

**UNIVERSITY OF NAIROBI
DEPARTMENT OF SOCIOLOGY**

**THE ROLE OF PHILANTHROPY IN COMMUNITY DEVELOPMENT ;
A Case Study of the Kenya Community Development Foundation**

MA PROJECT

BY

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C50/P/8640/2003**

**UNIVERSITY OF NAIROBI
EAST AFRICANA COLLECTION**

A research report submitted to the Department of Sociology, University of Nairobi, in partial fulfilment of the requirements for the degree of Masters of Arts in Rural Sociology and Community Development.

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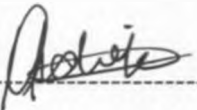


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July, 2006

THE DECLARATION


I, Hanna Atieno Ondiek, declare that this research report is my own, unaided work. The report has not been submitted before for any degree or examination in this or any other University.

Signature:  Date: October 26, 2006

This project has been carried out under our supervision and submission is hereby made to the University for Examination with our approval as the University Supervisors.

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DEDICATION

To my father, the late Philip Ondiek

ACKNOWLEDGEMENTS

Many people deserve acknowledgement for helping me through my studies. First and foremost, I would like to thank God for all the blessings.

My sincere thanks go to the academic and administrative staff of the Department of Sociology, University of Nairobi for all their help. To all my professors and lecturers, I say thank you. To all my classmates, I thank you for your friendships and the invaluable experience I have gained from you. I would also like to thank Dr. Pius Mutie and Prof. Enos Njeru, my co-supervisors for the support and academic guidance throughout my project.

I also thank the Chief Executive Officer of the Kenya Community Development Foundation (KCDF), Ms. Janet Mawiyoo for allowing me to study this very special organization and all staff who participated in the research. Special thanks to Catherine Kiganjo for her patience and support.

I wish to express my deep gratitude and love to my husband, Mike Ahere for worthy contributions throughout my academic endeavour and to my children Philip, Melissa and Michael for enduring the late nights and early mornings throughout my studies.

My thanks also go to my late father, Philip and my mother Roselyn for instilling in me the value of education. And my sisters and brothers thank you for being there for me and for your endless encouragement and concern. Special thanks to Esther and Abigael for all your help during my entire study period.

I am highly indebted to my Representative and mentor, Prof. Tade Aina of the Ford Foundation's office for Eastern Africa, Nairobi. He has been a constant source of inspiration and a perfect guide. Also special thanks to Jackie Oyuyo for agreeing to read my thesis.

Finally, to all my friends and family, I gratefully acknowledge your encouragement. Special thanks to Mellyne Ongang'o who for the past six months put up with all my sentences containing words such as 'thesis', 'philanthropy' and 'community development', and yet never complained. I also thank Edwin Magenge and Edwin Gichangi for all their assistance and encouragement throughout my studies.

My study was made possible through a Ford Foundation staff development programme and I am very grateful for such an opportunity.

ABSTRACT

Kenya is one of Africa's leading nations in terms of economic and social development. The country is rich in cultural diversity and renowned natural attractions. Kenya is home to more than 50 ethnic groups, each of which retains a strong sense of cultural identity and Kenya has worked hard to reconcile diverse perspectives on development as it determines how best to allocate limited resources. The nation has made many advances in educational training, infrastructure, and technical development. In addition, a vibrant private sector and successful coalition building have helped to build Kenya's economy. Despite these advances, access to vital social services remains a challenge for Kenya's predominantly rural population.

In this study, Philanthropy has been suggested as a concept that could address community development in a sustainable manner. The purpose of this research was to establish the role philanthropy has played in community development in Kenya. This study facilitates an analysis of the impact of philanthropy in community development in Kenya by sharing the extent, importance and effectiveness of philanthropic giving.

The key methodology of this research was the case study approach. The case studied was a community development foundation engaged in various community development projects, the Kenya Community Development Foundation (KCDF), Kenya's first community foundation. KCDF works with diverse communities to mobilise resources and set up permanent assets in form of endowments and make grants to partner organisations in key thematic areas of programme development and grant making.

It was found that philanthropy can make a positive contribution to community development in terms of impact and sustainability. As a community foundation, KCDF is a philanthropic vehicle for all communities in Kenya, giving them an opportunity to make a difference in their own lives. KCDF's work puts the organisation in a unique position of linking poor rural and urban communities, community based organisations, non-governmental organisations, local and international donors and the private sector who contribute to the welfare of needy Kenyans.

Different challenges affect impact of KCDF work. These includes legal and policy environment for philanthropy in Kenya which is not conducive at the moment and promoting philanthropy in Kenya while encouraging poor communities to build endowments.

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CHAPTER ONE

INTRODUCTION

1.0 Background

During the last four decades, several development paradigms have emerged that address changing development realities and the understanding of the nature of poverty in Kenya. The role and importance of civil society in development has also become increasingly recognised in the literature and among practitioners. The civil society sector broadly includes indigenous grassroots associations and self help groups, religious organisations, foundations, healthcare centres, schools, welfare groups, political parties, business and professional associations, and secular non-governmental organisations. The civil society in Kenya originates from three major sources; African communal associations, traditions and values, early Christian missionaries, and British colonisation during the nineteenth century (Kanyinga et al, 1999).

In this study that examines the role of philanthropy in community development, the civil society both as a field and sector is of practical and theoretical significance. However, as expressed in the literature on African development from the 1960s, there was a common belief that the state was the central motor for development. In Kenya, soon after independence, the new state promised free education and healthcare to its citizens. In some situations, the state and non-state actors forged relations that enhanced development as in the case of the *Harambee* phenomenon. This linkage promoted government legitimacy among large segments of the population and at the same time built interdependencies with other institutions in society.

Emphasis on the role of civil society is more recent. Since the 1990s, the field of civil society and non-profit organisations has grown significantly in service delivery, employment of persons and resources (Kanyinga et al, 1999). It is therefore important and relevant to try to understand some of the sectoral impact of this field. This is because it is the sector that is central to our understanding of the role of philanthropy in development.

Philanthropy is not a new phenomenon in Kenya. The African traditional social structures had voluntary associations undertaking cooperative production, distribution, consumption and accumulation, mainly organised around kinship ties. Philanthropic giving, the pooling of resources, and the channelling of these resources were functions of the socio-economic organisations of the African society. Indeed the very mode of social structuring and of economic operations was based on philanthropic principles of giving to and for others, pooling resources, and distributing those resources to target recipients through established effective social systems. Besides the family units, an individual belonged to other social groups such as clans and age groups which also ensured that specific needs of their members were met. They form the earliest example of philanthropic relationships in Kenyan societies.

Community foundations have become a major vehicle of philanthropy that attempts to provide development to communities. Community foundations have operated in the United States of America (USA) and Canada for many years. However, they have a shorter history in many parts of Africa and all over the world where there have been attempts to clone, transplant, replicate or adapt them to local conditions. While some data exist on USA community foundations, very little research has been done on emerging foundations in other parts of the world. Nevertheless, there are several studies on development.

It is important to point out that there is a politically charged school of thought which likens the community foundation concept to yet another donor-driven project which has more relevance to a Northern context than to local conditions. On the other hand, the concept has been met with an enthusiastic reception from certain quarters, signalling hope of a change in commonplace perceptions of traditional philanthropy and a possible catalyst to a new understanding of local African philanthropy. Community foundations have been seen as a powerful vehicle around which to organize people and institutions to identify resources, mobilize them, acquire them and most importantly, once they are obtained, make them available for mutually identified community needs.

1.1 Problem Statement

Kenya has a rich tradition of charitable giving and philanthropy as a social and cultural norm and practice. The *Harambee* self-help approach is one example that draws its spirit of commitment, inspiration, continuity and informality from the African indigenous setting. Charitable giving in Kenya has traditionally bridged the resource gap in wide ranging areas of social service and welfare. While indigenous philanthropy continues to contribute to development and social change through charitable and other forms of non-profit initiatives at various levels, its potential remains underexploited.

Like many parts of sub-Saharan Africa, many methods which have been historically developed existed to provide help for community members in Kenya. However, with the evolution of communities and the advent of globalisation, a number of these practices were transformed and acquired new meanings. The result is that today, communities in Kenya are

engaged in similar practices however in more sophisticated ways. In most cases these practices are developed as responses to the declining economies and the harsh realities of poverty.

The phenomenon described as philanthropy in this study existed in Kenya, however, perhaps in a different name and nature from the one that was developed in the USA and other developed countries. Such a concept was developed in contexts of poverty by poor people. This is an important observation because it dispels the myth that philanthropy or giving is the domain of the rich. As a matter of fact, new research showed that poor people gave more than the wealthy (Everatt, 2004). This brings an important dimension in addressing social justice issues. If the poor gave more than the wealthy, then it means they could also be philanthropists. Therefore the poor could develop themselves and more importantly they could be in a position to challenge inequality at its root causes. New research also showed that the poor gave to institutional structures for development purposes (Transparency International-Kenya, 2001). Much of giving was through *Harambee* funds drives.

National actors had only recently come to regard and develop strategic philanthropy, particularly with the coming of international foundations, corporations and more recently, community foundations. Hence institutionalised philanthropy in Kenya could be said to have been in its embryonic stage, albeit developing fast. In South Africa, for example, the sector had grown very dramatically over the years. There were about 98,920 philanthropic organisations in South Africa in 1999 (Swilling 2002).

To understand community foundations well, we need to see them in their civil society context, a phenomenon that has grown in importance in recent years. The importance of civil society in development has been recognized in many societies and countries world-wide today. Many studies recognize this. However, their meaningful involvement has been challenged by

thinkers who point out that they lack long-term financing, capacity to carry out large scale development activities, structures that allow civil society to participate as development partners, and are over-dependent on external donor agencies. In the same sense, community development foundations have critics who while recognising some of their progress and success so far, have pointed out that these have been minimal (Malombe, 2000).

This study focuses on community foundations and their role in development in the Kenyan context. Since there have not been many examples, it specifically focuses on the Kenya Community Development Foundation (KCDF) and its role in community development. KCDF is Kenya's first public community foundation. A community foundation has a mandate of building capacities of community organisations and providing projects aimed at improving the welfare of community members. It also works with communities to mobilise resources, raise funds and set-up permanent assets in form of endowments.

The key research questions for this project include:

1. What role has philanthropy played in community development in Kenya?
2. What have been the key lessons learnt through the operations of KCDF and how does this contribute to understanding philanthropy in the context of community development?
3. What are the challenges associated with philanthropy as a strategy in community development arena as compared to the conventional development approaches?

1.2 Objectives of the Study

Broad Objective

The broad objective of the study was to examine the role of philanthropy in community development focusing on the Kenya Community Development Foundation and its work in South Imenti, Meru District.

Specific Objectives

1. To establish the perception of the term “philanthropy” among the key stakeholders in the field;
2. To understand the development, organizational structure and operations of the Kenya Community Development Foundation (KCDF);
3. To document and analyse the activities and functions of KCDF; and
4. To identify the contribution of KCDF to community development efforts in South Imenti Constituency, Meru District.

1.3 Rationale of the Study

A study of the role of philanthropy in community development facilitates an analysis of the impact of philanthropy on community development in Kenya by sharing the extent, importance and effectiveness of a different kind of aid – that of private philanthropic giving. It may, in fact be a major strategy in achieving alternative and more effective development

especially at the grassroots. Although philanthropic organisations are few in Kenya, their numbers are steadily increasing. The findings of this study informs philanthropic organisations on what has successful worked within the local and community development context. This study also informs public policy on some alternative modes of delivering development to communities. It will also contribute in a modest way to the emerging literature in the field of community development and philanthropy.

This study is one of the pioneers in a small but increasingly important area in Kenya. In examining the experiences of KCDF in community development efforts, the study assessed their methods, strategies and goals.

1.4 The Scope of the Study

Generally, the research aimed at investigating the role of philanthropy in community development. The study examined a specific case, history, activities, delivery process, experience and functions of KCDF in delivering community development efforts. The study aimed at examining how philanthropy fits in with the development process of Kenya. It was designed to study the various activities of KCDF which include grant making and capacity building, asset development and endowment funds.

Given the limited availability of information, the relatively short history of community development foundations, and the clear regional disparities, this study examined the experiences and contribution of KCDF to community development in South Imenti Constituency in Meru District.

1.5 Definition of Key Words

Philanthropy

Philanthropy can be defined in a number of ways. The word comes from Greek, meaning, "love for mankind." Modern definitions include the concept of voluntary giving by an individual or group to promote the common good and improve the quality of life. In the United States, the term "philanthropy" is also used to describe the granting of money to non-profit organisations by foundations and corporations. This type of giving is often referred to as organized philanthropy or grant-making.

For purposes of this study, the term "philanthropy" is used in its complexity to refer not only to its traditional meaning of giving, resource mobilisation and management, but also the process beyond the giving - that of passing on of resources to intended beneficiaries. It is taken as a continuum which encompasses a series of activities by different actors, motivated by the love of humanity and human advancement, and targeted towards the enhancement of the ends of human survival, dignity and fulfilment of all people (Ngondi-Houghton, 2004).

Foundation

A foundation is an institution through which private wealth is contributed and distributed for public purpose. Foundations have existed since Greek and Roman times, when they honoured deities. During the middle ages in Europe the church had many foundations, and in the Arab lands the *waqf*, or pious endowment, developed with the growth of Islam. In modern times European foundations, generally smaller than their United States counterparts, have been closely regulated by the state.

Harambee

The first president of Kenya, Jomo Kenyatta adopted the slogan "*Harambee!*" which is Swahili for "let's all pull together" to encourage whites and Africans to work together for the development of Kenya. In this paper, *Harambee* refers to fund raising for community projects. *Harambee* has been one of Kenya's most potent tools for development. Although it has some negative connotations and practices, its positive effects were particularly apparent in the rural areas.

Community

A community is a set of people (or agents in a more abstract sense) with some shared element— in particular a group of people who live in the same area is a community. The substance of shared element varies widely, from a situation to interest to lives and values. The term is widely used to evoke a collectivist sense. The origin of the word community is the Latin *munus*, which means the gift, and *cum*, which means together, among each other. Community literally means to give among each other. Community could be defined as a group of people who share gifts which they provide to all. When there is a clearly shared-interest (economic or otherwise) among a set of people, the people collectively might be called community. Patients of a serious disease, who wish the development of a safer, cheaper, and comfortable treatment, may be referred to as a community in this sense. In this study, community refers to a group of people who live together, share a common set of interests and interact with each other.

Community Development

Community development is a broad term that refers to the practices and academic discipline of civic leaders, activists, involved citizens and professionals to improve various

aspects of local communities. Community development *practitioners* are often involved in organizing meetings and conducting searches within a community to identify problems, locate resources, analyze local power structures, human needs, and other concerns that comprise the community's character.

Community Development Foundations

There is no consensus on the terminology used to refer to community development foundations. This is particularly true in developing countries, where Community development foundations take on numerous forms. Some of the commonly used terminology in developing countries includes community foundations and local foundations. In this study, the term “community development foundation” is used in reference to the focus on development.

Development Aid

Development aid is assistance given to support economic development in developing countries. It is distinguished from humanitarian aid as being aimed at alleviating poverty in the long term, rather than alleviating suffering in the short term.

The term "development aid" is often used to refer specifically to Official Development Assistance (ODA), which is aid given by governments on certain acceptable terms, usually as simple donations. It is given by governments through individual countries' international aid agencies like United States International Development Agency (USAID), Japan International Cooperation Agency (JICA) and Swedish International Development Agency (SIDA) and through multilateral institutions such as the World Bank, International Monetary Fund (IMF) and the United Nations and by individuals through development non-governmental organisations such as Care International and Oxfam.

Grants and Grant Making

Grants are funds often in the forms of assistance provided by governments, private non-profit organisations such as foundations, not-for-profit corporations or charitable trusts to support and/or subsidize programs and projects that fit within the funding criteria of the grant-giving entity or donor. Grants can be unrestricted to be used by the recipient in any fashion within the perimeter of the recipient organisation's activities or they may be restricted to a specific purpose by the benefactor. The processing of grants to various beneficiary organisations is referred to as grant-making.

Endowment

Endowment funds are funds permanently invested with the aim that only the returns are used for an identified development purpose. Endowment funds are invested in perpetuity for the benefit of present and future generations. Having an endowment fund means that an organisation, community or project has permanent and ever growing source of income. This would mean that the implementers and beneficiaries of the projects stop relying on others for funds and are able to undertake projects that serve their own priorities and not those of donors.

Diaspora

Diaspora refers to any people or ethnic population forced or induced to leave their traditional ethnic homelands; being dispersed throughout other parts of the world, and the ensuing developments in their dispersal and culture. In this study, the diaspora comprises the peoples of Kenya and their descendants, wherever they are in the world outside of Kenya and beyond the African continent.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter constitutes the conceptual basis of the study. It comprises two main sections. The first section presents the review of literature, discussing the different perspectives of philanthropy and the nature and scope of philanthropy in Kenya. The section then integrates into some essential concepts of development and various responses to Third World underdevelopment. In an attempt to present the role of philanthropy in development in Kenya, the *Harambee* self-help approach is examined and the role of the community foundations highlighted.

In the second section, the focus moves to theoretical discussions of development and philanthropy. The section looks at the two macro-theories of development; the modernisation and dependency theories, the human development perspective, the community foundation model, the theory of altruism and the identification model. Finally, a KCDF model on its role in Kenya is presented.

2.1 Perspectives of Philanthropy

According to *The Columbia Encyclopaedia*, Philanthropy is the spirit of active goodwill toward others as demonstrated in efforts to promote their welfare. The term is often used interchangeably with *charity*. Every year, vast sums of money are collected for invaluable

philanthropic purposes, and an increasing number of people participate in the work of collecting money through highly organized campaigns, the purpose of which is fund-raising. In many countries, philanthropy has been incorporated in government policy in the form of tax exemptions for contributions to charitable agencies. It has become so accepted that few now escape the demands of giving, and many important institutions are partly or wholly dependent on it.

Gregory, (1992:1) refers to the words of Jawaharlal Nehru "*Social Welfare is not, of course, a new activity in India. It is as old as India itself*" which he argues refer to what is generally termed "philanthropy" meaning literally in its Greek origin "Love of mankind". According to Gregory (1992:1), philanthropy may be defined as essentially a self-sacrifice on behalf of needy individuals outside the donor's extended family. It is expressed mainly by the sharing of wealth but also by the devotion of time and energy for the benefit of others. The first step beyond the extended family is to serve the needs of those who share the same culture, those who are neighbours, fellow villagers, and somewhat more remote, and those who are of the same caste, the same religious sect, or the same nationality. This requires a higher degree of self-sacrifice, and it is here that philanthropy, altruism, beneficence, benevolence, munificence, voluntarism, or charity – terms that society has applied to this form of the sharing of wealth, time, and energy.

Gregory adds that voluntary service or social work, which is often likened with philanthropy, is a somewhat narrower term in that it emphasizes individual action apart from the sharing of wealth. It has been aptly defined as "a labour of love given by individuals or groups by free choice and under no external compulsion, to help individuals, groups or communities in social, economic or spiritual need." Gregory further argues that the reasons for

philanthropy cannot be defined with certainty, but they seem to be inherent in the nature of humans and society. Philanthropy, he adds is a response to conditions in the environment that induce suffering and obviate the fulfilment of basic human needs and the realisation of common goals. It can be inspired, augmented, and directed by religion, which itself is shaped by factors in the environment. It can also be stimulated and reinforced by rational thought such as that associated with the enlightenment. Essentially, perhaps, philanthropy is a product of the human power of imagination, the ability to project one's self into another's position and to develop empathy that motivates one to charitable endeavour. It seems to have been practiced by all peoples (Gregory, 1992).

The *International Encyclopaedia of the Social Sciences* argues that "In preliterate societies, the family, kin, caste, tribe, or clan looked after its own people as a natural duty" (Feierman, 1998:3). The movement toward the creation of philanthropic organisations is, in this view, a part of the movement toward modernity. "Sub-Saharan Africa, in the centuries before colonial conquest, was a region where voluntary giving was, in a majority of cases, grounded in reciprocity, and yet where inequalities existed, where kindly help was as double-edged as it is in the philanthropic West – a peculiar combination of caring and dominance, of generosity and property, of tangled rights in things and in people, all in a time and place where the strong would not let the weak go under, except sometimes" (Feierman, 1998).

Philanthropy as a Social Relation of Care

Schervish (1998) provides a sociological entry point by defining philanthropy as the social relation of care in which individuals (and groups) respond to the moral invitation to expand the horizons of their self-interest to include meeting the needs of others. None of the

other many definitions do justice to the fundamental essence of philanthropy as a social relation revolving around the moral virtue of *caritas* (love for others in their true needs) and extending beyond the legal and sectoral meanings of the term "philanthropy" itself. As just defined, philanthropy conjoins a resolute sentiment of sympathetic identification with the fate of others, a thoughtful discernment of what needs to be done, and a strategic course of action aimed at meeting the needs of others.

These definitions do not differentiate philanthropic relations from commercial and political relations – all are voluntary in nature, dedicated to the "public good," and occur in civil society or the non-profit sector. Rather, the distinctive attribute of philanthropy is the kind of signal or moral claim that mobilizes and governs the matching of resources to needs (Schervish, 1998).

Most efforts to conceptualize philanthropy emphasize the presence of a special dedication to the public good or philanthropy's voluntary nature. Neither of these aspects, however, gets to the essence of what distinguishes philanthropy from politics and commerce in a positive, rather than derivative way. First, attending to the public good is not a claim that can be made exclusively on behalf of philanthropy. Commerce and politics also enjoy many moral and philosophical not to mention ideological arguments exalting their contribution to the public good. Philanthropy is not distinctive in having an intention to meet people's needs, but in the kind of signals it pays attention to in deciding what needs of which people require for intervention.

