

Research Report

High-Net-Worth Philanthropists: Case of Three Selected Countries (Mauritius, South Africa and Zimbabwe)

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ABSTRACT

There is excitement within and outside of the continent, centred on the possibilities of the contribution of home-grown philanthropy. Africa has only been second to China in the growth of High-Net-Worth Individuals (HNWIs). 'Africa's Rising' is not only based on increased led levels of Foreign Direct Investment but there is an increasing number of African led enterprises contributing to the growth. The millionaires and billionaires that have emerged on the continent have expanded their tentacles into philanthropy. However very little is known about their giving outside of the widely publicised big gifts. Through qualitative desktop based and survey data the study examines how HNWIs accumulated their wealth and the ways in which they give it away.

Keywords: High Net Worth, African Philanthropy, Civil Society, Africa rising

INTRODUCTION

There is a new game-changer in town – it is called African philanthropy. Since the turn of the century, suggestions have been made that giving by Africa's high-net-worth philanthropists (HNWPs) could be the new catalytic agent that has been missing in past attempts at Africa's transformation. Over the last two decades, we have seen a growth in high-profile Africans giving to big causes across the continent. The Africa Rising narrative is probably more aptly captured when we consider the growth of the continent's high-net-worth individuals (HNWIs) and a nascent middle class capable of earning savings and deploying some of its earnings towards charitable causes. There are currently 23 billionaires living in Africa, each with assets of US\$1 billion, and there are more than 140,000 multimillionaires, earning at least US\$150,000 annually. One of the most poignant moments that demonstrated the growing importance of HNWIs' giving towards country and continental causes was when the African Union Chairperson Dr Nkosazana Zuma mobilized African HNWIs towards making financial contributions towards the fight against Ebola in West Africa (Liberia, Sierra Leone and Guinea). Nigeria's Dangote Foundation also entered into a partnership with British-based Wellcome Trust to support research on Ebola and future outbreaks of infectious diseases. More recently, some of Africa's HNWIs have played a pronounced role in the continent's response to the COVID-19 crisis, with major commitments to relief and recovery efforts.

There is excitement within and outside of the continent, centred on the possibilities of the contribution of home-grown philanthropy. Africa has only been second to China in the growth of HNWIs. Currently, there is a huge fascination with the growth in number of Africa's HNWIs and their philanthropic activities. The number of dollar millionaires rose from around 130,000 in 2013 to 165,000 in 2016, (Mahomed and Moyo, 2013). These millionaires established more foundations across the continent during this period than ever before and have made significant philanthropy investments in the areas of health, education and entrepreneurial development and infrastructure improvements (ibid.). Globally, 14.65 million HNWIs have a total

worth of \$56.40 trillion with Africa having the fastest growing market of HNWIs. It is further projected that Africans with assets more than \$30 million will double by 2025, a growth of 59% over the next 10 years compared to the global figure of 34% (Capgemini, 2016). Furthermore, we are seeing sprinklings of Africans featuring on the giving pledge¹ list. Many African HNWIs have established Foundations which are actively responding to challenges either within country contexts or across the continent.

BACKGROUND: THE RISE OF AFRICAN PHILANTHROPISTS

Giving by Africa's HNWIs has a longer history than previously acknowledged. African societies like many others elsewhere have always been differentiated. The rich African with more land and cattle than others is a precolonial phenomenon. Their exploitation of labour (family and hired) to expand their enterprises is well recorded but records of their giving remain anecdotal. Terms such as *hurudza* (Shona for rich farmer), *inkin-sela* (Zulu rich man) suggest that the wealthy ones have always existed alongside the poor within communities. Many studies of rural differentiation have demonstrated the extent to which the wealthier sections of societies provided philanthropic support by creating labour opportunities, providing transportation and general support. Dangarembga's (1988) novel *Nervous Conditions* provides a depiction of how philanthropy was practiced by the rich or better off in an African society. In it, she also explores the pitfalls of 'know it all' approaches that philanthropists are prone to usually make. The fabulous gifts of gold and precious stones that the Queen of Sheba brought King Solomon during her visit to Jerusalem in the 10th century BCE grew into folklore about the land of Ophir in Africa (Meredith, 2014) and it is through such narratives that we learn of the existence of extremely rich individuals on the continent

¹The Giving Pledge is a commitment by the world's wealthiest individuals and families to dedicate the majority of their wealth to giving back.

of Africa and by extension also assume that they were indeed involved in giving.

Depictions of homogenous African societies collectively engaged in solidarity whilst partly true tend to gloss over the fact that there have always been contributions made by rich echelons of society to public causes. Thus, instead of pursuing exceptionalism around today's giving by the wealthy ones, there is need to view continuities within Africa's history of philanthropy and to insert these giving practices of rich Africans within a global narrative. Private enterprise in Africa like elsewhere has yielded class differences characterized by growing inequalities and just like many other parts of the world some of the rich have given to public causes, whilst others have chosen not to. Admittedly, we do not have sufficient data to measure their contributions but instead we make the point that the current wave of Africa's ultra-rich giving to public causes is not necessarily new although the amounts are probably bigger.

It is perhaps the unprecedented high levels of giving by Africans that herald the arrival of Africans on the philanthropy stage which has led many scholars and observers to believe that this could be the moment for the rise and rise of African philanthropy. Even the African Union (AU) caught onto the excitement by establishing its own foundation with the goal of reducing dependency on resources from the global North. Moyo and Ramsamy (2014) argue that this is the time to consolidate on the momentum generated over the last decades specifically for African philanthropy and its role in development.

There are many reasons that can be used to justify the study of modern day giving by Africa's HNWI's. Studies carried out by TrustAfrica (TA) in collaboration with UBS (a private Swiss Bank) indicated that giving by foundations established by high-net-worth Africans is now around US\$1 billion. According to the same report, the number of wealthy individuals in Africa was estimated at 140,800, a growth of 3.7% from the previous year. The wealth held by these HNWI's increased by 7.3% to US\$1.3 trillion. In 2014, the number of Africa's HNWI's increased by 5.2% to 0.15 million, while their wealth increased by 7.0% to US\$1.44 trillion. Globally, 14.65 million HNWI's have a total worth of US\$56.40 trillion. It is further projected that Africans with assets worth more than US\$30 million will double by 2025, a growth of 59% over the next 10 years compared to the global figure of 34% (Capgemini, 2016). One of the important lessons from the previous decades has been that as the number of wealthy individuals/families/corporations grows, there is a high likelihood of an increase in the amounts set aside for philanthropic causes. We are thus in the middle of a growing sector which we know very little about.

The preliminary evidence suggests that the sector needs strong infrastructure support made up of policy-based incentives, ethics and codes of practices, ongoing learning and reflection, high levels of networking and collaboration. The TA/UBS studied the giving habits of approximately 40

HNWI's spread across the continent and found amongst other things that they were actively giving within their extended families (19%), communities (12%) and beyond (26%) in the same period. They do not only give through their foundations but also use informal channels. Their giving is also embedded in beliefs and cultural practices. The majority gives to health, education and poverty reduction related causes. In 2014, giving by HNWI's amounted to US\$53 million in South Africa alone. Of this amount US\$24 million was dedicated towards supporting health initiatives, US\$22 million was for education and US\$4.6 was channelled towards human relief services.

Table 1 shows the spread of foundations established by African HNWI's across the selected countries and the causes they are championing.

However, there is limited literature on the giving habits of these HNWI's. Studies carried out to date (Muris, 2018; Schweir et al., 2020) have concluded that giving by HNWI is characterized by the following:

- (i) Donors give mainly within their own countries.
- (ii) The majority of donations go towards social services and welfare relief.
- (iii) The majority of the large gifts are directed to the public sector and their own operating foundations.
- (iv) They prefer to give anonymously, and their religious values play a huge role in determining the causes that they support.
- (v) Very limited funding goes to NGOs.

Furthermore, an earlier study carried out by TA and UBS focusing on the giving habits of approximately 40 HNWI's spread across the continent found amongst other things that they were actively giving within their extended families (19%), communities (12%) and beyond (26%) in the same period. They do not only give through their foundations but also use informal channels. Their giving is also embedded in beliefs and cultural practices. The majority give to health, education and poverty reduction-related causes. The majority ones have made investments in the education area either through building schools or refurbishing those that currently exist. Other interventions in the domain of education include the purchase of textbooks, providing meals to learners, and more recently we have seen innovations such as integrated technology-based learning platform such as the one developed by Higherlife Foundation, and after class learning innovations. Some of the more visible actors carrying out service delivery within the education space include the TY Danjuma Foundation, Mohammed Dewji Foundation, Higherlife Foundation and the Motsepe Foundation.

Often times giving in Africa is not announced. Many individuals (including HNWI's) prefer to do it anonymously. Our guesstimate is that what we are measuring as giving by African HNWI's is literally a tip of the iceberg of the various networks of giving that happen on a daily basis on the continent.

