, 33(3), 537–549.

Welch, C., Marschan-Piekkari, R., Penttinen, H. and Tahvanainen, M. (2002). 'Corporate elites as informants in qualitative international business research'. *International Business Review*, 11(5), 611-628.

Yin, R. (2014). *Case study research: Design and methods*. London: SAGE.

Zunz, O. (2016). 'Why is the History of Philanthropy Not a Part of American History?' in Reich, R., Cordelli, C. and Bernholz, L. (eds.) *Philanthropy in Democratic Societies*. Chicago: University of Chicago Press.

APPENDIX 1: Case study data

Content	Number	Notes
Interviews conducted in May /June 2018 by the researcher for the purpose of this study	12	Staff members of participatory grantmakers (see Appendix 3).
Dataset 2 of interviews conducted in March 2018 by the researcher for a study on perspectives of senior staff at UK foundations	3	Senior staff of UK-based traditional foundations that give grants to social justice organisations (see Appendix 3).
Publicly available interviews conducted by journalists	2	Articles online interviewing participatory grantmaking advocates (see Appendix 3).
‘Think-pieces’: publicly available online blogs, articles, opinion pieces, press releases or similar	7	<p><i>A participatory grantmaking initiative grows in Brooklyn. Inside Philanthropy.</i> Accessed 27 June 2018. Retrieved from https://www.insidephilanthropy.com/home/2017/7/19/brooklyn-community-foundation-crown-heights</p> <p><i>Stifled Generosity: How philanthropy has fuelled the accumulation and privatization of wealth.</i> Access 24 May 2018 from https://stifledgenerosity.justicefunders.org/</p> <p><i>Bill Gates, Mark Zuckerberg and the Case Against Philanthropy as we Know It.</i> Accessed 24 May 2018 from https://www.americamagazine.org/politics-society/2017/06/12/bill-gates-mark-zuckerberg-and-case-against-philanthropy-we-know-it</p> <p><i>‘How do we solve poverty if all your jobs depend on it?’ Barry Knight goes on a poverty safari.</i> Accessed 1 June 2018 from https://www.rethinkingpoverty.org.uk/rethinking-poverty/solve-poverty-jobs-depend-barry-knight-goes-poverty-safari/</p> <p><i>Has the time come for participatory grantmaking?.</i> Accessed from 24 May 2018. https://www.fordfoundation.org/ideas/equals-change-blog/posts/has-the-time-come-for-participatory-grant-making/</p>

Sector reports: Reports released by think tanks, foundations or other institutions to inform practitioners	3	Gibson, C. (2017). <i>Participatory grantmaking: Has its time come?</i> Report commissioned and released by the Ford Foundation. Hodgson, J., Knight, B., Wilkinson-Mapososa, S. (2018). <i>A scoping study of the landscape for community-led development: Findings and recommendations for funders.</i> Report commissioned and released by Comic Relief. Hart, M. (2014). <i>Who Decides: How Participatory Grantmaking Benefits Donors, Communities and Movements.</i> The LaFayette Practice.
Websites: websites of the three participatory grantmakers investigated, as well as sector critics	5	See Appendix 2. https://www.edgefund.org.uk/ https://www.redumbrellafund.org/ https://www.fundaction.eu/ https://stifledgenerosity.justicefunders.org/ https://www.insidephilanthropy.com/
Sector press headlines: cover headlines and images from Alliance Magazine, accessed via visiting their offices and reviewing print copies	68	Physical copies were reviewed at the Alliance offices on 26 June 2018. The digital archive of Alliance Magazine can be found here: https://www.alliancemagazine.org/magazine/
Sector press content: editorials and other articles in Alliance Magazine, reviewed in details, accessed via print copies on loan from the publisher	3	Alliance Magazine. <i>New emperor, old clothes? International funding – who’s setting the agenda?</i> September 2008, Vol 13, no 3. Alliance Magazine. <i>Living with the Gates Foundation.</i> September 2011, Vol 16, no 3. Alliance Magazine. <i>#ShiftThePower: The rise of community philanthropy.</i> December 2016, Vol 21, no 4.

APPENDIX 2: Participatory Grantmaker information Note: All information sourced directly from organisation websites.

Edge Fund

History: Edge Fund **registered in January 2013** as a Community Benefit Society, to support independent grassroots groups working create radical change towards a just, sustainable and equal world. In April 2012 around 20 people came together to discuss setting up a new fund. Around 50 people then took part in a series of meetings to work out the aims, values and processes of the fund.

Source of funding: All of the Edge Fund's income comes from **individual donations**. Around 100 people give monthly donations, and Edge Fund has received several larger one-off donations. Donors sign a statement confirming that the funds were not the result of exploitative or environmentally destructive activities and that they will not attempt to influence any of Edge Fund's activities. Turnover is **around £100,000 p/a**.

Activities:

Grantmaking: Edge Fund supports work that creates long-term change in society by addressing the causes of injustice and inequality. Edge gives grants of up to £3000 to groups that are based in the UK and Ireland that would be considered too radical for funding from traditional sources. Funding is entirely unrestricted.