Second, to delimit philanthropy by its "voluntary" character is equally unpersuasive, if by voluntary one means free from obligation. Religious and ethical traditions speak unapologetically about the *obligation* of attending to the needs of others. It is simply not the

case that philanthropy is sheltered from external pressures. For example, many wealthy donors recount the array of pressures or imperatives; businesses, tax, community, personal, political, and moral that do in fact compel their philanthropic activity. Again, philanthropic relations are not distinctive because of absence of obligation but because of the moral nature of the obligation and the signals of entreaty by which the obligation is brought within the conscience of the donor.

Philanthropy is, indeed, a particular kind of interactive production process. It is a social relation governed by a moral obligation that matches a supply of private resources to a demand of unfulfilled needs and desires that are communicated by entreaty (Schervish, 1998). The defining characteristic of philanthropy is in the *type of social signals* it responds to rather than in some formal, institutional characteristic such as its tax status, its normative attribute like its being voluntary, or its particular goal such as service of the public good.

According to Schervish (1998), commercial activity is mobilized by the medium of financial capital in the form of revenue and income. Political activity is mobilized by the medium of political capital in the form of votes and campaign contributions. Philanthropic activity is mobilized by the medium of moral or cultural capital in the form of symbolic expressions of need. In *commercial* relations, needs elicit a response largely to the extent that they become expressed in dollars. That is, translated into what economists call "effective demand." Similarly, in *political* relations needs elicit a response largely to the extent that they can become expressed as campaign contributions or as votes - what in fact is another form of effective demand. Just what makes commercial and political demand "effective" in eliciting a response? It is that these forms of demand are presented through a medium that suppliers (those offering economic or political goods and services) must receive to remain viable. Neither businessmen nor politicians can long afford to ignore such concrete indications of their clients'

will. For example, automobile companies and Members of Parliament eventually must bow to the desires of their constituencies or risk losing the revenue that keeps them in existence. Thus attention to needs is generated not directly by the inherent importance of the needs themselves but indirectly by the functional importance of the medium (income, votes, contributions, and so forth) through which the needs are expressed.

Schervish adds that philanthropic relations, the medium for communicating needs is neither votes nor dollars but the symbolic medium of words and images. In contrast to commercial and political relations, philanthropy thus utilizes "affective" rather than "effective" demand. The demand of needs is expressed through the medium of entreaty whereby the needs themselves, rather than the medium through which they are presented, become the immediate object of attention. As such, philanthropic relations occur within economic and political organisations just as commercial and political relations occur within non-profit organisations and civil society.

The Dominance of Charity in Philanthropy

Philanthropy, then, is not simply the giving of money or time but a reciprocal social relation in which the needs of recipients – and the recipients themselves – present a moral claim to which donors may choose to respond. As such, the quality of the philanthropic relations is subject to the moral sentiments of the donor as opposed to the practice of charity. It is important, however, to understand charity in view of its cognate *care (caritas)*, understood to be the aspect of love that seeks to involve others in good.

The Jesuit philosopher Jules Toner whose writings established an important school of thought in the last three decades of the 20th century has defined *care* as the attention dedicated to

loving others in their true needs. Care is the practical or "implemental" side of *radical love*. For Toner radical love is the irreducible affection by which a lover "affirms the beloved for the beloved's self" and "affectively identifies with the loved one's personal being, by which in some sense the lover is the beloved affectively." Care, then, says Toner, is affirmative affection toward someone in need. The need or what is needed is not the object of radical care; rather, the object is individuals in their need (Schervish, 1998:601).

Toner's notion that in care "the lover affectively identifies with the loved one's personal being" brings the issue of love as identification to centre stage. This is not unlike Scottish economist Adam Smith's emphasis in the eighteenth century on "sympathy" or "fellow-feeling" as the elementary sentiment regulating social intercourse. Many centuries earlier, Italian theologian and philosopher Thomas Aquinas had maintained that "love has the property of uniting lover and beloved." Such identification is the basis for that paradoxical unity between duty and pleasure (satisfaction) which today's most committed donors cite as the basis of their giving and volunteering (Ibid:601).

Schervish further notes that the discourse and practice of identification are clouded by the modern notion of self-identity that focuses on the individual as the hub of moral consciousness and moral decision. Sociologist Robert Bellah and his associates have spoken of the utilitarian, biblical, civic, and expressive varieties of individualism. In each variety a different set of ambiguities arises surrounding the perennial problem of bridging the gap between personal fulfilment and public involvement.

Admittedly, it is hard to devise a formula to supplant this dualism, but Bellah and his colleagues reported that many Americans have displayed individualism that reflects their active identification with various communities and traditions. Additional language for hindering the

false dualism of self and other lies in the discourse of *caritas* properly understood, that is, *caritas* as "the implemental aspect of love." But such an approach has its own problems, mainly revolving around the fact that the discourse of love is not as prominent in the American cultural heritage as notions of citizenship and civic responsibility (Ibid:602).

If the modern sense of self-identity stresses *self* as an individual personality and as a rights bearing citizen, the re-conceptualisation revolving around the virtue of charity stresses *identity* as the formative motivation for determining the content of moral sentiment and moral biography. This emphasis on self-identity as identification (or self-identity with) is precisely the heart of the Thomistic concept of charity. Although Aquinas did not speak of identity in the modern sense, his concept of love does presume an understanding of identification that sees love transform the lover into the beloved (Ibid:602).

The Unity of Love of Self and Love of Neighbour

Ironically, today the notion of the unity of love of neighbour and love of self may be more readily embraced in action than in thought. With self-development becoming a purposive, reflective activity for many people, one hears a lot about "creative selfishness" along with the more credible phrase of French historian Alexis de Tocqueville (1805 - 1859) "self-interest properly understood." For some, such notions are bothersome because they provide too wide a berth for justifying private interest under the guise of the common good (Ibid:602).

Although the temptation to be self-serving is ever present, philanthropy is at its best when derived from heartfelt engagement. It is ironic that the ideal of selflessness is offered as the epitome of morality precisely in those arenas of temporal and material commitment where the *quality* rather than the *absence* of self matters most. This means that efforts now directed toward

extricating donors from their supposedly flawed self-attachments would be better invested in strengthening the sensitivity, intensity, extent, and insight of their identifications (ibid:601).

Defining philanthropy as a social relation of *caritas* revolving around self-identity with others in their needs suggests how important it is for individuals to expand the horizons within which they experience an obligation of identification, a vocation of communion, with other human beings as radical ends. The failure of William Shakespeare's King Lear to do so is his tragic flaw. In search of compensation, Lear beckons the pompous to expose themselves to identification with the forsaken:

"Expose thyself to feel what wretches feel,/That thou may shake the superflux to them, / And show the heavens more just" (Ibid:602)

With this in mind, one can see the significance of understanding philanthropy as the social relation in which one feels obligated to extend one's self-interest to include meeting the needs of others. Philanthropy as one of many important defining acts of self is the relationship in which people directly attend and respond to non-coercive affective (rather than effective) expressions of need (Ibid:602).

For such charity to be caring rather than controlling or conceited, some personal knowledge of the object of love is necessary. This is why Aquinas perceived love to be an act in which one person "affectively" associates with another, hoping that they will be united in a state of mutual happiness. Since such communion may be achieved with temporal, financial, and psychological resources, charity is never the special preserve or obligation of any one income group. All are implicated in the vocation and moral identity of *caritas*.

2.2 Understanding Development

Understanding the meaning and perception of development is central to this study of the role of philanthropy in community development. Different views on development and underdevelopment have been explored both by scholars from developed and developing nations attempting to explain the underdevelopment situation of countries like Kenya. This study aims at analysing the role of philanthropy in community development. This section looks at different ways in which development is understood from the perspective of an unequal and uneven world and how third world nations attempt to achieve development.

To understand development, the literature shows that we need to know that we live in a world of inequality and diversity. David Landes (1999) in his book *The Wealth and Poverty of Nations* points out that this world is divided roughly into three kinds of nations: those that spend lots of money to keep their weight down; those whose people eat to live; and those that do not know where the next meal is coming from (Landes, 1999). Bradshaw & Wallace (1996) also clearly present indicators of global inequalities showing how it manifests itself throughout the world. These indicators include child survival, gross national product, population expansion, life expectancy, educational achievement, inequality of politics and freedom and an ability to cope with emergencies and “new” diseases. A new “underclass” of countries has emerged, signifying the vast discrepancies between those who are secure, powerful and privileged and those who are weak, vulnerable and impotent (Chambers, 2000). Increasingly, the majority of countries in Sub-Saharan Africa including Kenya are considered as part of the latter category.

At independence, almost all African countries declared war against three enemies; poverty, ignorance and disease. According to an observer of that period, Africa was an Africa of

hope, of vision, energy and change. Africans were taught to believe in themselves and in a future. They were true heirs of the promise of a greater tomorrow for Africa (Aina, 2003). But as the continent enters the twenty first century, the hope and optimism stated above have failed and her people are still faced with basic problems of survival and existence. New diseases like HIV/AIDS have found a home in Africa and poverty levels continue to rise (Nyong'o et al, 2002).

Since independence, countries in sub-Saharan Africa have engaged in various economic and political policies with a view towards realising rapid economic development. As a result of internal choices, strategies and processes, on one hand, and the world political and economic system and conditions on the other, African countries enjoyed only a short-lived period of growth and political stability, followed by prolonged economic crisis. The economic crises that have characterised sub-Saharan Africa over the past two or three decades have led to major economic and political reforms. Those reforms often were conditions set by external donors. The crisis, comprising budget and balance-of-payments deficit, inflation, external indebtedness, shortages of goods in shops, over-expanded and inefficient state economic sector, corruption and mushrooming of second or parallel economy has led to reversal of a number of popular strategies and policies of the 1960s and 1970s, in favour of deflationary policies, trade and economic liberalisation and support for the private sector of the economy. On the political front, the crisis has also marked a point of departure for multi-party democracy (Himmelstrand et al, 1994).

However, when we examine the Kenyan situation, we find that human development was for many years successful, despite difficult initial conditions – low income, low human development indicators and a rather uneven distribution of income. Kenya had a reasonably acceptable economic growth in the 1960s and the 1970s, when per capita GDP increased at about

3 percent a year. But like most sub-Saharan African countries, it suffered negative growth in the 1980s, with per capita GDP falling at about 0.9 percent a year. It is estimated that in 1976 the poorest 40 percent of households received only 9 percent of total income while the top 10 percent received 46 percent (UNDP Report, 1990).

The fact that sub-Saharan Africa has moved from decent economic growth to a deteriorating situation is evident. However, this has still to be qualified with more rigorous evaluation especially of changes in the different economic sectors, improvements of resources, physical infrastructure, ownership relations, and of the position of the countries as a whole in the international economic structure. It appears that there have been significant improvements in only one or two of those areas and therefore it seems to be clear that the economic situation in general in sub-Saharan African countries has deteriorated.

The development literature has provided different ways of understanding the nature of this decline. Dependency theorists would for instance point out that sub-Saharan Africa receives roughly three percent of the foreign direct investment flowing into developing countries. The World Bank's African Development Indicators 2002 report reveals that official development aid to countries in the region had fallen to US \$12.3 billion at the end of 1999 from US \$17.2 billion in 1990. Not only have the countries of Africa been exploited by industrialized nations, they are now being pushed aside as global competition intensifies, a condition indicative of one of the central themes of the dependency theory, that there must be a restructuring of the international economic community to pull the third world (the periphery) from the grips of poverty. Decades of development aid to sub-Saharan Africa do not seem to have helped the continent advance its development agenda. Despite the amount of aid coming into Africa, poverty has continued to deepen (World Bank Report, 2002).

This study on the role of philanthropy in community development attempts to analyse whether community development foundations, which have already made some progress and success (Malombe, 2000), can be further explored as a contribution to a major development strategy in Kenya.

Third World Development

Literature shows that the development experiences of third world countries since the fifties have been staggeringly diverse. Forty years ago, the developing countries looked a lot more like each other than they do today. India and South Korea, for instance, were extremely poor. In 1980, India's income per capita was about \$150 and South Korea's was about \$350. Life expectancy was about forty years and fifty years, respectively. In both countries, roughly 70 percent of the people worked on the land, and farming accounted for 40 percent of national income (World Bank Report, 1987). The two countries were so far behind the industrial world that it seemed nearly inconceivable that either could ever attain reasonable standards of living, let alone catch up (World Bank Report, 1987).

By the end of the eighties, South Korea's per capita income had risen to \$2,900, an increase of nearly 6 percent a year sustained over more than three decades. None of today's rich countries, not even Japan, saw such a rapid transformation in the deep structure of their economies. In contrast, India's income per capita grew from \$150 to \$230, a rise of about 1.5 percent a year, between 1950 and 1980. India is widely regarded as a development failure. Yet over the past few decades even India has achieved more progress than today's rich countries did over similar periods and at comparable stages in their development (World Bank Report, 1987).

This would mean that today, Kenya has to work harder to be able to achieve any modest level of development. Philanthropy, which is not a new phenomenon in Kenya, may be a more realistic way of accelerating development in Kenya. Community development foundations, through capacity building, may be able to identify community needs and improve participation and ownership in community development projects by community members.

NEPAD and the African Response to Underdevelopment

An emerging position is that many development initiatives have not met their objectives of finding solutions to the economic problems in the continent. Some African scholars and progressive nationalists argue that the unfortunate fates of these earlier initiatives have been due not only to the lack of clarity and commitment on the part of the African leaders, but also as a function of the uncertainty of the Development Merchant System (DMS). The DMS are said to always sell development packages to Africa whether they are workable or not (Nyong'o et al, 2000).

NEPAD's primary objective is to eradicate poverty, place African countries, both individually and collectively, on a path of sustainable growth and development. It also proposes to stop the marginalisation of Africa in the globalisation process and enhance its full and beneficial integration into the global economy as well as accelerate the empowerment of women. NEPAD cites good governance as a basic requirement for peace, security and sustainable political and socio-economic development. The most innovative aspect of NEPAD is the African Peer Review Mechanism (APRM). The APRM is a voluntary mechanism open to all member states of African Union. The APRM represents an ambitious attempt by key African countries to leverage themselves out of the cycle of poverty and instability to which the continent

has been condemned, by taking responsibility for the maintenance of appropriate standards of conduct (Nyong'o et al, 2000).

NEPAD represents a plan and practice of development based on a set of new efforts to reclaim development at a global level in a way that links markets and states together in the pursuit of human development. A related global political initiative is the United Nation's Millennium Development Goals.

Millennium Development Goals

The Millennium Development Goals (MDGs) and efforts constitute a set of actions and writings aimed at moving states towards the achievement of equitable development. The MDGs address many of the most enduring failures of human development. Unlike the objectives of the first, second and third UN Development Decades (1960s, 1970s, 1980s), which mostly focused on economic growth, the MDGs place human well-being and poverty reduction at the centre of global development objectives—an approach advocated by the *Human Development Report* since its inception. The MDGs and the promotion of human development share a common motivation and reflect a vital commitment to promoting human well-being that entails dignity, freedom and equality for all people. The MDGs are benchmarks of progress towards the vision of the Millennium Declaration—guided by basic values of freedom, equality, solidarity, tolerance, and respect for nature and shared responsibilities. These values have much in common with the conception of human well-being in the concept of human development. They also mirror the fundamental motivation for human rights. Thus the MDGs, human development and human rights share the same motivation (Human Development Report, 2003). MDGs lay

emphasis in Early Childhood Development (ECD) because it gives the foundation for human capital development and greatly determines the success of all other programmes.

KCDF recognizes the role of ECD programme and its contribution to national development and to the improvement of the situation of young children in Kenya. KCDF has made efforts to strengthen ECD Programme as an integral part of community development and as a sustainable development strategy. The overall goal of KCDF ECD programme is to promote the well being of children in the targeted areas.

2.3 The Nature and Scope of Philanthropy in Kenya

Giving in Kenya occurs in different scopes and proportions in different centres of social life: the individual, community and its different forms, corporations, 'philanthropies' such as trusts and foundations, religious organisations, and the diaspora (Houghton, 2004).

Philanthropy as Giving

Philanthropy as giving is extensive and dynamic in Kenya. It includes that giving which is 'informal' in the sense that it is not located in the market relations, legally-defined organisation, and mostly outside of public view; and that giving which is formal, in the sense that it is channelled through legally constituted, market compliant organised institutional infrastructure, and are visible to the public. It also includes consistent giving and ad hoc, one-off gifts. Gifts include money, time, and in-kind gifts such as bequests of real estate, gifts of land, food items, and clothing among others (Houghton, 2004:28).

Individual Giving

The middle class in Kenya has been steadily growing hence creating a significant portion of the population who might have resources to spare to give to charitable causes. This group is increasingly registering interest in giving to charitable causes especially in the 1990s as a response to the effects of Structural Adjustment Programs (SAPs) in the health and education sectors. There is also giving by the rich to causes of their choice. Individual giving all round is mostly reactive and in response to requests. The simplest evidence of the existence of individual giving and the potential for it in Kenya is in the extent of responses in the case of requests in emergencies and disasters. There is also evidence that many more individuals would like to give to charity, but they lack proper knowledge of institutions and sources through which they can give. It is evident that with greater incentive, clear, and simple institutions within which to give, individual Kenyans would engage more in philanthropy (IDS/John Hopkins, 2001).

Corporate giving

Corporate giving is gaining more significance in the social and economic dispensation in Kenya as it is evolving in form and rationale. Historically, it has been random, reactive, paternalistic and motivated almost purely by the profit motive strategy of corporate public relations. The idea and push of Corporate Social Responsibility has led to a shift in this approach especially among corporations with long-term investments so that giving trends now are indicative of a mix of public relations goals, community relations, and social investments as motives. This shift has led to increased investments and longer-term engagement with communities. This approach views corporate giving as making business sense. For example, in 2003, Barclays Africa allocated one million British Pounds towards corporate sponsorship from

the bank's annual profits. The Bank has also announced the formation of a community support programme for non-governmental organisations. Barclays Bank of Kenya also has a community affairs programme. Under the programme, Barclays staff raised about Kenya Shillings twelve million five hundred thousand from a walk to support communities of their choice (Corporate Concern, 2003).

Community giving

This is mostly horizontal giving. It “refers to that giving that occurs within and because of a group of people coming together or being together for a common cause, or a mutually beneficial cause or for a cause not mutually beneficial but to which they subscribe’ (Houghton, 1999). Most giving in Kenya across class, culture and geographical division occurs through communal efforts. Community giving is mostly typified by the different motivations that lead to people coming together to give. They combine their resources, make those resources grow, and apply it to a communal cause or distribute it to members for their betterment.

Volunteerism as giving

Volunteerism is the giving of skills, energy and time to a recipient voluntarily according to an individual's free will, for no financial gain to benefit the intended recipient of society as a whole. Volunteerism in Kenya occurs informally and formally. Informal volunteerism occurs outside of the public view, tends to be micro scale and is scarcely the subject of media publicity. Informal volunteerism usually occurs in communal settings and along communal lines of trust such as the village, neighbourhoods, welfare groups and other communal settings tied to issues and needs such as burial, wedding and neighbourhood security.

Giving from the diaspora

This refers to the process through which Kenyan immigrants in the diaspora allocate a certain portion of their remittances to fund development projects in Kenya. There are about 1.2 million Kenyans in the diaspora. These Kenyans remit approximately 63% of all foreign exchange flows into Kenya (including bilateral loans and other aid-in-kind). These are resources significant enough as to warrant policy consideration for their further growth. The remittances are in the form of monetary aid to family members, personal and other investments (www.kenyansabroad.org).

These figures are an indication of the potential that is there for philanthropic activities and relations in the diaspora. This potential is however yet to be exploited. Countries where tapping and development of diaspora giving has been successful such as India, Philippines and Colombia have done so on the wheels of an infrastructure that facilitates the mobilisation, stewarding, linking to home projects and programs, accounting and reporting and research that provides information both ways on continuous basis. Such networks consist of organisations established by people in the diaspora, and others by people in the home countries, and the linkages between these initiatives on either side. Sometimes the networks on both sides are initiated by efforts from one side. There are the beginnings of such infrastructure for the Kenyan diaspora such as the Kenya Community Abroad (KCA). The KCA has been among other activities targeted at benefiting its members, been involved in mobilisation of funds for causes in Kenya such as assistance to the August 7th 1998 US Embassy bomb blast victims, and towards famine relief in northern Kenya. There is however no formal structure to support diaspora giving in Kenya. The potential in diaspora giving still awaits greater exploration and exploitation.

Organised giving

Organised giving refers to giving that occurs through established structures set up mostly for that purpose, or part of organisations established for charitable purposes. In Kenya, this type of giving occurs mainly through grant-making organisations. These are mainly trusts, foundations, and international NGOs. There is, however, a distinction between non-profit organisations that have been set up under the legal framework of trusts and foundations just for the sake of legality of operations; and those registered under that framework for the philanthropic purposes under analysis here. Many organisations registered as trust and foundations in the mid-eighties to early nineties when there was no NGO registration framework.

There are a growing number of grant-making organisations in Kenya. This growth in this philanthropic sub-sector is being aided by the emergence of support or intermediary of organisations such as *Ufadhili Trust*, *Allavida*, and the East African Association of Grant-makers (EAAG) whose goals are to enhance the development of organised local philanthropy in Kenya and the other East African countries. An increasingly popular model of grant-making organisations in Kenya is that of foundations (Allavida, 2004).