Table 1: Snapshot of HNWI-owned foundations in selected countries

Name of foundation	Founders	Geographic area of focus	Thematic area of focus/public cause
Motsepe Foundation	Patrice Motsepe	South Africa	Education, empowerment and development initiatives
Higherlife Foundation and Delta Philanthropies	Strive and Tsitsi Masiyiwa	Africa	Education, Health, Agriculture and Rural Development
Signature of Hope Trust	Craig Featherby	South Africa	Education and Food
A.S. Dada Foundation	Abdul Satar Dada	Botswana	Poverty eradication and underprivileged empowerment
Mergon Foundation	Francois Van Niekerk	Sub-Saharan Africa, North-Africa and Middle-East	Education, health and skills-building initiatives
Allan Gray Orbis Foundation	Allan and Gillian Gray	Southern Africa	Education and development of individuals with entrepreneurial potential and employment
The Brenthurst Foundation, The Oppenheimer Memorial Trust, Oppenheimer Philanthropies	Oppenheimer Family	Africa	Peace, Security, Governance and Economic Growth and Education
The Shuttleworth Foundation	Mark Shuttleworth	South Africa	Social Innovation

Giving does not occur in a vacuum. There is usually a need for an institutional framework that defines how giving should occur and at what levels. In South Africa, for instance, when corporates or individuals donate to registered Non-Profit Organizations (NPOs) with tax-deductible status, they get tax credits. Another good example is the Mauritian tax law which stipulates that 2% of a corporate's taxable profit amount from the previous financial year should be remitted to the Accountant General who in turn hands over the same to a state established national foundation². The national foundation is responsible for funding the work of NGOs. However, Mauritius and South Africa are outliers on the continent, where very few countries have such legislation. In many instances, the regulatory environment is inadequate or at times it criminalizes giving. There are many reasons for the current weak institutional environment for giving. Brian Kagoro (unpublished) argues that this is due to the Anglo-Saxon tradition that the majority of Southern African countries adopted at independence. He argues thus,

The present contradictions and confusion in the regulation of Philanthropic Institutions has deep historical roots in the Anglo-American legal tradition³. Southern African

States have developed a vibrant charitable tradition without ever agreeing as a matter of culture or law on what "charity" means. The laws on PVO and PBO reflect this bifurcation of charity as a compassionate act of aiding the poor, of distributing alms to the needy and feeding the hungry. At the same time, 'public benefit' allows for social engineering, for efficiently producing socially beneficial results that will lighten the burden on the State or public purse. These are evidently two very different conceptions of philanthropy, but the legal doctrines that govern philanthropy do not clearly distinguish between them. It is time for a clearer definition of philanthropy that takes on board these strands as well as specific African values of 'Ubuntu'.

1970s, which was charged with studying philanthropy and charity in the United States, avoided using those terms because it feared they smacked of *noblesse oblige*. It preferred the term 'private giving for purposes'. Common on Private Philanthropy & Pub. Needs, Giving in America: Toward a Stronger Voluntary Sector 53 (1975). In the realm of American law, the term 'charity' is exasperatingly variable and confusing. In cases and statutes, charity is sometimes used in the general dictionary sense, described earlier. See, e.g., *Ould v. Wash. Hosp. for Foundlings*, 95 U.S. 303, 311 (1877); *Bok v. McCaughn*, 42 F.2d 616, 619 (3d Cir. 1930). It is also used to refer to the general category of non-profit organizations that qualify for tax exemption under Section 501(c)(3) of the Internal Revenue Code. This broad category includes organizations that 'test for public safety' and "foster national or international amateur sports competition[s]." I.R.C. § 501(c)(3) (2000); see Hopkins, *supra*, at 85.

²<https://www.ncsrfoundation.org/wp-content/uploads/2017/06/Income-Tax-Act-Consolidated-pdf-Extract.pdf>

³See also Bruce R. Hopkins, *The Law of Tax-Exempt Organizations* 87 (7th ed. 1998). The Filer Commission of the

The rise of HNWI engaged in giving has led to an increased focus on how to create a regulatory environment for formal giving that is public and can be tracked. The TA/UBS study also cautions that as the work on creating a pro-philanthropy environment begins to take shape there is need to consider ethical considerations around the source of funds for philanthropic activities. We might as well add other ethical considerations such as the use of child labour in extracting value, tax avoidance schemes and accrual of unfair business opportunities based on philanthropy investments. Many of the HNWI that are under study have established foundations but have not yet adequately endowed them to be stand-alone entities. The foundations still depend on the corporate as the source of funding. In such instances, the profit motive may influence how the foundation gives especially towards projects emanating from those in politics or connected to politicians.

RATIONALE FOR STUDY

Renditions on ways of achieving African transformation have also inadvertently stumbled upon the possibilities of philanthropy emerging from the continent. Individual countries, for instance, Rwanda, and even regional bodies such as the AU have embraced possibilities of home-grown philanthropy and established strategies for its growth. The AU has even gone a step further by establishing its own foundation. It is beyond any doubt that these measures are influenced by a desire to mobilize resources within an environment of scarcity where revenues from the usual sources such as taxes and rents from natural resources are just not adequate to meet the needs on the continent. The emergence of dollar-based millionaires that we have been referring to as HNWI has created some form of expectation about the possibilities of a philanthropy-driven transformation.

Research on African forms of philanthropy, especially giving by Africa's HNWI has become important in the light of massive pressures being imposed on the sector both by governments in Africa and Northern-based partners which are beginning to make subtle overtures to African philanthropists to increase their giving to global causes and to carry a significant share of the amounts of funding directed to African institutions. Many of these demands are being done in an ad hoc manner on relatively young organizations which are already overwhelmed by requests for support and are yet to develop strong administrative and internal governance systems. There is currently no defined set of guidelines on how and when to enter into collaborations that these foundations are being invited into. There are also very few detailed models that these foundations and other forms of philanthropy can replicate. Lessons derived by individual foundations are not being adequately communicated across the sector. There are very limited collaborations amongst African foundations as compared to existing practices between Northern-based

and African intermediary foundations or even those established by HNWI.

There is no consensus on the work or task of philanthropy. Unlike in the global North, the emerging African philanthropy-led organizations tend to occupy the 'entire value chain of interventions', that is, they are usually the source of funding, they identify the problem, they proceed to design and directly implement interventions. There are instances of grant making, especially in South Africa, but the predominant approach across the continent is direct implementation. Furthermore, these philanthropists focus on fixing a number of wide-ranging problems, including improved access to health, education and housing. They have also made significant contribution as first responders in times of natural disasters. Strive and Tsitsi Masiyiwa of Zimbabwe played a huge role in responding to and alleviating the effects of the cholera outbreak in Harare in 2018. They also played a key role in responding to the after-effects of Cyclone Idai in Eastern Zimbabwe. Tony Elumelu of Nigeria provided critical funds to support the efforts of the government of Sierra Leone in responding to the disaster caused by mud slides. Others are engaged in supporting entrepreneurial activities, economic growth and promotion of democracy. The diversity is such that the sector is made up of individuals and organizations that mean well but at times there are impressions of overwhelming diversity and difference which hampers prospects for working together or being in similar affinity groups. There is a need to interrogate in more detail the founding philosophies, models and how causes to support have been identified.

The increased interest in the theory and practice of philanthropy has also led to the establishment of many other research-focused initiatives such as the Wits Business School Chair in African Philanthropy and a similarly conceived research at the Lagos Business School. These platforms will hopefully contribute towards the creation of knowledge on best practices and production of specialist skills that are necessary to sustainably drive the agendas of the foundations – but for now they suggest that there is an observation being made about the importance of philanthropy in Africa and the need to understand it in more detail. One can only conclude that there has never been a greater time for African philanthropy than today. The momentum and interest around it have grown – at times surprisingly so, given that not so long-ago philanthropy was accorded no role in formal and intergovernmental processes (Moyo, 2016).

RESEARCH METHODS

The study employed traditional methods of research, namely: a combination of primary and secondary research techniques (qualitative and quantitative) and desktop reviews of published materials. The material is presented in two ways: (i) there is write-up on new materials generated from the survey and (ii) thick case study descriptions of HNWI and the

foundations they have established. The literature research relied heavily on wealth-mapping studies prepared by different financial institutions such as Nedbank and AfrAsia (2018 and 2019 reports). Information found on the internet came from various sources, including magazines such as Forbes. It was subjected to thorough triangulation methods in order to ensure factualness. The study has confined the term HNWI to mean individuals or families who have an annual income exceeding US\$150,000.00 and have investable assets of more than US\$1 million. The study is only interested in HNWIs that give at least 1% of their wealth to charitable causes. We have described these as High Net Worth Philanthropists (HNWPs). The study contributes knowledge to the identity of HNWPs in three selected countries and also discusses in detail how some of these individuals or families acquired their wealth and their forms of giving. Through case study analysis the study amplifies impact (without exaggerating), clarifies the existing challenges and the opportunities. Specifically, the study seeks to understand how HNWPs have organized their giving and also how they achieve their mission. The research seeks to (i) develop an understanding of how HNWPs in the three selected countries give and (ii) understand the organizations established by HNWPs in terms of how they were established, are structured, operate, grow, function and sustain themselves.

PART ONE: OVERVIEW OF SURVEY FINDINGS

We administered a questionnaire using an online tool. Fifteen representatives of foundations from Mauritius (1), Zimbabwe (6) and South Africa (8) responded to the questionnaire. In the survey, we sought to understand the ways in which HNWIs had accumulated wealth, their motivations for giving, the areas to which they give to and also the extent of their collaboration with others. The discussion that follows presents the findings from the survey.

The sample is made up of 33% females and 67% males as per Figure 1. Other datasets (see for instance Forbes's ranking of Africa's wealthy) have demonstrated the extent of male domination amongst the HNWIs. The 33% is more generous compared to the fact that there are only two female billionaires (Nigeria and Angola) on the continent. However, our survey was not just focused on Africa's billionaires but also included millionaires.

The majority (78%) of the respondents are in the 41–55 age range whilst only 22% are in the 61–65 age range (Figure 2). In our sample, there were no under 40 millionaires. The dominance of the 41–55 age range is also consistent with the new generation of millionaires who have either been in business from the early 2000s and also have managed to leverage business opportunities that came with liberalization (Zimbabwe) and the black empowerment scheme in South Africa.

The majority (78%) of the respondents have a Masters' Degree whilst only 22% have Professional Qualifications (Figure 3). The majority of the Masters' degrees are in business studies. The majority of the respondents are also business founders. Their education levels probably suggest a new breed of sophisticated business entrepreneurs.

