GENEROSITY FESTIVAL

RESEARCHING PHILANTHROPY, ECONOMY AND SOCIETY IN NORTH EAST ENGLAND

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The Generosity Festival is brought to you by

Community Foundation
Tyne & Wear and Northumberland

Newcastle University
Centre for Research on Entrepreneurship, Wealth and Philanthropy

Citation: Harvey, C., Maclean, M., Price, M. & Harizanova, V. (2018), Researching Philanthropy, Economy and Society in North East England. Website [Festival website], accessed [day, month, year].

Introduction

There is a small but rich and informative literature on the history of philanthropy in Britain, but very little specifically on philanthropy in the North East of England (Button & Sheets-Nguyen, 2014; Ben-Amos, 2008; Gray, 1905, 1908; Jordan, 1959; Owen, 1965; Prochaska, 1980, 1988). Our research is intended to help remedy the situation by surveying the history of philanthropy in the region over a period of more than 900 years, from the time the North East was brought under Norman control – thirty years or so after the Conquest of 1066 – down to the present. Our purpose is not to provide a detailed chronological account of philanthropic initiatives nor an in-depth exploration of specific themes, but rather to paint a broad, suggestive picture, supported by the available evidence, in order to draw significant conclusions and lessons for the present.

Researching Philanthropy

The most fundamental problem when researching philanthropy – past or present – is to determine which human actions are philanthropic and which are not. We define philanthropy as *voluntary giving by private individuals, couples, families or corporate bodies to promote charitable causes, projects or organizations*; what Payton and Moody (2008: 28) express more succinctly as "voluntary action for the public good." The key criteria are *voluntary* and *public good*, thus excluding projects, initiatives and services provided by governments and financed by taxation, which is *compulsory*, enforced by authority with the backing of the law. Support provided by individuals for households or extended families may often be generous but is never philanthropic because it is for *private* not public benefit. It follows that acts of philanthropy only occur:

a. when the person making a gift is *not compelled* to do so;
b. when the gift benefits people with whom the giver is *not directly connected* (excluding relatives, friends and employees);
c. the gift is made from the giver's *personal resources*, not resources controlled by them but owned by others;
d. the giver *does not receive a material benefit* in return for the gift.

Applying these criteria strictly is important because it limits the tendency to exaggerate the extent of philanthropy or to mistakenly believe that an action is philanthropic when in fact it is not. It is a common mistake, for example, to regard the apparent generosity of paternalistic business leaders in providing housing and welfare benefits for employees as philanthropic (Finlayson, 1992: 45-63). Such acts may indeed be *enlightened*, but they do not qualify as philanthropic because they fail to satisfy conditions (b) and (d), and, when the gift is made by a manager who is not the owner, condition (c) also. For similar reasons, it is mistaken to regard politicians spending public funds or chief executives of private or third sector organizations sanctioning charitable gifts as acts of philanthropy. They are not, primarily because they fail to satisfy condition (c).

The objective criteria applied in determining whether a gift may legitimately be classified as philanthropic have no bearing on judgements relating to the magnitude, form or intrinsic worth of philanthropic gifts. This is because these matters are subjective and depend crucially on value judgements. It is not possible, for example, to justify imposing an arbitrary minimum value before a gift is classified as philanthropic. People who make a donation of dried or canned goods to a foodbank are behaving in the same philanthropic spirit as those who endow a scholarship for disadvantaged children attending university. The particular form taken by a gift likewise is value neutral. Gifts of money are not intrinsically superior to gifts of labour or gifts in-kind. Volunteering, for example, may be as critical to the effective operation of front-line charities as cash donations. Finally, it is wrong in principle to distinguish between good and bad philanthropic causes, providing the cause is legal. Hence, we assert, giving to combat poverty is not necessarily more worthy than giving to support the promotion of religious beliefs, although the utilitarian philosopher Peter Singer (2009, 2015) would disagree.

Researching the history of philanthropy in the North East

Our historical study of philanthropy in North East of England has been framed in accord with these considerations in two main respects. First, we have tried to identify as philanthropy those actions and initiatives that satisfy the objective criteria outlined above, so as to avoid exaggeration and over-claiming. Second, we have taken the view that philanthropy is a phenomenon that extends to people of widely varying means, who contribute in different ways to a rich variety of causes in the belief that their donation will help improve the lives of unrelated others (Breeze & Lloyd, 2013; Davies, 2015).

