

# 2018 - THE YEAR PHILANTHROPY FOUGHT FOR DEMOCRACY



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05/12/2018

2018 has felt like a year where civil society has responded and at times fought back against some of the prevailing winds of change threatening to erode our democracy.

More than two years ago, I sat in a room with other representatives of philanthropy, the academy and news media to discuss whether the decline of public interest journalism in Australia was the canary in the coal mine for our democracy. Fast forward two years and a collection of those same philanthropists have begun the process of investing heavily both into public interest journalism and into new institutes to protect and grow this vital pillar of our democracy. In this vein, it was thrilling to see Judith Neilson announce her \$100M commitment to establish an institute for journalism in Sydney. I'm also deeply proud of the many Perpetual philanthropic clients involved in a swath of investments, some for still-to-be announced initiatives, that will continue to grow and protect public interest journalism in this country.

Protecting voices of advocacy has also been a theme of the year. In December 2017, the Turnbull Government proposed changes to the Electoral Act that would in part impose restrictions and controls on charities, including philanthropic foundations, around public advocacy. While the Bill was a worthy attempt by Government to restrict foreign influence in our elections, many believe it was a step too far in restricting the ability of civil society organisations to engage in advocacy and debate

on issues of policy. A concerted effort by the sector through a [#HandsOffOurCharities](#) campaign that was backed by philanthropy, with [leadership from Philanthropy Australia](#), ultimately persuaded MPs across all party lines to agree amendments to the Bill. It was in and of itself an important demonstration of why advocacy for policy change is in the public interest. Subsequently charities in Australia can remain active voices for and on behalf of communities. Perpetual made a submission to Government in support of Philanthropy Australia's position on the Bill amendments and our clients were closely watching the issue as it unfolded. The resultant Bill amendments and legislation represented a victory on many fronts for our democracy.

The theme of transparency and government accountability was also alive in discussions Perpetual hosted with Stanford's Digital Civil Society Lab throughout July and August. The Lab Director, Lucy Bernholz, continued to challenge the assumption that more data, and better use of it, will ultimately lead to better solutions for our communities. [She shared her concerns and the growing evidence available within Australian contexts, that appear to show that algorithms driving policy and service delivery are more likely to harm than to help.](#)

Philanthropy can play a crucial role in ensuring data is being used for good. One small role that all funders can play is to ensure they are asking the right questions of community organisations who wish to utilise data for public benefit. Understanding that good data governance is at the core of good community outcomes is one small step in the right direction. Funding in support of building the right infrastructure, culture and governance within community organisations is another role for philanthropy. We hope to continue to see Lucy Bernholz in Australia working with philanthropists, civil society agents and governments to help us in the design of our digital civil society.

The year has finished out with another friend and colleague from Stanford releasing an important book linking together the themes of democracy and philanthropy. Professor Rob Reich is well known to many of us here in Australia for his provocations on philanthropy and need for greater transparency on and within the Foundation sector. His latest book, [Just Giving: Why Philanthropy is Failing Democracy and How It Can Do Better](#), reiterates that while philanthropy is an important source of risk capital and problem solving, Foundations and their actions still deserve scrutiny so that they are held to account by the public in the same ways that our governments and other civil society actors are. The take away for the individual philanthropist remains to ensure that at the heart of decision making on giving is the voice of the communities. This act alone, simple though it is, redresses a power imbalance that is inherent in the giving of money and ensures that philanthropy remains an actor for good in our civil society.

Perpetual hosted Professor Reich in Australia last year and I've had many people ask why we'd raise the voice of an individual who pushes for philanthropy to do better and be better. The answer remains that as an advice business we exist to assist the families and individuals we work with to be the best philanthropist they can be and that means acknowledging that there are some practices in giving that lead to great outcomes and others that can lead to poor ones. We have a responsibility to ensure we're supporting our clients in the right ways as they attempt to create impact for good.

As we close out the year, I'd like to acknowledge and thank the philanthropists I get to work with on a day-to-day basis. So many of them share their time, resources, wisdom, connections with me in the pursuit of building communities where every individual has the opportunity to thrive. I look forward to more in 2019 and beyond.

I'd also like to thank the incredible team here within our [Community and Social Investment](#) business at Perpetual. I know how lucky I am to get to work with this team every day.

We sadly said goodbye to Philanthropy Services Manager, Megan Weekes, as she left Perpetual Philanthropy to continue the great tradition of Perpetual alumni taking up leadership roles at other organisations across the philanthropic sector. We wish her well in her role at the RE Ross Trust.

We welcome Clementine Lucas to the role in our Philanthropy Team here in Melbourne. We're delighted to have secured an individual of her character with such wonderful experience in fundraising, the arts and philanthropy.

Finally, thank you to the many individuals across the non-profit sector who have been supportive of the work of Perpetual and our clients. To those who have spent time with myself and the team here, sharing the work of your organisations, the complexities and challenges facing the communities you support and the role you believe philanthropy should play in supporting better outcomes for communities, I thank you.

On behalf of the entire team here at Perpetual, I wish you all a happy and safe festive season. See you in 2019.

Caitriona

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