These remarks concern only one slice of Kettering Foundation's research with grantmaking foundations. It's the slice I know best—the work on civil philanthropy. Kettering has a rich history of work with grantmakers, which includes collaborations leading to the creation of the Communications Network in Philanthropy and Grantmakers in Education. Foundation researchers have regularly served on the boards of a variety of foundation associations. And a few alumni have taken executive positions at foundations.

John Dedrick

Earlier this year, John Dedrick spoke with the foundation’s working group focused on civic organizations about the origins and history of the civil investing research. This article is drawn from his remarks.


The rise of civil society was dramatic. It occurred as democratic movements in Asia, South America, and Eastern Europe, led by citizen groups creating free spaces and generating public will, suddenly became visible to many in the United States. The Beijing Spring and the reunification of Germany in the fall of 1989 may have been among the most vivid symbols of the time, but there were many others.

By the end of 1989, Kettering was ready to publish the first of three issues of the Kettering Review focused on exploring civil society and democracy around the world. The Dartmouth Conference, the Western Hemisphere Exchange, and ongoing dialogues with the Institute for American Studies at the Chinese Academy of Social Sciences provided context and materials for these volumes.

Attracted the attention of grantmakers by showing that civil society ideas had practical implications. He argued that social capital—the networks that promote norms of trust and reciprocity—can be generated through participation in civic groups over time. His follow-up research, resulting in *Bowling Alone*, made the worrisome argument that social capital is in decline in the United States.

**The Executive Seminar (1993-1994)**

In 1993, Council on Foundations’ president Jim Joseph authorized the creation of a seminar on civil society for foundation executives. The Kettering Foundation collaborated with Robert Payton at the Center for Philanthropy at Indiana University to organize a series of three executive-level seminars on the subject. The first meeting was in Dayton, Ohio, October 1993.

Fresh thinking about civil society and social capital had set the stage, but by the time of the first meeting, an award-winning series in the *Philadelphia Enquirer*, titled “Warehouses of Wealth,” had posed some hard questions about whether private philanthropy could be trusted to serve a public interest. (The William Aramony scandal at the United Way just three years earlier was still a fresh memory for many nonprofit leaders.)

By the conclusion of the third meeting in the fall of 1994, the executives had produced a distinctive framework for understanding civil society, a series of questions to guide grantmakers’ further explorations, and a loose network of senior foundation leaders who wanted to continue to experiment with civil society ideas in their work.

The seminar had identified a challenge for grantmakers. They noted a disconnect between formally organized nonprofit organizations and a public realm that is populated by a variety of ad hoc groups and informal associations critical to the health of communities and public life. But grantmakers who are organized to work with the formal nonprofits are often not well equipped to engage with informal ad hoc groups. What’s more, in *Can Philanthropy Solve the Problems of Civil Society?*, Bruce Sievers of the Walter and Elise Haas Fund raised the concern that there may be a fundamental conflict between the instrumental bias of business and philanthropy, on one hand, and the value-based problems of civil society, on the other.

This challenge led participants to frame a series of four practical questions that continue to frame the civil philanthropy research:

- How do we enter into community? (And how do we exit?)
- Whom do we work with?
- What are we investing in—Infrastructure? Processes? Something else?
- How are we accountable for this work?

Kettering initiated a new line of research on public attitudes toward philanthropy, especially with regard to accountability, as well as new research on civil societies, leading to the report *Can Public Life Be Regenerated?*

A final outcome of these meetings was an agreement that the seminar would continue as a “moveable feast.” A core group including Marvin Cohen (Chicago Community Trust), Anna Faith Jones (Boston Foundation), Ruth Shack (Dade Community Foundation), Bruce...
Sievers (Walter and Elise Haas Fund), Gayle Williams (Mary Reynolds Babcock Foundation), Kirke Wilson (Rosenberg Foundation), and Kettering would take the lead designing these exchanges. Carol Farquhar served as the lead program officer for the civil philanthropy work at Kettering, and she continued in that role until she was appointed as executive director for Grantmakers in Aging in 1999.

**Focus on Measureable Outcomes (1995-2001)**

The Indiana Center for Philanthropy, the Rockefeller Foundation, the Robert Wood Johnson Foundation, and Dade Community Foundation were among the seminar hosts. The group also met during Council on Foundations annual conferences, where there was considerable support for the work. By 1996, the ideas forwarded by the seminar began to attract wider attention among grantmakers: that year civil investing was the subject of a Foundation News & Commentary cover story as well as an op-ed piece in the Chronicle of Philanthropy.