HNWI Participation in Economy

The HNWIs come from different economic sectors. In a question that allowed for multiple responses, we found that the majority are engaged in financial services (55.6%) and tourism and leisure (55.6%) followed by agriculture (44.44%) and then telecommunications and technology (33.33%) (Figure 4). Another 33.3% also stated that they are engaged in real estate and only 11.11% are engaged in mining, retail and manufacturing. The sectors mentioned earlier represent the main drivers of Africa's growth. It is estimated that Africa's agriculture has the potential to post double-digit growth for the next two decades. However, it

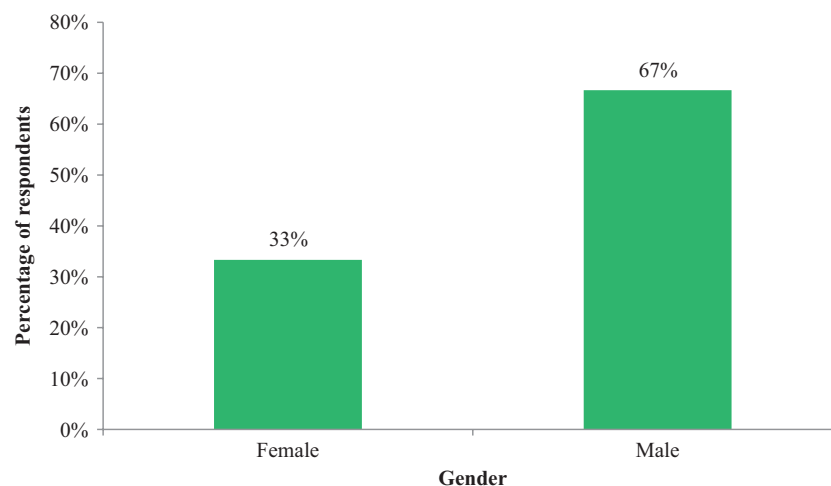


Fig 1: Respondent's gender.

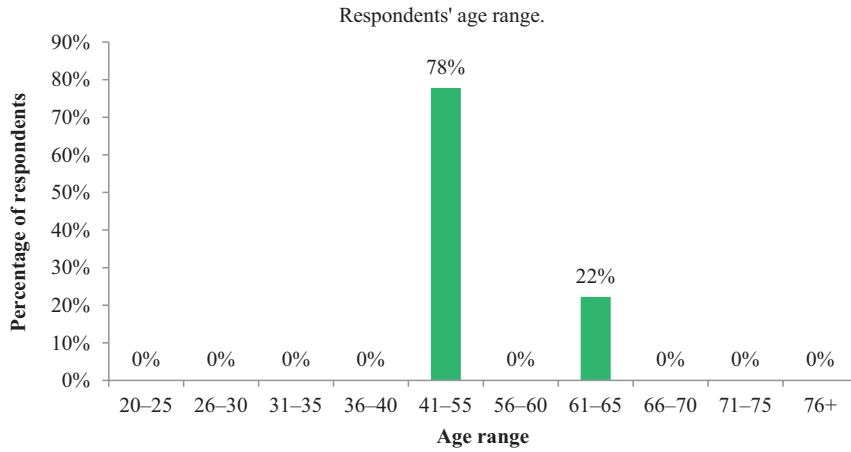


Fig 2: Age range of respondents.

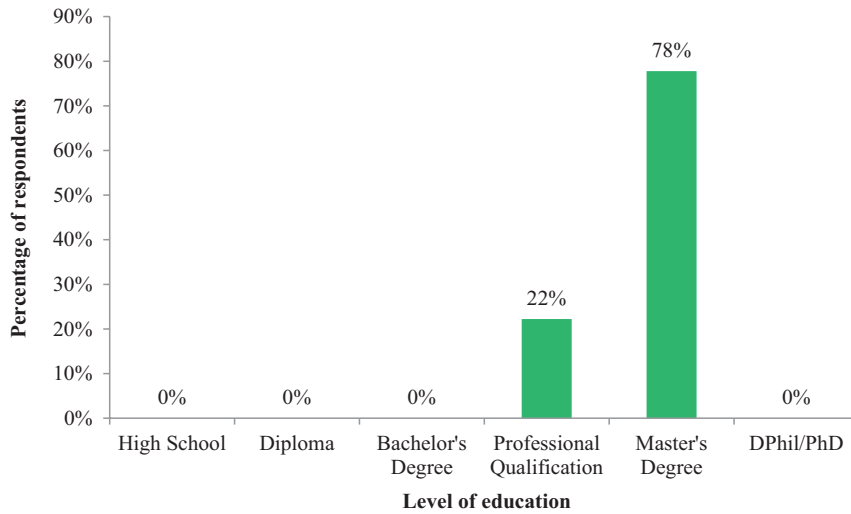


Fig 3: Level of education of HNWI.

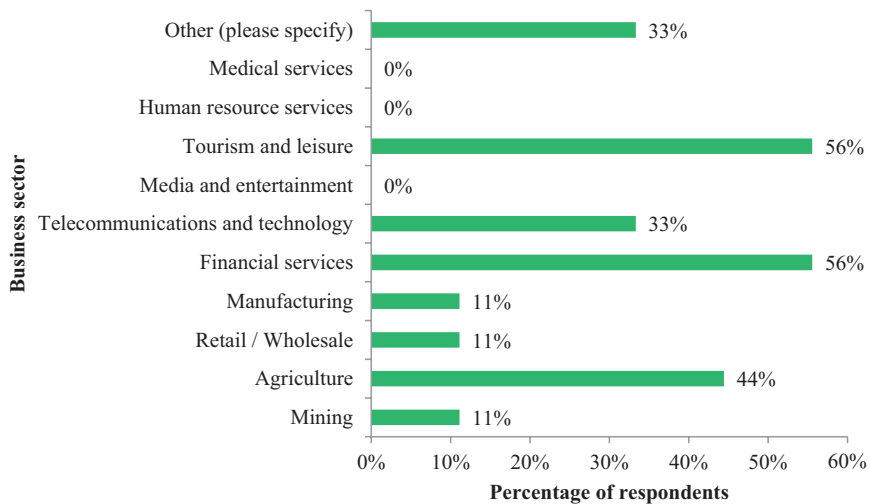


Fig 4: HNWI business interest by sector.

is also important to note that although our sample is not representative, mining-based entrepreneurs do not feature. There are many explanations for this: (i) in the majority of cases, mining is the preserve of foreign direct investment given the huge capital outlay required to ensure that the venture can take off. Even the recent acquisition of mining ventures has been dominated by multinational companies. Furthermore, there is limited participation in the retail sector. The countries under study have a historically well-defined retail structure dominated by very few players who are connected between South Africa and Zimbabwe. Our sample includes the Meikles Foundation from Zimbabwe and also Fondation Lagesse from Mauritius. The Meikles group has dominated the retail sector in Zimbabwe through the TM franchise and recently sold some of its shareholding to Pick N Pay of South Africa. In Mauritius, the Lagesse family through IBL limited own commercial distribution companies.

HNWI Net Worth

As already stated, the study is focused on individuals or families who earn an income exceeding US\$150,000.00 annually and have investable assets of more than US\$1 million. In our sample, we found that 33% have assets between US\$500,000.00 and US\$1 million, another 33% have assets worth US\$1.1–10 million. Then there is equal distribution of 11% for HNWI with assets worth US\$101–100 million, then US\$500.1–1 billion and above US\$1 billion (see Figure 5). In many instances, discussions on HNWI tend to be limited to billionaires whilst as the data demonstrates there is need to understand in more detail the giving habits of millionaires who make 66% of the sample. In many instances, the millionaires do not draw attention to their giving.

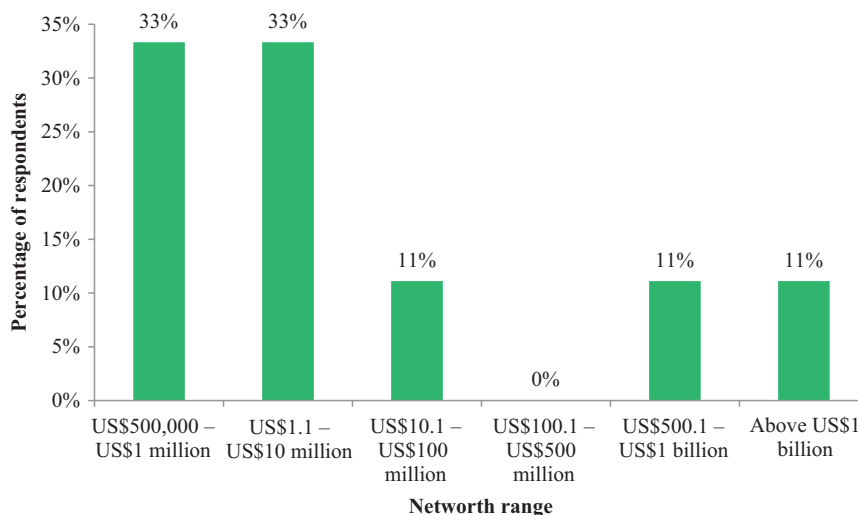


Fig 5: HNWI net worth.

Regional Location of Business Interests

The survey questionnaire was administered to HNWI located within the three Southern-African countries (Figure 6). However, we have also come to realize that the business interest of Africa HNWI, like their counterparts in other regions, is not usually limited to a single country but can be spread across different regions. In this instance, we found that all the respondents have business interests in Southern Africa, 33% have expanded into West Africa and 11% are also active in Central Africa.

Establishment of Foundation

We asked if the responding HNWI have established foundations (Figure 7). The majority (75%) have foundations and use them as their preferred instruments for giving, whilst 25% do not have foundations and use other means of giving either through their parent company's CSR budget or informally through their own incomes. The setting up of a foundation suggests strategic intent to give. The work done by some of these foundations is discussed in Part B of this report but suffices here to note the high number of philanthropy-oriented HNWI which suggests the growth of a sector.

