



**FOSTERING
JUSTICE-BASED
PHILANTHROPY**

Shifting the Narrative to Action
20 - 22 June 2023

Concept Note

<https://thf.yayasanhasanah.org/>

“Be the change you want the world to see.” Mahatma Gandhi

Introduction: Asking the questions that matter

One of the core traits of human moral consciousness is ‘act of charity’ as exalted across all faiths, spiritual leanings universally. Notwithstanding the altruistic intention behind giving, it has been variously argued that the mere act of giving should not cause to overlook underlying injustices and inequalities. Yayasan Hasanah in its inaugural Hasanah Forum held in 2021 sought to ask some of these fundamental questions bringing to the fore the need for philanthropic organisations and philanthropists to consciously understand and address issues of structural inequality; weave in justice driven frameworks to grant making, valuing community voices and so on. The second edition of the Hasanah Forum will seek to take the conversation to the next level- shift the narrative into action and seek philanthropists and philanthropies to engage in a deeper and more constructive self-reflection.

Held in conjunction with the AVPN Global Conference 2023, whose theme for the year is Global Challenges: Asian Solutions, *The Hasanah Forum* will continue with its tradition of raising pertinent yet difficult questions for the sector and share the Malaysian story.

Changing face of philanthropy

Modern philanthropy is recognisably changing with donor devoting more time and energy seeking a greater involvement in where the funds are directed (as against financial contribution); the modality and nature of deployment and showing a keenness towards understanding ‘impact’ and its measurement in delivering the value. Another trend that is increasingly visible is that the philanthropists are more ‘cause conscious’¹ and those causes seem in one way, or another be driven by, or drive their personal values and motivations.

Externally, dwindling economies, global inflationary pressures and increasing social tensions, ever growing climate crises are causing philanthropies to prioritise and, in some cases, pull back². Added to this has been the COVID-19 pandemic which brought tragic destruction of lives and livelihoods, pushed

¹ <https://givingusa.org/trends-that-will-shape-philanthropy-in-2022/>

² <https://fortune.com/2022/08/12/economy-inflation-volunteering-philanthropy-in-kind-giving-millennials-will-johnson/>

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populations into entrenched poverty and, in effect undoing decades worth of progress that was already made. In the words of UN Secretary General, Antonio Guterres, “the COVID-19 pandemic is a public health emergency — but it is far more. It is an economic crisis. A social crisis. And a human crisis that is fast becoming a human rights crisis.”³ The pandemic undoubtedly added to the vulnerabilities, scraping off savings and creating dependencies on the system, however, it also reaffirmed the immense work that still needs to be done in alleviating discrimination, injustices, and the growing gap between different groups of citizenries across the world.

In more recent times, globally we are witnessing a rally cry towards ESG, blended financing, etc. where businesses are increasingly seeking more partnerships with philanthropy. It goes without saying that some of this may also be for regulatory purposes. While its encouraging for greater financial thrust into the sector and space, what remains to be seen is, how far and how deep are investors/donors willing to go with social transformation. As Anand Giridharadas notes, there needs to be intention to address core issues causing these inequalities, “(else) terms such as ‘social impact’ and ‘social venture capital’ and ‘impact investing’... are ways of encouraging us not to use words like ‘power’ and ‘justice’ and ‘dignity’. They are an attempt to make us not speak about unions and taxes.”⁴

Recognising shortcomings of development aid and donors

Many have hailed that the pandemic was also an opportunity as the quantum of development aid saw a rise – across the board from governments, corporations, foundations, philanthropists, private individual donations and so on. While much of the aid was used for immediate relief purposes, most needed at that time, many argued that donors were not addressing core issues, reaching the most vulnerable and were short term in nature. Centre for Global Development in June 2020 reported that of the \$2.5billion distributed through donor aid, local and national organisations had only received \$1.7million (0.07 per cent)⁵. While making a case for greater involvement and empowerment of local organisations in delivering aid, it went to claim that ‘rather than triggering adaptations to the humanitarian business model, or accelerating localization reforms agreed through the Grand Bargain, the COVID-19 crisis is instead prompting a regression toward traditional donor and UN funding dynamics.’⁶ Such a criticism has been extended to even philanthropic giving, which though was seen