Working groups: Edge has a number of volunteer-run working groups, including the Influencing Funders Group, which works with other funds to encourage and support more democratic, accountable and transparent processes.

Structure: Edge Fund is a membership-based organisation, run through a non-hierarchical structure.

Members: Anyone can apply to become a member, but Edge aims to build a membership that is representative of the communities the funding affects. Edge Fund has around 100 active members.

Community Committees, made of members with lived experience of the issue, are first to see applications relating to their own community/identity. They give advice to the membership from their perspective and experience of working in the field.

Edge has a **Facilitating Group** made up of member volunteers doing admin work behind the scenes, such as preparing agendas and proposals for meetings. They give support to staff, make decisions on new members, and help to organise meetings.

Two part-time staff, Regional Organisers support members, undertake outreach, and oversee communications.

FundAction

History: FundAction was born out of conversations four European foundations had with their grantee partners and each other in 2016. Having held initial discussions with people in their networks, including several in-person meetings with a wide range of activists from across Europe and across social movements, a participatory platform and fund for was proposed. The initial design and implementation was handed over to a Facilitation Group (consisting of seven activists and one foundation representative) supported by a larger group of 30 activists and funders. A prototype was **launched in November 2017**, with the first round of grants distributed soon after.

Source of funding: FundAction received start-up funding from four **charitable foundations:** Open Society Foundation Initiative in Europe; European Cultural Foundation; Charles Leopold Mayer Foundation; and Guerrilla Foundation. The turnover for 2018 will be around **€300,000**.

Activities

FundAction was established as a participatory fund and platform to support progressive activism for a more just and sustainable Europe.

Grantmaking: FundAction has three types of grants: Resist grants of up to €500, for urgent actions; Rethink grants of up to €5000, for peer-learning and exchange; and Renew grants of up to €20000, for systemic change initiatives.

Platform: FundAction's digital platform provides online interactions that brings the community together throughout the year.

Annual Assembly: Members meet in person to make decisions, share and learn.

Structure:

FundAction is run as a membership organisation with no paid staff or board.

Assembly: The Assembly is made up of individuals active in European social movements who identify with the goals and values of the platform & fund, invited to join by current members. FundAction has 160 members from 26 different countries. All members can present proposals, assess, comment and vote on other proposals, and join working groups to guide the direction of FundAction.

Peer Review Panel: The largest grants are shortlisted through a voting process by the Assembly, then the final selection is made by a Peer Review Panel. This is a group of members that have been randomly selected to collectively decide on the final grants.

Facilitation Group: This group consists of 7 members and 1 foundation representative, nominated by the Assembly and voted on by a random selection panel. The activist members of the group are paid a small stipend. They support the administration and management.

Red Umbrella Fund

History: The Red Umbrella Fund was **launched in 2012** as the result of a dialogue spanning several years between donors and sex worker activists. In 2008 a Donor Dialogue on Sex Work and Trafficking was organised by Open Society Foundation and the Global Network of Sex Workers to create a space for conversation between donors and sex workers. In a number of follow-up meetings, the concept of the Red Umbrella Fund (RUF) took shape. In April 2012, RUF was officially launched as a global grant-making mechanism for, and by, sex workers.

Source of funding: Red Umbrella Fund is supported by **individual donors** (including some one-off donations from wealthy philanthropists), **government funding** (from the Dutch government), and **charitable foundations** including American Jewish World Service; Comic Relief; Levi Strauss Foundation; Mama Cash; Oak Foundation and Open Society Foundations. RUF's turnover is **around €500,000 per annum**.

Activities:

Grantmaking: Funding for sex worker-led groups and networks engaged in rights-based work. RUF do not tell grantees what they should spend their money on, or the kind of work they should be doing to improve the rights of sex workers.

Capacity building: In line with their commitment to a sex worker-led, participatory approach, RUF develop peer-led capacity building.

Donor advocacy: The Red Umbrella Fund's advocacy role is focused firmly on the donor community. They want to see sex worker-led organisations being given greater priority by donors and a human rights approach in all funding for sex workers.

Resource mobilisation: RUF encourages donors to fund sex worker led groups and sex workers' rights.

Structure: The governance and grantmaking bodies of RUF are majority led by sex workers.

The **International Steering Committee** is the key governing body of the Red Umbrella Fund tasked to oversee the strategic vision of the RUF and make the grantmaking decisions. It currently has seven sex worker activist representatives from different parts of the world and three donor representatives.

The **Programme Advisory Committee** reads the applications received by the Red Umbrella Fund from sex worker-led groups and networks and selects which groups should receive funding. The PAC consists of at least 80% sex workers from different parts of the world.

The Red Umbrella Fund's day-to-day work and decision making is done by the staff at the **Secretariat**. There are four staff in the team, a coordinator and three programme associates.