Methods of Registering Foundation

The majority (57%) of the foundations established by HNWI in this sample are registered as trusts, followed by charitable organizations (29%) and foundations (14%) (Figure 8). The diversity of responding foundations suggests the possibility of a rich tapestry of tendencies within the foundations world and like civil society creating challenges of narrow definitions of what these entities must look like. A study carried out by the Southern Africa Trust (SAT) in 2015 found that the operating environment

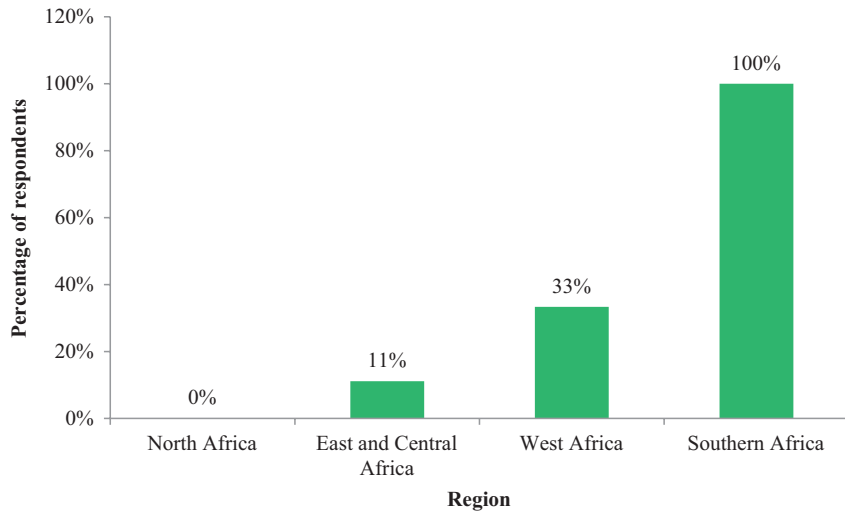


Fig 6: Business interests by region.

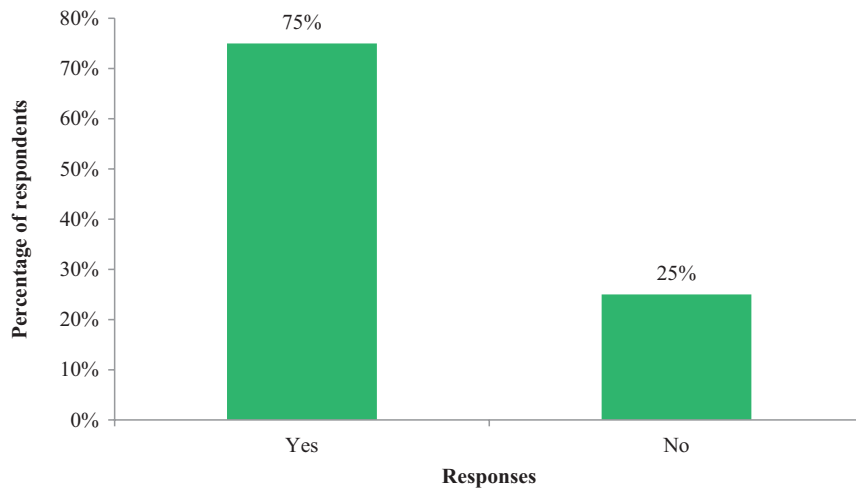


Fig 7: Establishment of foundation.

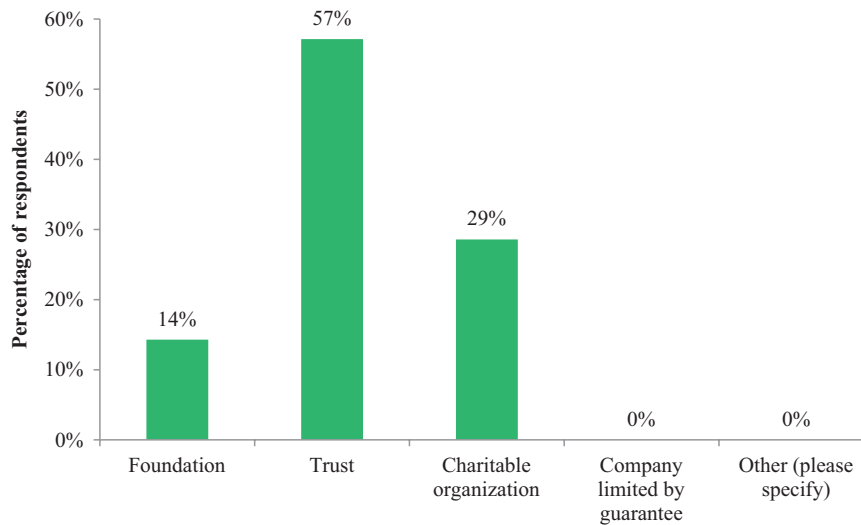


Fig 8: Method of registration.

comprising mostly on legislation to do with registration of non-profits, and the tax regimes affect the way foundations are registered. Furthermore, in some countries especially former British colonies, there is no legislation to register as a foundation. Registration through a trust considered in many ways is less tedious than the other forms and provides reasonable safeguards for both the regulators and also the actors behind the Trust. In Zimbabwe, for instance, the only other form of registration open to non-profits would be through the Private Voluntary Organisations (PVO) Act which can take up to 24 months, whilst registering a trust can be done within 4 weeks.

Presence of a Board

In the majority (86%) of cases, foundations established by HNWI have active boards (Figure 9). In many instances,

the HNWIs behind the foundations are also founders and chair their board. These boards are responsible for setting the mission and strategy of the organization. In an earlier study (Murisa, 2018), we found that the Board in founder-led organizations tends to be smaller in size but actively engaged in terms of the number of meetings and interactions with the management. The founders are also mostly a part of the board processes.

Frequency of Giving

We asked respondents to describe their frequency of giving (Figure 10). The majority (63%) give monthly and there is an even spread of 13% amongst those who give annually, during specific times, and those who give on an ad hoc basis. There are many probable explanations for this. Existing data has shown that, in many instances, many

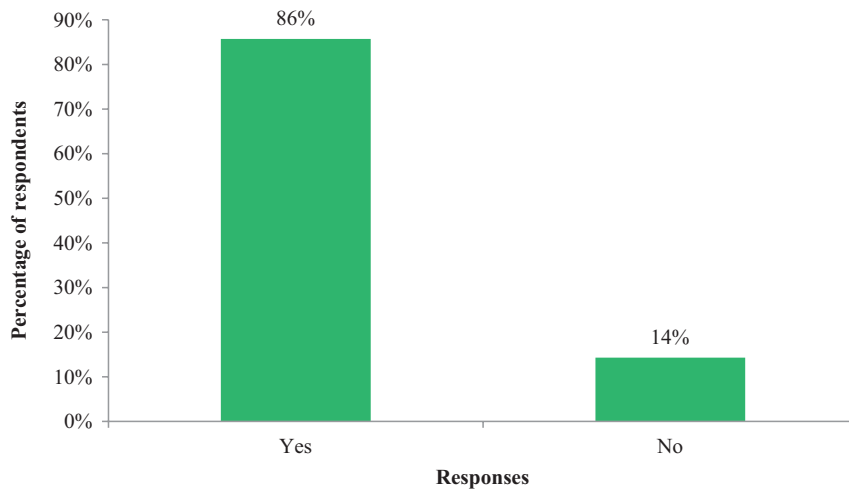


Fig 9: Presence of a board for the foundation.

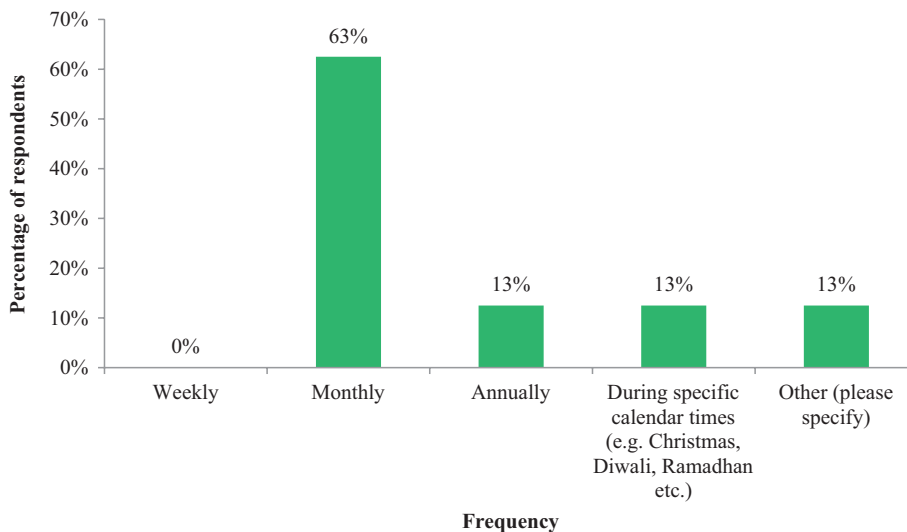


Fig 10: Frequency of giving.

HNWIs are yet to establish endowments for their foundations. A few ones (13%) develop annual plans and allocate resources according to the annual budget. However, it seems the majority (63%) still give on a monthly basis. This could suggest unpredictable HNWI giving. Studies (see Murisa, 2018 for instance) have shown that HNWIs prefer that the foundation’s budget be supported directly by the parent company in terms of its financial systems and also monthly allocations.

Size of Gifts

The HNWIs under study give varying sums of money to causes of their preference (Figure 11). The most common (38%) amounts given at any instance are in the range of US\$5001–10,000 followed by gifts in the range of US\$25,001–50,000.00. There are some

ones (25%) who have given large gifts that are above US\$500,000.00.