³ [We are all in this Together: Human Rights and COVID-19 Response and Recovery | United Nations](#)

⁴ [Fightback against the billionaires: the radicals taking on the global elite | Books | The Guardian](#)

⁵ An end to aid failure, Barry Knight, <https://www.alliancemagazine.org/analysis/an-end-to-aid-failure/> Alliance, September, 2022

⁶ <https://www.cgdev.org/blog/humanitarian-financing-failing-covid-19-frontlines>

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as a promising alternative to international aid as it was ‘smaller, flexible and more localised’⁷ has also been accused of being blind to community voices and needs in its grant making process and not inclusive in its decision-making.

An absence of real understanding of contextual local issues or community representation and engagement has been hailed as a reason for not funding programmes that result in long term sustainable change and challenge the underlying social structures and issues perpetuating inequalities. More recently author and activist Edgar Vilanueva has been credited with coining the term *decolonising philanthropy* which essentially calls donors to examine and understand power that they wield via their investments and ‘given this inherent power asymmetry between funders and beneficiaries, decolonised philanthropy must focus on breaking the perennially reinforced cycles of hierarchical oppression’.⁸

From an Asian perspective, this is a pertinent point of introspection for Asia based organisations both from the point of view of adopting global funding legacies in grant making and governance processes. At the same time, being more contextual in valuing the diversity of our Asian communities and issues at stake.

Collaborate on common values and purpose(s)

Given that so much still needs to be done, philanthropies cannot be recalcitrant anymore and need to come together to forge meaningful collaborations that are anchored on empathic values. To remain relevant, philanthropy needs to listen more to its constituents and forge new conversations that bolster communication and truly representative and empowering the recipients. For example, while making expectations of scale from recipient organizations, donors must be cognisant of their challenges, and direct their funding and energy towards building the core of organisations to withstand changing funding priorities. At the same, donors must invest in participatory learning and apply that to future decision making than ‘shift from one ‘magic solution’ to another with no reliable mechanism to learn from their failures.’⁹

⁷ An end to aid failure, Barry Knight, Alliance, September, 2022

⁸ <https://www.alliancemagazine.org/feature/decolonising-philanthropy-from-conceptual-apprehension-to-functional-progress/>

⁹ Increasing Impact in International Development, Report, H&S Davidson Trust,
<https://www.alliancemagazine.org/wp-content/uploads/2022/08/HDST-Long-Report-FINAL.pdf>

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Value of Courageous Leadership

It is undeniable that long-term sustainable transformation would necessitate robust partnerships, community engagement, inclusive governance processes but above all courageous leaders tying it all together. Empathetic organisations require leaders that are willing to acknowledge and learn from failures and challenges and adopting community wisdom. Such a step would “...help us examine the historical relationship we’ve had with communities, take ownership for how we’ve fallen short, and think about repairing those relationships so community is an authentic place of reciprocity.” In fact, what would make leadership truly decentralised and of value when it is community-led, including re-examining Boards and governance structures ‘being representative of the people and communities their activity is meant to serve.’¹⁰

Beyond accountability and transparency, true leadership would mean engage meaningfully with communities than just expecting continuous impact or social return on the value, even if it means course correcting on certain funding decision. As stated earlier, Philanthropy has evolved from being just about funding but rather about imagining the change we want and bringing together multiple resources to make that happen. This is where we need courageous leaders- who can be vulnerable, demonstrate action and have the vision to change outdated systems that exclude diverse perspectives¹¹.

The Malaysian Story

Malaysia has not been able to escape the rising socioeconomic issues faced by many countries around the world, some of which were exacerbated by the COVID-19 pandemic and its cascading effects which persist until today. Yet despite best efforts by many in the public and private sectors and civil society, there has not been a noticeably higher velocity of impact across our collective work.

