

# Understanding the landscape of philanthropy in Africa

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This century belongs to the African philanthropists whose capital, influence, local knowledge, and moral authority have the power to address pressing challenges that face the continent. In addition to the new demands and complexity of challenges facing Africa, there is a lack of data and comprehensive knowledge when it comes to giving in Africa and the impact on the continent. Our centres create a platform to share ideas and work together to understand the role of African philanthropy.



Emmanuel Akyeampong, Oppenheimer Faculty director at Harvard University Center for African Studies

Philanthropy is a product of successful business in the private sector. It is inspired by a desire to give back to society, and for the very wealthy the remit is almost global. In this form it is more deliberate, often goes beyond the scale of kin and local community, and seeks to make an impact that is visible and measurable. This requires structure and philanthropy at this scale is organised through foundations. This distinguishes philanthropy from charity, which all practice, both in scale and in the targeted recipients.

## Collaboration needed

Governments need to work collaboratively with philanthropy, civil society and the private sector in innovative ways to make a more impactful difference on the continent. Colonial capitalism made newly independent African governments ambivalent about capitalism and meant that there was no capitalist middle class in Black Africa. There was more interest in wealth redistribution than wealth creation. The high net worth individuals in Africa that have been profiled in Forbes emerged mostly over the last two decades. That their rise coincided with the era of NGOs (non-governmental organisations),

and their championing of advocacy, makes governments uneasy about the foundations of the new African wealthy organised as NGOs.

It is important to rethink the relationship between government, the private sector, and philanthropy, as Africa's developmental agenda overwhelms any single government. In Africa, philanthropy has engaged in disaster relief, poverty relief, in education, job training and employment opportunities, etc. In these areas they intersect with government, and hence must collaborate for maximum impact, especially since government sets the policy agenda for areas such as education, and in terms of disaster or poverty relief has the infrastructure to intervene more effectively. Philanthropy cannot displace or disrupt government. Partnership is crucial. It is estimated that the funding gap for Africa to achieve the SDGs (Sustainable Development Goals) is about \$2.3tn. Government, the private sector and philanthropy will have to work together on innovative solutions for social change, especially with the declining levels of international development assistance.

The role of government is to provide essential services – physical and social infrastructure (roads, railway, hospitals, schools, etc), ensure a conducive policy environment that enables the pursuit of potential, provide law and order, maintain security, etc.

The role of the private sector is to invest in the stock of productive capital, to create jobs, working closely with government to meet the government's developmental vision, and with educational institutions (especially technical institutions and universities) that train the workforce of the future. The private sector services the financial market and finances economic ventures with an eye to return.

## Philanthropy education

Some wealthy African philanthropists have created foundations that emulate the West with strategic methods and processes, but with or without a foundation, these African philanthropists tend to give on local and personal interests. Philanthropy on the continent can be transformed through philanthropy education, that gives African high net worth individuals a better understanding of the landscape of philanthropy in Africa, and how to give in more impactful ways. Legacy is an integral part of giving, and it is more appealing to be remembered nationally, regionally or continentally than to be remembered in just one's hometown. On 16-17 May 2019, the Harvard University Center for African Studies, African Centre on Philanthropy and Social Investment at the Wits Business School, Trust Africa and the African Philanthropy Forum held an African Philanthropy Conference in Johannesburg to increase awareness and set the agenda of philanthropy in Africa. Here are a few areas philanthropy could play a major role in Africa:

**Invest in knowledge development:** Invest in higher education, in technology, science, medicine and other areas that touch local societies broadly. At the top American universities the production of knowledge is a partnership between philanthropy and universities: programmes, labs, buildings are named in the pursuit of knowledge and legacy.



Bhekinkosi Mboya, director at the Africa Centre for Philanthropy and Social Investment, University of Witwatersrand

**Reduce social inequality:** Invest in schemes that reduce social inequality. Africa has a rising number of ultra-high net worth individuals (754), defined as individuals with \$50m and above. Though this does not compare favourably even with a developing country like India with 3399 individuals worth \$50m and above, more wealthy Africans have been profiled in Forbes in the last decade than at any time. The rising number of poor in Africa, clearly a challenge governments have failed to redress, places a special responsibility on the ultra-wealthy in seeking to reduce social inequality. The World Bank estimates that 77% of the world's poor will be in Africa in 2030.

**Create a better future for the youth on the continent:** Africa's population is set to double by 2050 from 1.2 billion to 2.5 billion. Already this is the continent with the most youthful population. Our understanding of early childhood development has underscored the importance of the first 1000 days in health and cognition based on good nutrition and early education. This is an area philanthropy can work with government to ensure a better future for the continent and to avoid a demographic disaster.

**Invest in areas that are left unattended by government and business:** There are areas of rising concern that governments with their numerous responsibilities lack the nimbleness to respond to in a timely manner. Climate change is one example. In the US the private sector has begun to invest in climate studies, especially with the current government's disinterest in climate change. The preservation of culture in museums, the conservation of historic buildings, nature conservation, etc., have all fallen into disrepair. These could be avenues of philanthropic giving, as together they provide a fuller African narrative.

As academic institutions, we wish to facilitate effective giving by building strategies for transformative change in Africa through philanthropy.

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