

# What should drive philanthropy?

It has long been fashionable to seek to increase charitable giving through exhortation or appeal. Sometimes extra incentives are proposed. Most recently, Frank Field MP in his Allen Lane lecture argued for an 'acceptable behaviour contract' to be applied to today's super rich. The cornerstone of this would be a levying of a 10p additional rate of tax, the whole of which could be offset by charitable giving.

Unlike Field, NPC does not take a position on whether the wealthy should be incentivised to give. We argue instead that charitable giving should be driven by the social returns that can be achieved and, to this end philanthropy should be viewed as an investment in society rather than a disinvestment—an opportunity to improve society rather than simply giving back.

This is more than semantics. NPC argues that when donors can see results they are inspired to give more generously and more wisely. But for this to happen cultural change is needed. It also requires donors to demand more and better information from charities. Donors need to talk the language of returns or achievements and ask charities questions about these things. And charities need to look closely at their activities and improve the way they talk about their data and the results of their work. Arguably there are emerging signs of these changes, but lots could be done to encourage the shift.

Inspiring and informing donors to donate on the basis of detailed analysis and research might be more effective than insisting they give. There is scant evidence that pushing

people to give more results in higher levels of donations. At NPC, we believe that to create real change, people need to move away from seeing philanthropy as obligation, and instead see it as opportunity.

**Martin Brookes**

## NPC goes international

NPC has launched a research partnership with Copal Partners in India, as well as launching its report on international giving, *Philanthropists without borders*. For more information, visit our website.