

Event summary

WINGSForum is the preeminent global conference on philanthropy - offering a rare opportunity for a truly unique collection of philanthropy associations, support organisations, funders and academics from all regions of the world to network, learn from each other and deeply explore how philanthropy can make an ever-greater contribution to social impact and civil society building.

The in-person WINGSForum had to be postponed, and a series of virtual experiences filled the gap. From November 2020 to May 2021, WINGS hosted three online events that replaced the WINGSForum in-person gathering. This session, held on May 20 2021, was the last in the WINGSForum 2020/2021 Virtual Summit Series.

We welcomed a group of five thought leaders and a fantastic moderator to discuss and debate philanthropy's role in reimagining and implementing new economic models. The panel explored the nature of our current problem, alternative economic models, and philanthropy's role moving forward. Key highlights from the event can be found in this document.

Moderator:

- Miatta Fahnbulleh, Chief Executive of the New Economics Foundation

Panellists:

- Marcel Fukayama, Executive Director, Sistema B International
- Leslie Johnston, Chief Executive Officer, Laudes Foundation
- Brian Kettenring, Director of the Economy and Society Initiative, Hewlett Foundation
- Sanda Ojiambo, Executive Director, United Nations Global Compact
- Jaff Shen, Co-founder & CEO, Leping Foundation



"My one plea to funders and philanthropy is you got to work together, whether that's funding systems change at the top, funding the ideas, or funding these grassroots organisations. Working in isolation means we're not greater than the sum of our parts, so there must be collaboration in order for us to drive systems change".

Miatta Fahnbulleh

PART 1: THE NATURE OF THE PROBLEM

In the first part of the discussion, the speakers shared their perception of our current economic system and the problems it has brought people and the planet. Here are the main points that were raised:

- Capitalism has been a force that incentivised innovation and creativity and improved living standards, but it has failed us. It has exacerbated inequality, inequity, racism, and the climate crisis we are facing.
- Inequality is one of the main failures of our economic system, not only inequality in income but also inequality in wealth. The gap between rich and poor becomes wider every day.
- In our current economic system, we value things according to their market price. We are not valuing dignified jobs or the importance of natural resources. This needs to change if we want to create more inclusive economies.
- We must analyse the impact of businesses on climate, inequality, and poverty so they can become part of the solution.
- Even in China, prices are rising at an exaggerated rate, and younger generations cannot keep up. The promise of economic growth and prosperity does not reach everyone.



“There's an increased awareness of the fact that the business of business can no longer be business”.

Sanda Ojiambo

PART 2: WHAT ALTERNATIVE ECONOMIC MODELS EXIST?

In the second part of the panel, the speakers discussed examples and alternatives that will help us imagine and implement better economic models. They raised the following points:

- Before moving forward to achieve change, all stakeholders must be on the same page. Right now, we all agree that our current system is not working. Now we need to imagine the future we want and create an alternative to put forward.
- Foundations can push for change by funding projects that reveal the flaws of our current system and propose solutions. Laudes Foundation shared two examples:
 - A programme that empowers workers in the garment industry to audit their companies and hold them accountable.
 - A project that rethinks the value of farmers' land and gives power to producers who are lowest in the supply chain.

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- Philanthropy must not forget the importance of grassroots movements in changing the narrative and amplifying local realities. Grassroots movements will provide the energy and momentum to keep working towards a better future.



“Where is the energy for change in our society going to come from? If you want transformation, it's gonna have to come from a variety of sources driven in large measure by social movements and social action”.

Brian Kettenring

- Businesses should be part of the solution. They are a powerful platform to scale innovative, creative, and entrepreneurial solutions that solve social and environmental issues.
- However, businesses should focus on a stakeholder governance model based on purpose, responsibility, and transparency. This means a commitment to measure, manage, and report social impact the same way it is done with profits. Some tools to do this are:
 - [SDG Action Manager](#)
 - [B Impact Assessment](#)

- Workers, consumers, and investors are demanding change. Newer generations want to be part of sustainable movements and will invest their time and energy in businesses that have a positive impact. Some initiatives led by businesses are:
 - Call for the creation of a [White House Initiative on Inclusive Economic Growth](#)
 - [Better Business Act Coalition](#) in the United Kingdom
 - [Latin American Public Leadership Summit for Triple-Impact Economic Reactivation](#)
- However, voluntary change is not enough. We also need rules and regulations and a strong state that underpins these rules.
- Collaboration is essential. The significant changes we need cannot be achieved alone by one institution or sector.
- We need a mindset shift. We must solve today's problems with the technology and ideas we have today.



“Businesses that don't adopt the purpose of positive impact in their value chain, work environment or business model, will lose their capacity to attract and retain their workforce”.

Marcel Fukayama

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PART 3: WHAT CAN PHILANTHROPY DO TO REIMAGINE NEW MODELS?

In the final section, speakers shared their insights on how philanthropy can be a catalyst for the change we need, highlighting the following:

- Philanthropy is not a silver bullet, but it is a crucial player in funding change. The sector must balance mobilising funding for top-down research that proposes new rules, models and incentives, and bottom-up grassroots work that scales change.
- Philanthropy needs to hold companies accountable and ensure that their funding comes from actions that do not harm people and the planet.
- To address structural problems, philanthropy can support intermediary organisations that work on economic innovations, which will, in turn, strengthen the entire philanthropy ecosystem.
- There is a funding gap for social impact projects that are at very early stages. There's already investment by businesses that can scale up and grow existing projects, but there's little investment in projects that are not formed yet and need initial funding.



"Innovation is expensive and costly, so venture capital and private capital are very good at increasing these innovations. For social innovation, we need a lot of investment. I encourage my colleagues and partners to put more energy into innovation".

Jaff Shen

- Global knowledge sharing platforms must be created to eliminate silos and foster collaboration across the philanthropy sector. Foundations cannot only fund their theories of change; they must be willing to invest in other's ideas.
- There is a need to think about systemic change in the long term but also to act urgently to deal with immediate crises.
- Innovative financial instruments like blended finance, impact investment, and social entrepreneurship can be adopted more broadly by philanthropy to steer stakeholders towards a new economy.

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- Gender needs to be a transversal lens for all the work philanthropy does moving forward. If gender is not included, real change will not be possible.
- Philanthropy can help establish standardised frameworks and metrics, like the Sustainable Development Goals (SDGs), to avoid greenwashing and ensure that all stakeholders move towards the same goals and use a common language.
- Philanthropy must listen to local actors and imagine new ways of acting, being, and organising our societies that make sense to everyone involved.

The philanthropy of tomorrow cannot remain in a bubble, improving lives at the margins, limiting the negative externalities of the economic system. It can do much more than that, not just with its financial resources, but through its potential to influence, to build bridges between sectors, its power to empower others, its independence and capacity to take risks and incubate new models.



“Philanthropy should be doing the things that are hard, going in and trying to de-risk things for others, test new things, because it can fail, if businesses fail they’re out of business, but if philanthropy fails it learns and hopefully course corrects and moves on”.

Leslie Jonhston

WINGSForum will continue to hold space for these kinds of challenging conversations. Find out more by visiting the WINGSForum website (wingsforum.org) and following [#WINGSForum2021](https://twitter.com/WINGSForum2021) on Twitter.



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