External Giving

This is giving from outside of Kenya by non-Kenyans targeted for the benefit of Kenyans. This is mostly channelled through international NGOs such as Action Aid, Oxfam, Plan, Care, Goal and the Red Cross Society. Through sponsorship programs in Europe for instance, organisations such as the Action Aid mobilise large volumes of resources that are used in their programs locally. Probably because of their long presence in the country, it is often

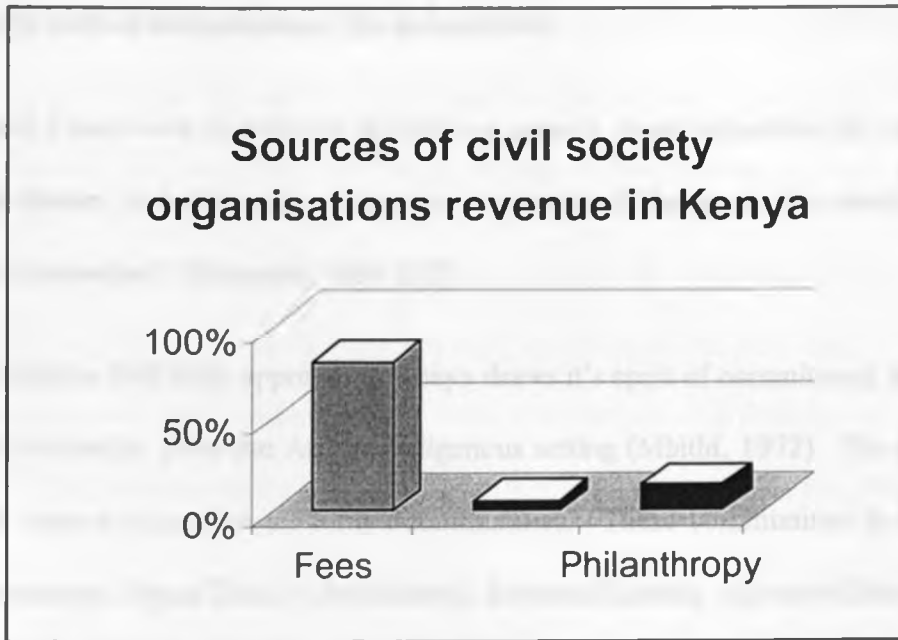
forgotten that the bulk of the resources that these organisations utilise are directly received from givers in countries where they have a mobilising presence.

Philanthropy within the Civil Society Sector

Civil society is a core part of philanthropy to the extent that it serves as an intermediary for philanthropic resources to beneficiaries; and to the extent that civil society organisations engage in resource mobilisation activities – that is inducing, motivating, promoting giving, and even the growing and management of resources for the betterment of the human condition. Kenya has an established historical tradition of a strong civil society which has grown from a contextual melting pot of African tradition, Christian and Islamic traditions, the colonial legacy and the influences of ‘modernity’. It has grown to be the largest in East Africa both in numbers, variety and in economic terms. There are about 300,000 civil society organisations in Kenya consisting of indigenous grassroots associations and self-help groups, religiously affiliated organisations, foundations, health care centres, schools, welfare groups, political parties, business and professional associations, and secular nongovernmental organisations (Kanyinga et al, 1999).

Kenya has one of the largest civil society sectors among the developing and transitional countries. Its workforce, a substantial part of which is voluntary, exceeds that of the country’s entire manufacturing sector. The civil society sector plays a significant economic, political, and social role in Kenya. It provides important human services, especially in the area of community development, and empowers disadvantaged segments of the population, such as women and the rural poor.

Fig 1 – Sources of Civil Society Organisations revenue in Kenya



Source of Data: John Hopkins Comparative Non-profit Sector Project (2004)

The Kenyan civil society sector relies much more substantially on fees and dues than its global counterparts elsewhere. As Figure 1 shows Kenyan civil society sector receives a very small share of its support from the public sector. This low level of public support can be explained, in part, by the post-colonial government’s policy of encouraging traditional forms of self-help to offset shortfalls in the government’s ability to fund social development programs; and part by the Moi government’s outright hostility to civil society organisations. Philanthropic giving in Kenya, at 14 per cent of civil society sector revenue, is also very low (Kanyinga et al, 1999).

2.4 The Harambee Self-Help Approach

After independence in 1963, Jomo Kenyatta, Kenya’s first President announced a strategy of *Harambee* self-help as a core policy (Holmquist 1984: 176). This core policy in a

way also reflected Kenya's social policy. Kenyatta's quote below succinctly captures the mood of the spirit at the birth of independence. He declared that:

“You and I must work together to develop our country, to get education for our children, to have doctors, to build roads, to improve or provide all the day to day essentials in the spirit of *Harambee*.” (Kenyatta, 1968: 217)

The *Harambee* Self-Help approach in Kenya draws its spirit of commitment, inspiration, continuity and informality from the African indigenous setting (Mbithi, 1972). The concept of *Harambee* has always existed in all Kenya communities. These communities had different names for the concept; *Ngua*(Taita), *Oho*(Maasai), *Mwethis*(Kamba), *Ngwatio*(Kikuyu), *Gitati* (Embu), *Obusangi* (Luhya), *Kibaenge*(Kalenjin), *Sadaka/Ujima*(Swahili) and *Omuchango*(Kisii) (Koigi Report, 2003). The spirit of co-operation and community participation in Self-Help projects was present. It was evident in various community development projects initiated throughout the country. In the initial stage, *Harambee* was understood as voluntary engagement (Myia 1994:42) which empowered the society to collectively settle some problems and challenges. This spirit of communalism dates from the pre-colonial period and continued throughout colonialism.

Hill (1990) argues that through the Native Authorities, the British colonial government in Kenya brought in its brand of Community Development policy as a facilitator of ‘active co-operation of the people of each community in programmes designed to raise standards of living and to promote development in all its forms’ (ibid:45-49). This traditional community development approach inherited from the colonial administration was and is fraught with difficulties and often sowed its own seeds of failure (Mbithi, 1972).

In the late 1960's, the Kenyan Government collected data comparing people's contribution and Government's contribution towards development projects. The Ministry of Cooperatives and Social Services 1971 report shows that the people's contribution to Self-Help Schemes from 1964 to 1970 was higher than the government's contribution.

There was a significant transformation of the nature of *Harambee* with the subsequent death of Kenyatta in 1978. *Harambee* was not only nationalized but was used to politically marginalise local and national political leaders, who were not seen as members of the "inner ruling group". These politicians were deterred from organizing *Harambees* in their local areas.

From the beginning of the Second decade of independence, the nature of *Harambee* changed from being community based and people driven projects to political projects as local elites began to use public *Harambee* for getting visibility at the national level. This was related to the existence of the single party political system in Kenya which gave few avenues for political forum. By the mid 1970's, the politicisation of *Harambee* is most clearly seen in the "Change the Constitution Faction" and those opposed to it. Struggles were still at the local level as the different factions sought to appear to the public as the ones most concerned about their welfare. They argued that fundraising was for public good. The "Guests of Honour" increasingly became national politicians who had amassed immense wealth through coffee, precious minerals, game trophy and ivory smuggling (Koigi Report, 2003).

The eighties saw the emergence of the trend of using *Harambee* for creating an acceptable ruling group. After the attempted coup in 1982, the Provincial Administration officials, who had begun to control *Harambees* in the mid-seventies were now given total control. *Harambee* was now centralised with national political leaders asserting themselves over local elites on the basis of how much money they could bring to a project. The main actors were

not just national politicians but also their counterparts in the government owned corporations, civil service and private sector. During this period, the regime harnessed the services of Provincial Administration and Kenya African National Unity party officials to extort money and other materials to be donated at the many *Harambee* functions which the president conducted. This crude approach, whether to raise money for construction of class rooms, as when the government was implementing the controversial 8-4-4 education system, or the construction of what came to be known as Nyayo wards in hospitals and the frequency with which the funding drives were conducted overwhelmed ordinary citizens, causing them untold deprivation and a major dislike for the otherwise noble initiative (Kanyinga, 1995).

An analysis of the programme content and the communication strategies used to convey development programmes to the rural communities shows disharmony in the identification of local requirements and planning needs and in the identification, mobilisation and allocation of local resources (Mbithi, 1972). The local people were not engaged in the development process. Programmes were imposed on the rural communities irrespective of their needs or ability. There has been a strong tradition of centralised planning in many Africa countries. Creation of independent power centres were discouraged during colonial or post independent Africa. Since 1983, the so-called District Focus for Rural Development in Kenya has not realised its key potential since key decisions are still made in the centre. Often leaders have only given rhetorical encouragement to self reliance which in practice undermines such initiatives. Centralised authority appears to have become the way of life so that even rural people may be sceptical when charged with responsibility to spearhead development. Furthermore, forming autonomous and strong local organisations may put the leaders in charge in a coalition course with other leaders like Members of Parliament, Councillors, and Chiefs et cetera who may

undermine or discontinue the project. This state of affairs has led to an atmosphere of passivity and dependence in Kenyan Communities.

2.5 The role of the Community Foundations

Community foundations are independent philanthropic organisations whose main mission is to improve the quality of life of the communities that they work with. Community foundations do this by involving local people and by obtaining new permanent resources, contributed by many local donors: and endowment or a “capital fund for investment.” These endowed funds allow community foundations to make grants and address the long-term needs of the local community they serve.

Mkhabela & Adler (2003) argue that community foundations serve three main audiences: the community as a whole; the non-profit sector; and donors. They collect, manage and redistribute donations from a wide range of donors to meet critical needs and improve the quality of life in a specific geographic area. They can play a valuable role in helping communities address new and increasing social, economic and environmental needs, especially as conventional approaches prove less effective and funding from traditional sources diminishes.

Generally the community foundation seeks large contributions from large and small donors who are usually indigenous to the geographical area it serves, and provide services to assist those donors in fulfilling philanthropic interests. The grants are made by applying interest/income from invested assets to local Non-Governmental Organisations (NGOs) and Community Based Organisations (CBOs) to address emerging and changing needs in all fields. The independence of the community foundation in its governance and decision-making is

accompanied by accountability, both to donors and the community. The foundation's finances are audited annually; investments made by managers undergo periodic review by the governing body to see that the entrusted funds are secure and earning effective interest; and reports of grants published to evidence principles of equity and diversity and public accountability.

Community foundations are there to provide additional help, to promote creativity and a sense of empowerment in the community (i.e. being in control of one's circumstances). One could certainly say that community foundations could facilitate the building of active communities through making grants in many different interest areas. Each community would itself prioritise areas in which it wishes to make intervention, and to respond to it by raising funds and mustering the goodwill of local citizens to make it happen. Community foundations "build communities through local giving." (Motto of the Community Philanthropy Initiative of the European Union).

2.6 Theoretical Literature

There have been various approaches to understanding development, social relations and social change. This study on the role of philanthropy in community development to be meaningful and useful cannot ignore the different ways societies have been explained in development theories. In addition to this, the literature on charitable giving, intra-family transfers and social movement participation have elaborated and tested (with conflicting results) a variety of theoretical models to explain behavioural commitments of time and money. These theories constitute a necessary basis for understanding the role of philanthropy in community development in a developing society such as Kenya. They are discussed below.

Modernisation Theory

A key approach used by scholars to understand development is modernisation theory. Modernisation theory was the dominant approach of conventional social scientists in developed countries in their attempt to understand the origins of poverty and underdevelopment in what is known as the third world. The main focus of the modernisation theorists is the emphasis on deficiencies in the poor countries, particularly ex-colonies, like absence of democratic institutions, capital, technology and initiative (Isbister, 2001). This approach was particularly dominant in the literature in the 60s and 70s.

From the end of World War II, some scholars and government officials have argued that underdeveloped countries are poor simply because they lack modern economies, modern psychological traits, modern cultures and modern institutions. (Bradshaw & Wallace, 1996:40). According to modernisation theorists, there are two poles; modern and traditional. They argue that today's third world societies are largely traditional and that Western Europe was traditional for a long period before the era of modern economic growth and cultural change. They claim that the essence of traditional society is that it is stagnant and unchanging. According to these advocates of modernisation theory, underdeveloped countries need to "get modern" if they ever want to attain the status of being "developed" (Isbister, 2001:33). Modernisation theory has since lost its dominance but its emphasis was on structural and value-change in poor countries that make them more modern and western.

Dependency/World System Theories

What constitutes the dependency theories were a product of the third world itself; this is one important way in which they differs from the modernisation perspective (Isbister, 2001:43).

Dependency theorists argue that third world societies are not in primitive, unchanged state. On the contrary, they have been formed by their interaction with the developed capitalist countries. Immanuel Wallerstein, a leading Dependency theorist argues that in the sixteenth century, capitalism started to develop as a world system. Capitalists from Europe began to seek profits from around the world. The search for profits, through long-distance commerce, became the dominant world force (Isbister, 2001:43). Capitalist markets dominated the world and changed the social structures of the third world

These two macro-theories of development formed the backdrop to the developmental efforts of Kenya as a country with scholars holding different opinions depending on their ideologies. Liberals tended to support the modernisation perspective, while socialists, Marxists, Nationalists and social democrats preferred the dependency or development with equity perspectives.

The Human Development Perspective

For a long time, economic growth has been regarded as the essence of development process, and a bias toward the objective of economic growth seems to have dominated development thinking. With this view, there is a risk to overlook that people are the genuine target of development; often human beings have solely been considered as a factor of production to contribute to economic growth. Inequality in terms of choices and the poverty among certain population groups have from time to time been viewed as being the necessary costs of economic growth and development. The social aspects of development, if at all taken into account, have often been narrowed down to the need for redistribution of production outcomes through the public sector.

The essence of human development perspective is that it considers income expansion as an important means, and treats an expansion in people's choices and capabilities as the end of all development efforts. In doing so, it performs an important service in questioning the presumed link between expanding income and expanding human choices. According to this perspective, economic growth is essential to reduce and alleviate poverty. But from a human development perspective, the quality of this growth is just as important as its quantity. Quantity versus quality is a false dichotomy. The two jointly determined and their interaction is what decides whether the results will be good, bad, or indifferent. Aspects of "quality", such as equality in health and education, good governance and environmental protection, are central to what the poor value most in economic progress. Conscious public policy is needed to translate economic growth into the betterment of all people's lives.

Amartya Sen has greatly contributed to the rediscovering of the human development approach. This discovery is not a new invention. It is a tribute to the early leaders of political and economic thought. In *Development as Freedom*, Sen (1999) argues that development requires "the removal of major sources of unfreedom: poverty as well as tyranny, poor economic opportunities as well as systematic social deprivation, neglect of public facilities as well as intolerance or overactivity of repressive states" (1999:9). When Sen talks about development, he does not just mean economic development. In fact, economic development plays a secondary role throughout his book. He focuses on the importance of human capabilities as a means to development and therefore a means to freedom. 'As it happens these freedoms and rights are *also* very effective in contributing to economic progress; ..." (1999:5).

Sen argues that enhancement of human freedom is both the main object and the primary means of development. The instrumental roles of freedom include several distinct but

interrelated components, such as economic facilities, political freedoms, social opportunities, transparency guarantees and protective security.

Community Foundation Model

It is important to note that a development model based on community self-reliance and bottom-up approach determines the role of an aspect of philanthropy. Community foundations have emerged throughout the world as ideal vehicles of philanthropic acts. According to the proponents of community foundations, there had been a realisation that if communities were to assume responsibility for their destinies and be sustainable, then they needed to control their own development. Community foundations have emerged as potential vehicles for a bottom-up approach to development in which communities could mobilise local resources and find solutions for local challenges. Community foundations had also emerged as ideal vehicles through which communities could give resources to develop themselves.

The conditions which existed historically and which supported the birth of the concept of foundations and, particularly community foundations and their phenomenal growth in the United States in the last hundred years are amply documented. The English Statute of Charitable Uses in 1606 granted privileges to British citizens for private support of causes serving the public good. The 1601 statute established the legal provision and precedent for private charitable trust funds, the precursors of today's foundations (Mkhabela & Adler, 2003).

New community foundations are forming in the US, and existing foundations, through the Council of Foundations, have funded technical assistance efforts to help community foundations get established, as well as grants to help build their endowments, to join what has been described as a "community foundations movement."

The “wealth effect” alone does not explain the tremendous growth in America's philanthropy. In the 1980s and 1990s a framework formed for philanthropic entities, an infrastructure of organisations and associations developed to improving practices and promoting philanthropy. In America, philanthropic awareness and leadership are being developed nationally. A well-known school in Atlanta offers a course titled “Philanthropy 101.” Its mission is “*being to develop the understanding, desire, ability, and instincts for philanthropic services to the community.*” The inspiration and funding for this initiative came from a private foundation (Mkhabela & Adler, 2003).

In the same city, the Community created the Centre for Family Philanthropy, recognising that many families are looking for ways to involve their children in charitable giving. The centre “helps families use philanthropy to embrace family unity and communication; help teach the next generation the art of giving; and leverage each family’s charitable gifts to provide long-term resources for our region’s most pressing needs.” Work at the centre often begins with the family’s development of a statement of values. Families have found that focussing on charitable assets is also a good way to teach financial responsibility to the next generation.

In brief, it can be observed that a culture of modern philanthropy or giving has developed in certain wealthy countries where it is sophisticated, highly structured institutional model, the foundation. This institution, whether corporate or community, has evolved a method of self-financing to ensure its perpetuation in order to achieve its objectives.

The Theory of Altruism

The theory of altruism is the analytical model that explains pro-social commitment as a function of a biologically, psychologically or socially grounded motivation of selflessness – a

more or less comprehensive disregard for one's self-interest in taking up care for other. Piliavin and Charng (1990) provide a comprehensive review of the altruism debate, concluding that "there appears to be a 'paradigm shift' away from the earlier position that behaviour that appears to be altruistic must, under closer scrutiny, be revealed as reflecting egoistic motive" (1990:27).

Conventional notions of altruism emphasize either or both the intentional *motivation* to assist others and relative cost to the actor. Despite the efforts of contemporary theorists to reinvigorate altruism as 'at the least the willingness to consider others in our overall calculations of our own interests' (Piliavin and Charng, 1990:58), we continue to be persuaded by Becker's (1976) case against altruism. Becker argues that altruism is merely apparent. If traced back to its motivational origins, what appears to derive from a non-self-interested preference is really derived from a composite preference in which the self-interest of the actor is conjoined with the needs of others. What may appear to be selfless is, in the broader empirical context, actually grounded in a form of mutual self-interest, or as Becker puts it, "multiperson altruism". Moreover, the efforts to salvage a notion of altruism for social science, notably the sociobiological explorations cited by Piliavin and Charng (1990), are singled out by Becker for criticism. For Becker, sociobiological "model of group selection are unnecessary since altruistic behaviour can be selected as a consequence of individual rationality' (1976:284).

The Pillars of the notion of an inherited predisposition conclude Piliavin and Charng are kin selection and reciprocity selection. They write, 'for kin altruism, the potential altruist must be able to recognize (consciously or unconsciously) who its kin are, and for reciprocal altruism, it is critical that individual bearing the reciprocity gene must be matched with each other (p. 47). Schervish and Havens (1997) point out that the sociobiological dynamics cited as evidence of altruism are precisely the kinds of motivations that are part and parcel of the package of self-

interest preferences and utility-maximizing behaviour Becker analyses. Schervish and Havens conclude that it does not serve to make a case for altruism – even the sophisticated ones reviewed by Piliavin and Charng (1990) and by Simmons (1991) – if it is logically inappropriate, not to mention empirically unfounded to do so.

Still Schervish and Havens, 1997 argue that to side with Becker is not to trivialize the partially self-interested motivations undergirding commitments. Nor is to self accept his rebuttal of altruism as the enthronement of utilitarian rationality. First, in regard to pro-social motivations, they agree with Roberta T. Simmons who points out that helping acts remain admirable even when inspired by ‘subtle self-rewards’, such as the desire for one’s life to matter, to improve one’s self-picture, to feel happier about life and self, to relieve the distress of empathy with the victim, or to obey religious and societal norms’ (Simmons 1991:16).

Second, they argue that to concur with Becker’s rebuttal of altruism is not to agree that he has dealt a fatal blow to efforts to locate higher motivations in the conduct of prosocial behaviour. From their point of view, Becker has properly challenged the viability of theories of altruism; but his challenge is to a theory that is philosophically ill fated from its inception.

Although Becker persuasively counters the concept of altruism from a utilitarian model of rational preference, he may himself be criticized for failing to transcend the paradigm of utilitarian self-interest. Both the notion of altruism and the criticism of it derive from the effort to understand the subjective motivation of care and the objective behaviour of apparent self-sacrifice from within the perspective of rational utilitarianism. Once rational utilitarianism is accepted as the theoretical starting point, one is forced to choose between the ideal of pure selflessness and the reality of self-sacrifice.

The Identification Model

A study by Schervish and Harvens (1998), indicates that the respondents simply do not frame their motivation in terms of altruism or self-interest. Since it is not the absence of self that characterizes the motivational creation of donors, it is not pertinent to disprove the possibility of selflessness. Instead, the findings suggest an identification model of engagement in which the type and degree of empathetic identification with the needs of others generates philanthropic commitment.

The identification model derives from the Western religious tradition as formulated by Thomas Aquinas. Aquinas advances a morality in which people extend rather than curtail their love of self. Although Aquinas did not anticipate our modern conception of identity as an individuated personality, he did adopt a rich notion of identification. For example, writes Aquinas, “the fact that love transforms the lover into the beloved, it makes the lover enter inside the beloved, and conversely, so that there is nothing of the beloved that is not united to the lover” (Gilleman, 1959:126).

Schervish and Haven’s identification model, independently developed, does not stand alone in theoretical and empirical research on giving. The most nearly similar theoretical statement is provided by Mike Martin (1994) in his truly insightful exposition of the fundamental motivations for caring expressed in the form of philanthropic giving and voluntary service. “At its best,” writes Martin, “philanthropy unites individuals in caring relationships that enrich the giver and receiver alike” (p.1).