Geographic Reach of Philanthropic Activities

We sought to understand the ways in which the philanthropic activities of HNWIs are spatially spread (Figure 12). We learn that 33% give only within some selected cities and regions, another 33% have spread their giving across the country, and another 33% give both within and beyond their country of residence. The spread beyond city of preference to national impact and regional impact is in itself an evolutionary process. The number of HNWIs actively giving within and outside their countries suggests ongoing levels of growth. In some instances, this growth is aligned with the expansion of corporate interests outside national boundaries. In earlier stages of tracking, the philanthropic impact HNWIs concerns

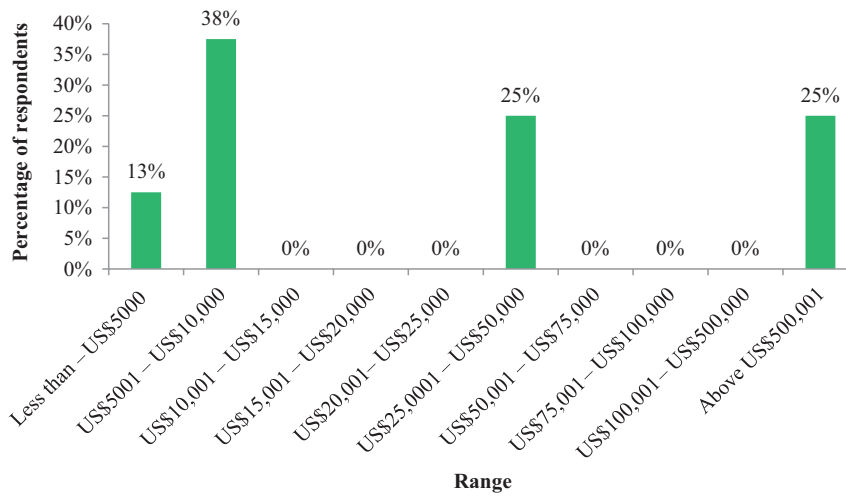


Fig 11: Size of gifts.

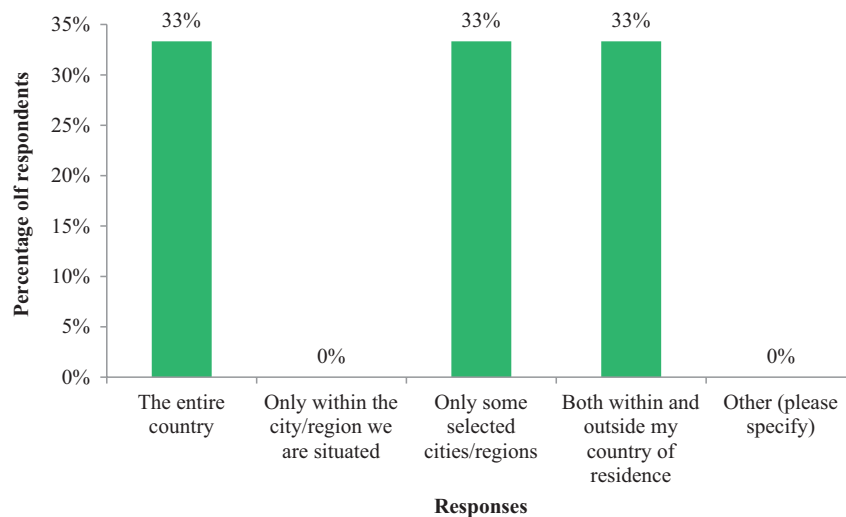


Fig 12: Geographic reach of philanthropy activities.

had been raised by their penchant to focus mostly on their vil- lages and surrounding areas (see Murisa, 2018). There seems to be a shift towards seeking national impact and in some instances regional presence.

Type of Beneficiaries

In the majority of instances, HNWI's, either through their foundations or informally, tend to prioritize giving directly to beneficiary communities (Figure 13). Out of our sample, only 33% give to NGOs. This is a slightly higher number compared to what a study carried out by Bridgespan found (see Schweir et al., 2020). In the majority of cases, HNWI's give to causes directed at children (67%), orphans (67%) and also support towards entrepreneurial development (67%). It is perhaps the focus on entrepreneurial development which is interesting. In many instances, HNWI's recognize the challenges they faced in establishing their

entrepreneurial ventures and are looking for ways of sup- porting emerging entrepreneurs. Other HNWI's also pro- vide support focused on Youth development.

Existence of Methods to Measure the Effectiveness of Work

One of the overriding concerns for many of philanthropy organizations is to ensure the optimal utilization of avail- able resources (Figure 14). There has emerged over the years a variety of methods to track organizational impact and effectiveness. All the organizations under study seem to have embraced the need to carry out ongoing monitor- ing and evaluation of their intervention. They have exist- ing methods for measuring the effectiveness. Many of these organizations have developed various methods of measuring effectiveness of their work. They consist of commissioning regular evaluations and internally

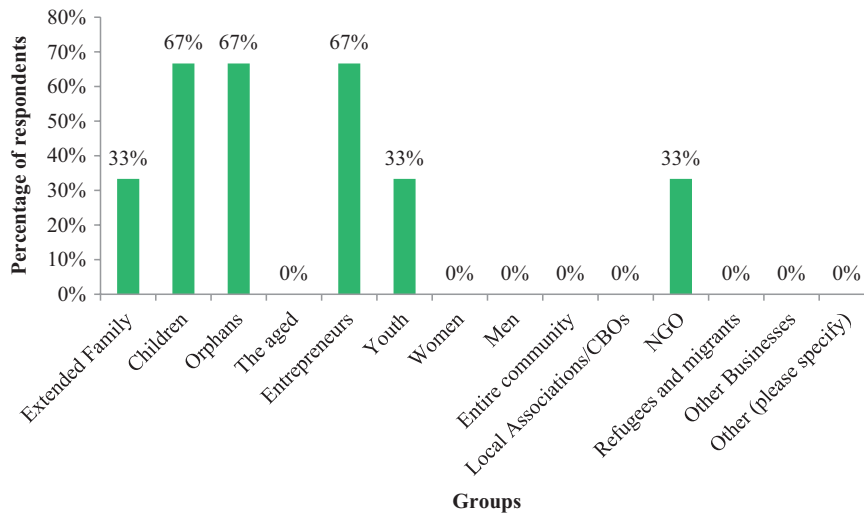


Fig 13: Beneficiaries.

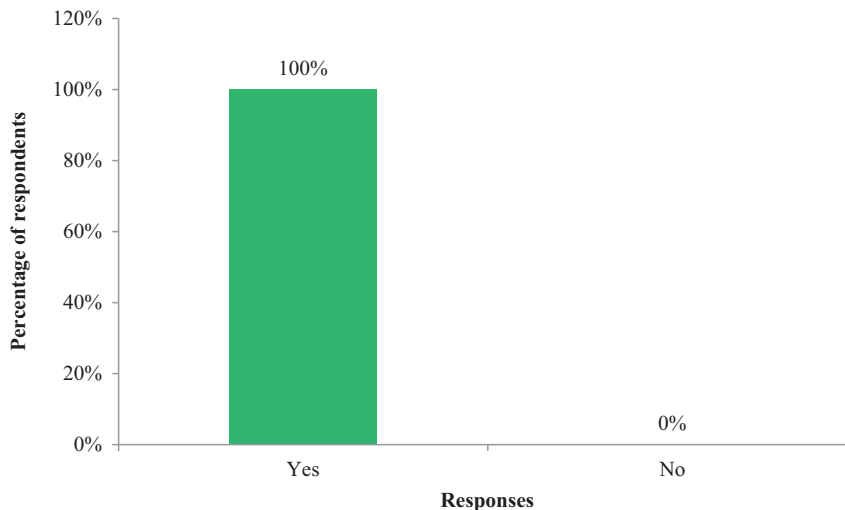


Fig 14: Existence of methods to measure effectiveness.

organized process of ongoing monitoring. The majority have set up their own monitoring units which carry out visits to partners and prepare regular reports. In some organizations, the monitoring reports are also part of the reports sent to the board.

Impact of Changes on the Macroeconomic Environment

As already stated, many of the HNWI have not yet created an endowment or reserves for their funding (Figure 15). They provide funding for the philanthropy work on the go. There is always a competition between deploying returns towards philanthropy or business expansion. We sought to find out if HNWI giving has in any way been affected by changes in the macroeconomic environment. The

majority (67%) indicated that their giving had been negatively affected due to COVID-19-related convulsions in the economy. The HNWI philanthropy under discussion remains intricately tied to the fortunes of the parent company or entrepreneurial venture.

Collaboration with Other African Philanthropists

There is an increased recognition amongst philanthropy organizations and even within NGOs that their effectiveness is limited by many factors especially, while attempting to address structural issues that have hindered the transformation of Africa (Figure 16). There has emerged a significant body of literature that is based on evidence and makes strong a case for collaboration to create synergies. Collaboration has also been a tool to broaden prospects of

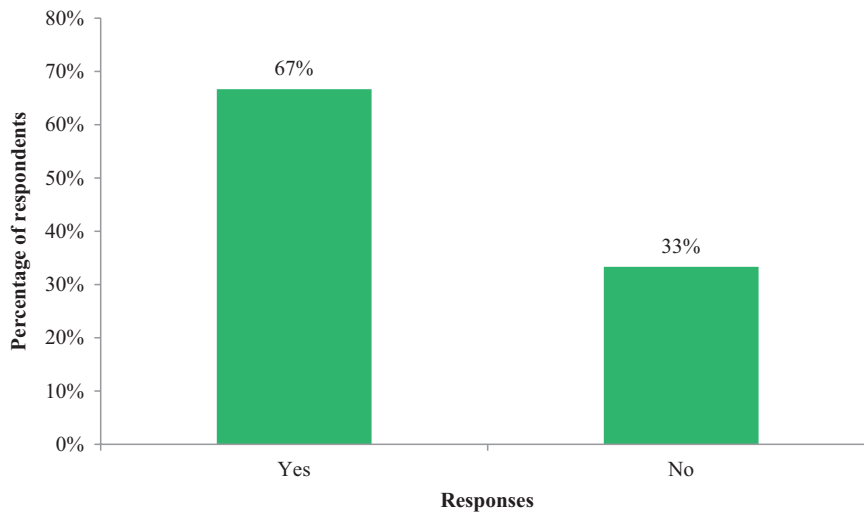


Fig 15: Changes in the macro-economy.