Beginning with only a fragmentary knowledge of philanthropy in the North East, we began by exploring regional and local histories to pick up insights and likely instances of significant philanthropic acts through the ages (Brand, 1789; Cannon, 2016; Lomas, 1992, 1996, 1999, 2009; MacKenzie, 1827; McCord, 1979; McCord & Thompson, 1998; Parson & White, 1828; Purdue, 2011; Whiting, 1932, 1940). We created three linked spreadsheets to record the basic details of

- candidate philanthropists,
- sites and beneficiaries of philanthropy, and
- philanthropic trusts and foundations.

These were grouped into four historical eras because philanthropic acts can only properly be understood with reference to the context, beliefs, values and social practices prevailing at the time. Availability of an existing literature on philanthropy at the national level was helpful in this regard (Ben-Amos, 2008; Button & Sheets-Nguyen, 2014; Gray, 1905, 1908; Jordan, 1959; Owen, 1965; Prochaska, 1980, 1988).

Our next step was to research candidate philanthropists, sites and beneficiaries, and philanthropic trusts and foundations, using mainly publicly available sources, supplemented whenever feasible, given resource constraints, by archival data or, in the case of living philanthropists, data obtained through interviews. A particularly valuable published source for individual philanthropists is the *Oxford Dictionary of National Biography* (ODNB, 2018), but in many cases the available sources are fragmentary and incomplete. The general rule applies that the further you go back in time, the harder it is to gather reliable information. For the contemporary period, there is systematic data on trusts and foundations and beneficiaries from the returns made to the Charity Commission, and many long-lived organizations have useful websites containing historical information. There are also, in some cases, published or unpublished lists of donors, generally referred to as subscribers, to particular philanthropic causes such as hospitals and universities. Such lists are very important because they demonstrate convincingly that many philanthropic projects are the product of collective rather than individual endeavours. All in all, the process of gathering and ordering information on individuals, sites and beneficiaries and trusts and foundations is best described by the term *bricolage*, "the construction or creation of a work from a diverse range of things that happen to be available" (Oxford Living Dictionaries Online).

To help us see the bigger picture from the many fragments of information gathered we have engaged in three main sensemaking processes. First, we have worked from the grass roots up to develop a picture of philanthropy in the North East during the medieval, early modern, modern and contemporary eras respectively. This has involved writing profiles based on available sources for 110 notable philanthropists, 105 beneficiaries of philanthropy, and 33 charitable trusts and foundations based in the North East. Notable philanthropists have been selected on the basis of proven significant contributions to important philanthropic causes. Beneficiaries have been selected that have a current annual philanthropic income of £100,000 or more. Trusts and foundations have been selected that currently make grants totalling £100,000 or more per annum. Images have been gathered to illustrate profiles whenever possible. The work is ongoing and it is likely that the number of profiles will grow in due course.

The second main sensemaking process has been to create and interrogate research data sets for beneficiaries and trusts and foundations to answer questions about the magnitude of philanthropy, causes supported, and the relative importance of philanthropy to beneficiaries. A particularly important aspect of this work is to distinguish between the types of contribution made by philanthropy, which, broadly speaking, are threefold:

1) the provision of *infrastructure* such as buildings and facilities;
2) the provision of *endowment*, assets such as property or stocks and shares that yield an annual income to support of on-going operations;
3) the provision of financial and other *immediate use resources* in support projects or ongoing operations.

When this information is available, it is possible to compute the *philanthropic income* of beneficiaries in any given year. Philanthropic income is the value of incoming resources to an organization from all *bona fide* philanthropic sources, including voluntary donations and legacies, income from endowment, and grants from charitable trusts and foundations. Specifically excluded are income from trading and contracts and grants from government bodies or quangos. By calculating philanthropic income, it is possible to determine the relative importance of philanthropy to the on-going activities of different types of third sector organizations.

The third main sensemaking process employed has been to set our profiles, statistical computations and original data sources (documents and interviews) within the context of the existing literatures on philanthropy, the history of philanthropy in Britain, and the history of the North East, asking three fundamental questions: What have we found that confirms existing knowledge and conventional understandings? What have we found that is at odds with existing knowledge and conventional understandings? What have we found that was previously not known or fully understood?

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