Finally as a relationship, philanthropy is generated most saliently by participation in community, which Martin defines as ‘any group of people joined by shared caring’ (p.26). The

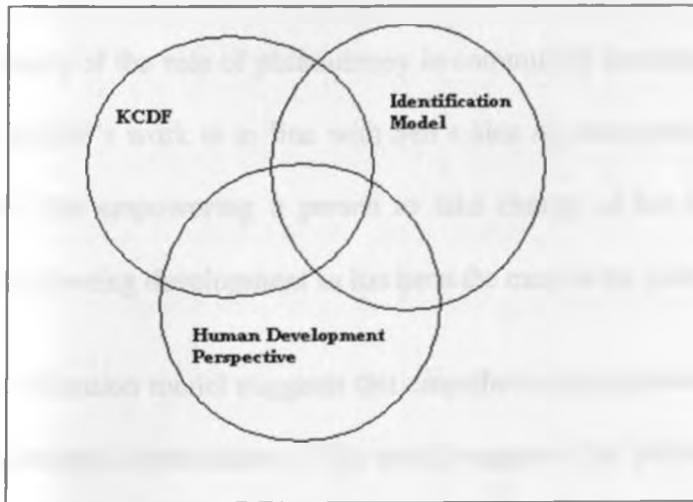
cornerstones of giving are two sets of virtues, (1) participation virtues that motivate giving such as benevolence, justice, reciprocity, enlightened cherishing and self-respect and (2) enabling virtues that direct the quality of care, for example, self-direction, moral leadership and respect for others (p. 30-31). More particularly, Jackson et al (1995) cite various researchers (such as Piliavin et al, 1981; Jenks, 1990 Coleman, 1990; Hornstein, 1972, 1976; and Staub, 1978) who have incorporated the notion of identification, or a sense of 'we-ness', as the specific mobilizing impetus that spurs the caring orientation of which Martin speaks. This we-ness, "the sense of being connected with another or categorizing another as a member of one's own group", is a central determinant of helping and results from the combination of personal beliefs and associational ties that bring the needs of others in one's purview (Jackson et al., 1995:74).

Snow et al. (1980, 1986) employ a similar theoretical based empirical research with a similar perspective with Schervish and Haven's identification theory. They argue that social movement recruitment is a function not just of social-psychological dispositions (frameworks of consciousness) but also of contact with recruitment agents (invitation to participate) representing associational settings (communities of participation). Analyzing three data sets, the authors conclude that the probability of recruitment is largely a function of two socio-spatial factors: (1) links to one or more movement members through a pre-existing or emergent interpersonal tie; and (2) the absence of countervailing engagement to charitable giving and volunteering. This comes out of study of 800 Indiana, USA residents that 'participation effects' in their form of participation in religious and voluntary groups activity are the key determinant of volunteering and giving.

2.7 Conceptual Framework

The role of KCDF in Kenya can clearly be presented by two of the theories discussed above. A combination of the human development perspective and the identification model shows close resemblance to the development model that KCDF has been pursuing over the last decade. Figure 2 shows how the three interrelate.

Fig. 2 - The KCDF Model



The human development viewpoint clearly puts into perspective the work of KCDF. Over the years, numerous approaches to equitable development have been practiced, some more successful than others. KCDF has learned that good intentions are not a substitute for sound management and capacity in general, development efforts have moved from donor dependency by the community to giving skills for the community to do more for themselves. Through the capacity-building programme, KCDF continues to offer opportunities for community based organisations to strengthen their systems and structure to ensue they are sustainable. The idea here is to increase the individual capacity of present and future community leaders and to support the development of institutions and programmes for community capacity building in Kenya.

KCDF documentation states, “If we give a man a fish, it will satisfy his hunger today and what about tomorrow? We may need to continue providing fish in the long term for him to survive so, we teach him to fish. This will solve the problem until someone pours crude oil into the river. THEN WHAT? He needs to be empowered with as much control as possible over all those factors which affect his ability to fish”. KCDF wants to go beyond fishing—building capacity of the community by helping him to gain access and increased control over resources to which he has a right. (KCDF Working Papers in ECD, 2004:22).

In this study of the role of philanthropy in community development focussing on KCDF, it is clear that KCDF’s work is in line with Sen’s idea of development as freedom. Like Sen, KCDF believes that empowering a person to take charge of his own development is more important than delivering development as has been the case in the past.

The Identification model suggests that empathetic identification with the needs of others generates philanthropic commitment. The model suggests that philanthropy is generated most significantly by participation in community. KCDF’s mission is to effectively mobilise resources for building permanent funds for grantmaking towards development of communities. KCDF works towards its vision of “All Kenyans giving and working together with permanent resources for equitable development” through grant making and support for local organisations to set up permanent resources for their sustainable development. Thus, all grants must in some way contribute to sustainable community development. To ensure effectiveness and maximum possible benefit to the targeted communities, the grant making process is supported by careful selection of partners, assessment of needs, ongoing monitoring, supervision and support. Community participation in both resource mobilisation and project planning is central to KCDF work.

CHAPTER THREE

METHODOLOGY

3.0 Site Selection and Description

The key methodology for this research was the case study approach. The case studied was the Kenya Community Development Foundation (KCDF) and its project in South Imenti Constituency in Meru District in Kenya. KCDF is headquartered in Nairobi, Kenya. Its offices are situated in Nairobi's Pangani Estate. As a Kenyan Public Foundation, KCDF works in different parts of the country including the following areas: Obbu division, Moyale District; Baragoi Division, Samburu District; Mombasa District; Nairobi's Pumwani, Dandora, Kayole, Kibera and Majengo areas; South Imenti Constituency, Meru Central District; Eldoret town; Bungoma District; Nyatike Division, Migori District; Kajiado District; Kainuk Division, Turkana District; and Karemo Division, Siaya District.

KCDF was chosen for this study because of its unique position of being Kenya's first community foundation. Also, the staff were accessible and available for interviews, site visits and provided documents and data for review. South Imenti Constituency is located in the Eastern province of Kenya in Meru Central district. It comprises Igonji, Abogeta and Nkune divisions. South Imenti represented an acceptable site for investigation given its situation as a community organization with extensive intervention by KCDF.

3.1 Research Design

This study was an exploratory study. It serves as a base-line for other future studies on philanthropy in Kenya. Qualitative research was the key method used to carry out this research. Focus group interviews, interviews with strategic informants, community forum approach and documentary analysis constituted the primary methods.

Qualitative research, broadly defined, means "any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification" (Strauss & Corbin, 1990:17). Where quantitative researchers seek causal determination, prediction, and generalisation of findings, qualitative researchers seek instead illumination, understanding, and extrapolation to similar situations. Qualitative analysis results in a different type of knowledge from that obtained through quantitative inquiry.

The research began by focusing on the chosen area of study, gathering data from a variety of sources, including interviews and field observations. Once gathered, the data was analyzed using coding and theoretical sampling procedures. Once done, theories were generated, with the help of interpretive procedures, before being finally written up and presented. This latter activity was an integral part of the research process.

Several considerations were made when deciding to adopt the qualitative research methodology. Qualitative methods can be used to better understand any phenomenon about which little is yet known as is the case of community foundations in this part of the world. They can also be used to gain new perspectives on things about which much is already known, or to gain more in-depth information that may be difficult to convey quantitatively. Thus, qualitative methods are appropriate in situations where one needs to first identify the variables that might

later be tested quantitatively, or where the researcher has determined that quantitative measures cannot adequately describe or interpret a situation. Research problems tend to be framed as open-ended questions that will support discovery of new information (Strauss & Corbin, 1990).

3.2 Sources of Data

Qualitative research differs from quantitative research in that the data that is collected and analysed appears in words and not numbers (Miles & Huberman, 1984:21). Different types of data collection techniques were used in this research. These included in-depth open-ended interviews, site visits to the field, participation at meetings organised by the organisation, direct observations and analysis of written documents. These elements of a qualitative research study allow the research of specific issues in an in-depth and detailed manner (Patton, 1990). The research was not constrained by predetermined analytical categories as in quantitative analysis, but was open-ended in nature, thereby enabling the study to take on a somewhat evolutionary course of discovery. Miles & Huberman (1984:15) refer to the attractiveness of qualitative data in that it is a source of “well grounded, rich descriptions and explanations of processes occurring in local contexts”. They refer also to the preservation of chronological flow, assessment of local causality and derivation of fruitful explanations and the enabling of researchers to go beyond initial preconceptions and frameworks as advantages of qualitative analysis.

In this research, data analysis comprised three steps:

Data reduction – selecting, focusing, simplifying, abstracting and transforming the ‘raw’ data that appears in the written-up field notes by summarising, coding, teasing out themes, making clusters or partitions and writing memos;

Data display – this permitted conclusions drawing and action taking. Tables and charts helped to organize information and draw more justified conclusions.

Conclusion Drawing/Verification – this included regularities, patterns, explanations, possible configurations, causal flows and propositions which were thought of throughout the data collection and analysis stages.

3.3 Population and Sample

The research population consisted of organisations which practice philanthropy as a strategy for community development in Kenya and communities that receive this community development intervention. These organisations were positioned in the civil society sector.

The investigation comprised a sample of a project of a sub-population as identified in the work of KCDF. Although KCDF is not the only foundation engaged in the promotion and support of philanthropy in Kenya, it was chosen not only because of the access granted by the organisation but also because it is Kenya's first community foundation and a major public foundation.

3.4 Data Collection Techniques

Review of Secondary Data

Sources of evidence included documentation (such as pamphlets, Annual Reports, newspaper reports and articles, grant files, strategic planning reports, minutes of meetings and evaluation reports), archival records (as maintained by KCDF), in-depth interviews, and direct observations (in being present in the working environment of KCDF as well as attending various

meetings and conferences on philanthropy in East Africa). Information was collected and stored separate to the investigator's report as a case study database, and the role of the investigator's supervisor as an external observer assisted in maintaining the chain of evidence.

Case Study Research Method

Case study research excels at bringing us to an understanding of a complex issue or object and can extend experience or add strength to what is already known through previous research. Case studies emphasize detailed contextual analysis of a limited number of events or conditions and their relationships. Researchers have used the case study research method for many years across a variety of disciplines. Social scientists, in particular, have made wide use of the qualitative research method to examine contemporary real-life situations and provide the basis for the application of ideas and extension of methods. Researcher Robert K. Yin defines the case study research method as an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used (Yin, 1984, p. 23).

A study of contemporary philanthropy in Kenya is a relatively new concept in the literature. The study was more exploratory in nature, without hypotheses or propositions suggested upon completion of the literature review. However, the conceptual framework was used as a starting point for the research.

Interviews

Qualitative interviews were used as the primary strategy for data collection in conjunction with observation and document analysis. The researcher utilized open-ended

questions that allowed for individual variations. This study employed two different types of qualitative interviewing: 1) informal, conversational interviews; and 3) standardized, open-ended interviews.

An interview guide or "schedule" which is a list of questions or general topics that the interviewer wants to explore during each interview was used to interview key informants. Although this was prepared to ensure that basically the same information is obtained from each interviewee, there were no predetermined responses, and in semi-structured interviews the interviewer was free to probe and explore within these predetermined inquiry areas. Interview guides ensure good use of limited interview time; they make interviewing multiple subjects more systematic and comprehensive; and they help to keep interactions focused. In keeping with the flexible nature of qualitative research designs, interview guides were modified over time to focus attention on areas of particular importance and to exclude questions the researcher found to be unproductive for the goals of the research.

A basic decision going into the interview process was how to record interview data. The researcher decided on taking written notes as a preference. Although recordings have the advantage of capturing data more faithfully than hurriedly written notes might, and can make it easier for the researcher to focus on the interview, when asked, the interviewees seemed to be more comfortable with note taking as compared to recording.

Observations

The classic form of data collection in naturalistic or field research is observation of participants in the context of a natural scene. In this case, the researcher spent time in one constituency in which KCDF works. Observational data is used for the purpose of description—

of settings, activities, people, and the meanings of what is observed from the perspective of the participants. Observation led to deeper understanding than interviews alone, because it provided knowledge of the context in which events occur, and enabled the researcher to see things that participants themselves were not aware of, or that they were unwilling to discuss.

There are several observation strategies available. In our case it was possible and desirable for the researcher to watch from outside, without being observed; maintain a passive presence, being as unobtrusive as possible and not interacting with participants. This was experienced while attending KCDF organised capacity building workshops and during grantee site visits when KCDF interviewed grantees and during the monitoring and evaluation visits with some of KCDF grantees.

In summary, three principles of data collection as suggested by Yin (2003:97) were used in this research as follows:

1. *Multiple sources of evidence*: the rationale for this principle was “triangulation” – different information sources were used to ensure a more rounded perspective;
2. *Creation of a case study database*: documentation was contained in two separate systems; the data base and the investigator’s report; and
3. *Maintenance of a chain of evidence*: an external observer followed the progress and inductions/deductions made throughout the case.

3.5 Data Analysis

Bogdan and Biklen (1982:145) define qualitative data analysis as "working with data, organizing it, breaking it into manageable units, synthesizing it, searching for patterns, discovering what is important and what is to be learned, and deciding what you will tell others". Qualitative researchers tend to use inductive analysis of data, meaning that the critical themes emerge out of the data (Patton, 1990). Qualitative analysis requires some creativity, for the challenge is to place the raw data into logical, meaningful categories; to examine them in a holistic fashion; and to find a way to communicate this interpretation to others. Data organisation involved systematisation and analysis of raw data based on the interviews, transcripts, field notes and other documentation.

Analysis began with identification of the themes emerging from the raw data, a process sometimes referred to as "open coding" (Strauss and Corbin, 1990). During open coding, the researcher identified and tentatively named the conceptual categories into which the phenomena observed would be grouped. The goal was to create descriptive, multi-dimensional categories which form a preliminary framework for analysis. Words, phrases or events that appeared to be similar were grouped into the same category. These categories were gradually modified or replaced during the subsequent stages of analysis.

As the raw data was broken down into manageable chunks, the researcher devised an "audit trail"—that is, a scheme of identifying these data chunks according to their speaker and the context. The particular identifiers developed were not used in the research report, but speakers were typically referred to in a manner that provided a sense of context. Qualitative research reports are characterized by the use of "voice" in the text; that is, participant quotes that

illustrate the themes being described. Efforts were made in this study to give 'voice' to KCDF programmes and the Imenti South participants.

The next stage of analysis involved re-examination of the categories identified to determine how they were linked, a complex process sometimes called "axial coding". The discrete categories identified in open coding were compared and combined in new ways as the researcher began to assemble the "big picture." The purpose of coding was to not only describe but, more importantly, to acquire new understanding the phenomenon. Therefore, causal events contributing to the phenomenon; descriptive details of the phenomenon itself; and the ramifications of the phenomenon under study were all identified and explored. During axial coding the researcher was responsible for building a conceptual model and for determining whether sufficient data existed to support that interpretation.

The final stage is the translation of the conceptual model into the story line that will be read by others. Ideally, the research report will be a rich, tightly woven account that "closely approximates the reality it represents" (Strauss and Corbin, 1990, p. 57). The report and analysis in Chapter four of this research attempt to build and reconstruct the storylines that tell KCDF's story.

Although the stages of analysis described here are in a linear fashion, in practice they occurred simultaneously and repeatedly. During axial coding the researcher determined that the initial categories identified should be revised, leading to re-examination of the raw data. Additional data collection occurred at some points when the researcher uncovered gaps in the data. In fact, informal analysis began with data collection, and this guided subsequent data collection.

PRESENTATION OF FINDINGS AND DATA ANALYSIS

4.0 Introduction

The findings of this study that was carried out to examine the role of philanthropy in community development are presented in this chapter. The data gathered from interviews in conjunction with documentary analysis and observation was examined and the findings presented. The chapter begins by presenting results from expert interviews, followed by results from the interviews and documentary analysis from KCDF staff and finally interviews from South Imeni Development Association (SIDA), a community based organisation that works with KCDF.

4.1 Philanthropy in Kenya

Perception of the term “philanthropy” in Kenya

This study sought to understand clearly the perception of the term “philanthropy” among stakeholders in the field of philanthropy in Kenya. In this section, key informants from the field of philanthropy in Kenya were interviewed.

Understanding of the term “Philanthropy” in Kenya

Given that the term “philanthropy” is a relatively new one in Kenya, and that the definitions vary in the literature, the question was put to the majority of the respondents as to what they understood by this term. Four Chief Executives of philanthropic institutions in Kenya and two researchers in the field (expert interviews) responded to the question. The strong themes that arose from the response of the six professionals in their understanding of philanthropy included the following:

- Doing good for mankind
- Giving resources for a worthy cause
- Social responsibility to other human beings
- Acts of giving (be it of money, goods or services) intended to promote development, social justice, or the advancement of those other than the giver’s family
- Philanthropy is not charity; it is giving out of love in order to alleviate certain human suffering. There is a permanency in philanthropy. It involves commitment in human improvement. Philanthropic efforts are aimed at having a long-term effect.

Other ideas raised were the difference between philanthropy and charity. Acts of charity were described as striving to solve “immediate needs” e.g. disaster and catastrophes. On the other hand, philanthropic acts are out of commitment to human improvement or betterment. Philanthropy is driven by passion and not compassion as is the case of charity.

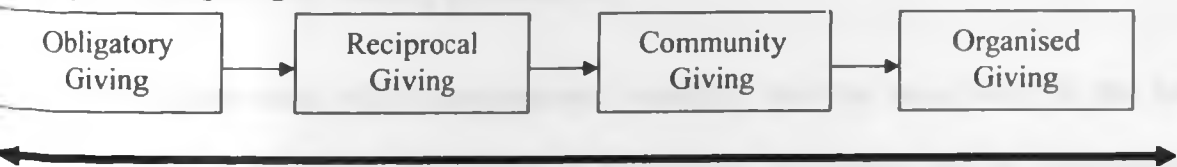
Philanthropy is triggered by observing the human condition and moral standing of personal life. The individual pictures all build towards the understanding of what philanthropy is – and this is to be expected as philanthropy is a broad topic. It is also likely that as experts in the field that has recently emerged in Eastern Africa, each of these individuals’ responses are

influenced by their contact with American and European philanthropic institutions and the developed world's definition of philanthropy.

In discussion with key personnel in the philanthropic organisations interviews, these definitions make philanthropy immediately fit in naturally with the African culture. This approach to philanthropy, considering most acts of giving (be it of money, goods or services) intended to promote development, social justice, or the advancement of those other than the giver's family to be philanthropic. According to an informant, philanthropy is "a social responsibility to other human beings in this world". It does not only depend on social economic status of a giver. It is not about the rich giving to the poor. Philanthropy in Africa is geared towards development. However, he argues that philanthropy is not about money.

In conversation with another informant, a useful analysis of what philanthropy really is in the African context was discussed. From the America and European perspective, philanthropy is organised giving. The main issue is where to draw the line in the African context. Acts like prayers for others, knowledge transfer from the old to the young, labour contributions during harvest and planting seasons may all be considered acts of giving. But, are they philanthropic? Traditional philanthropists abroad (e.g. large foundations) might consider these acts of giving to be more self-help than philanthropic.

Fig. 3 – The giving continuum



Source: Developed from interview with an expert in the Philanthropic field, December 8, 2005.

It is useful to put each definition of philanthropy into context in this way, as the Figure 3 helps to identify the differences in giving. It also highlights the complexities that arise when addressing philanthropy. Obligatory giving is mainly giving to family members. This could be for education (for instance paying school fees for a sister or brother). The next level of giving is the “reciprocal giving” here, a person gives with the anticipation that when in a similar situation, the receiver or beneficiary of giving will reciprocate. This kind of giving is very common in the African culture. Community giving through community funds and acts of volunteering is now coming up as one of the ways by which communities can mobilize resources, carry out their projects and build endowment. Community giving not only comes from the community but also from its internal and external diaspora. “Home town associations” which are groups of people from a particular area and who work in the cities are one of the important sources of community funds that are emerging in Kenya. Finally, we have organized giving which is mainly considered philanthropy by the developed world.

Lastly, another informant believes that defining philanthropy is merely a “semantic difficulty”. According to him, what matters is the “values that come with these terms.” Moreover, with modernity and globalisation which promotes individualism, solidarity at community levels is diminishing. Communities need to mobilize funds as and when needed for particular community development projects and should not be subjected to periodical giving, (like membership fees, monthly payments, etc).

In discussions with a development consultant who has done work in the field of Philanthropy in the region, the concept of philanthropy is evolving and the understanding of philanthropy can be portrayed from the perspective of who is describing it. This may be based on power relations according to how it is organized. She believes that philanthropy can be

giving towards an immediate need or towards a broad need via an intermediary. Philanthropy is not just money. It may be intellect, in-kind. However, she maintains that philanthropy is not charity but argues that charity is part of philanthropy.

In summary, our informants have both an Africa and Western notion of philanthropy. They see philanthropy as giving but in a more complex manner than the western notion of organised giving found only in formal organisations such as foundations and trusts.

History of philanthropy in Kenya

In addressing the history of Philanthropy in Kenya, a researcher who has carried out studies on philanthropy and social justice in Eastern Africa asserts that philanthropy in Eastern Africa has grown mainly through networks between people who know each other and through individual giving, like in the case of family trusts.

Philanthropy in pre-colonial society was not apparent as a distinct socio-economic practice, but was rather part and parcel of the communal lifestyle. There were no independent systems or institutions set up to deal purely with matters of charity. Resources in this type of philanthropy included material goods such as food, clothing, land, livestock, and labour services. Giving was viewed not only as a benevolent inner disposition toward others, but also as a duty and a “self safety-net”. Giving strengthened and maintained social ties within the units through which the philanthropic resources were generated and channelled. Colonisation ridiculed the communal modes of social organisation that characterized the pre-colonial societies in Kenya. Social, economic, political and cultural organisation was either deliberately disrupted by colonial policies and process or this happened as a result of those policies or processes.

Christianity preached charity as a virtue, and practised it in some ways in interaction with people. The practice of charity by the missionaries was paternalistic and was manifested in relief and welfare services that they provided to local evangelized populations through education, health and youth development activities. These activities were carried out within institutions such as the churches, schools, hospitals and health centres and youth clubs. These institutions provided the ground work of formal philanthropy and non-profit activity that evolved in the country mostly focused on relief and basic needs provision.

The struggle for independence further helped shape philanthropy in Kenya. Political activism was channelled through tribal associations and other groups and, in response, the colonial government developed more stringent associational laws and policies for the natives. This discouraged open formation of African groups during the struggle, and many of those formed after the war were underground, unregistered or loosely organized, publicly presented as simple self-help groups, but with hidden political agendas.

