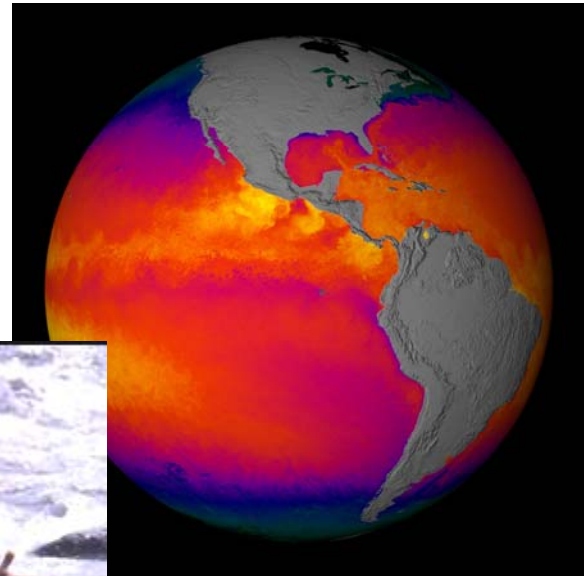


Rethinking Green Philanthropy

by Peter M. Lavigne and David W. Orr

Environmental giving from private and public foundations misses the boat when it comes to systematically addressing the major problems we face in providing a catalyst to significant environmental restoration, protection, and generation of an environmentally friendly and sustainable human impact upon the earth. We offer Seven Rules for Re-making Environmental Philanthropy.

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Environmental philanthropy in the United States is in trouble. Have we noticed that we have been losing most of the political and ecological battles over the last ten years while we continue to approach grantmaking in the mode of 10, 20 and 30 years ago?

How we lose:

Thousands of small foundations contribute a scattershot approach to funding many more thousands of organizations with local and project oriented approaches in an era of globalized forces and systemic threats. Conversely, on the large national and mega-foundation playing field, funders move to coordinate funding every few years on the issue of the moment (at this time it is global warming). Long-term perspectives and commitment to nimbly addressing systemic threats are missing.

Corollary is the myopic emphasis on project funding and measurement of projects. Finding general support and infrastructure funding is nearly impossible. Environmental foundations almost exclusively support project grants. These projects in turn focus on short-term results and specific outcomes... robbing organizations and their leaders from the benefits of synchronicity, spontaneity and multi-generational vision.

Project evaluation systems are also overdone and more often than not measure process rather than substantive results. For example, a large regional foundation in the Northwest, circulates a 'due diligence' document containing over 60 pages of checks and examinations applied to absurdly small grants – even those under ten thousand dollars. Organizational results include oodles of time wasted fundraising for inadequately funded projects, an inability to react quickly to changing circumstances, and, most troubling, an atmosphere that discourages organizational leaders from searching for new looks at old issues.

The Perfect Double Bind

The trend toward project funding and process measurables, and inane or too complex metrics, looks like the problems environmentalists excoriate Wall Street and stockholders for – focusing on quarterly reports and specific projects for short term gains or losses, while ignoring core functionality and long term perspectives. This is the difference between the early effort to protect endangered species one isolated species at a time versus the now commonly accepted practice of ecosystem and landscape scale protection efforts.

One highly respected Pacific Northwest organization, TACS (Technical Assistance for Community Services) calls the unwillingness to fund infrastructure and overhead the “perfect double bind”. The Spring 2004 TACS newsletter explains that most nonprofits face media and donor expectations that their organizations be effectively managed, highly efficient and fully accountable while also spending little time or cash on management.¹ Yet few of these donors would invest in for-

¹ TACS NEWS: the Newsletter of Nonprofit Management Information Spring 2004. Available from Technical Assistance For Community Services, 1001 SE Water Ave., Suite 490, Portland, OR 97214 www.tacs.org.

profit enterprises which made no investment in infrastructure and recruited (and regularly turned over) management staff with compensation substantially below market.

The Perfect Storm: De-Funding Environmental Infrastructure

Other trends have extremely serious implications for environmental funding in the United States. First, beginning about 5 years ago, some major national funders stopped their environmental programs completely. The most obvious examples include the shutdown of the W. Alton Jones Foundation, and the closure of the Rockefeller Foundation's environmental program, which stopped funding environmental issues in favor of global health and trade issues – while treating these issues as if they were unconnected to environmental causes or effects. More recently, the Moriah Fund, a relatively small but important and innovative funder, closed its environment program.