But as Marvin Cohen, one of the thought leaders and champions for civil philanthropy, observed, philanthropy has a short attention span, and it can be fickle. Several things happened in the late 1990s that changed the context for advancing the civil philanthropy research. New donors and new money were coming into philanthropy. Much of it was directed toward strategic or venture philanthropy. This new focus placed greater emphasis on measureable outcomes and greater focus on evaluation, which seminar participants argued can be a practical obstacle to doing civil philanthropy work.

Kettering's role was to undertake a series of research studies on both accountability and the role of governing boards to better understand the nature of the accountability problem and what might be done about it. Collaborations with the Harwood Institute resulted in Strategies for Civil Investing, Squaring Realities, and Beyond Constituencies, and later The Organization-First Approach.

Professor of public administration George Frederickson started a line of research exploring best practices and benchmarking. Foundation News & Commentary published his results under the title “First There’s Theory, Then There’s Practice.” Frederickson also published with Kettering: Easy Innovation and the Iron Cage: Best Practice, Benchmarking, Ranking, and the Management of Organizational Creativity.

Throughout this period, we heard repeatedly that questions of accountability and evaluation were obstacles to grantmakers who understood that strengthening civil society and social capital entails, at least in part, making investments to strengthen public spaces, ad hoc associations, and democratic processes. But our efforts to introduce new research that might contribute to reframing accountability and fresh thinking about some of the pressures leading to a sharp focus on evaluation seemed to gain little traction.

**Post-September 11, 2001**

The bombing of the World Trade Center proved to be a decisive turning point for the seminar. By that time, the interest in meetings convened around annual meetings at the Council on Foundations had declined somewhat. After 9/11, the field entered a new phase of reconsidering priorities in what was clearly a new period in American society. David Mathews summed up the findings from the work done between 1993 and 2001 and why it mattered in this new era in “Trends in Philanthropy: Democracy as Homeland Security” in the National Civic Review.

In 2001, Enron declared bankruptcy. Foundations lost money, pension funds lost money, and many others lost money as well. Enron's failure led to a congressional investigation, the discovery of fraud and other criminal behavior, and the Sarbanes-Oxley Act. While the act’s requirement did not apply directly to nonprofits, the Enron bankruptcy once again raised questions about accountability, which rippled though the nonprofit sector.

This was the context for Kettering’s collaboration with Public Agenda and the Independent Sector on a focus group study to examine people’s perceptions of the nonprofit sector titled, The Charitable Impulse.

Suzanne Morse Moomaw had been the director of programs at Kettering from 1983 to 1992 and joined the board of

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**1993**

- **July 1993**
  The first International Civil Society Workshop (ICSW) is held at Miami University.

- **October 1993**
  The first Civil Investing Seminar is held in Dayton.
are our priorities?" Three years later, in 2008, the bottom fell out of the US economy. In the period between these two events, resilience and community capacity became increasingly central themes for grantmakers. The Great Recession has had another effect as well, which was to resurface a set of questions about what philanthropy should be accountable for.

Kettering’s response to these developments has been multipronged. On questions of philanthropy’s role in community capacity, KF program officers Debi Witte and Derek Barker began convening meetings with community-based foundations, which led to a series of research collaborations with CFLeads, Philanthropy Northwest, and Grassroots Grantmakers. An occasional paper by Humboldt Area Foundation executive director Peter Pennekamp, Philanthropy and the Rejuvenation of Community Democracy, was one product from these exchanges. Kettering also worked with Public Agenda on research into accountability, reported in Don’t Count Us Out. Work with Philanthropy for Active Civic Engagement (PACE) resulted in Philanthropy and the Limits of Accountability as well as an article by PACE executive director Chris Gates and KF program officer Brad Rourke in the Chronicle of Philanthropy. And continuing the longstanding practice of working with foundation associations, KF program officer Carolyn Farrow-Garland joined the board of Grassroots Grantmakers, while I was invited to join the PACE board.

Finally, former Kettering board member Daniel Kemmis, who was then serving on the board of Philanthropy Northwest, began organizing exchanges on a range of topics from philanthropy’s role in strengthening community-focused nonprofits to enduring questions about the role of philanthropy in American democracy and its accountability to the public. One product of this work is Kemmis’ working paper, Philanthropy and the Renewal of Democracy: Is It Time to Step Up Our Game?

Summary Findings

What have we learned from this work? Five top-line findings head the list:

• Civil investing is actually investing. It’s philanthropic work that’s aimed at building and strengthening democracy.
• Building a nonprofit infrastructure is not the same as creating civic capacity. These may be related, but they are not the same.
• Investing in the capacities of community to do public work is labor and time intensive. It’s deeply relational and requires a long-term commitment.
• Communications and language are critical, and we don’t have a common language or effective communication strategy for this work.
• Accountability matters, but it’s about much more than metrics.

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