The slogan of *harambee* was used to encourage a sense of service. Communities mobilized financial, volunteer and in-kind resources to develop structures for schools, health centres, community water points and social halls among other things. The government, through local authorities, matched the community efforts by providing teachers, health staff and materials. *Harambee* in this period was a form of community philanthropic practice which was embedded in the state agenda. It was conceptualized, induced and controlled by the state and had to be done as part and parcel of the broader development agenda. It was a legitimating process for the government, and it is therefore not surprising that it soon after became highly politicized and eventually lost the essence of the African spirit embodied in the principle of mutual responsibility. This period, however, is one of the most remarkable developmental phases of independent Kenya.

Within a period of a few years, access to health services and education became [almost] effectively universal. The impacts of the *harambee*-supported development were reflected in the dramatic changes in life expectancy, infant and child mortality and in the improvement of the nutritional status of the young.

Development of philanthropy in Kenya

Currently, more institutions have developed which address philanthropy. Corporate philanthropy which provides both monetary and volunteer assistance is now growing with companies like Safaricom Kenya Limited and East African Breweries Limited establishing autonomous foundations to look into development matters in the country.

Support organisations like Allavida, East Africa Association of Grantmakers and Ufadhili Trust are now coming up to discuss the issue of promoting philanthropy in East Africa. These institutions assist in capacity building, information and knowledge sharing, lobbying and advocacy in the field to promote philanthropy and philanthropic activities in the region.

There are also individual philanthropic efforts seen in the activities of sportsmen and sportswomen. The Rotary Club is also a good example of philanthropy in Kenya. There are also funds and trusts established by families mainly of Asian origin. These include the Rattansi Trust, the Chandaria Trust and others. These are mainly family trusts which assist in charity work and service delivery. These charities are mostly one-off assistance given towards education. These funds are usually run by family members who most of the time have no capacity to follow-up these grants.

Diaspora philanthropy is another field that is growing rapidly. However, more government support is needed for an enabling environment as discussed further below.

Legal and policy environment for philanthropy

In discussions with a strategic informant who has researched on the legal and policy environment for non-profit organisations, she believes that the legal and policy environment is not favourable for philanthropy. The basic tax exempts for non-profits is meagre and limited to few components within the non-profit organisations. In addition, there is no legal framework to encourage giving. On the part of non-profits, there is insufficient regulatory framework to check on the activities and functions of the organisations. There is no law in Kenya that regulates NGO work or any other external regulation. The entire legal and policy environment is “messy” and not conducive.

It is evident that there is already an established culture of giving to charitable causes in Kenya by individuals, corporations, communities and diaspora, and through an established civil society that serves as intermediaries and implementers. It is however insufficiently organised, reactive and operates from “hand-to-mouth in the sense that it has no stable funding”. Expansion of tax benefits would lay a framework for planned and organised philanthropy and asset development. This is important as the Non-Profit Organisations (NPO) sector is a major economic force in terms of its contribution to the GDP and the number of people it employs as compared to the public sector and several major industries. This is a sector the government should consider crucial and focus on its fiscal incentive considerations. Government policy acknowledges the importance, and seeks NPO sector partnership. It pledges support to all its strategic partners. Tax benefits to increase resource flows to NPOs would move government policy from rhetoric to effective action. Fiscal policies such as tax exemptions and holidays have been used to support other strategic partners of the government such as foreign investors in the industrial sector. The NPO sector could take on major growth with similar incentives.

In Kenya, the *harambee* movement, the communal groups, corporate giving, and the high volumes of remittances from the diaspora provide acceptable evidence of the potential that is within for the growth of independent development resources. Moreover, Uganda, South Africa and Zanzibar, African commonwealth jurisdictions comparable to Kenya offer good examples of progress in the tax reform direction for Kenya.

Challenges in the field

The following challenges were identified by the respondents:

- The first challenge is lack of information. Both donors and recipients are not aware of local resources and do not know each other.
- People are afraid to give because they are not sure that their money will reach the intended recipients. Furthermore, they do not know priority courses to give to.
- Lack of information and services that advise local or even diaspora donors.
- There are no indicators that show impact to sell to local donors. For instance, tangible results like buildings and other concrete projects and outputs.
- There are no tax incentives that support giving.
- Donor fatigue – why is the society not changing?

4.2 Functions and Activities of KCDF

One major objective of this study on the role of philanthropy in community development was to examine the key lessons learnt through the operations of KCDF and how this contributes to understanding philanthropy in the context of community development. This was achieved by looking at the development, organisational structure and operations of KCDF.

Historical Development of the Organisation

Between 1993 and 1994, the Ford Foundation, an American philanthropic organisation, conducted a highly participatory review of the community development field in Kenya. The purpose of this review was to determine what has been learned about participatory poverty reduction strategies in Kenya, and assess the status of this field of work with a view to develop new initiatives that would assist it to move forward in major and effective ways.

The main finding of the review was that “empowerment” or “grassroots” approach to durable poverty reduction was expanding. However, emphasis had become increasingly focussed on specific projects managed by large national and international NGOs and funding was almost exclusively from foreign sources. While a variety of Community Organizing and Training (COAT) activities were used in participatory programs, they were often conducted by NGOs in order to serve their own and donors’ agendas of developing certain projects. For these and other reasons, the field was “losing balance” and moving too far from building the knowledge, skills and organisations strength at the community level which are necessary to achieving the desired degree of involvement of the poor in choosing, designing and managing community development programs.

A number of local Community Development Corporations (CDCs) were found in both urban and rural areas, but they had difficulty attracting the funds and assistance required to grow into powerful advocates for their communities and to put needed development programs in place over the years needed to make an appreciable and durable difference. It was estimated that at least fifty (50) such CDC existed in Kenya in 1994 many of which are parts of various churches.

Based on the review, it was decided that to create a new Kenyan foundation to provide information, funding and organisational development assistance to NGOs that focus explicitly on increasing the ability of low-income individuals to play a full and effective role in development activities in their own communities.

An advisory committee consisting of six individuals was identified which acted as KCDF's initial governing body. Discussions as to whether to start a resource centre or training centre for community capacity building began. Later, it was agreed that it would be more effective to start a Kenyan grantmaking institution which could reach CBOs. The Ford Foundation invited a consultant from New York who had been involved in the setting up of the West Africa Rural Foundation (WARF), a fund that was set up to promote rural development in West Africa. Other Consultants, also invited by the Ford Foundation, led discussions on Community Development Foundations as they work in the United States.

It was thought that the United States model was a possible model to be adopted to promote community development. It was very clear that whatever the model, the institution was to promote community development and make grants as well as give meaningful support to CBOs. These grants would promote community participation, sustainability and ownership of community projects. In the final analysis, the American model looked more attractive because it built endowment. Since a tradition of giving already existed in Kenya, it was necessary to tailor this model to suit the Kenyan context.

The two principal goals of KCDF were therefore to build the strength of local community development organisations and to advance Kenyan philanthropy in support of such participatory poverty reduction activities. KCDF represents a bold initiative to develop local philanthropy in Kenya around the central theme of capacity building of the citizen sector. KCDF was set up to

develop sustainability for Kenya's community development while serving communities, donors and non-profit organisations.

In 1996, registering organisations like KCDF in Kenya was difficult. However, the need to experiment was important. Therefore, it was necessary to identify an organisation to "midwife" or "incubate" KCDF. The Advisory Committee then looked around for organisations that could be interested and also do it well. The Aga Khan Foundation (AKF) expressed interest. AKF is an international development agency established in 1967 by His Highness the Aga Khan. Its mission is to develop and promote creative solutions to problems that impede social development, primarily in Asia and East Africa. Created as a private, non-profit foundation under Swiss law, it has branches and independent affiliates in 15 countries. It is a modern vehicle for traditional philanthropy in the Ismaili Muslim community under the leadership of the Aga Khan. The AKF already had an NGO resource centre in Zanzibar and had gained experience in this area of work through their activities in Pakistan. KCDF began as a project of the AKF following AKF's Board approval of the project in September 1996.

The pioneer Chief Executive of KCDF, Ms. Monica Mutuku was housed by AKF for four (4) months before moving to the AKF owned premises in Pangani where KCDF is housed to date. In January 1997, a tripartite agreement was signed between Aga Khan Foundation, The Ford Foundation and the Advisory Committee of KCDF.

Although KCDF was initially established as a project of the Aga Khan Foundation in 1997, the organisation was later registered in 2001 as a private company limited by guarantee and without a share capital. KCDF has since acquired tax-exempt status granted by the Kenya Revenue Authority for its investment income. The Foundation is Kenya's first public community foundation serving three distinctive constituencies: donors (local and international),

non-profit organisations and Kenyans. KCDF serves as a philanthropic vehicle for people of all means to make a lasting difference in their community through charitable giving.

Initial and current objectives

As already mentioned, the two principal goals of KCDF were to build the strength of local community development organisations and to advance Kenyan philanthropy in support of such participatory poverty reduction activities. As a Community Foundation, KCDF seeks to promote innovative ideas in upholding and sustaining development efforts that enhance social justice especially among poor communities. KCDF seeks to facilitate in diverse ways the empowerment of local communities in Kenya, and to reduce the dependence on external aid by enabling them to mobilize local resources through the promotion of organized giving, and effective resource management.

In discussions with key personnel of KCDF, the main objectives of KCDF have not changed since its inception. However, the strategies have changed. KCDF continues to work with communities to create an endowed funding managed and controlled by Kenyans and to ensure sustainable development within communities where community members own their own development and are on the driver's seats prioritizing their own needs. Initially, KCDF used capacity building as an entry point into community development. However, with the entry of other organisations acting as capacity builders KCDF has changed its strategy in working with communities in their development agenda.

Since 1998 when the first grants were made, the KCDF Board and staff have consistently undertaken reviews and reflection to ensure they have remained relevant to the constituency they exist to serve. The organisation has grown from an idea to an established organisation that has

not only been helping build the capacity of poor communities, but has gone further to help them plan for their future by beginning to grow permanent resources in form of endowments.

Sources of KCDF Funding

KCDF funds are classified into two main categories; grant income and endowment funds. In 2005, the organization received most of its grant income from external donors as shown in table I. Grant income amounted to Kshs.52,589,400 compared to Kshs.34,362,704 in 2004. Out of the total grant income raised in 2005, Kshs.20,047,628 was spent on grants to partner organisation across the country making up about 40% of total grant income being given out as grants to partner organisations.

Table II shows endowment funds invested in various investment channels through the KCDF Trust. These are mainly community endowment funds. The prescribed minimum amount for fund building is Kshs. 500,000. However, according to Table II, it is clear that KCDF has in some instances allowed lesser amounts of funds from fund builders. KCDF's main objective in asset development and endowment building is to effectively mobilise resources from local and international, private and public sources, in order to assist partner communities to continuously build permanent funds or endowments which will sustain grant making for their priorities. However, much needs to be done to increase the community investments and communities need to be urged to aggressively mobilise resources to facilitate their own development.

It is important to note that KCDF fund raising efforts are concentrated on external donors and international organisations. One of the initial objectives of KCDF was to reduce dependency on external funding. It would be useful to consider other sources of funding like the diaspora,

individual Kenyans, hometown associations for community endowments and corporations which would be a good source of raising funds as already discussed in the literature review.

Table 1 - KCDF's Grant Income

Source of Grant Income for KCDF	Total grant income 2005 (Kshs)	Total grant income in 2004 (Kshs)
Ford Foundation	23,068,584	26,233,803
Bernard Van Leer Foundation	16,985,834	334,000
Plan Kenya	9,684,220	0
Allavida	2,850,762	0
Ufadhili Trust	-	154,000
NOVIB	0	4,774,234
Total	52,589,400	34,362,704

Source: 2005 KCDF Annual Report

Table II - KCDF Endowment Trust Funds

Fund Builders	2005 (Kshs)	2004 (Kshs.)
General Endowment Fund	39,220,311	16,194,789
Hope Trust Endowment Fund	9,655,470	8,010,655
ACK Eldoret Endowment Fund	1,132,220	1,009,244
Good Samaritan Children's Home	1,353,552	1,207,679
SIDA Community Endowment Fund	14,363,237	11,651,484
Othaya Development Association	20,906,920	14,222,872
Starehe Girls Centre	4,337,448	1,003,747
Makutano Community Development Association	456,303	0
Omega Child Centre Fund	159,026	0
Genesis Community Development Assistant	58,531	0
Total	91,643,081	53,300,470

Source: 2005 KCDF Annual Report

Activities of the Organisation

Central to all activities of KCDF is the management, structure and governance of the organisation. The board takes authority to make decisions, and to ensure through appropriate supervision that the organisation's management is effective, transparent, and accountable to the Kenyan community on the organisation's activities.

Fig. 4 – Elements of KCDF as a Local Community Foundation



Source: KCDF 2005 – 2007 Strategic Plan

Figure 4 which is a diagram of a butterfly illustrates the key elements of the functioning of KCDF. The butterfly captures the organisation’s unique niche in Kenya’s development space, and helps to balance the major components of its mission. The butterfly’s wings represent the organisation’s two major functions, but also because of the metamorphosis it has undergone, representing the evolution of its own thinking and identity over the years.

The KCDF philanthropic and grantmaking approach to poverty eradication takes the view that all Kenyans are entitled to a life of dignity that the current escalating poverty level has increasingly threatened. KCDF’s work is built on the notion that indeed, the so-called poor communities are endowed with significant assets that can be meaningfully harnessed to reduce their poverty. Moreover, the Foundation acknowledges that the relative powerlessness of the

poor and abuse of public collections remain major obstacles to mobilizing local assets and other resources for poverty reduction.

KCDF Administrative Structure

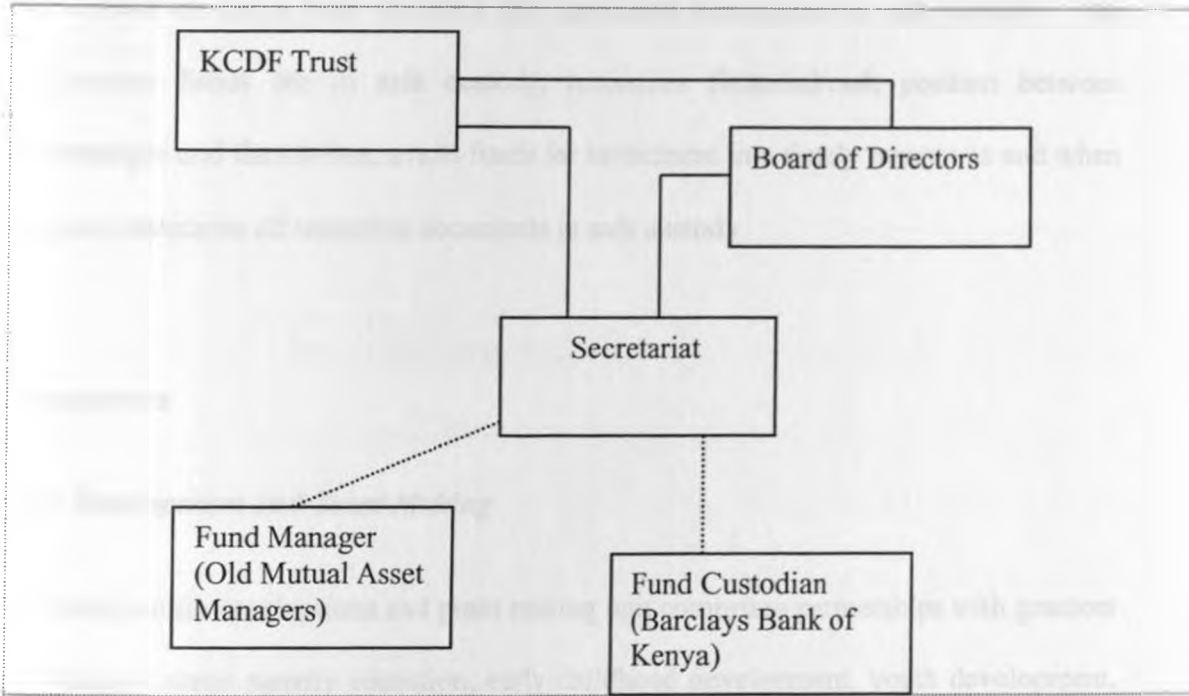
KCDF is governed by a Board of Directors. Board members volunteer their time and are appointed on the basis of their integrity and commitment to philanthropy. The Board also has a diversity that is representative of Kenya and strives for balanced representation of men and women. It has eleven members. KCDF's Chief Executive Officer is an Ex Officio member of the Board.

A KCDF Trust is mandated by the Board with the task of managing its endowment fund. The Board is represented in the Trust by at least three members. The Trust is established through a Trust Deed registered under the Trustees (Perpetual Succession) Act. It is responsible for the appointment of the Endowment's Investment Managers, Custodians and Fund Administrators. The KCDF Secretariat is situated in Nairobi, The capital city of Kenya. The Secretariat is responsible for the day to day running of the Foundation. It is headed by the Chief Executive Officer (CEO) who works with a core of professional staff.

Fig. 5 represents KCDF organization chart. The structure provides for clear separation of duties, checks and balances and to ensure each arm does what they are best well placed to do. The Board plays the overall oversight and governance function and is the top decision making body. Its specific tasks include; approval of budgets, recruitment of the Chief Executive Officer, approval of organizations policies and approval of programmes. The Trust is responsible for the overall management of the endowment fund and for appointing professional service providers as

needed. The Trust also has the task of ensuring compliance to all statutory regulations, liaising with various service providers and is the final authority in investment decisions.

Fig 5 - KCDF Organisation Chart



The Secretariat under the direction of the Chief Executive Officer is responsible for the day to day running of the Foundation and is in charge of implementation of programmes, coordination of the KCDF activities and has the duty of upholding KCDF's vision and mission. The Secretariat is also responsible for implementation of Board and Trust recommendation, it ensures co-ordination between the Trust and Board. It also organizes fund builders' forums and conducts capacity building workshops for fund-builders. The Secretariat is also in charge of research on investment options/opportunities and administrative reporting to both fund-builders and Trustees.

The Investment Manager has the role of monitoring the investment market on a daily basis to ensure that the endowment portfolio is invested optimally. The Investment Manger monitors the markets on a daily basis, ensures investment opportunities are taken, reports on

status of the investment to the trust, generally complies with the investment parameters set by the KCDF Trust as stipulated in the Investment Policy

The Custodian keeps both the fund and associated documents in safe custody. The Custodian ensures funds are in safe custody, reconciles financial/cash position between investment manager and themselves, avails funds for investment in a timely manner as and when need arises, and maintains all securities documents in safe custody

KCDF Programmes

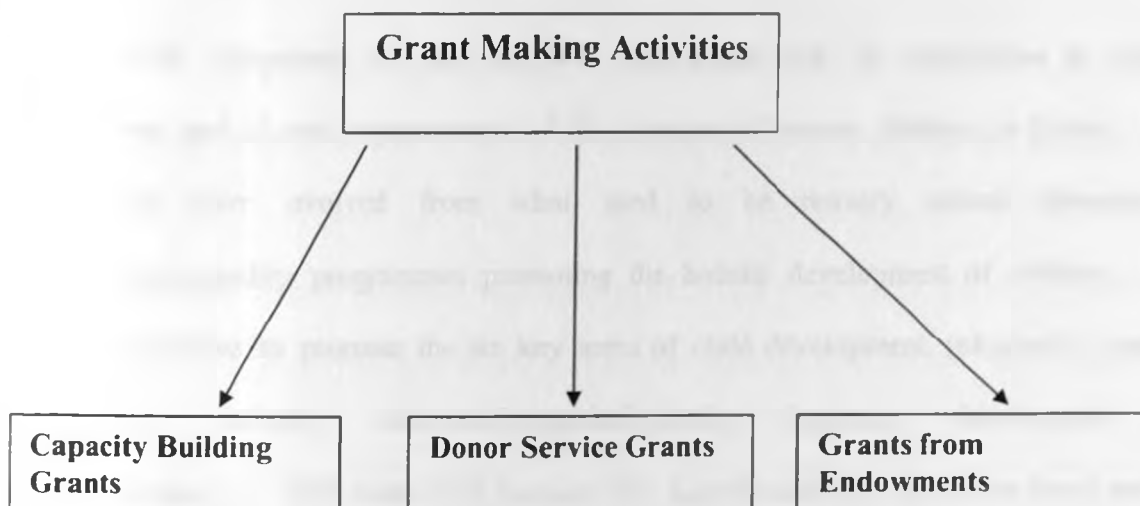
Programme Development and Grant Making

The programme development and grant making unit comprises partnerships with grantees in several thematic areas namely education, early childhood development, youth development, community transformation for asset development, HIV/AIDS and organisational capacity building.

KCDF works towards its vision of “all Kenyans giving and working together with permanent resources for equitable development” through grant making and support for local organisations to set up permanent resources for their sustainable development. Thus, all grants must in some way contribute to sustainable community development. To ensure effectiveness and maximum possible benefit to the targeted communities, the grant making process is supported by careful selection of partners, assessment of needs, ongoing monitoring, supervision and support.

The main objective of programme development and grant making unit is to enhance sustainable development through effective and imaginative grant making programme that is achieving a clear social justice agenda. The programme has three major strategic priority areas. These are illustrated below:

Fig. 6 – Grant Making Activities



In the past, KCDF capacity building program has been broad based. This has changed. KCDF is now exploring new strategies. With more capacity builders entering the field, the Foundation has changed its way of work and is now concentrating on building capacities of partners and potential partners.

The donor service grants or “pass through” grants are those funds given by different donors towards direct programs by NGOs or CBOs in sustainable development. These funds include the Ford Foundation Scholarship and Arts and Culture funds, Bernard Van Leer funds towards early childhood development, the Plan Kenya funds towards strengthening capacities of

CBOs in preparation for exit in Thika and Embu districts, the Allavida funds toward youth groups in Kibera Slums.

Finally, there are grants from endowments. These are returns from endowments. Key needs of the communities are set out for example; education, health, food security or water and grants are made towards these needs.