Second are the obvious cutbacks in funding due to the recession that are, in some cases, exacerbated by single stock endowments. The William and Flora Hewlett Foundation² and the David and Lucille Packard Foundation³ are the most prominent examples. The Turner Foundation is unendowed and dependent on Ted Turner's annual gifts to the Foundation. Turner's Foundation shut down for 2003 and 2004 due in large part to the loss of value of AOL-Time Warner stock holdings.⁴ Many others experienced substantial endowment losses, causing cutbacks of 20-50% in annual grantmaking. Some of the more mainline and middle of the road foundations have shifted environmental funding to social services and hunger programs to try to fill a small portion of the gap left by huge cutbacks in federal and state agency budgets. We are treating symptoms instead of addressing systemic causes.

Third, big new sources that could potentially fill some of the gaps, including the Bill and Melinda Gates Foundation⁵, are skirting around the edges of environmental issues and either are not funding them directly or are severely self-limited in their reach. The new Betty and Gordon Moore Foundation⁶ has a huge environmental program now underway and they are giving the vast majority of their initial funding to two huge multinational organizations - Conservation International and the World Wildlife Fund.

Fourth, the environmental grantmaking community barely supports research and idea generation. We fund policy papers and policy research grudgingly, if at all, and only around the edges of 'more muscular' project grants. Most environmental foundations deliberately exclude the world of ideas from their grantmaking guidelines – how many times have you seen books, films, and education in the lists of what we do not fund? We do not fund ideas and we especially do not fund marketing and slogans to sell ideas.

Finally, and critically important, funds for innovative new programs - those where the best, more comprehensive and systemic solutions are often found - are the first to be cut as fund trustees and program officers retreat to the familiar during tough economic times. Fundamentally, environmental foundation management ignores systemic change.

Taken in full, these trends often mean that older and well-known programs compete for severely diminished resources, while new ideas and/or innovative strategies are systematically and explicitly excluded.

² www.hewlett.org

³ www.packard.org

⁴ www.turnerfoundation.org

⁵ <http://www.gatesfoundation.org/default.htm>

⁶ www.moore.org

Contrast this with what the anti-environment and anti-government right wing foundations are doing to drive environmental protection off the public policy agenda. They make general support plentiful; often in block grants to think tanks and advocacy organizations. They fund extensive public policy research and writing in large and small organizations. They fund slogans and community organizing – Tax and Spend; Bleeding Hearts; Eco-terrorists. Effective soundbites.

Individual right wing funders and corporations also give plentifully to 501c (4) and other political action venues that then translate the research and slogans into both public policy makers and, perhaps more importantly, into noisy and effective public policy messengers. They send people on the road and support them in their policy seeding.

The unfortunate context of the Bush administration's highly effective efforts to roll-back regulatory process based environmental protections, also drastically cuts funding programs for environmental work. All this while state governments across the country cut environmental staff and enforcement budgets and nonprofit environmental protection organizations are slashing staff and programs at a time they are most needed. The few traditional sources for green research and public policy education in the federal environmental and land management agencies have been cut off or severely limited by Bush administration policies designed to deliberately starve keep green groups. For the first time in decades, we face a context of worsening water pollution indexes, continued loss of wetlands, increasing loss of wildlife habitat and increased impacts on human health - at the very time we are cutting and eliminating programs designed to address those issues.

This, despite ongoing battles over protection of old growth trees; recurrent water shortages; endangered salmon, birds and carnivores; never mind more mundane and easily addressed international issues like the lack of potable water in the unregulated colonias of President Bush's Texas or the shacks of Mexican border cities; or the water borne epidemics in the vast slums of El Alto and La Paz in Bolivia; toxic mining wastes throughout the hemisphere; or the perchlorate contamination of the Colorado River for just a few examples. They still don't get it that a healthy environment supports economic efficiency and a healthier economy.

