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Why giving circles are the fastest-growing form of philanthropy right now



Felix Salmon, author of [Axios Markets](#)



Illustration: Shoshana Gordon/Axios

Why it matters: This kind of structured giving provides a glimpse of what a democratic, egalitarian philanthropy looks like.

The big picture: A detailed new [report](#) from Philanthropy Together, based on extensive interviews, focus groups, and surveys, finds that the philanthropy practiced by giving circles is very different from the top-down practices of foundations funded by billionaires.

- The leaders and members of the groups are overwhelmingly women, and often women of color. 60% of groups are *entirely* women.
- The charities they support tend to be small community organizations. The giving is overwhelmingly local.
- Rather than concentrate on metrics like "bang for the buck," the groups tend to be more concerned with racial equity and inclusion.
- Donations are broadly unrestricted. In the jargon, it's "trust-based philanthropy" that isn't tied to outcomes or specific projects.

Zoom out: One thing the giving groups tend to have in common with old-school philanthropists is a stated commitment to "change not charity."

- That means they see themselves at the philanthropic end of the charity-philanthropy spectrum — not giving to the needy directly, so much as building up the institutions that will create a stronger community.
- The giving groups themselves become part of the civic infrastructure: These are formal institutions, often with paid

philanthropists only after joining a giving circle, even though they regularly donated to charity beforehand.

By the numbers: The number of giving circles, and the number of people who are part of one, tripled between 2007 and [2016](#) — and then tripled again between 2016 and 2023.



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- Today, there are roughly 4,000 such groups, with 370,000 members; between them, they gave away more than \$3 billion over a five-year period ending in 2023.
- "The movement is now on a trajectory to double again in the next five years," finds the 2024 report.
- Most members donate less than \$1,000 per year.

Between the lines: Members of the groups reported significant improvement to their physical, mental, and spiritual health as a result of joining. In an increasingly atomizing world, these groups create real community.

- Members also became more likely to become actively engaged in local civic institutions.

The bottom line: "Collective giving is democratizing and diversifying philanthropy," concludes the report.



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