

## Trump Effect: Six Ways Philanthropy Has Changed in the Past Year

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The political earthquake of Donald Trump's election has had major reverberations in the world of philanthropy, shaking up both grantmaking priorities and operating strategies. It's also altered the position of civil society in the U.S. and led to changes in the tax code that are likely to decrease charitable giving.

*Inside Philanthropy* has closely covered the impact of Trump's presidency on funders and nonprofits, as well as the sector writ large, gathering this coverage in our [Trump Effect](#) section.

It's been an interesting time. Many funders have responded with a combination of new work and business as usual, feeling their way along in a fast shifting, and often alarming landscape. Others have radically changed how they think and operate. And then there are some foundations—many, actually—that have kept doing exactly what they were doing before in areas that are quite removed from national policy battles. Overall, it'd be wrong to say that the 2016 election has disrupted philanthropy in any seismic way. But it's also hard to recall a period of so much anxiety and action within the funding world. Here, I try to distill IP's coverage of the Trump Effect over the past year.

### 1. THE SECTOR HAS BEEN PUT ON THE DEFENSIVE IN MULTIPLE WAYS

Like George W. Bush before him, Barack Obama had a strong belief in the power of civil society to solve problems. Under both administrations, especially Obama's, there was engagement with nonprofits at the highest levels of government and partnerships with philanthropic leaders.

That's all gone out the window. Civil society doesn't really seem to figure into Trumpism—a hybrid of populism and paleo-conservatism. In some cases, the tone toward the nonprofit sector has turned hostile, such as the growing attacks on higher education. The diminished influence of civil society was on display during the tax reform battle, with neither the

administration nor top GOP leaders blocking a final bill that experts predict will decrease charitable giving by billions of dollars a year.

More alarming for many nonprofit leaders and grantmakers are Trump administration policy changes and proposed budget cuts that have had, or may have, huge negative consequences for a whole range of constituencies and causes. Add it all up, and probably the biggest Trump effect has been **to put philanthropy and civil society into its most defensive stance in memory.**

### 2. NEW MAJOR DONORS HAVE EMERGED & OTHERS HAVE RAMPED UP

Presidents with strong agendas tend to mobilize philanthropists on the other side, and we've seen a lot of that in the past year. *Inside Philanthropy* has closely covered the new activist giving by tech donors like Pierre Omidyar and Craig Newmark, as well as more centrist funders like Mike Fernandez and, recently, Jeff Bezos, who've come forward with big gifts to counter the administration's immigration policies. Meanwhile, just last week, I wrote about how the Sandler Foundation (piloted by Herb Sandler) dramatically increased its giving to public policy organizations in 2017 in response to the election. Other donors have done the same.

Undoubtedly, a number of major individual donors have given big to fight Trump in ways that leave no fingerprints—by channeling dark money through donor-advised funds and intermediaries like Tides and New Ventures, they avoid making themselves a target. The full story of philanthropy's pushback to this administration will probably never be known.

### **3. TOP FOUNDATIONS HAVE FOUGHT HARD, BUT QUIETLY**

If you've just been reading the public statements of foundations like Ford, Rockefeller, Carnegie, Kellogg, Hewlett, and so on, you'd hardly suspect that many of these institutions have been engaged in a strong pushback to the Trump agenda. Their press releases, Twitter feeds and blog posts rarely make any mention of Donald Trump or directly criticize his administration's policies. These funders have taken extreme care not to make themselves a political target at a scary moment when the pitchforks have been out for "elites," and they have largely succeeded at remaining below the radar. The attacks on philanthropy that many feared a year ago have not materialized.

But make no mistake: many tens of millions of dollars have quietly been shifted around behind the scenes to play defense in the face of the Trump administration's agenda in areas like the environment, civil liberties, health care and reproductive rights. In fact, it's hard to think of a time when big foundations moved as much money internally as they have in the past year. These institutions, it turns out, can be pretty nimble when they're terrified of what's coming out of Washington.

### **4. RAPID RESPONSE GRANTMAKING COMES OF AGE**

Special funds to give grant money quickly are nothing new. But there's never been a surge of rapid-response grantmaking of the kind we've seen in the past year. I've lost count of how many articles IP has written on rapid-response funds. Funders have been especially nimble in giving money to support immigrant rights, with California foundations in the lead, here, looking to protect large numbers of undocumented immigrants who are embedded in communities across the state.

It's still a bit early to say how well foundations have done with all this rapid-response grantmaking.

Hopefully, somebody will write a comprehensive study looking rigorously at the funds that have been created and just how quickly they really did move out money—and with what impact. But at this point, it does look like one effect of the 2016 election has been to shift the culture of institutional grantmaking somewhat, at least among a certain swath of policy-oriented funders, and inject more urgency in grantmaking processes often criticized for moving

too slowly and cautiously. It will be interesting to see if that shift holds over the long term.

### **5. INTERSECTIONALITY IS NO LONGER JUST A BUZZWORD**

In a way that's hard to recall ever happening before, Trump administration policies have simultaneously put many constituencies on the defensive—women, people of color, immigrants, LGBTQ people. But one upside of this broad assault is that it's created a powerful imperative for these groups to forge stronger alliances and for funders to move beyond silo-ized grantmaking. **It's taken a crisis, it turns out, to transform intersectionality from a buzzword into an operating strategy.**

Here again, one wonders how enduring this change will be—or how deep it really goes in the present moment. This is another area for closer study after the dust settles. All we can say for now is that nonprofits and funders alike are looking across different boundaries to make common cause in ways that feel new and important. Will it last? Let's hope so.

### **6. COMMUNITY FOUNDATIONS MANAGE A BALANCING ACT**

By their nature, community foundations can't be very political. These institutions need to engage lots of different kinds of donors and partners to advance their missions. That becomes harder to do if they start taking sides on very polarized issues. But we live in a moment when it's difficult *not* to take sides, especially in major urban areas where Trump policies on immigration have created deep fear.

Somehow, though, it seems like many community foundations are threading the needle, here: standing up for immigrants and other vulnerable groups without coming across as too partisan. Maybe one reason for that is that even many wealthy Republican donors and business leaders in top metro areas aren't thrilled about Trump or the nativist and intolerant elements of his agenda.

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It's still early to say how Trump's election and administration's policies will affect philanthropy over the long term. Some of the effects we've seen so far, like the embrace of rapid-response grantmaking and intersectionality, could be transitory. Much will depend on what happens next in Washington. ###