Finally, green private foundations and government funders especially do not like to fund network centered advocacy, fundraising infrastructure or, that biggest bugaboo of all, endowment building. These are the very tools that make us more efficient, give us a chance to spend time on strategy and implementation of programs, and provide long-term resources and flexibility while diminishing reliance on foundation grants in favor of the vast resources of individual giving.

Re-making Environmental Philanthropy

To capitalize on what the right wing does, we must also examine what they do not do. They do not care about facts or debate,⁷ and first and fundamentally, they do not tell the truth. Scientific results and scientific consensus is routinely ignored or distorted⁸, and self-dealing in the context of their 'charities' and consulting is common. Examples abound including the well-publicized Klamath Basin Rangelands Trust water deal in the Klamath River watershed of Oregon⁹ or the Bureau of

⁷ See *The Last Refuge: Patriotism, Politics and the Environment in an Age of Terror* by David W. Orr (Island Press 2004) Introduction and Chapter 1 The Education of Power pp 1-20.

⁸ "Bush League Lysenkoism" by The Editors, *Scientific American*, May 2004 at 10.

⁹ "Klamath Water Deal No Bargain for U.S." by Michael Milstein. *The Oregonian*, March 16, 2003 page A1. Milstein's article details a series of water deals by the Klamath Basin Rangelands Trust that among other problems paid the chief incorporator of the Trust, Klamath businessman James Root, three times market value for water that was never completely delivered to the federal government for in stream use and the science used to justify the deal was performed by a consulting firm employing Root's daughter, hydrologist Chrysten Lambert.

Land Management's choice of a mining industry connected consulting firm¹⁰ to develop the management plan for the federally designated Steens Mountain Cooperative Management and Protection area.

Here are Seven Rules for Re-making Green Grantmaking:

First: Fund general operating support, infrastructure and planned giving/endowment campaigns.

By all means, evaluate strategic action plans, past results and visions for the future. Then, if you like the vision and plans, give unrestricted grants, fund infrastructure, and in effect say, "go forth and multiply your good works". Trust the people and systems groups have put in place and give them flexibility to act in the face of rapidly changing conditions.

Second: Support people and leadership.

Great people will create useful new ideas and significant results wherever they go. Institutional and organizational effectiveness often changes dramatically with changes and personnel. Blindly funding institutions year after year, regardless of changes in personnel, wastes opportunity. Fund leadership and generative ideas without age restrictions. Young or old, fresh perspectives do not necessarily mean inexperience and vice versa.

Third: Lose the hair shirt approach to issues, personnel, and management.

Many NGOs, while often enormously effective in specific narrowly focused political campaigns, are also notorious for their low pay, miniscule benefits, burn out rates, and loss of experienced staff – often to completely different careers and life paths.

We perpetuate this pattern with our funding priorities. Environmental and social concern work should be resource filled, fun, and rewarding. If it is, the larger public will want to get in on the good thing and be more open to listening to the messages. As it is, we far too often require progressive activists to work without tangible benefits, with mediocre salaries and poor equipment in miserable working conditions... taking advantage most often of exceptional personal commitments. These conditions permeate our self-images, our public messages, our grim worldviews, and our perception of scarcity in funds and time. --- We turn off the very people we expect to reach. Green funders and organizations need to think and generate plenty, not scarcity. Generative and healthy economies and ecosystems, not just sustainable ones. We live in a society that generates misuses and wastes enormous monetary, physical, and human resources. Changing our worldview will change our resource base, message, and ecological effectiveness.

One great example is the work of the Northern Forest Center in New England. Traditional approaches to examining ecological and economic trends in a region focus on what is missing. Reports abound with titles like 'Vanishing Wetlands' or 'Disappearing Forests'. The Northern Forest Center's focus on disconnected rural communities struggling to reinvent small town economies while protecting and restoring a broad swath of poor quality forestlands, could easily have fallen into that trap. Instead, they created the **Northern Forest Wealth Index** rather than focusing on indices of unemployment and poverty in the region. Their focus on the wealth of resources in the region has

¹⁰ See "Wyden asks for probe of contract" By Jeff Barnard The Associated Press January 17, 2004

created a new listening for the benefits of ecological stewardship and restoration of the northern forest.

