

Charity donations don't address root causes: study

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CHARITABLE donations here have more than doubled in the last six years, but giving patterns often lack long-term strategic focus and do not adequately address root causes, says a new study.

It said "strategic philanthropy", with specific goals and objectives, is more likely to result in lasting social change.

"There are growing concerns that giving patterns are not addressing existing and emerging social needs adequately," said the study - *Levers For Change: Philanthropy in South East Asian Countries* - by the Lien Centre for Social Innovation based at the Singapore Management University (SMU).

One such need is income inequality, which threatens socio-political stability.

Prapti Upadhyay Anand, the report's author, said: "Growth in the region may have lifted millions out of poverty, but it has also been very skewed."

In Singapore, rising income inequality, and relative poverty especially among the elderly, are growing concerns, the report said.

It added that donations here lag those of countries with a similar gross domes-



Skewed growth: Rising income inequality and relative poverty, especially among the elderly, are growing concerns in Singapore, says a new study. FILE PHOTO

tic product (GDP), and are not targeted at the most pressing social needs.

"There is a clear opportunity to harness private philanthropy more effectively, so that it has a lasting impact in addressing emerging social needs," it said.

The report noted that Singapore has been a leader in South-east Asia, with proactive policies encourag-

ing higher levels of sustained giving.

These include up to 250 per cent tax deductions on donations, and government-matching fund initiatives that have encouraged higher levels of charitable giving.

"Singapore serves as an important example for how a country can accrue significant benefits through a well-developed, non-profit tax structure," it said.

But the study added that "policy and administrative restrictions continue to hamper the growth of a robust philanthropic sector".

Restrictions on cross-border philanthropy and a tightly controlled charity

registration process were inhibiting philanthropic growth, it said.

Professionals interviewed in the study said taking steps such as having a less directive and more constructive partnership between the government and non-profit organisations would enable more appropriate social interventions and strategic philanthropy.

Ms Anand added that there was also a need for donor education, and more consistent public data to raise awareness on other possible social causes.

This is the fourth report in the centre's Social Insight Series. It analysed laws, interviewed experts

and studied common practices to examine the impact of public policy on the growth of strategic philanthropy in Singapore, the Philippines, Thailand and Indonesia.

"Philanthropy, at its best, spurs social change by providing the excluded and the marginalised with resources to assume full agency and participate in building a fair and just society," the report said.

"It can only achieve this when donors understand the social problems they are addressing and are informed enough to move beyond short-term fixes to community-generated solutions."