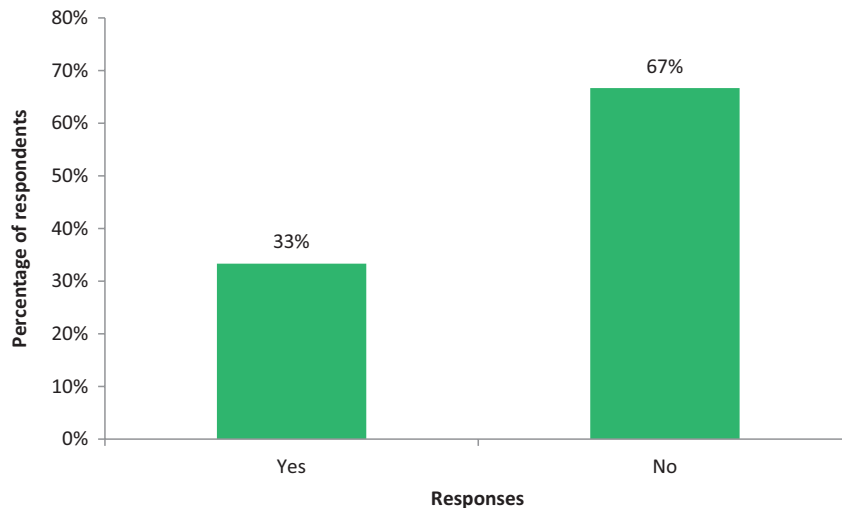


Fig 16: Collaboration with other African philanthropists.

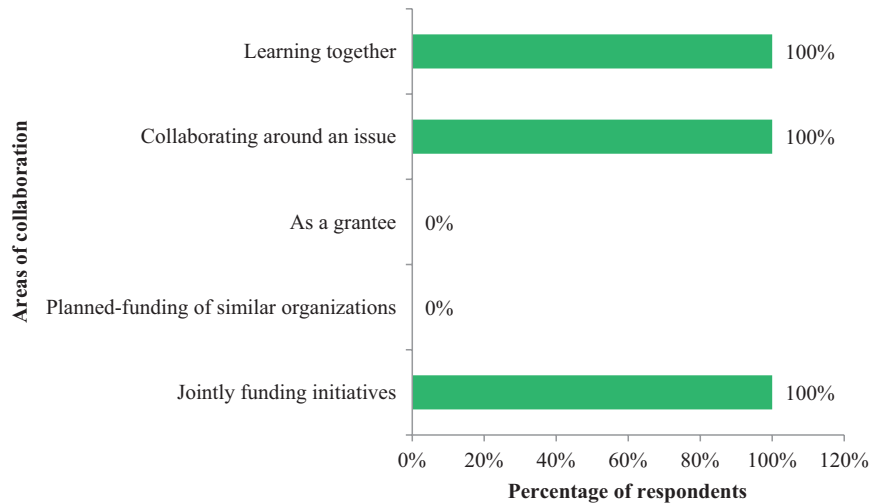


Fig 17: Areas of collaboration.

learning from each other, spreading risk and tapping into skillsets and expertise that are not ordinarily resident within one organization. We set out to find out if HNWI and the foundations they establish are engaged in any forms of collaboration with each other or with any formations such as global philanthropy foundations, NGOs, government agencies, public institutions, bilateral and multilateral agencies. The levels of collaboration are low across the board. We found that the majority (67%) do not engage in any form of collaboration.

Areas of Collaboration

There is very limited collaboration amongst African philanthropy organizations (Figure 17). Where the collaboration exists (33%), it is focused on jointly funding activities, learning together and brainstorming over an issue. It is also significant to note however that there are some organizations that are collaborating with government departments and public institutions. Interventions in policy spaces (social policy, economic development etc.) require the need for relationship building with the custodians of policy. HNWI-established foundations such as Higherlife have gone as far as signing MOUs with national governments to enhance the possibilities of the uptake of their recommendations to policy.

There is also a variety of ways in which collaboration takes place. We are sure that there are many other ways especially around information exchange and belonging to similar networks that we did not manage to capture probably because of the language used in the survey instruments. The study was mainly interested in surfacing areas in which equal co-creation of ideas takes place and also where there is shared risk and interests in the undertaking and also significant inputs beyond a grant were being deployed by both parties.

PART TWO: COUNTRY-BASED CASE STUDIES

Mauritius

Mauritius has the wealthiest people in Africa with an average wealth of \$31,000 per person compared with a continental average of US\$2000 per person. Only 1% of Mauritians live under the international food poverty line. According to the Wealth Report produced by AfrAsia, wealth has grown by 195% in Mauritius between 2007 and 2017. The number of millionaires has tripled to 3800 in the past decade alone. According to a World Bank rating, the country is considered the easiest African nation to do business. It is characterized by a low tax and light regulation regime. Personal and business tax is only 15%, and there are no capital gains or inheritance laws (Table 2). The tax regime is also structured in such a way to contribute towards the growth of corporate social responsibility and central funding of Mauritian civil society. The Tax code insists that 2% of the taxable profit made in the previous year should be remitted to the Accountant General who then hands it over to the National CSR Foundation. In 2019, the CSR foundation was rebranded to the National Social Inclusion Foundation⁴. The NSIF receives, manages and allocates public funds appropriated by government through the national budget and CSR funds collected by the Mauritius Revenue Authority in accordance with section 50L of the Income Tax Act 1995. The Foundation uses a social investment model to guide its funding decisions in order to ensure that funds are invested in interventions that achieve the best outcomes, especially for those most in need.

The objectives of the NSIF include the following:

⁴<https://www.nsif.mu/wp-content/uploads/2019/10/information-brief-review-of-funding-framework.pdf>

Table 2: Brief analysis of wealthy Mauritians (individuals and families)

Name of donor	Areas supported	Source of wealth	Estimate net worth
Lagesse Family	Community empowerment, youth development and education	Sugar industry, investments	\$1.5 billion
Bashir Currimjee & Family	Education, health, environment, leisure/sports and socio-economic developments	Telecoms, media & IT, real estate, hospitality and tourism, commerce & financial services, energy, food and beverages and home and personal care	\$275 million
Michel De Speville	Community welfare (CSR)	Poultry company Avipro, the 5-star Labourdonnais Waterfront Hotel and the KFC franchise in Mauritius etc.	\$450 million
Cyril Mayor		Cane, brands, power, property and leisure	\$396 million
Espitalier-Noël Family	Empowering local communities to combat poverty (CSR)	Sugar cane estates	\$602 million
Arnaud Dalais	Employment	Agro-industry and property, textile, hotels and resorts, financial services and health care	\$688 million
Raymond Ah-Chuen	Employment	Food distribution, automobile, banking and manufacturing	

- Enable effective access to services, programmes and projects to the poor and vulnerable.
- Encourage social innovation to address emerging and persistent social needs and problems.
- Support community development initiatives promoting social inclusion.
- Instil rights-based and outcomes-oriented approaches in delivering services to beneficiaries.
- Promote a culture of performance to ensure effectiveness and efficiency of funding.
- Promote strong, principles-based funding relationships with NGOs/NPOs.
- Foster collaborative partnerships with and among NGOs/NPOs and other stakeholders.
- Advance national policy objectives and Sustainable Development Goals (SDGs) relevant to the priority areas of the Foundation.

The Foundation issues a public notice to NGOs/NPOs on the availability of funding opportunities and invites applications for funds through restricted and open calls for applications, proposal or expressions of interest. These calls are widely advertised, including on foundation's website and in the press.

The business sector is dominated by a few dynastic families that were established in the early decades of the 20th century.

Case study One: The Lagesse family

It is probably the richest in Mauritius today, owning approximately 650 ha of land. Joseph Lagesse, the scion of the family, purchased the land in 1939 for sugar production and in 1945, he bought a sugar refinery plant. He played an

active role in establishment of the Mauritius Sugar Industry Research Institute. The family business was divided into two: the Desmet and Company Ltd and the Company for Investment and Development Limited (CIDL) now called GML Investment Limited and still run by the grandson of Joseph Lagesse. The investment company CIDL made investments in Mauritius, Madagascar, Mozambique, Reunion, Sri Lanka and the Maldives.

The family established the Fondation Joseph Lagesse (FJL) in 2005 in honour of the founding business patriarch of the family. The foundation is based at the corporate head office, the Lagesse business. In an interview⁵ the Chairman, Arnaud Lagesse, highlighted that philanthropy should be a cornerstone of every company. The foundation contributes towards solving one of Mauritius's most acute problems: poverty. It supports Mauritian civil society in their endeavours to improving access to education, enhancing youth development, promoting social justice and human dignity and empowering communities with the aim of reducing poverty in a sustainable way⁶. They took the lead in collaborating with other businesses such as Caritas Mauritius to distribute food packages during the peak of COVID-19⁷. In partnership with the European Union, the foundation launched, 'Horizon 2024', a project which consists of putting together in place conditions so that by 2024, the prevalence rate of teenage pregnancies in Bois Marchand falls

⁵<https://www.theceomagazine.com/executive-interviews/finance-banking/arnaud-lagesse/>

⁶Same as footnote 1.

⁷<https://www.facebook.com/FondationJosephLagesse/posts/2611199978992120>

to less than 10%⁸. Currently, the foundation secures 88% of its funds from the Mauritian profit-making companies through the CSR facility.