Focusing on wealth and abundance can create a different and new reality for our work. Malcolm Gladwell, in his useful book *The Tipping Point*¹¹, talks about how in traditional concepts of wealth, value comes from scarcity. Gold, platinum, jewels, and other measures of wealth are valuable precisely because they are seen as scarce. Gladwell explains that in epidemics, and in the world of ideas the “law of plenitude” or what economics expert Kevin Kelly calls, the “fax effect” has more relevance.¹² When the first fax machine was invented, it was of limited value because no other fax machines existed with which to communicate. The second machine made the first one more valuable, and so on. Fax machines became an important method of communication and social change only when they were numerous enough to make the cost of the machine attractive as a tool. Rather than scarcity, the value of the fax came from abundance. The fax example of course, was quickly superseded by the advent of mass email.

In ecosystems, as in social change movements, value comes from abundance. For ecosystems, value comes from resiliency and biodiversity, characteristics arising in part from abundance. In social change efforts, we define success as the point when ideas become abundant enough in the conversation of the community for individual actions to change on a massive scale. We can apply this idea of ‘abundance as value’ to our funding priorities and use this approach to change the dynamic around ‘endangered species’ from one of scarcity to the wealth generating situation of abundance.

This is a particularly difficult change in worldview for foundation trustees and staffs battered by the shrunken endowments and desperate requests of the past few years. It is however, precisely this kind of atmosphere when reverting to ‘what we have always done’ is a recipe for ultimate failure. As funding expert Terry Axelrod puts it in her free fundraising newsletter, “Moving from the day-to-day reality of scarce resources into a world of abundant contribution requires a major mind-shift for most organizations. The habitual low-to-moderate level of suffering about funding is so much a part of the nonprofit world; most groups barely recognize that they are swimming in such murky, toxic waters.”¹³

Fourth: Fund systemic approaches to environmental degradation and the creation of a generative, exciting, healthy and sustainable world.

We cannot continue to fund environmental organizations that look at water pollution separate from air pollution, separate from population pressures, separate from endangered species, separate from habitat loss, separate from human quality of life, separate from cultural values and actions, separate from sustainable economics -- and expect to create healthy ecosystems and a sustainable and vibrant quality of life for the planet with blinders on the connections. We need to encourage cross-disciplinary thinking and actions. We can fund programs connecting local issues and globalization, environment and human health, clean water and environmental justice, vibrant communities and generative (as opposed to merely sustainable) economics.

As Gladwell notes, abundance of communication can lead to a problem of “immunity” when recipients become inured to the daily assault of emails and spam. Gladwell maintains that the

¹¹ *The Tipping Point: How Little Things Can Make A Big Difference* by Malcolm Gladwell (Second Edition 2002).

¹² *Id.* at 271-275

¹³ Raising More Money E-News newsletter, May 27, 2004, page one. Issues of the newsletter, a form for free subscription, and the feature article “Adopting the Model in the Midst of Scarcity” can be found at www.raisingmoremoney.com.

problem of immunity makes the communications of people we already know and trust all the more important.¹⁴ The cure for this issue is to find and fund the organizational equivalents of what *The Tipping Point* calls connectors, mavens, and salespeople. Briefly, connectors are people who are important for more than simply the number of people and connections they know. Their importance is also a function of the importance and kinds of people they know in any given situation.¹⁵ Gladwell recounts the career of Paul Revere as the classic connector. We all know Paul Revere went out on the midnight ride to warn of the British army marching on Lexington and Concord. Few of us know that William Dawes also went out with the same mission that night. The difference was that while Dawes contacted people more or less randomly in the towns he rode through, Revere was a classic connector who knew exactly whom to alert in each of his towns in order to ensure a strong response.¹⁶

The word maven comes from Yiddish and it means one who accumulates knowledge. When it comes to social and cultural tipping points, however, mavens are more than individuals who collect knowledge. They are almost pathologically helpful and they have the social skills to start word-of-mouth epidemics.¹⁷ As Gladwell says, “What sets Mavens apart, though, is not so much what they know but how they pass it along. The fact that Mavens want to help, for no other reason than because they like to help, turns out to be an awfully effective way of getting someone’s attention.”¹⁸