Early Childhood Development (ECD)

KCDF recognizes the role of ECD programme and its contribution to national development and to the improvement of the situation of young children in Kenya. ECD programmes have evolved from what used to be nursery school education to comprehensive/quality programmes promoting the holistic development of children. Such programmes strive to promote the six key areas of child development, (physically, mentally /cognitively, socially, emotionally/psychologically, language development and morally/spiritually). With funds from Bernard Van Leer Foundation, efforts are being made to strengthen ECD Programme as an integral part of community development and as a sustainable development strategy. The overall goal of KCDF ECD programme is to promote the well being of children in the targeted areas. Ongoing community partnerships on ECD are currently being implemented in Coast, Eastern and North Eastern provinces. There are partners in Garissa, Malindi, Kilifi and Mwingi.

KCDF partner identification/selection is adhered to in selecting the partners with the main emphasis on organisation development aspects particularly governance, management practice, programme development and delivery mechanisms, financial management, level of community involvement and participation in the project cycle management, external relations;

networking and ensuring that viable sustainability mechanisms, particularly those based in endowment funds are in place. In addition to giving grants to selected/identified partners, KCDF supports community based ECD initiatives in capacity building to enable them to design and implement quality programmes to effectively address the development needs of the children in the critical stages of development and mainly in the age category 0-8 years. Capacity building/enhancement in priority identified areas, is a critical component in KCDF's grant making process.

KCDF attaches value in supporting communities to meet the needs of their children. Young children can benefit from a variety of developmental, social and cultural interventions at community level. It has been KCDF's experience that participatory capacity building undertaken both through interventions that enrich life in the community in general and through improving skills of caregivers specifically makes a real difference among communities involved.

Community-Based Organisations are now able to establish and run their own early childhood development projects, while parents have successfully taken up full management of the local day care centres. This is an outstanding example of how addressing wider development challenges in a holistic and coherent way can help to enhance the well being of children.

Recent experience in the broader development sector has shown that investments in Early Childhood Development (ECD) programmes reduces inequalities rooted in poverty and social discrimination by giving children in disadvantaged backgrounds a fair start in life and in schooling.. Improvements in community health, nutritional and sanitation services that benefit children are also likely to benefit family and communities' at large ECD programmes have therefore a critical role to play in achieving the millennium development goals.

Early Childhood Development (ECD) care and services lay the foundation for positive/responsible citizens. Child development is mostly influenced by health/medical care services, nutrition, early stimulation services and care rendered to children. Effective and quality ECD Programmes break intergeneration cycles of poverty, disease, gender inequity and violence. ECD is therefore critical for fulfilling all the rights of the child.

The overall objective of the project is to enhance the capacities of the local organisations (CBOs/NGOS) to effectively design and manage quality, viable and sustainable community based ECD programmes for children 0-8 years. Specific objectives of the ECD Program include providing opportunities for sharing of experiences among ECD grantees/ partners. Activities toward s the achievement of this objective include: Exposure/Exchange visits among partners for information gathering and sharing of lessons learned, partner capacity building workshops, documentation of activities through development and distribution/sharing of case studies at the KCDF and Partners' levels, review meetings among other activities.

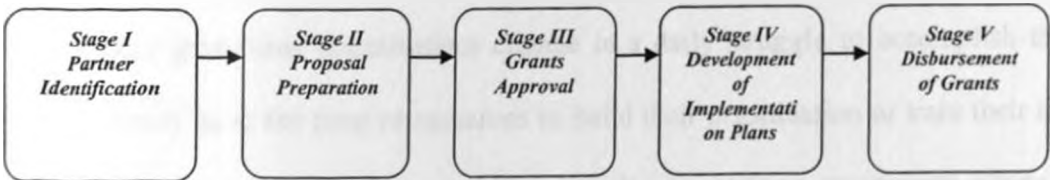
The second objective is to help raise awareness about the need for improving ECD services in Kenya through Information, Communication, Education and Networking. Activities towards the achievement of this objective include: Carrying out of an ECD Baseline survey exercise and sharing of the findings with ECD stakeholders, Consultative meetings with partners for identifying issues of advocacy, initiation/strengthening of regional ECD/Child rights networks.

Grantmaking is an important method by which KCDF delivers its different programmes. Grantmaking is a professional and systematic way of making resources, principally funds available to those seeking it for their projects. In KCDF ECD programme, grantmaking has five

stages that ensure effective search, analysis, processing, disbursement, management and monitoring and evaluation. The stages are discussed below.

In Stage I awareness creation and distribution of the ECD grants application forms to selected/targeted areas. This is carried out through various avenues which includes, KCDF existing partners, emails, courier and postage services, hand delivery, use of regional development networks, relevant Government of Kenya ministries and departments (Ministry of Education, Science and Technology (MoEST), Ministry of Home Affairs, Ministry of Gender, Sports, Culture and Social Services). The applications are then reviewed and short listed. After this, a mini capacity assessment visit is carried out by KCDF staff and further short listing of grants applicants is done and a final list of the ECD partners is drawn. Capacity assessment workshops are then carried out. The workshops seek to identify key issues for intervention and help in tracking progress and familiarize the participants with the process of proposal writing and expectations of KCDF in relation to preparing a process as the next step in the partnership process.

Grantmaking Process – Fig. 7



In stage II the proposal are written. Each of the selected ECD partners write proposals based on area specific ECD needs immediately after the capacity assessment workshop and submit the same to KCDF. Proposals are forwarded to KCDF Programme Committee after review for their recommendations to the KCDF Board.

In stage III the grants are approved by the KCDF Board after they have been reviewed and recommended by the KCDF Programme committee.

In stage IV a detailed implementation plan is developed. This outlines objectives, indicators, activities under each objective, expected outputs, documentation/means of verification (report, etc.), planned dates of activities, resources required (altogether and from KCDF), for the grant period. This is the tool used for monitoring of the programme.

Finally, in stage V, disbursement of the ECD Grants is done. By this time, ECD Partner organisations have received their first six months activities grants after having forwarded their requisitions and implementation plans for the stated period.

Capacity Building for Community Based Organisations (CBOs)

The contemporary view of capacity-building goes beyond the perception of training. KCDF defines it as follows; to manage change, to resolve conflict, to manage partnerships, to enhance coordination, to foster communication, and to ensure that information is shared among members. All these require a broad and holistic view of capacity development.

Many grassroots organisations engage in a daily struggle to accomplish their projects, and they rarely have the time or resources to build their organisation or train their members and staff. KCDF recognizes that long-term change relies on making community efforts sustainable, by building strong organisations with skilled local leaders.

Through grant making, KCDF is striving to achieve ambitious social and economic objectives. The success of these grants relies to a large extent on the capacity of the organisations funded. In the process of selecting grantee organisations, KCDF make an assessment of the

capacity of each organisation to implement the proposed program or project. Particularly where grants are being made to community-based organisations or local NGOs, the assessment will often identify areas that could be strengthened in order to increase their efficiency as organisations and their effectiveness in reaching their objectives. These include areas of internal management such as accounting and report writing skills, the need to develop skills to build links with other sectors and the need to develop sustainable sources of financing

A key problem existing among communities is that no one is prepared to make effective decisions in a complex society. Most organisations have not prepared the communities with the "capacities" necessary to be effective. Most of the big (donor) organisations demand that the community jump to action before they ask why that action is necessary. In addition, decisions are often too narrowly defined and do not include workable strategies to deal with the real needs of the community. As a result, the communities decide on simple projects or donor defined projects which, in most cases, do not necessarily address their felt needs. KCDF is out to prepare a community to think differently; to have the ability to decisions make on matters directly affecting them; to develop diverse leaders capable of facilitating shared vision among community members.

Arts and Culture

Kenya's artists are continuing and developing creative traditions that are decades and centuries old. Kenya's dancers are rapidly evolving their art form, theatre people making extraordinary theatre, painters and sculptors are advancing the visual arts, writers shaping new meaning in the written word and so on. The arts in Kenya are stronger and more vibrant than they have been for many years. However the availability of funds and opportunities for new creativity among artists is still very limited. This lack of available funding is preventing artists

from developing their work, and denying local audiences the chance to benefit from the many contributions that artists and their art can make to society.

The Ford Foundation through KCDF and The Godown Art Centre came up with a project known as “Changa Moto”, Swahili term for challenge or motivation to give Kenyans money to produce local work. Founded a year ago, Changa Moto seeks to remedy this situation by providing seed money for new arts projects that take into account not only the creation of new, East African art of a high standard, but which also plan to engage new local audiences in dynamic and innovative ways. Changa Moto believes that enlarging audiences is critical for the arts in Kenya; increased audiences mean increased impact for the artists and benefits for the audience, and it also directly translates, over time, into new forms of funding to support the field by attracting commercial sponsorships, ticket sales and so on.

The Overall goal of Changa Moto believes that it is the role of artists to build a strong cultural identity for its society. Therefore, it is Chang Moto’s goal to promote Kenyan artists in the production of creative and culturally innovative work, and to build artistic excellence in the production of performing and visual arts, with the aim of developing a sustained audience clientele and a market for Kenyan art and artists.

The specific objectives include:

- To support the production of new and innovative Kenyan performances, and visual art;
- To encourage risk taking in artistic production by funding projects that sought the Kenyan cultural identity in new light and/or take it in new directions;

- To support productions that creatively devise innovative ways of targeting and interesting the public;
- To support artistic invention by prioritizing Kenyan work first, then East African and lastly African and nothing beyond; and
- To support artistic work whose creativity and innovation promotes the excellence and cultural value of artistic work in general.

Changa Moto Grantmaking

Grants are made to all kinds of individual artists and arts groups, including visual and theatre artists, dancers, choreographers, writers, musicians and others. These grants support exciting and innovative creative projects that find new ways to amplify the voices of Kenyan artists, reach new local audiences and expand the role and value of the arts in Kenya so that they become better rooted as an important part of modern life.

Proposals to Changa Moto are reviewed by distinguished experts from across Kenya's artistic and creative communities. Changa Moto grants may be requested by local groups or individuals who complete an application process which is kept as simple as possible. The brochure that offers more information on the fund is available in both English and Kiswahili.

Changa Moto grants range from Kenya Shillings ninety thousand to one hundred and fifty thousand and include some practical support and training to assist in the management of funds, reporting and accounting. Grants may be requested to support any part of the creative, performance or presentation process, provided that the Board is assured that Changa Moto's core values will be observed in the finished project.

Education (Youth Scholarship Grants)

The education development project started with a scholarship Grant given by the Ford Foundation in 2004 in celebration of the Foundation Office for Eastern Africa's fortieth Anniversary. It is envisioned that this project will eventually be broadened to focus on education as one of the key development sectors around which KCDF will build future partnerships.

The scholarship grants are intended to support local organisations and secondary schools to facilitate the secondary education of poor and needy Kenyan youth. The award is for a maximum period of four years. Continuing students requiring less years are eligible and is subject to continued satisfactory performance by the student. The grants can only be used for school fees (boarding, examination and tuition fees). Priority is given to organisations that encourage students' families and communities to make at least some contribution towards the expenses of the student in order to benefit a greater number of students.

Criteria for the grantee organisation/Secondary school:

- (i) Local (Kenyan) organisations and government secondary schools;
- (ii) Legal registration as a not-for-profit organisation (NGO, CBO, children's home, public secondary schools etc.);
- (iii) Organisation/school should have been in existence for a duration not less than two years;
- (iv) Focus on poverty alleviation, sustainable development and/or the promotion of civic responsibility
- (v) Accountable governance in place (for example board, committee that includes community members);

- (vi) A minimum of one year experience in selection and support for secondary bursaries/scholarship;
- (vii) Ability to monitor the progress of the students in terms of discipline and performance;
- (viii) Ability to create mentoring program for the students who have received the scholarships;
- (ix) Accounting system that meets the minimum standards that would allow for accountability for grant funds;
- (x) Secondary schools making applications directly to KCDF, eligibility is limited to public secondary schools; and
- (xi) For other organisations eligible students may be admitted to any registered/accredited public (Government, church or *harambee*) secondary school.

Criteria for the grantee students:

- (i) Academic performance: students should consistently exhibit academic excellence. (attaining marks not below 300 or at least a grade C);
- (ii) The student must have been admitted to a registered/accredited public secondary school;
- (iii) The student should be either orphaned or destitute or the parents/guardian of the student is unable to cover the required school fees due to extreme poverty.
- (iv) The student must exhibit good behaviour both before and after receiving the scholarship;
- (v) For the students who are due to join form one the student must have attained a minimum of 320 marks for girls and 350 for boys out of the required 500 in KCPE;

- (vi) Student should not be receiving funding for tuition and boarding from any organisation; and
- (vii) KCDF is likely to exercise positive discrimination for scholarships for female students, should the applicants be more than the resources available.

The scholarship initially benefits the selected candidates for a period of one academic year from the date of award. Thereafter, continued sponsorship will be determined by KCDF on the basis of the student's academic performance and discipline records. In aggregate the sponsorship will only last for a period of four years from the year of award or until the beneficiary ceases to be a student whichever comes first.

Requirements:

- (i) Overall budget (the full budget for the organisation including other sources of funding i.e. other donors, community contribution, etc.);
- (ii) Copy of certificate for registration of institution or organisation;
- (iii) Current organisational structure (or list of staff). Indicating whether voluntary or paid;
- (iv) List of board or governing committee members indicating gender component; and
- (v) Proof documents (copies of death certificates, letters from guardians, head teacher, chief, pastor etc) showing the status of the proposed students.

**Table III - Grants Awarded to KCDF Partners for the Period 2003 – 2005
(Amount in US dollars)**

	NAME OF PARTNER ORGANISATIONS	2005	2004	2003
	Capacity Building for Community Based Organizations			
1	Kanthanju Community Based Organization	6,186.11	0	0
2	Kiamuriga Community Based Organization	6,540.42	0	0
3	Embu Youth AIDS Advocates	6,611.11	0	0
4	Gatuanyaga Community Based Organization	4,940.56	0	0
5	Mukoma Community Based organization	4,749.51	0	0
6	Itabua Maendeleo community Based organization	5,428.47	0	0
7	World Bank Grants			37,244.93
		34,456.18	0.00	37,244.93

Community Transformation for Asset Development				
1	Genesis Community Development Assistance	4,166.67	0	0
2	Star of Hope	5,875.69	0	0
3	Ngua Mlango Development Trust	6,308.33	0	0
4	Omega Child Shelter	4,828.33	0	0
5	Makutano Community Development Trust	4,237.50		
6	Lake region Development Foundation	5,277.78		
7	Endowment Building Grants	0	4,688.39	0
		30,694.31	4,688.39	0.00

Early Childhood Development				
1	Women Concern Kenya	12,916.67	0	0
2	Malindi Education Development Association	12,500.00	0	0
3	Appropriate Sustainable Pastoralists Empowerment For Community Transformation(ASPECT)	12,222.22	0	0
4	Muongano Uma Welfare Association	7,916.67	0	0
5	Mission for Community Initiatives and Development	8,194.44	0	0
6	Forum for Orphans	8,888.89	0	0
7	Ngomeni Community Aid Programme	5,876.39	0	0
8	Ngoliba Development Community Based Organisation	5,523.75	0	0
9	Woman Kind Kenya	13,200.69		
10	Omega Child Shelter	12,777.78		
		100,017.50	-	-

Arts & Culture-Changamoto				
1	Star Acrobat Group	1,288.89	0	0
2	Evanson Njuguna	2,034.72	0	0
3	Free Zone Moving Thearte	1,693.06	0	0
4	Julius Matiru	1,663.61	0	0
5	Arti Artists	1,433.33	0	0
6	Seth Musindi	1,251.67	0	0
7	Tears Group Kenya	1,526.39	0	0
		10,891.67	0.00	0.00

Education				
1	Kenya Network for Women with AIDS	5,958.96	5,083.82	0
2	Pastoralist Integrated Support Programme	7,597.64	5,193.61	0
3	Grandsons of Abraham	2,043.06	5,180.90	0
4	Rescue Dada Centre	4,453.06	4,740.92	0
5	Maasai Girls Education Fund	3,593.75	4,898.54	0
6	Kenya Professional Association of Women in Agriculture & Environment	3,982.43	5,128.06	0
7	Lugulu Girls High School	3,625.28	0	0
8	Kenya Orphans Rural Development Programme	1,579.44	0	0

9	Tala Girls Secondary School	2,580.42	0	0
10	Tania Integrated Rehabilitation Centre	1,450.97	0	0
11	Masongaleni Community Organisation of Sustainability Development	3,575.69	0	0
12	Woman Kind Kenya	2,837.01	0	0
13	Rattansi Education Trust	2,383.19	0	0
14	Starehe Girls Centre	1,805.56	0	0
15	Edumed Trust	5,001.32	0	0
16	Wajir Girls Secondary School	3,303.06	0	0
17	Lirhembe Girls Secondary School	1,018.89	0	0
18	Mumias Secondary School	1,612.50	0	0
19	St. Stephen Nyamware Secondary School	1,709.72	0	0
20	Makutano Community Development Association	7,124.72	5,383.75	0
21	Undugu Society of Kenya	0	1,508.26	0
22	HOPE Trust	0	0	2,083.33
23	Malindi Education Development Association	3,033.89	0	0
		70,270.56	37,117.86	2,083.33

Youth Development				
1	Pat-Zero Waste(Patriotic Self Help Group)	1,517.36	0	0
2	Dudu Baya Youth Group	1,191.67	0	0
3	Drug Fighters & Counseling for the Young Generation	1,595.14	0	0
4	Kibera Sports & Development Association	1,590.00	0	0
5	St. Charles Centre	1,577.08	0	0
6	KISEP Youth	1,597.22	0	0
7	Youth Reform Self Help Group	1,594.58	0	0
8	Rehma Ta Allah Comm. Dvpt Group	1,600.28	1,425.69	0
9	Kibera Mashimoni Youth Group	1,162.50	1,610.14	0
10	Shabab Youth Group	1,589.93	672.50	0
11	Kibera Youth Self Help Group	0	1,380.56	0
12	Tuff Gong Youth Group	0	1,578.89	0
13	CEYSUD Self Help Group	0	1,525.07	0
14	Youth Development Forum	0	1,484.72	0
15	Stay Alive Self Help Group	0	1,589.58	0
16	Kambimuru Self Help Group	0	1,451.39	0
17	Al-Swafaa Youth Group	0	1,385.14	0
18	Shangwe Africa Youth Group	0	599.31	0
19	Kibera Youth Development Organisation	0	1,415.97	0
20	Kibera Community Development Agenda	0	1,564.58	0
21	Kibera Silanga Ushirika Group	0	1,588.89	0
22	Kibera Community Youth Programme	0	733.19	0
23	Child Agenda Organisation	0	1,590.83	0
24	Pillars of Kibera Self Help Group	0	1,605.90	0
25	St. Georges Orthodox Youth Group	0	1,480.56	0
26	Kuwindu Youth Christian	0	1,435.00	0
27	Jitahidi Community Self Help Group	0	1,659.28	0
28	Youth in Action Self Help Group	0	1,649.57	0

29	Bamoke Youth Self Help Group	0	1,637.50	0
30	GUUM Youth Group	0	1,652.63	0
31	Britty Youth Self Help Group	0	1,640.28	0
32	Undugu Youth Self Help Group	0	958.92	0
		15,015.76	35,316.08	0.00

	HIV/AIDS			
1	Local Initiative Development Assistance			13,888.89
2	Lake Region Development Agency			13,888.89
3	Vadd Elimination Campaign Team			13,888.89
4	Rangala Family Helper			13,888.89
5	Green Development Group			13,823.61
6	Kenya Society for People with AIDS			13,766.33
7	APDK Kisumu			7,986.53
8	Students Aids Intervention Prevention Education			9,251.39
9	Activated Initiatives Self Help Group			10,852.64
10	Rabour Sinaga Community Trust			12,221.39
11	Ekama Youth Health Self Help Group	0	4,428.47	0
12	MELI			10,488.99
			4,428.47	133,946.43
	East Africa Association of Grant makers*	0	95,056.81	5,848.78
	GRAND TOTAL	261,345.97	176,607.61	179,123.47

Asset Development/Endowment Building and Communication

The Asset development and communication portfolio is mainly divided into two sections. The Asset development involves resource mobilisation for KCDF on one hand, offering support to communities to build their own endowments as a sustainability strategy, on the other hand. The communication aspect of the portfolio deals with outreach to stakeholders.

Asset Development involves working with communities and other stakeholders to explore ways of mobilizing resources, accumulating them and investing them as endowment funds to support sustainability of development projects. Stakeholders such as companies, international NGOs and donors can participate and be involved as partners especially in

instances where they have been or plan to be supporting community projects or the development of sustainability strategies. KCDF strives to work with corporate organisations to explore alternative approaches to Corporate Social Responsibility (CSR) that are mutually beneficial to both the organisations and communities.

There are many sources of endowments these include:

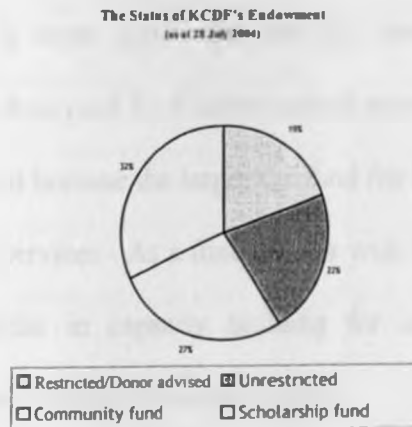
- Community fundraising (*Harambees*)
- Direct contribution by community members
- Saving from income generating activities
- Constituency development and bursary funds
- Contributions by outside donors such as companies
- Membership fees

As long as the fund is set up to benefit the wider community, KCDF is willing to help communities set up endowments. The fund is invested together with funds from other communities. KCDF has set up a Trust, KCDF Trust, and a body that works with the KCDF Board specifically to manage the endowment. The Trust appoints three expert service providers namely: Investment Manager who is an investment expert who monitors trends on a daily basis to ensure funds are invested in well yielding instruments without speculation; the Fund Custodian who keeps endowment funds and other related documents in safe custody; and the Fund Administrator who keeps the books of accounts for the endowment, convene quarterly meetings for the KCDF Trust and monitors the activities of the Investment Manager and Custodian. At the end of each year the return from the endowment fund is declared and the portion due to the community is given as a grant for community development projects.