In 2018–2019, FJL reduced its programmes and support to partner NGOs by 30% and has had to stop new funded initiatives to Mauritian non-profits because of new national regulations of CSR funds and loss of CSR funds. On average, the foundation's total annual budget amounts to R23 million (\$568,247). Education programmes at FJL make for more than half of our organization's annual budget at 55%. The remaining funds are divided amongst Community Development projects 26%, Projects Sourire 7%, health initiatives 7% and social housing 7%⁹. The group is also aiming to set up a stronger partnership with AfrAsia Foundation and our partners' own CSR initiatives and to launch a scheme allowing for volunteering for community service throughout the year. Giving back is not all about fundraising; it is also about giving back time.

South Africa

Formalized philanthropy has a longer history in South Africa. It emerged in the early mining era (late 1890s) as corporate philanthropy or corporate social investment. The advent of democracy led to the passing of various pieces of transformational legislation, including the Black Economic Empowerment Act which requires listed companies to contribute at least 1% of the net profits after tax to support socio-economic development. Since the turn of the century, there has also been a growth of HNWP in South Africa. In our preliminary desktop-based search, we found a number of foundations that were established by HNWIs. The giving is dedicated towards supporting initiatives in health, education, housing and humanitarian services. Most of the HNWPs have established foundations which either directly implement or use the grant method to achieve their aspirations. In a study of philanthropy organizations spread across the continent, Murisa (2018) found the following concerning South African registered organizations: (i) they were mostly established around 2003, (ii) the majority are based in Johannesburg but spread their philanthropy across the country and (iii) they combine grant making with direct implementation.

Case study Two: Nicky Oppenheimer

Nicholas 'Nicky' Frank Oppenheimer is one of South Africa's richest men and prominent giver¹⁰. He is the third richest man in Africa. He is the custodian of the legacy of his fathers, Ernest and Harry Oppenheimer. His grandfather founded diamond mining firm DeBeers, which Nicky ran and sold his 40% stake in the diamond firm

to a mining group, Anglo American for \$5.1 billion in cash in 2012¹¹. For 85 years until 2012, the Oppenheimer family occupied a controlling spot in the world's diamond trade¹². He currently oversees the operations of the Oppenheimer Memorial Trust (OMT), a charity his father, Harry, founded in 1958¹³. In 2014, Oppenheimer started Fireblade Aviation in Johannesburg, which operates chartered flights with its fleet of three planes and two helicopters. He owns at least 720 square miles of conservation land across South Africa, Botswana and Zimbabwe.

Through the OMT, Nicky and his family are able to make grants public to benefit organizations and institutions in the education sector. The foundation gives away over \$6 million annually in scholarships and bursaries to selected South African students at both undergraduate and postgraduate levels. In 2012, Oppenheimer donated US\$80 million to OMT to support the trust's operations¹⁴. Oppenheimer is also an avid financial supporter of environmental conservation causes. They also support the arts and a range of organizations engaged in policy research and advocacy work.

Nicky Oppenheimer is dedicated to using his significant success to help those who are less fortunate. Outside of the foundation, Nicky has given generously to a wide variety of causes, he is a passionate supporter of wilderness conservation and has donated millions to keep conservation areas alive. He also owns South Africa's largest private game reserve, Tswalu Kalahari, with his son Jonathan. In 2008, Nicky donated R75 million (about \$10 million) to fund undergraduate and postgraduate scholarships and bursaries for South African students during the diamond anniversary in 2008¹⁵. Annually, Nicky gives out at least R2 million to research groups in various areas. These include a research and educational outfit located on the Oppenheims' 170-ac family farm near Heathrow Airport in the United Kingdom, which has conducted studies on organic farming and the national environment for 16 years. Nicky's efforts to improve society have received words of praise from many political luminaries such as Erastus Mwencha, Ellen Johnson Sirleaf, Jacob Zuma to mention a few¹⁶.

In 2003, he and his son Jonathan authored the Brenthurst Initiative, a policy paper that suggests that for South Africa to achieve higher economic growth rates, foreign investor

¹¹<http://www.bloomberg.com/billionaires/profile/nicky-oppenheimer>

¹²<http://whoswho.co.za/nicky-oppenheimer-1093>

¹³<http://www.theguardian.com/business/2005/jul/02/southafrica.internationalnews>

¹⁴<http://www.4-traders.com/business-leaders/Nicky-Oppenheimer-146/biography/>

¹⁵<http://saharanvibe.blogspot.com/2009/06/nicky-oppenheimer-african-forever.html>

<http://venturesafrica.com/10-african-philanthropists-who-gave-over-10m/>

¹⁶<http://www.thebrenthurstfoundation.org/testimonials.htm>

⁸<https://defimedia.info/lunion-europeenne-accorde-une-subsidiation-de-rs-26-m-deux-ong>

⁹Same as footnote 1.

¹⁰<http://www.forbes.com/profile/nicky-oppenheimer/>

perceptions of relatively high risk need to be addressed and overcome. The initiative led to the establishment of the Brenthurst Foundation in 2004¹⁷. The foundation operates as a think tank with two main guiding principles:

1. Economic growth is the best means to achieve prosperity and political stability and
2. Companies should have “a broad and deep involvement with the societies in which they do business.” The non-profit’s activities are focused on three main areas:
 - i. Encouraging key decision-makers and experts to share experiences and insights at private meetings and seminars.
 - ii. Delivering relevant, practical policy advice to governments.
 - iii. Generating new thinking and thought leadership to address Africa’s development challenges¹⁸.

Nicky and his sister Mary gave ZAR1 billion each to the Solidarity fund initiated by President Cyril Ramaphosa towards the fight against COVID-19. The family established the South African Future Trust which has a sole purpose of giving back to vulnerable South Africans during crisis times. The donations through the Trust have been disbursed to small and medium businesses to help in keeping them running during the midst of the COVID-19 pandemic¹⁹.

Case study Three: Sir Donald Gordon

Sir Donald Gordon was born in South Africa in 1930. He was perhaps one of South Africa’s biggest exports to the United Kingdom. He was the chairman of the third largest property development company in the United Kingdom. Prior to his move to the United Kingdom, Sir Donald Gordon had founded Liberty Life in 1957. He was the brainchild behind the development of Sandton City, one of the most successful shopping centres in the world.

At the time of his death in November 2019, his net worth was in the region of US\$730 million. Sir Donald Gordon was also the benefactor of the Donald Gordon Foundation (DGF). The DGF is one of the older foundations in South Africa. It was established in 1971. Sir Gordon created a business school in South Africa – the University of Pretoria’s Gordon Institute of Business Science. His foundation also funded the establishment of other prestigious institutions such as the Wits Donald Gordon Medical Centre through a donation of R120 million²⁰. The medical centre was South Africa’s first private teaching hospital, focused on delivering world-class patient care and advanced specialist training and research.

¹⁷<http://www.thebrenthurstfoundation.org/initiative.htm>

¹⁸<http://www.thebrenthurstfoundation.org/brenthurst-story.htm>

¹⁹<https://businesstech.co.za/news/wealth/386593>

²⁰<https://www.wits.ac.za/news/latest-news/general-news/2019/2019-11/wits-mourns-the-passing-of-sir-donald-gordon-.html>

The foundation also provides grants in support of the following:

- Higher education institutions with a particular focus on business education;
- Medical education and training;
- Cultural affairs and performing arts;
- Human rights and rule of law and their safeguarding of the constitution;
- Human welfare with a particular focus on the poor and needy in the South Africa Jewish community.

Sir Donald Gordon’s philanthropy also extends to the United Kingdom. In 2003, he made a contribution of GBP20 million towards the arts in the United Kingdom. The grant was given to the Royal Opera House and the Welsh Millennium Centre (GBP10 million). In 2010, he made a generous donation of £2.5 million to the London Business School, which allowed for the creation of the School’s Sir Donald Gordon Chair of Entrepreneurship and Innovation.

Case study Four: Patrice and Precious Motsepe

Patrice Motsepe is one of the few post-independence billionaires in South Africa with first-generation wealth. The Motsepe family fortune is valued at approximately US\$3.1 billion²¹. In 1994, Motsepe became the first black partner of a predominantly white-owned law firm based in Johannesburg. Motsepe made his fortune through mining interests that eventually expanded in 2004 to form a successful multifaceted mining company, African Rainbow Minerals²². In 1997, he bought low-producing gold mineshafts and later turned them profitable. In 2016, Motsepe launched a new private equity firm, Africa Rainbow Capital focused on investing in Africa. Motsepe also has a stake in Sanlam, a listed financial services firm and is the president and owner of Mamelodi Sundowns Football Club and recently elected the president of Confederation of African Football²³. The Motsepe foundation was established by Patrice and Precious Motsepe in 1999 to undertake and oversee various philanthropic initiatives the couple put in motion. Most of the couple’s giving has been made in private. However, in 2014 alone, literally 20 years after becoming a partner at a law firm, the foundation gave grants worth

²¹<https://www.forbes.com/profile/patrice-motsepe/?sh=1de628396c93>

²²<https://www.britannica.com/biography/Patrice-Tlhopane-Motsepe>

²³[https://www.news24.com/sport/Soccer/BafanaBafana/breaking-sundowns-billionaire-boss-patrice-motsepe-confirmed-as-caf-president-20210312#:~:text=Sundowns%20billionaire%20boss%20Patrice%20Motsepe%20confirmed%20as%20CAF%20president,-12%20Mar&text=Mamelodi%20Sundowns%20billionaire%20boss%20Patrice,Football%20\(CAF\)%20on%20Friday](https://www.news24.com/sport/Soccer/BafanaBafana/breaking-sundowns-billionaire-boss-patrice-motsepe-confirmed-as-caf-president-20210312#:~:text=Sundowns%20billionaire%20boss%20Patrice%20Motsepe%20confirmed%20as%20CAF%20president,-12%20Mar&text=Mamelodi%20Sundowns%20billionaire%20boss%20Patrice,Football%20(CAF)%20on%20Friday)

US\$5.6 million. Their first large gift was a 10-year grant of ZAR117.5 million (US\$8 million) made to the South Africa Department of Basic Education for sport and cultural competitions in schools across the country²⁴.