We have to support groups who cross boundaries – metaphorical and political. Innovators who do both national and international policy, while also building from the local community up and down the scale, creating synergies that change society. This is the late great David Brower’s approach -- ironically one that was chronically under-funded and struggling for most of his career. Brower, not so incidentally, was also one of the world’s best at sound bites – who could forget lines like “Should we flood the Sistine Chapel to get tourists closer to the ceiling?” or referring to the MX missile proposal as “putting the Maginot line on Amtrak”. Brower, in other words, in addition to being a connector and maven, was also a classic salesperson or persuader -- the third type of person critical to tipping word-of-mouth epidemics and social change.¹⁹

Why is Malcolm Gladwell’s discussion of connectors, mavens, and persuaders important to the fourth rule of Re-making Green Philanthropy? They are important models for the kinds of leaders and organizations we need to fund if we truly want to create the kinds of social and cultural change that will result in changes in actions that cause environmental problems. The environmental movement often fails because we do not consciously make these kinds of organizations a priority, and in fact, we often deliberately exclude them in favor of the piecemeal project-by-project approach.

Two recent policy papers reinforce this idea. The first, *Network-Centric Advocacy*²⁰ by Martin Kearns, Executive Director of Green Media Toolshed in Washington, DC, advocates building different types of capacity support structures and planning new types of campaigns, which reflect the inherent strengths of coordinated networks. The second, *Movement As Network*²¹ by Gideon Rosenblatt, Executive Director of the computer organizing and technical assistance organization ONE/Northwest in Seattle, shifts focus to the connections that link the disparate groups in the

¹⁴ Gladwell supra note 5 at p 275

¹⁵ Id. pp 46-47

¹⁶ Id. pp 30-33 and 59-60

¹⁷ Id. pp 66-67

¹⁸ Id. p 67

¹⁹ Id. pp 69-88.

²⁰ <http://www.network-centricadvocacy.net>

²¹ <http://www.movementasnetwork.org/>

environmental movement. Both make the point that connectors, information providers, and persuaders (marketing) are vital to the overall success of the movement and that funding priorities need to change to facilitate this.

Fifth: Focus to make an impact.

Focus these interconnected efforts on fulcrums and catalytic solutions. This is easier than it sounds. American Rivers under Kevin Coyle's leadership did this incredibly effectively in the late 1980s and early 1990s. Their investment in travel, with a staff of under 10 people and a budget well under one million, created at least two major movements (hydropower relicensing reform and expansion of the Wild and Scenic Rivers system through National Forest planning) that are still spinning off great environmental results 20 years later. Building on those examples, and with smaller budgets and staff commitments, River Network did it in the early 1990s with an untested new national program that built state and regional infrastructure, while also pursuing a local/national policy and organizing strategy. Among other successes, that effort helped spawn the now international movement to restore rivers and to rejuvenate river connected local economies by removing dams.

Sixth: Fund ideas.

If we are going to create connections and fuel mavens, we have to generate ideas that support these connections and feed the persuaders. We need to fund the substantive tools of networked movements as well as the infrastructure. Specifically, we need to fund films, books, policy research, and policy papers. Take a flier on new proposals and seemingly miniscule ideas. Build spaces for policy analysts and generalist thinkers, fund travel for and public speakers (public translators and persuaders!) and conferences (connection opportunities) and strategy sessions for litigation and campaigns. Fund message development and marketing, while broadening the movement's strengths, strategies, and coalitions.

Seventh: Transparency in operations and results.

Both funders and environmental organizations need to be transparent in operations and results. Honesty and specificity are key. We need to acknowledge the dead ends and incrementally losing strategies, while experimenting with new strategies and ideas. More than money, this will take a fundamental shift in worldview. It will also take an investment in infrastructure for reporting timely accurate results and funding reports on both the foundations and grantees websites. Some foundations excel at this. A shining example here is the Brainerd Foundation (www.brainerd.org) Others barely report their grants or project results at all, even years later.

These prescriptions are offered out of deep concern that we delusionally 'win' numerous small battles with current strategies, while vaingloriously losing the larger world. Foundations can operate as systems givers, supporting ideas/organizations/results as integrated outcomes, not specific projects. If, as a philanthropic community, we take this challenge and act upon it, we will change society and improve the quality of life of all beings on this blue planet.