The main types of endowment funds include:

- (i) *Community Fund* - A fund set up to benefit a community in a given geographic area.
- (ii) *Field of Interest Fund* - A fund set up for a specific purpose such as a bursary fund, asthma fund etc.
- (iii) *Agency Fund* - Fund set up to support an organisation offset some of its costs such as office running costs.
- (iv) *Field of Interest Fund* - A fund set up for a specific purpose such as bursary fund.
- (v) *Agency Fund* - At the end of each agreed period (minimum one year) the donor advises on which projects the fund will support.
- (vi) *Donor advised fund* - For this type of fund, it is the donor who decides the use of the funds after the agreed period and then advises KCDF accordingly.

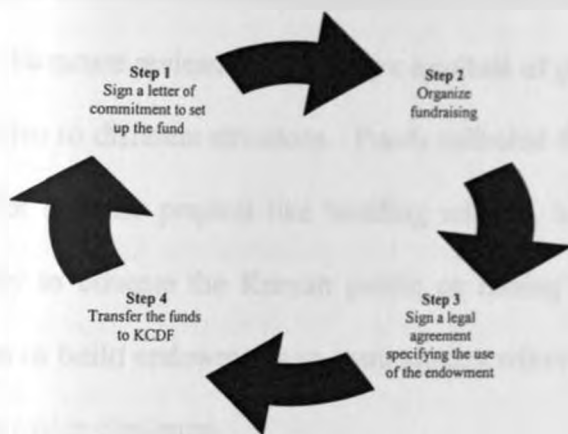
Fig. 8 – The Status of KCDF's Endowment



A minimum of Kenya shillings five hundred thousand (Kshs. 500,000) is required to set up an endowment fund with KCDF. The spending rate varies based on how the investment is performing. Currently, it is calculated as follows: 45% can be given back as a grant to the fund builder after an agreed period (minimum one year). 40% must be reinvested in order to grow the

fund and 15% is paid to KCDF as administration fees to cover the costs of the professional engaged with fund management.

Fig. 9 - Steps of setting an endowment



Advantages of setting up the Fund with KCDF include:

- (i) **Benefits of pooling** - When a community invests its fund with KCDF, the fund becomes part of a larger pool. Services for investment, custodianship and fund administration are then paid for a larger pool of money. The costs for the services are therefore minimized because the larger the fund the lower the charges.
- (ii) **Capacity building services** - As a fund builder with KCDF, the community has access to KCDF's expertise in capacity building for community. These services are available to all fund builders whenever needed.
- (iii) **Links with KCDF's wider network** - By forming a partnership with KCDF through endowment building, a community becomes part of a bigger network which includes other fund builders, community-based organisations, NGOs and corporate companies. These networks are additional resources through which fund builders can access vital information and are possibilities for access to additional funds.

Challenges Facing KCDF

KCDF's task of promoting philanthropy in Kenya is daunting and there are many challenges to be able to strengthen and enhance the practice of public giving and to grow a culture of building endowments and increased philanthropic interventions in poverty eradication. As pointed out in the literature review, Kenyans have a culture of giving. However, the nature of giving has been reactive to different situations. Funds collected through *Harambee* are usually to generate money for specific projects like building schools, hospitals or bore holes. It is KCDF's responsibility to educate the Kenyan public on raising funds to build endowments. Encouraging Kenyans to build endowments in communities where even having enough food to eat is a problem and a major challenge.

As a public foundation, KCDF has a duty to effectively mobilise resources from local and international, private and public sources, in order to assist partner communities build capacities for sustainable development, and continuously build endowments which will sustain grant making for their priority programmes or projects. In Kenya, lack of transparency and accountability has been linked to both organisations and individuals who are custodians of public funds as seen in the literature review on *harambee*. KCDF has a major challenge to prove their credibility to the public. Moreover, in a context where there are many stakeholders, KCDF has the duty to respond to different demands from these stakeholders right from the Trustees, donors, regulatory bodies to the Program staff.

KCDF has a responsibility to serve all Kenyans to enhance sustainable development through effective and innovative grant making programme as described by its vision. However,

in a society where poverty is prevalent and many interventions have been used with no real impact, it will take significant effort and funds to make a difference.

Another important challenge for KCDF is to be able to clearly outline its scope of work both in grantmaking and geographical location. At the moment, KCDF works in several impoverished areas which do not necessarily cover the entire country. There is the need to develop a clear strategy on locations for interventions and geographical coverage.

As seen in the data, The pass-through grants which make a huge percentage of KCDF grant income and which mainly constitute KCDF's grantmaking is usually donor-determined and restrictive. Most of the funds are for particular projects in specific areas where donors have interest. This makes it difficult for KCDF to practice any flexibility in its grantmaking. A challenge for KCDF is to develop and raise resources that allow it to be able to more significantly determine its grantmaking and ensure greater flexibility.

Another challenge that KCDF confronts is the ability to hire qualified personnel to manage the day-to-day activities of the organisation. As seen in the history of KCDF, though many foundations and Trusts exist in Kenya, KCDF is the first public foundation and has very unique features. There is very little expertise in the field of endowments building and this has compelled KCDF to train its staff to be able to handle their duties. This can prove very costly for any organisation. Nonetheless, KCDF risks losing its trained Staff to international organisations, other larger non-governmental organisations and even the private sector where the pay may be better than what KCDF can afford to pay.

Finally, the legal and policy environment for philanthropic organisations is a main challenge to KCDF. KCDF does not have an influential lead to dialogue with the government on

these issues. KCDF is a member of an umbrella organisation called the East African Association of Grantmaking (EAAG) which works to streamline the effectiveness of philanthropy in the region. In such a situation, KCDF's problems may not be effectively represented to the authorities and this makes it difficult for the organisation to apply its own strategies and methods of dealing with the government without being considered insubordinate.

4.3 South Imenti Constituency Study

The research also attempted to identify the contribution of KCDF to communities' development efforts in South Imenti Constituency. South Imenti constituency is located in the Eastern province of Kenya in Meru Central district. It comprises of Igonji, Abogeta and Nkune divisions. South Imenti has many rivers most of which originate from Ithagune and end up in Tharaka joining Tana River which ends in the Indian Ocean. In order to understand the causes and effects of poverty in South Imenti Constituency, the researcher spent a week in the community.

South Imenti has a fairly large number of schools and health centres compared to some parts of Kenya. South Imenti has well educated people some of whom hold high positions of leadership in Kenya. Generally, the people of South Imenti are highly industrious and hardworking. Families are organised in both nuclear and extended families. The community is rated as poor because most of the residents live below a dollar (approximately 75 Kenya Shillings) a day. Although the region is well endowed with human and natural resources, most of the residents remain poor due the inequitable distribution of the resources.

South Imenti Development Association (SIDA)

SIDA is a community based organisation formed in 1993 charged with the responsibility of spearheading and coordinating all development activities in the constituency. The formation of SIDA was spearheaded by the Nairobi based “sons and daughters” from South Imenti who were concerned about the increasing poverty levels in their home area. The disturbing poverty level was reflected in the collapsed health and education facilities, poor agricultural production and dilapidated infrastructure. Concerns were also raised on the high levels of unemployment among the youth and moral degradation resulting to a high rate of HIV infection. The Ministry of Culture and Social Services registered SIDA in 1994 as a voluntary, not-for-profit, non-partisan membership association committed to eradicating poverty through fostering socio-economic development.

SIDA whose mission is, “*Busy Uprooting the Roots of Poverty in South Imenti*” has branches in Nairobi and South Imenti. Each branch has a board with a chairperson, secretary, treasurer and their assistants. Half of the top leadership are women. According to the SIDA constitution, the sitting Member of Parliament (MP) is SIDA’s patron. The current SIDA patron is Mr. Kiraitu Murungi. All community members from South Imenti are stakeholders of SIDA.

SIDA has partnerships with governmental and private sector agencies, as well as NGOs. Key governmental agencies working with SIDA are; Kenya Agricultural Research Institute, Kenya Planters Cooperative Union, Kenya Tea Development Agencies and Cooperative Bank of Kenya. NGOs include; Kenya Community Development Foundation and World Agro-forestry Centre. The key private sector firm working in South Imenti is Bayer East Africa (an agricultural chemical manufacturer/distributor).

Resource Mobilisation Activities

South Imenti community members engage in various activities to mobilise resources.

These include:

South Imenti Financial Services

A popular Meru saying holds that, “*you can only give from what you have*”. It conveys the need to save and create wealth. It was in this light that the South Imenti Financial Services (SIFA), a project of SIDA was formed in 1999 with the aim of encouraging the people of South Imenti mobilise resources. Some of the ways employed to raise funds include holding fundraising dinners, exhibitions and games.

Agriculture

Agriculture is the back bone of the economy of South Imenti. Crops produced include coffee, tea, macadamia, bananas, maize and beans. Livestock keeping is also a popular practice. A notable livestock project in the region is the Dairy Goat Project which was initiated to address the decreasing land acreage and to raise the living standards of women and youth in the region. It was also a response to the collapsed dairy sector in the region.

Endowment Fund

SIDA has set-up an endowment fund with Kenya Community Development Foundation (KCDF). This is the single largest collective investment of the South Imenti people totalling over fourteen million Kenya shillings.

The road to setting up the endowment fund

The journey towards setting up a community endowment fund for South Imenti began in 1999 by way of a capacity building process through which the community was able to confront their most pressing problems in a collective manner. South Imenti people were keenly aware that many among them could not afford to educate their children without the involvement of wider community. For years, the only way such children could go to school was through *harambee* contributions from well wishers and local leaders. “We realised as leaders that we were perpetuating poverty. We were not helping the community because we had to hold *harambees* every year,” says Hon. Kiraitu Murungi who is the local Member of Parliament.

The move to organise themselves first came in 1993 when the South Imenti community formed the South Imenti Development Association (SIDA). Just by the mere act of getting together into an association, their ability to address their own problems was greatly strengthened. For the first time, they were able to put their heads together and to think collectively about the best way of addressing common issues.

According to a key informant, the period also served as a learning opportunity. “We discovered in our community that this country is suffering from poverty of ideas. There is a lot we can do if we embraced such solid principles as building endowments. As a nation, had we put aside a fraction of the money we raised from *harambees* into endowments, we would not even be knocking on doors of donors today” (Riungu, South Imenti, 2/12/05).

At first, it did not seem possible to raise the amount of money required to set-up the fund. Eventually, SIDA came up with the plan of asking each primary school parent to give fifty shillings and each secondary school parent to give one hundred shillings.

When people from South Imenti who work in Nairobi heard about our fund raising plans, they said they would match whatever those in Meru managed to collect. Collections from South Imenti raised approximately two million Kenya shillings. The *harambee* by South Imenti people living in Nairobi raised three million Kenya shillings. Provoked by this new spirit of mobilising resources for future security, the Nkubu County Council contributed Kenya shillings eight hundred thousand. That way, the community managed to put together Kenya shillings five million eight hundred thousand as the initial principal capital for the endowment" (Riungu, South Imenti, 2/12/05).

Community Development Projects

South Imenti's Agricultural Recovery Strategy

SIDA has identified agriculture as its top priority because as Patron Kiraitu says "in South Imenti, Agriculture is the centre of gravity of all our development efforts. We cannot improve the lives of our people without improving agricultural production and marketing" (SI Agric. Recovery Strategy). They have developed a strategic plan that identifies their assets and the variety of cash and food crops that can grow in the area such as coffee, tea, macadamia nuts, bananas, potatoes and beans. The plan lists the challenges to the various crops, which include uneconomical subdivision of land, poor roads, expensive inputs and poor pest and disease control. Most importantly, the plan cites methods of meeting each challenge, identifying 38 projects for agricultural development. Most of the funding for the projects suggested in the Agricultural Strategic Plan will come from full and SIDA plans to have them all implemented by 2010.

South Imenti Financial Association (SIFA)

Possibly the most successful arm of SIDA is South Imenti Financial Association (SIFA), a community micro-finance bank. Governed by an elected Board of Directors and five employees, SIFA is completely self-sustaining. It offers services to the community that they can get nowhere else. People may setup voluntary saving accounts from which they may withdraw everyday for only Kenya Shillings twenty only. People from outside the community may also open an account with SIFA. Furthermore, SIFA offers four types of low-interest loans that allow the borrowers a decent timeframe in which to complete their payments. The loans include farm loans, business loans, loans for school fees and emergency loans. To secure against individuals defaulting on payments, SIFA requires that loans be given only to groups of 5-15 shareholders. While the bank is doing well, it is seeking partners to enlarge its fund. SIFA is also in the process of registering itself as a microfinance company, which will make it appear more viable in the eyes of prospective donors.

South Imenti Youth Development Project (SYDP)

Very few people in South Imenti can afford higher education after secondary school and therefore after graduating from high school youth often lack professional training. The South Imenti Youth Development Project, formed in 1994, helps youth between the ages of 18 and 35 participate in income projects. SYDP directs the youth to form groups. SYDP then visits the groups to monitor and advise them on various issues. Since this age group is a major target for HIV/AIDS, SYDP runs a sports tournament as a means of relaying messages of HIV/AIDS awareness. Government funds pay for HIV/AIDS education and awareness activities.

Dairy Goat Project

The goats in South Imenti used to be kept for only meat and skins, but population growth has made the switch to dairy goats more economically viable. So, in the year 2000 SIDA, sponsored by the German Technical Cooperation in promotion of Agricultural Extension Services (GTZ-PES), created a Dairy Goat project as a means of raising the standard of living for women and youth in South Imenti. GTZ-PES presented SIDA with buck goats (Weru 3). Also, through the Patron's contact with the Kenya Dairy Goat Association in Nyeri, the Chairman came to South Imenti to educate the people on caring for dairy goats and donated two more pure bucks. There are about seventy groups now of about 25 members each sharing a buck to upgrade their local goats. Community volunteers were trained in Nyeri for 3 weeks in caring for the goats in order to become Dairy Goat Assistants. The volunteers travel around South Imenti teaching farmers about proper goat care. SIDA is also encouraging farmers to the Dairy Goats Association of Kenya to better access the market.

South Imenti Woman's Development Association (SWODA)

South Imenti Woman's Development Association runs several programs tackling issues that affect women within the community. SWODA has developed a group called Total War on AIDSs (TWOR) that works on HIV/AIDS awareness through educational workshops. They also help care for children affected by HIV/AIDS. The funds for these initiatives come from the National Aids Control Council (NACC). SWODA is involved in SIDA's tree planting initiative, in which they plan to plant one million trees per year to prevent soil erosion that occurs as people clear land for farms and roads. The trees may also be used in the future for timber. The project benefits women because SIDA buys the seedlings from women. SWODA is involved in any

activity that will help women of South Imenti to become more economically independent. In addition to selling seedlings, SWODA aims to equip every woman with at least one goat for dairy farming. Furthermore, SWODA is planning a bee-keeping project. Finally, SWODA is currently seeking funding to have a separate SWODA office for the twelve member board.

Constituency Aids Control Committee (CACC)

SIDA had a committee that addresses HIV/AIDS even before the government implemented the National Aids Control Council (NACC), a body that coordinates the fight against AIDS country-wide. In South Imenti there are twenty six support groups for people living with HIV/AIDS. SIDA provides counselling and support and funds activities like small business ventures. There is also the SWODA program for fighting AIDS, Total War Against AIDS. They hold workshops where people, both infected and not infected, learn about the virus, how to prevent it and how to live with it. The biggest problem in South Imenti is the number of HIV infected children. There are four hundred AIDS orphans in South Imenti and six thousand children who are living with HIV positive parents. There are also many undiagnosed children in schools and living with grandparents. Due to limited funds and lack of staff, SIDA has no capacity to take care of all of these children.

South Imenti Sustainable Education Fund (SISEF)

SISEF is the South Imenti Educational Fund which is funded by an endowment fund with KCDF. The fund provides aims to improve the overall quality of school in south Imenti through building the capacity of teachers, students and school administrators and buying books and any necessary equipment. It also aims to provide bright students from poor families with scholarships.

Plate 1 - Bright and needy students in South Imenti will benefit from the returned of the endowment fund



Role of KCDF

With a KCDF grant SIDA rented its office and purchased a motor-bike and computer. They were also able to hold two workshops of about two-hundred people attending each, to inform the community about SIDA's existence and its activities.

Challenges to SIDA Projects

Although women are empowered, the domestic life is not being addressed. There is a lot of domestic violence taking place that is overlooked. Furthermore, women are the most involved, but are often ignored by the men. Young men need to be more involved, because men would be more comfortable disclosing problems to other men. However, the youth under the age of eighteen tend not to be involved in SIDA activities because they are in school.

The Dairy Goat Assistants are volunteers as well as everyone in SIDA except for the one employed community worker. SIDA could do more if it could afford to pay more employees. As of now the endowment fund can only pay for the one project, the educational fund. If they added to the endowment fund, maybe the returns could be spread out across SIFA.

SIDA needs to market itself more because most people in and out of South Imenti do not

know about the organisation and what it does.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.0 Introduction

This chapter provides a summary of key findings and the conclusion drawn from the findings established in this study on the role of philanthropy in Community Development. The chapter also provides appropriate recommendations that aim at promoting and supporting more effectively the philanthropic sector as an effective resource mobilisation avenue for community development efforts. Finally, areas for further research are outlined. The chapter is divided into three sections, namely; summary of findings, recommendations, areas of further research and conclusion.

5.1 Summary of Findings

This study of the role of philanthropy in community development sought to give an analysis of the impact of philanthropy on community development in Kenya by exploring the extent, importance and effectiveness of the Kenya Community Development Foundation (KCDF). The subject of philanthropy is clearly a complex one—from defining the term to the implementation and evaluation of philanthropic activities. There are a number of definitions emerging from practitioners in the field as clearly shown in the data analysis. However, it is

evident that some of the definitions are heavily influenced by the views from the Northern institutions and literature.

In attempting to investigate the meaning of the term “philanthropy” in the Kenyan context, the study shows that philanthropy is not a new phenomenon in Kenya. The term “Philanthropy” may be a relatively new one but the acts of giving (be it of money, goods or services) is as old as the Kenyan communities. The themes that emerge in the definitions make philanthropy immediately fit in naturally with the African culture. Although other ideas suggest that the main issue is where to draw the line in the African context. Traditional philanthropists abroad may consider these acts of giving to be more self-help than philanthropic. In the final analysis, the research shows that defining philanthropy is merely a “semantic difficulty” what matters is the values that come with the term.

The study highlights that in pre-colonial period, giving was viewed not only as a benevolent inner disposition toward others, but also as a duty and a “self safety-net”. Giving was also seen to strengthen and maintain social ties within the units through which the philanthropic resources were generated and channelled. Nevertheless, in colonial period philanthropic activities were carried out within institutions such as the churches, schools, hospitals and health centres and youth clubs. The struggle for independence further helped shape philanthropy in Kenya. The slogan of *harambee* was used to encourage a sense of service. Communities mobilized financial, volunteer and in-kind resources to develop structures for schools, health centres, community water points and social halls among other things.

The study also shows that several institutions have developed which address philanthropy. Support organisations assist in capacity building, information and knowledge

sharing, lobbying and advocacy in the field to promote philanthropy and philanthropic activities in the region. However, the study shows that the legal and policy environment is not favourable for philanthropy and a lot still need to be done to improve this. The study also highlighted the challenges that have emerged in the study which include lack of information among players and local donors among others.

The research highlighted the functions and activities of KCDF. The two principal goals of KCDF were to build the strength of local community development organisations and to advance Kenyan philanthropy in support of such participatory poverty reduction activities. KCDF represents a bold initiative to develop local philanthropy in Kenya around the central theme of capacity building of the citizen sector. KCDF was set up to develop sustainability for Kenya's community development while serving communities, donors and non-profit organisations. As a Community Foundation, KCDF seeks to promote innovative ideas in upholding and sustaining development efforts that enhance social justice especially among poor communities. The Foundation works towards facilitating in diverse ways the empowerment of local communities in Kenya, and to reduce the dependence on external aid by enabling them to mobilize local resources through the promotion of organized giving and effective resource management.

The KCDF philanthropic and grantmaking approach to poverty eradication takes the view that all Kenyans are entitled to a life of dignity that the current escalating poverty levels has increasingly threatened. KCDF's work is built on the notion that indeed, the so-called poor communities are endowed with significant assets that can be meaningfully harnessed to reduce their poverty. KCDF Programmes include programme development and grant making unit which comprises partnerships with grantees in several thematic areas namely education, early

childhood development, youth development, community transformation for asset development, HIV/AIDS and organisational capacity building.

Finally, the study explored the activities of South Imenti Development Association. The study shows that the current role of KCDF at SIDA is one of a partner in asset building. KCDF has taken the responsibility of investing SIDA's bursary endowment fund known as South Imenti Sustainable Education Fund (SISEF). The objective of the fund is to support the education of needy and bright children from South Imenti. As such, it is in KCDF's interest that SIDA remains true to this objective. This means that KCDF would get concerned if SIDA was to veer off this mission. If that happened, any moneys due for the bursary fund would be withheld until the problem which could relate to governance and lack of systems is resolved with the involvement of KCDF. It is the understanding in the context of this partnership that KCDF will offer continuous capacity in perpetuity.

5.2 Conclusions

This research was limited to the study of one case, the Kenya Community Development Foundation (KCDF). KCDF has a unique model and is the first Kenyan Community Development Foundation designed to fit into its vision of *all Kenyans giving and working together with permanent resources for equitable development*, thus generalisations to the greater population of philanthropists or philanthropic projects are limited. However, some conclusions regarding philanthropy and its potential application in communities may be drawn from this sample as the in-depth case study allowed for insight which can contribute to the knowledge base surrounding the subject of philanthropy.