APPENDIX 3: Interviewee information

Dataset 1: Participatory grantmaking interviewees conducted for this research

Pseudonym	Organisational affiliation	Primary role	Secondary role (if relevant)	Notes
Maria	Traditional foundation that funds participatory grantmaking	Senior staff member		Snowballing: I was introduced to Maria via Valerie. Brief (30 minute) interview conducted with Valerie in Maria's office over lunch.
Dean	Traditional foundation experimenting with participatory grantmaking	Staff		Direct contact: I responded to a post he wrote on a mailing list for people interested in participatory grantmaking. 60 minute interview conducted in the courtyard of Somerset House at his suggestion, as he wanted to 'get out of the office'.
Helena	Traditional foundation with a participatory grantmaking programme	Senior staff member	Ex-staff member at a participatory grantmaker	Introduction via colleague: We were introduced by a shared contact who suggested she would be an interesting interviewee. 45 minute interview conducted face-to-face over strong coffee in her office, squeezed between her other meetings.

Pseudonym	Organisational affiliation	Primary role	Secondary role (if relevant)	Notes
Emily	Philanthropy sector institution	Advocate		Direct contact: Emailed directly, having met on one occasion previously. 60 minute interview conducted on a park bench outside the venue in the break of a conference, and interrupted several times by people who wanted to speak to her.
John	Ex-traditional foundation	Advocate	Founding a new participatory grantmaker	Snowballing: I was introduced to Mohammed via Emily, when he came over to speak to her during my interview with her. 30 minute interview conducted in the smoking area during a lunchbreak of a conference.
Serena	Participatory grantmaker	Staff member	Advocate	Direct contact: Emailed directly, having met previously on one occasion. 80 minute interview conducted in an empty room in the building her organisation is hosted in, surrounded by artwork and protest banners.
Paul	Participatory grantmaker	Donor	Participant via activist role	Direct contact: Emailed directly. 60 minute interview conducted over the phone. This was partly mitigated by our familiarity, having met many times in person.

Pseudonym	Organisational affiliation	Primary role	Secondary role (if relevant)	Notes
Rob	Traditional foundation that funds social justice	Senior staff member		<p>Cold email: I emailed him directly with no prior contact or introductions. 60 minute telephone interview. I emailed Rob in February 2018 as a potential interviewee for a piece of research conducted in March (see Dataset 2.) He was unavailable until June, and as such I interviewed him as part of research on participatory grantmaking. Although he is not a known participatory grantmaking advocate, our interview was conducted using the same topic guide as the participatory grantmaking interviewees, and as such he offered insight on the subject from the perspective of a traditional foundation representative.</p>
Tina	Participatory grantmaker	Staff	Participant via activist role	<p>Direct contact: Initial text message, followed by formal email. 90 minutes interview conducted in a vegetarian cafe in south London, with all the noise of the kitchen and the road in the background.</p>

Pseudonym	Organisational affiliation	Primary role	Secondary role (if relevant)	Notes
Ian	Traditional foundation that funds participatory grantmaking	Staff member	Member of a participatory grantmaker	Direct contact: Emailed directly. 75 min interview conducted over breakfast at his hotel in Brussels, where he was attending a conference. In the background of the room were various other conference attendees, all senior philanthropic staff.
Mary	Participatory grantmaker	Staff		Snowballing: I was introduced to Valentine by Serena. 60 minute interview was conducted via video conferencing, although we met briefly initially, allowing me to explain the study in-person.
Valerie	Traditional foundation that funds participatory grantmaking	Senior staff member		Direct contact: Emailed directly. The interview was conducted jointly with Maria, in Maria's office in their foundation's building.

Participatory grantmaking interviews conducted by journalists included in the analysis

Name	Organisational affiliation	Role	Notes
Chris Note: Pseudonym not used due to the public availability of this interview	Traditional foundation experimenting with participatory grantmaking: Ford Foundation	Senior staff member	Online interview, accessed on 5 June 2018, available at: https://www.philanthropy.com/article/Opinion-Foundations-Can-Solve/242438
Magda Note: pseudonym not used due to the public availability of this interview	Participatory grantmaker: FemFund, FundAction and FRIDA Young Feminist Fund	Grantee, founder and participant	Online interview, accessed on 5 June 2018, available at https://youngfeministfund.org/2017/07/talking-participatory-grantmaking-frida-efc-conference/

Dataset 2: Traditional foundations that fund social justice interviewees

Pseudonym	Organisational affiliation	Role	Notes
Lauren	Traditional foundation that funds social justice	Senior staff member	Introduction via colleague: I requested an introduction from a contact who works under Lauren. I interviewed Lauren for a piece of research on social justice funding in the UK in March 2018. 60 minute interview via Skype.
Manoj	Traditional foundation that funds social justice	Senior staff member	Cold email: I was given his email address by an LSE academic who was connected to him and his organisation. I interviewed Manoj for a piece of research on social justice funding in the UK in March 2018. 60 minute interview in his office in their building in central London, surrounded by books and dry-cleaning suit bags.
Sarah	Traditional foundation that funds social justice	Senior staff member	Direct contact: Emailed directly, having met on one occasion previously. I interviewed Sarah for a piece of research on social justice funding in the UK in March 2018. 60 minute interview in a private room in their offices in central London.