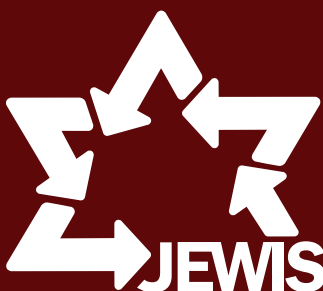


FUNDERS & **POWER**

Principles for Honorable Conduct in Philanthropy



JEWISH FUNDERS NETWORK

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Where is the line between strong philanthropic leadership and abusing power? What are funders' responsibilities for ensuring civility & communal cohesion?

Recent years have witnessed a degradation of public discourse in the Jewish world. Actions taken by funders, even with the best of intentions, sometimes exacerbate fractures in the community. Seeing this increasing polarization and incivility, a diverse group of Jewish funders came together under the auspices of Jewish Funders Network to discuss how Jewish funders can align Jewish philanthropy to Jewish values in the service of a vibrant and respectful Jewish community.

The principles below are the fruits of those deliberations. Initially prompted by concerns of civility in discourse, the guidelines also extend to issues of honorable conduct more broadly. We recognize the intrinsic imbalance of power between funders and other stakeholders, and the potential ethical dilemmas that may result. The guidelines are informed by, and build upon, the five core values of Jewish Funders Network: Responsibility / *Tikkun Olam*, Equality / *B'Tselem Elohim*, Respect / *Derech Eretz*, Inclusion / *Eilu V'Eilu*, and Partnership / *Areyvut*.

These principles are intended to spark reflection, conversation, and policy change among Jewish funders. Outlining broad standards of conduct, they can help funders frame the right questions to ask themselves and their fellow funders as they navigate complicated questions about power and ethics in relating to grantees, to their own staffs and families, and to their wider communities. Ultimately, we hope these principles will empower Jewish funders to inaugurate a new era of respect, dignity, and good citizenship in Jewish philanthropy.

1. TAKE COVENANTAL RESPONSIBILITY

In the Jewish tradition a covenant (*brit*) is more than a mere contract; it is a profoundly sacred trust. Funders should understand their philanthropy as being part of a covenantal relationship with their communities. Just as public officials begin their service by taking an oath of office, philanthropic institutions should consider establishing a formal “leadership covenant,” to which board members must commit before assuming their leadership positions, making adherence to principles such as these guidelines and other core values an explicit and fundamental pillar of their philanthropic leadership.

2. TREAT GRANTEES AS PARTNERS

Nonprofits are not mere vendors for funders, but full partners in making change. Partnerships work best when both parties feel equally valued and know that their views and expertise are respected. Just as nonprofits should be open to learning from the substantial expertise of funders, funders should also proceed with humility, seeking to learn from grantees, who were selected, presumably, for their expert knowledge and skills. True partnership can be difficult to achieve given the

power imbalance between funders and grantees, who may rely on the funders for their ongoing ability to exist. Funders can navigate these dynamics if they address them directly, ensuring that their partnerships with grantees are as honest, equal, and functional as possible.

One important aspect of a balanced partnership is for funders to respect grantees’ rights to define their own missions and values. Philanthropists who partner with a nonprofit to pursue one mission should not try to impose other missions, values, or public stances on their grantee partners. Too often, funders who provide ongoing support to nonprofits threaten to withhold future funds unless the organization advocates a certain position on a controversial topic, moving well beyond the bounds of partnership and into a dynamic approaching extortion.

Of course, both funders and grantees have the right to define their own principles and “red lines,” and sometimes funders and grantees must part ways over divergences of missions or values. There is nothing wrong whatsoever with a funder parting ways from a partner organization over an unforeseen ideological difference that emerges.

3. CONSIDER THE ENTIRE COMMUNITY

Decisions that funders make can reverberate across the community. Funding decisions—especially around hot-button issues—may have unintended consequences that can affect people and places beyond a grant’s intended scope. Funders should

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be aware of any ripple effects that their approach might cause, and ensure, as much as possible, that in achieving one goal they will not create a new problem at the same time—for their own issue areas, for other grantees, or for others. In order to better understand the whole environment in which they operate, and cultivate a sense of responsibility to the entire community, funders should build relationships with a broad variety of community stakeholders beyond those with whom the funders work most directly.

4. CONSIDER AND HONOR DIVERSE VIEWPOINTS

It is all too easy for funders to operate in echo-chambers. Like everyone else they usually prefer to listen to the opinions of those who agree with them, and the quality of their decisions suffers as a consequence. Considering a broad range of views—including dissent—among staff, grantees, and even family members, is vital for grasping the full complexity of any issue. Funders should ensure they escape “epistemic closure” by following intentional processes of consultation, learning, and respectful deliberation before reaching important decisions.

5. BE ETHICALLY CONSISTENT

Funders should only demand that grantees adhere to rules and principles that the funders themselves also follow. They should require evaluation but also evaluate their own work; they should require sound deliberative processes, and use them for their own funding decisions. Whether the issue is transparency, efficiency, or anything else, funders must embody the principles that they want their grantees to follow. As Hillel said, “What is hateful to you, do not do to your friend...”

6. BUILD REFLECTION INTO THE PROCESS

Excellence in any activity requires a “learning loop,” with feedback providing guidance on how to build on strengths and address weaknesses. In philanthropy, however, funders seldom receive meaningful critical feedback on their funding practices. Many people, especially those whose work is dependent on philanthropy, or who benefit from nonprofit organizations, are afraid to speak candid criticism to those allocating the money. This dynamic can leave funders with a distorted view of how their communities really think and feel. This problem is particularly acute when the missing feedback relates to issues that are controversial or ideologically divisive. Funders should proactively build critical reflection into their professional practice, and work with grantees, philanthropic peers, and other stakeholders in the community to create honest and effective feedback mechanisms.

7. FUND POSITIVE CHANGE, NOT HOSTILITY

It is fundamentally right for funders to use their philanthropic resources to advance

the ideas and causes in which they believe, including strong positions on controversial topics. It is fundamentally damaging to the community, however, to fund organizations and programs that seek to demonize and vilify others who disagree.

Before making allocations or entering into funding partnerships, funders should analyze the track records both of potential funding partners and potential grantees regarding civility in public discourse, and expect to discuss their own track records likewise. Respect should become a standard criterion for philanthropic and nonprofit professionalism, alongside financial transparency and proper governance.

8. ENSURE THE PERSONAL SAFETY, DIGNITY, AND EQUALITY OF ALL PEOPLE

Jewish tradition insists on *kevod habriyot*—human dignity. All people have a right to personal safety and to a respectful recognition of their inherent equality. That principle should govern not only the outcomes of programs funded but also the day-to-day interactions of Jewish philanthropic work and life.

Because of structural power imbalances,

funders have a high level of responsibility for upholding human dignity. We must not take the personal safety and equal treatment of those around us for granted in any setting. Rather, funders should actively and openly seek to make their operations, and their grantees' operations, absolutely free of sexism, racism, religious and cultural discrimination, harassment, intimidation, violence, and every other kind of personal hostility or unequal treatment.

Sexual harassment, abuse, and assault have been revealed to be a particularly widespread set of problems, and funders must not engage in, empower, excuse, or ignore these behaviors.

Funders should work with their staffs, grantees, and wider communities to create systems to actively monitor for all forms of abuse and discrimination, maintaining accountability in all directions—including systems that will hold funders themselves accountable for their own personal behavior and for the policies affecting their employees' behavior.

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