

PLACE-BASED PHILANTHROPY

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in collaboration with The Aspen Institute, Religion & Society Program

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Place-based philanthropy is essentially where philanthropic efforts are focused. It goes beyond simply supporting a community by tackling the root causes of its issues. This allows for a comprehensive, individualized approach to these issues.

Major philanthropic organizations exist in nearly every major U.S. city (Johnson, 2018). Many secular philanthropic organizations in the U.S. have social investment as their primary goal, with governance and human resources as secondary goals. Philanthropy in the U.S. has existed since the time of the American Revolution, with it being viewed as noblesse oblige until the early 20th century, but have always had an association with politics (Brown et al. 2015). Noblesse oblige is defined as, “the inferred responsibility of privileged people to act with generosity and nobility towards those less privileged” (Oxford Languages).

There are foundational differences regionally in the U.S. For example, New York City is arguably the most important philanthropic center in the U.S., but these foundations are not collaborative and despite their large size, they struggle to make a large-scale change. Baltimore has long been another major Mid-Atlantic philanthropy hub, with the creation of the federated charity movement through the Associated Jewish Charities, Catholic Charities, and the Baltimore Alliance of Social and Charitable Charities helping to rebuild the shattered city in the wake of the Civil War. Baltimore’s culture clash between Southern markets and Northern manufacturing led to religious diversity and strong efforts to unite religion towards common causes in Baltimore and the Mid-Atlantic region. Washington, D.C.’s philanthropic efforts are mainly lobbying offices and smaller foundations, supported from larger branches elsewhere. In other words, they are grant-seeking rather than grant-making institutions.

Northeast Ohio, specifically Cleveland, has long been a collaborative philanthropic hub in the U.S., focusing on civic cooperation through engaging different religions and general purpose foundations. This has allowed Cleveland to reorient itself from a manufacturing center to a medical research center in the 1970s. Chicago, despite its size, relies primarily on the John D. and Catherine T. MacArthur Foundation and the Chicago Community Trust for much of its large-scale philanthropic efforts. Grant-making foundations in the Southeast United States are largely secular and divided along racial lines. This became especially pronounced with the rise of the Civil Rights Movement in the 1950s. Texas is unique in that its philanthropic differences tend to follow the urban-rural divide, with a concentration of philanthropic wealth in Houston and Austin. This concentration is likely due to the diverse racial makeup of both cities.

California has a large concentration of philanthropic organizations in Los Angeles, spanning a broad range of socio-political and socioeconomic issues. San Francisco and Silicon Valley have a high concentration of corporate foundations that have been at the forefront of social innovation by working collaboratively (Tanimoto and Doi, 2007). Silicon Valley has seen the rise of a new kind of philanthropy, called “Venture philanthropy,” which is similar to the way venture capitalism works (Hero, 2003). Venture philanthropy is a form of impact investment, where funding is designed to have a sociocultural impact, taking concepts from venture capitalism, and applying these concepts to achieving philanthropic goals. It involves a certain amount of risk from the grantmaker, but often has the potential for large ‘rewards’ that spark social change. Seattle has a large concentration of religious philanthropic organizations, many of which emerged in the 1980s.

References

NOTE: Unless otherwise specified, all of this information comes from American Philanthropic Foundations (Hammack and Smith, et al., 2018).

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