From the findings and analysis of this research, KCDF is involved in many different projects, from capacity building, grantmaking, asset development, early philanthropy is concluded to be viable in providing sustainable solutions to social problems. Given the current context of Kenyan communities, with high crime rates, high levels of HIV/AIDS, unemployment, food security, child mortality, educational deficiencies and an increased gap between the rich and the poor, alternatives or additions to the conventional and inadequate model of social welfare are in desperate need. These should not only be sought in the public sector-which has failed to resolve these problems-but in all sectors, as boundaries merge and partnerships across sectors become more and more apparent, philanthropy is an alternative response to social and developmental problems which originate in the society, yet require the necessary support from all sectors.

The KCDF mission to effectively mobilise resources for building permanent funds for grant making towards the development of communities has an approach to assist communities identify their needs, raise money through different means and build endowments which in return aids in community development projects. By so doing, communities are able to own development projects and participate more effectively.

The research analysis brings out three key themes. First of all, it explores the meaning of the term philanthropy in the Kenyan context. The subject of philanthropy is clearly a complex one.

The study has extensively looked at the functions and activities of KCDF as a Kenyan Philanthropic organisation. It is clear that since its inception in 1996, the Foundation has changed its strategy. However, the organisation's objectives have not changed. KCDF has a

number of strategies in grant making and asset development, which are the key activities of the organisation. The organisation builds endowments both for itself and the communities who have been able to collect the initial amount required and who fit into the KCDF criterion. However, it is clear that collecting funds from impoverished communities for endowment building is not easy and this is a big challenge for the organisation.

The study highlighted the activities of South Imenti Development Association, a community based organisation that works closely with KCDF and one of the major fund builders with KCDF. It is clear that the organisation has been able to amass a great deal of money through different fund raising activities. SIDA is a model organisation. It shows how communities can organize themselves and initiate their own development activities and projects by assessing their own needs and designing projects to satisfy these needs. As seen in the brief study of SIDA. SIDA has many donors that have done a lot of work with the community and KCDF's own contribution seems very minimal.

Findings reveal that philanthropic resource, which is a combination of money and individual initiative, is but one player on a vast field and yet, at the right moment and the right time, with a combination of instinct, and good plan based on a solid theory of change, the power of the philanthropic intervention can be huge. It has created change for individuals with staggering effects on circumstances and opportunities, transformation in non-profit organisational capacity to accomplish big social goals, revolutionized whole neighbourhoods and cities to become better, more hope-filled places for people to live, and in the way people think, in their attitudes and behaviour – perhaps the most difficult kind of change of all.

5.3 Recommendations

It is recommended that the government ought to consider giving tax and other incentives to individuals who give in order to support giving. This would show that the government acknowledges that there is a need to tap into the philanthropic sector and give the givers more reasons to give or rather make giving more worthwhile.

The Kenya Community Development Foundation claims to be a Kenyan foundation. However, the foundation is little known by people outside the field. It is recommended that KCDF should market itself and its successes more effectively to attract more local and diaspora donors among others.

KCDF seems to have relied heavily on outside donor money to be able to carry out its projects. It is recommended that the organisation looks within Kenya to encourage Kenyans to give towards development of their own communities.

The potential of philanthropy as a vehicle for community development is enormous and needs to be further exploited. The optimisation of giving will greatly contribute to communities' livelihood improvement and capacity to participate in their own development.

KCDF has been involved in capacity building. However, it is clear that not enough has been done to educate the Kenyan public. There is lack of information not only in KCDF but in the philanthropic sector. Therefore, a deliberate effort should be made to educate Kenyans on philanthropy.

5.4 Areas for Further Research

An evaluation of types of philanthropy already identified in the literature should be carried out in order to find out their impact on community development. It would be interesting to carry out a social impact assessment to examine social and cultural conditions in that promote giving and to consider what factors have to be taken into account in order to promote giving and to measure the psychological and community factors which may include social networks, integration and cohesion. An impact assessment of various programmes of KCDF would also be an important area of research.

An analysis of communities' perceptions about sustainable development should also be carried out in order to understand and incorporate communities' opinion and realities in their own development plans.

Lastly, an exploration of forms of giving which may impact positively on development of very poor communities, particularly in the marginalised areas of the country, would also be an interesting area of study.

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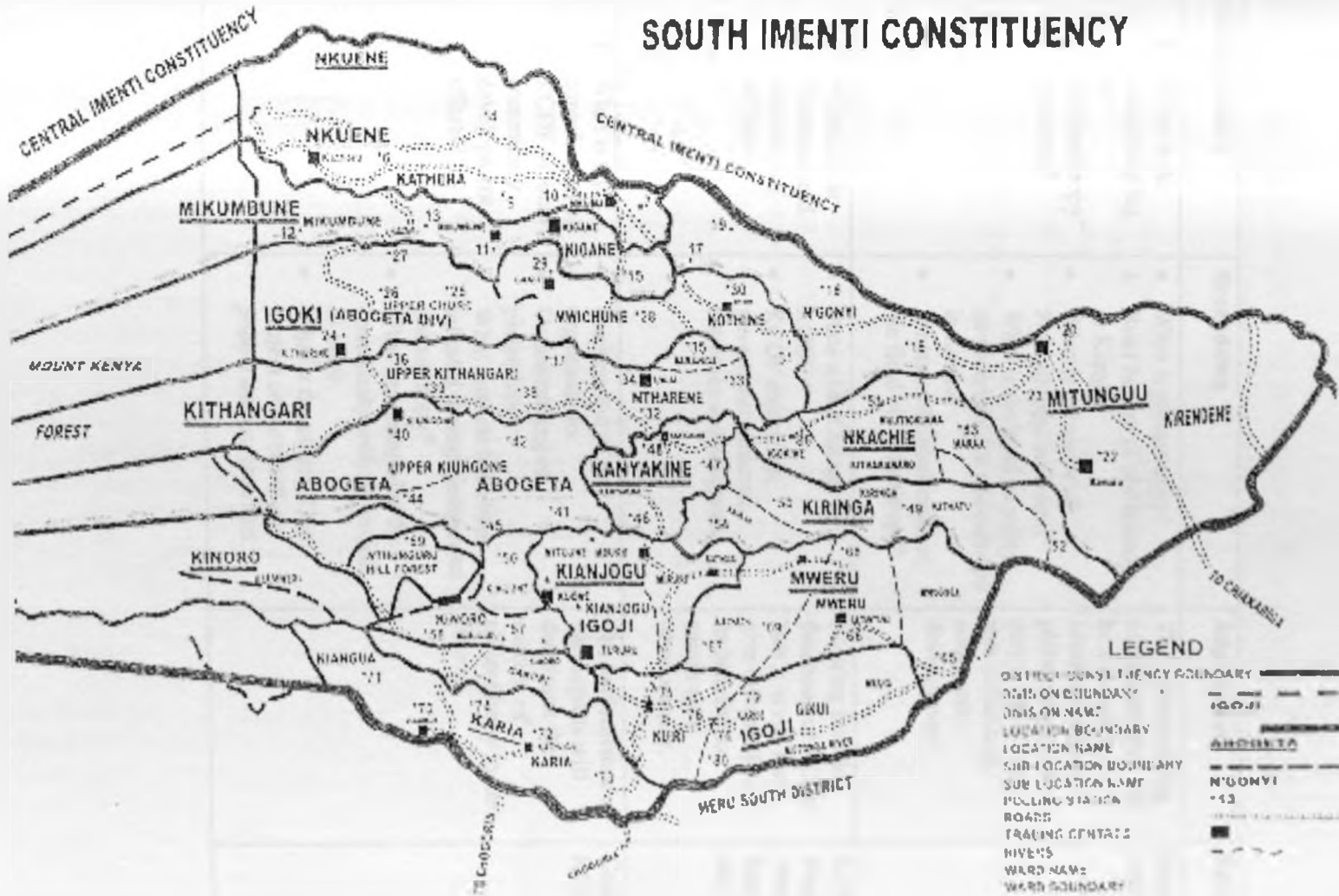
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APPENDICES

SOUTH IMENTI CONSTITUENCY



APPENDIX B: BREAKDOWN OF RESEARCH QUESTIONS

Research Question	Breakdown	Importance	Sources
<p>5. What is the understanding of “Philanthropy” in Kenya?</p>	<ul style="list-style-type: none"> • What is philanthropy? • Brief history of philanthropy in Kenya? • What is the scope of Philanthropy in Kenya? • What is the legal ad polity environment for philanthropy in Kenya? • What are the challenges in the field of Philanthropy? 	<p>The understanding of philanthropy can be assessed to identify whether philanthropy can play a significant role in funding community development.</p>	<p>Expert interviews.</p>
<p>6. What are the functions and activities of KCDF?</p>	<ul style="list-style-type: none"> • State a brief history of KCDF. • KCDF objectives, governance structure, activities and programs. 	<p>Looking into the functions of KCDF, how it is run may give information on its benefits to community development.</p>	<p>KCDF literature, Ford Foundation files, KCDF Staff.</p>
<p>7. What is the contribution of KCDF to local community development efforts?</p>	<ul style="list-style-type: none"> • Background of the organisations • Understanding of philanthropy • What projects have been initiated through indigenous philanthropy? • What has changed in the community with the project in place. • What is the effect of the project on surrounding people and environment 	<p>The performance of the projects will determine the success of philanthropy in the future.</p>	<p>Communities, KCDF staff.</p>

APPENDIX C: INTERVIEW PROBE QUESTIONS

THE ROLE OF PHILANTHROPY IN COMMUNITY DEVELOPMENT

A Case Study of the Kenya Community Development Foundation (KCDF)

Introduction

Hello, my name is Hanna Ondiek. I am a post-graduate student at the University of Nairobi, Faculty of Arts, Department of Sociology. I am carrying out a study on the Role of Philanthropy in Community Development as part of requirement to fulfill my Masters of Arts degree in Rural Sociology and Community Development.

I would like to assure you that all information obtained from this interview will be treated as confidential.

Discussion guide

1. Background of the organisation
2. Community Description
3. Understanding of "philanthropy"
4. Community development projects
5. Available resources within the community
6. Sources of funding for community projects
7. Involvement and roles of different sectors (private, public, voluntary)
8. Role of KCDF in the project
9. Other donors

APPENDIX D: INTERVIEW PROBE QUESTIONS

THE ROLE OF PHILANTHROPY IN COMMUNITY DEVELOPMENT

A Case Study of the Kenya Community Development Foundation (KCDF)

Introduction

Hello, my name is Hanna Ondiek. I am a post-graduate student at the University of Nairobi, Faculty of Arts, Department of Sociology. I am carrying out a study on the Role of Philanthropy in Community Development as part of requirement to fulfill my Masters of Arts degree in Rural Sociology and Community Development.

I would like to assure you that all information obtained from this interview will be treated as confidential.

Key Information Guide for personnel of KCDF

The interviews will begin by initially asking questions regarding biographical details – short questions to start the process, allowing the respondent to be at ease.

1. Brief historical development of the organisation
2. Initial and current objectives
3. Activities of the organisation
4. Target groups
5. Administrative structure
6. Grants and Grantmaking
7. Distribution of funds in the country
8. Local philanthropy
9. Rules and regulations that facilitate/discourage philanthropy in Kenya
10. Community involvement in philanthropy work
11. How donors and benefiting communities work together towards community development efforts
12. Local resource mobilisation for development
13. Constraint of philanthropic effort
14. Community capacity building

APPENDIX E: INTERVIEW PROBE QUESTIONS

THE ROLE OF PHILANTHROPY IN COMMUNITY DEVELOPMENT

A Case Study of the Kenya Community Development Foundation (KCDF)

Observation Checklist

1. Existing physical structures (schools, boreholes etc) and how the community members are utilizing them.
2. Any evidence of community capacity building.
3. Interaction with KCDF.
4. How community ownership is facilitated?
5. Participation in Community Development projects.
6. Attendance of meetings.

APPENDIX F: INTERVIEW PROBE QUESTIONS

THE ROLE OF PHILANTHROPY IN COMMUNITY DEVELOPMENT A Case Study of the Kenya Community Development Foundation (KCDF)

Community Forum Approach

Discussion guide

1. What are the needs of the community
2. Social services within community
3. Knowledge about KCDF and its activities
4. Understanding of philanthropy and how it manifests itself in the community
5. Income generation activities
6. Education levels of community members
7. Financial services including savings accounts and access to banking

THE ROLE OF PHILANTHROPY IN COMMUNITY DEVELOPMENT **A Case Study of the Kenya Community Development Foundation (KCDF)**

Document Review checklist

1. History of the Organisation
2. Mission and values of the organisation
3. Objectives of the Organisation
4. Governance structure
5. Management structure
6. Total assets
7. Main sources of funding
8. Community funds
9. Challenges and controversies

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Discussion guide

1. Understanding of “Philanthropy”
2. Brief history of philanthropy in Kenya
3. The Scope of philanthropy in Kenya
4. legal and policy environment for organized philanthropy
5. Challenges in the field
6. April 2003 Task Force on Public Collections or *Harambees*
7. Recommendations to improve philanthropy in Kenya

THE ROLE OF PHILANTHROPY IN COMMUNITY DEVELOPMENT

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Introduction

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Key Information Guide for Program Officers of KCDF

The interviews will begin by initially asking questions regarding biographical details – short questions to start the process, allowing the respondent to be at ease.

Discussion points.

1. Vision, mission, values, priorities, and objectives
2. Grant amounts, terms and conditions
3. Grant-making, program operations
4. Resource allocation
5. Relationships with grantees; reporting requirements, evaluation.

APPENDIX J: RECORD OF INTERVIEWS AND COMMUNICATION

Experts in the field of philanthropy interviewed: List of interviews

No.	Date	Name	Position	Comments
1.	November 23, 2005	Elkana Odembo	Chief Executive Officer, Ufadhili Trust	One interview
2.	November 23, 2005	Faith Kisinga	Program Officer, Ufadhili Trust	One interview
3.	November 24, 2005	Prof. Michael Chelogy	Consultant	One interview
4.	November 25, 2005	Connie Ngondi-Houghton	Consultant	One interview
5.	November 25, 2005	Monica Mutuku	Chief Executive Officer, East African Association of Grantmakers	One interview
6.	December 8, 2005	Andrew Kingman	Chief Executive Officer, Allavida Kenya	One interview

Interviews with KCDF Staff

No.	Date	Name	Position	Comments
1.	December 1, 2005	Gladys Miriti	Program Officer, Early Childhood Development	One interview
2.	December 1, 2005	Eunice Kagiri	Program Officer, Art and Culture	One interview
3.	December 1, 2005	Catherine Kiganjo	Program Officer, Governance and Youth	One interview
4.	February 9, 2006	Felix Mutua	Programme Dev. Manager	One interview
5.	February 9, 2006	Anthony Mugo	Asset. Dev. & Comm. Manager	One interview

6.	August 21, 2005 February 9, 2006	Janet Maawiyo	Chief Executive Officer, KCDF	two interviews
7.	February 11, 2006	Jemimah Owande	Program Officer, Capacity Building	Interview by e-mail

Interviews with South Imenti Development Association

No.	Date	Name	Position	Comments
1.	December 2, 2005	Peter Riungu	Chairman, SIDA	One interview
2	December 19, 2005	Jane Mathendu	SWODA Leader	One interview

Meetings Attended

No.	Date	Name	Place	Comments
1.	February 15, 2006	KCDF/Ford Foundation Meeting	Nairobi, Kenya	Observer
2.	July 17, 2005	Philanthropy in Africa	Johannesburg, South Africa	Observer
3.	April 14, 2005	Philanthropy in East Africa	Jinja, Uganda	Observer

Background

Kenya Community Development Foundation is the only public community Foundation in Kenya whose mission is:

To effectively mobilize resources for building permanent funds for grantmaking towards the development of communities.

KCDF mobilizes funds from the public and other sources and gives priority to helping communities explore various methods and approaches for building permanent funds which they can continue to re-invest to support their development initiatives. The Foundation works to enlarge this group of credible community organisations, agencies and associations building such permanent assets. Owning their assets enables the organisations to continue development efforts aimed at reducing poverty at their own pace and therefore promote social justice.

Such communities are therefore supported over time to move away from donor dependence.

What is the purpose of inviting Sponsors of the Foundation?

KCDF has identified the need to grow and diversify its local support base in a more formal and structured manner – both in terms of organisations and individuals committed to the work of the Foundation. With an increase in these numbers, KCDF is keen to enhance its accountability to its “constituency” or stakeholders.

The drive to increase sponsors is response on the need for the Foundation to be accountable not only to its Board, Trust and external donors, but also to the public it serves.

The organisations and individuals that will choose to support KCDF in this manner are referred to as **sponsors**.

Regular sponsors' forums are held in order to facilitate the following:

- Create opportunities to account to the public (not just Board and Trust) about KCDF's performance.
- Present opportunities for KCDF to receive feedback about innovative ideas to take the Foundation to higher levels of development.
- Get opportunities for sponsors of KCDF to meet and exchange ideas and good practices in building endowments for long term community development work as well as emerging innovative ways of addressing development.

Where will sponsors' contributions go?

Any contributions or fees paid to KCDF by sponsors will go towards KCDF's unrestricted fund, which will ultimately enable KCDF to meet its core business beyond current donor funding.

Sponsors will be encouraged in different ways to contribute towards meeting the costs incurred in running their forums through annual subscriptions and through buying services provided at such forums at cost price.

Types of sponsorships

Sponsorship is voluntary and open to both individuals and organisations or companies. There are three key categories as follows:

Friends of KCDF: Any amount below Kshs. 10,000.00 (ten thousand shillings)

Such sponsors will receive correspondence at least annually including notices and reports about Sponsors' forums and the KCDF annual report.

KCDF Sponsor: Amounts higher than Kshs. 10,000.00 (ten thousand shillings)

This category is open to founders and fund builders who are committed to following the Foundation's progress by attending all major forums of the Foundation, stakeholders' meetings and AGM when cleared to do so by the Board.

Sponsors get a chance to give ideas that could influence the Foundation's strategic directions. They receive annual audited accounts and key reports of the Foundation as they are issued. They can make recommendations for potential Board members and fund builders. They can access the KCDF Resource Centre.

Life Sponsor (individual) – Amounts of Kshs. 100,000.00 (which can be accumulated gradually over time).

This open to well endowed individuals who have a commitment to support KCDF's vision (annually or as a one-off) and are motivated by service to its cause. They are recognised in the annual report each year they contribute to the Foundation. They appear in the Sponsors' Role of Honour. Each year they will receive a certification or award from the Board.

Corporate Sponsors: For companies that identify with the vision and mission of KCDF and wish to make contributions from time to time in the following categories:

Bronze Sponsor: from Kshs. 250,000.00 but below Kshs. 500,000.00

Silver Sponsor: From Kshs. 500,000.00 but below Kshs. 1 million.

Gold Sponsor: From Kshs. 1 million and above.

Corporate sponsors of KCDF will receive invitations to general forums of KCDF such as stakeholders' forums to keep them informed about the achievements KCDF is making in pursuing its vision.

They also receive KCDF's annual reports, audited accounts and any other reports on the work of the Foundation.

Limitations of KCDF Sponsors

KCDF is registered as a company limited by guarantee without share capital. According to the Memorandum and Articles of Association, KCDF Board of Directors is mandated to have the overall responsibility over the affairs of the Foundation hence the following clarification is brought to the attention of all sponsors of KCDF:

The Board is responsible and mandated to take charge of all key governance matters of the Foundation, including the appointment of new Board members, Trustees and for the Trust, the appointment of the Chief Executive and appointment of the Chair of the Board.



KENYA COMMUNITY DEVELOPMENT FOUNDATION

PRELIMINARY CAPACITY ASSESSMENT TOOL FOR POTENTIAL PARTNER ORGANISATIONS

The following questions serve to provide an objective assessment of organisations expressing interest to partner with KCDF generally and more specifically to build endowment funds with the Foundation. The answers form a basis for further assessment of such organisations through field visits to authenticate information that would be impossible to gather in any other way. Respondents are encouraged to answer truthfully since the assessment is not only meant to provide an accurate sense of the organisation's suitability to partner with KCDF but also serves to highlight areas that might need to be strengthened when the partnership commences.

Identity/Attitude

- 1. a) Does the organisation have a legal personality (registration)? Yes No
- b) State your type of registration: e.g. NGOs, CBO, Cooperative, etc
- c). No. of registration:.....

- 2. If yes, does it have a constitution? Yes No

- 3. Why is the organisation different from any others working in that community?

- 4. How was your organisation formed and who was involved?

Vision/Mission, Strategies and Objectives

- 5. What are your organisation's mission, vision and objectives?

(a) Vision

(b) Mission

(c) Objectives

6. Through what process were the above (vision, mission and objectives) formulated?

7. (a) Does your organisation have a structure? Yes No

(b) If yes, how are roles defined and relate to each other? Provide an organisational Structure where necessary?

8. Are there provisions for input by the community? Yes No

If yes state how: If no, state why:

Financial Systems, Procedures and Structures

9. Does the organisation have written financial systems? Yes No

10. Does it have a bank account with more than one signatory? Yes No

11. Does it have financial plans and budget? Yes No

12. Does it make financial reports? Yes No

13. Have financial audits been done in the past? Yes No

Governance and Management Systems and Structures

14. (a) Does the organisation have a board/management committee? Yes No

(b) If yes, how often do they meet?

15. Do they keep minutes? Yes No

16. Have their roles and responsibilities been written? Yes No

17. (a) Do they hold elections? Yes No

(b) If so, how often?

18. (a) Do they all, including the Chairperson, have term limits? Yes No

(b) If yes, how many years?

19. Is there a policy about the proportion of women and men in the board or committee?
Yes No

(b) If yes, what is the policy?

.....
.....
.....
.....

Knowledge, Skills and Abilities

20. Do board or committee members have experience and knowledge in development?
Yes No

(b) If yes, please provide a brief explanation

.....
.....
.....
.....

21. Who keeps the organisation's books of accounts?

(a) Do they have training or experience in accounts? Yes No

(b) If yes, specify:

Resource Mobilisation and Sustainability

22. Does the organisation have a written resource mobilisation plan? Yes No