Absolute poverty had by 2020 increased to 8.4% from 5.6% the year before. The Department of Statistics Malaysia reported that the fallout from the pandemic caused 20% of households from the M40 (middle 40) group to drop to the B40 (bottom 40) group in 2021. Overall, income inequality appears to have increased, with both B40 and M40 income shares declining whilst the T20 share of

¹⁰ <https://www.alliancemagazine.org/feature/decolonising-philanthropy-from-conceptual-apprehension-to-functional-progress/>

¹¹ <https://hbr.org/2022/01/what-courageous-leaders-do-differently>

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income rose.¹² Severe gaps exist in the social protection system, with much of the population not adequately covered for rainy days or for retirement. As of 2022, around 3.6 million Employees' Provident Fund members had below RM 1,000 (USD 250) and half of all members had less than RM 10,000 (USD 2300) in retirement savings.¹³ The government has taken some steps to safeguard low-income earners through various policies – for example: one-off monetary assistance; gradually increasing the national minimum wage from RM 800-900 in 2013 to RM 1,500 in 2022, but what is needed is a more sustainable approach and solutions to alleviating entrenched poverty.

On the social front, following an upward trend since 1990, the Human Development Index for Malaysia started to decline in 2020 with the 2021 score of 0.803 falling close to 2016 levels,¹⁴ suggesting both a national and world-wide regression in human development. Climate change has not spared Malaysia either, exacerbated by indiscriminate development and degenerating natural resources. This is evidenced by severe flooding causing landslides, population displacements and creating great economic loss and stress. Shock events such as these, coupled with the challenging socioeconomic environment, have meant that there is an ever-growing need to provide innovative local solutions to poverty and access, through collaborative and concerted approaches.

Having said that, hope and expectancy may be found along the way – especially now as Malaysia is riding the wave of promise with the newly elected government. In the recent General Election 2022, more than 5 million new voters were added to the electoral roll due to Undi18 and historic constitutional amendments lowering the voting age to 18 years old and enabling automatic voter registration. This was indeed also promising for a growing nation that the youth electorate, has begun to exercise their influence and voice to shape the state of the nation.

The Hasanah Forum (THF) 2023

Over the years, Hasanah has been championing and advocating for greater collaboration across civil society and between business and civil society to contribute effectively to the agenda of nation building. The intention of THF was to bring forward some key best practices and learnings for within the region to Malaysia via a knowledge exchange.

¹² Household Income Estimates and Incidence of Poverty Report, Malaysia, 2020, <https://tinyurl.com/3ba4cvtv>

¹³ KRI, https://www.krinstitute.org/Views-@-A_New_Vision_for_Social_Protection_in_Malaysia.aspx

¹⁴ UNDP Human Development Reports, <https://hdr.undp.org/data-center/human-development-index#/indicies/HDI> Malaysia ranking: 2015 (59); 2017 (57); 2018 (61); 2019 (62); 2021 (62)

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THF 2023 via its theme *Fostering Justice-based Philanthropy: Shifting the Narrative to Action* will be grounded in conversations across three key levers: People and Institutions, People and Society and People and Leadership exploring some of the following questions:

- As foundations, philanthropists, and funders, how do we catalyse more effectively towards system reform? What is expected to change and how, in how we support organisations working towards social and economic impact equitably?
- The transient nature of trends, behaviours, priorities – how to tackle systemic reform in a VUCA world? Listening from the ground up, how should we use our roles to bridge the power dynamic between “donors” and “implementors”.
- How do we bridge and effectively tackle the convergence of business and philanthropy with social good (with ESG and sustainability agenda)?
- How can we enable and improve our cross-learning and sharing within and between organisations? Moving beyond viewing failure as unacceptable and to be avoided at all costs, to more open acceptance and discussions on what can we learn and gain from our failures. Let’s talk about what we are doing that doesn’t work.
- Finally, focus on Asia- how can Asia based organisations use their strengths and resources and knowledge, in shaping the solutions and contextualise grant making.

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