Precious Motsepe is quoted saying,

... we can show the world that not only are we recipients of aid, but we can also begin to do things for ourselves²⁵.

The Motsepes are the only South African high-net-worth couple to have signed the giving pledge²⁶. In his letter to Warren Buffet, Bill and Melinda Gates, Motsepe highlighted that philanthropy was something he grew up observing from his parents²⁷ as they helped community members by giving out some groceries and paying school fees for some children. Patrice is quoted saying,

I decided quite some time ago to give at least half of the funds generated by our family assets to uplift poor and other disadvantaged and marginalised South Africans but was also duty-bound and committed to ensuring that it would be done in a way that protects the interests and retains the confidence of our shareholders and investors.

The Motsepe Foundation channels its giving towards issues affecting South Africa's poor, including education, health, unemployment and advancing women (Forbes, 31 January 2013)²⁸. There is bursary for excelling students from poor backgrounds to advance with their education till they reach university. In 2013, Motsepe announced that the foundation would be activating a pledge made earlier to donate ZAR117.5 million over 10 years to promote soccer, netball and the arts at schools.

The Motsepe Foundation has contributed to global health research into developing a cure for HIV/AIDS, the donation of ZAR11 million²⁹ was given to the RED campaign, an initiative founded by renowned activist and musician Bono. The Motsepe Foundation has also made contributions to cancer research, as well as to wildlife,

nature conservation and environmental protection. On the African Continent, the Motsepe Foundation contributed to the global fight against Ebola, making a contribution of US\$1 million to the affected countries and another contribution of US\$1 million to the AU directly.

In South Africa, the Motsepe Foundation in 2017 donated US\$4 million for graduate-programme scholarships for hundreds of South African student from low-income families. The foundation also allocated US\$50 million for sustainable projects that will benefit the poor and needy in various fields. This is done through five key pillars or focus areas. Back in 2011, the Motsepe gave a total of ZAR23 million to a number of different organizations, including COSATU, National Women's Upliftment, SADTU, NEHAWU the Zion Christian Church, the Eastern Cape, KwaZulu-Natal and Limpopo rural upliftment projects. In December 2018, Motsepe pledged to donate \$250 million towards furthering the country's land reform programme³⁰.

In 2020, the world at large was confronted by a deadly virus, COVID-19, that was declared a global pandemic by the World Health Organisation. South Africa was one of the most affected countries in the continent³¹. The Motsepe foundation joined other South African business bodies and lobby groups in working towards the fight against COVID-19. The foundation pledged ZAR1 billion (US\$69 million) to the country and also donated ZAR5 million (US\$349,902) to the University of Cape Town to help it manage its response to the global pandemic³². Since the outbreak started, the foundation worked on purchasing sanitisers, disinfectants, PPEs and went through discussions with government, health workers and other stakeholders to assist with acquiring other equipment and making resources available which are essential with dealing with the coronavirus pandemic. They provided water to poor, rural and urban communities, by purchasing water tanks, drilling and equipping for boreholes and building sanitary facilities³³.

In April 2021, the Motsepes in collaboration with the Milken Institute launched the *Milken-Motsepe Innovation Prize program*, a multi-year initiative to focus global innovators and entrepreneurs on developing technological solutions that accelerate progress towards implementing the United Nations' SDGs, with a spotlight on the African continent³⁴. The eventual winner will receive US\$1 million.

²⁴<https://www.safa.net/2015/11/25/motsepe-foundation-commits-r117-5-million-to-schools-sports-and-music-development/>

²⁵Interview with BBC. Available at <http://www.bbc.com/news/world-africa-21259399>

²⁶The Giving Pledge is a Bill Gates and Warren Buffet backed initiative focused on persuading the ultra-rich to literally *pledge* — at least 50% of their net worth to charity during their lifetimes or at death.

²⁷<https://givingpledge.org/Pledger.aspx?id=253>

²⁸<https://www.forbes.com/sites/mfonobongnsehe/2013/01/31/south-african-billionaire-patrice-motsepe-joins-giving-pledge/#58265ce149f5>

²⁹<https://www.news24.com/drum/News/motsepe-foundation-donates-r11-million-to-aids-campaign-20170728>

³⁰<https://www.forbes.com/sites/mfonobongnsehe/2019/01/09/the-philanthropy-of-africas-billionaires/#20ce00ba7fd9>

³¹<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7550075/>

³²<https://www.sabcnews.com/sabcnews/motsepe-foundation-pledges-r1-billion-to-fight-covid-19/>

³³<https://mg.co.za/coronavirus-essentials/2020-03-28-motsepe-and-friends-donate-r1-billion-to-fight-covid-19/>

³⁴<https://www.businesswire.com/news/home/20210428005096/en/Milken-Institute-and-Motsepe-Foundation-Launch>

Some of the HNWI's engaged in giving prefer to give anonymously. One study found that in 1 year alone HNWI's had given US\$52.8 million. The average large grant given in a particular year by an HNWI's foundation is the equivalent of US\$2.8 million and of the 19 large grants given in 2019 approximately 11 had chosen to give anonymously. The scale of HNWI's giving is definitely larger than reported.

Other significant givers in South Africa include Mark Shuttleworth who made his fortunes in IT development and is passionate about creating desktop operating system software for free distribution with a special focus on expanding personal computer access. Ivan and Lynette Saltzman are major shareholders in the Dischem Group and they established the Dis-Chem Foundation. The Ackerman family, owners of the retail group which goes by the same name, have also established the Ackerman foundation.

Zimbabwe

Zimbabwe is currently seized with the questions of recovery from a multidimensional crisis and also how to achieve equitable socio-economic transformation. There seems to be a consensus of sorts around attracting foreign direct investment and where possible resuscitating industries. In our preliminary desktop-based study, we identified 28 HNWI's engaged in giving as per Table 3. However, in most instances we could not determine their net worth.

Case study Five: The Meikles family

The Meikles family probably has the longest history in the business and philanthropy space in Zimbabwe. The family's business began way back in the 1890s when Thomas Meikles and his brothers Stewart and Jack migrated into Southern Rhodesia (now Zimbabwe) and expanded their transport business that they had begun in South Africa. In 1913, Thomas began constructing present day Meikles Hotel across from Cecil Square (now Africa Unity Square) which was opened in 1915. Thomas Meikles died in 1939 after having established the hotel and also the Thomas Meikles and Investment Company. His widow and son-in-law Reginald Moxon continued with the work of the investment company. Currently, the business is under the leadership John Moxon a grandson of Thomas Meikles. The family's fortunes are diversified and consist of retail, hotels, ranching and tea production. In 2014, John Moxon's wife, Jean Wessels Moxon established the Meikles Foundation. The vision of the foundation is "to empower partnerships in sustainable solutions for conservation, community, welfare, education and artistic excellence in Zimbabwe." The foundation's activities include funding

feeding programmes, the arts, supporting orphanages and organizations that support children with cancer, conservation especially engaging in the fight against poachers.

Case study Six: Strive and Tsitsi Masiyiwa

Strive Masiyiwa is considered one of Africa's most generous humanitarian. In 1996, he and his wife Tsitsi Masiyiwa established a foundation, now known as Higherlife Foundation, with the goal of assisting the orphans and vulnerable and giving a chance to Zimbabwe's academically gifted. The couple is also associated with the big fight in pursuit of a mobile telecommunications license in the 1990s and how they built upon that success to establish a global behemoth of a company with presence in most African countries. Since the establishment of Higherlife Foundation, then Capernaum Trust³⁵, their philanthropy work included more than 300,000 students (orphans and those from vulnerable families) funded to study from primary school and in much of the cases all the way to university; at least 400 African students have been awarded scholarships to study at Ivy League universities in the USA. Provided support to medical students to an extent that there are at least two or three doctors at each provincial hospital who have been funded by the Masiyiwas.

To many the Masiyiwa's philanthropy is a direct result of an accumulation project that has gone right. In other words, there is an assumption that they worked hard, got rich and then decided to give, the story of many other Western based and even African HNWI's who have become philanthropists. Although the Masiyiwa's are probably the wealthiest³⁶ couple in Zimbabwe currently, their philanthropy preceded the wealth. The Masiyiwa's registered Capernaum Trust³⁷ in 1996 before being granted the license to operate their mobile telephone company. Both husband and wife are convinced that there is a different kind of philanthropy based on (i) Christian values and responsibility, (ii) deep understanding of the context and (iii) focus and commitment to long term impact³⁸.

Capernaum Trust's initial objective was to support orphans and children from vulnerable homes with education scholarships which covered school fees, levies and other related costs³⁹. Instead of focusing only on the amounts that they have spent educating others, Strive Masiyiwa is more interested in the outcomes of the investment. In one of the interviews, he is quoted as saying that what gives him satisfaction is to meet a beneficiary and learn that he or she has become an engineer or doctor because of their investment. During the late 1990s, Zimbabwe was going through the early stages of a social crisis driven by large number of deaths due to HIV/

³⁵<https://www.econet.co.zw/news/3/csr/4/capernaum-trust>

³⁶They are the only Zimbabwean couple to have signed the giving pledge.

³⁷<https://www.higherlifefoundation.com/education/>

³⁸Murisa, T. (2018). African Philanthropy: Evolution, Practice and Change. Higherlife Foundation Press ISBN: 9780797494886.

³⁹Same as footnote 3.

Table 3: Brief Analysis of Wealthy Individuals and Families in Zimbabwe

Name of donor	Thematic focus	Net worth	Source of wealth	Geographic extent of support
Strive and Tsitsi Masiyiwa	Education, health, girls empowerment, leadership and lifelong development, job creation	2.7 billion	Telecommunications	Sub-Saharan Africa
Meikles Family	Empower partnerships in sustainable solutions for conservation, community welfare, education and artistic excellence		Luxury hotels, farming, retail	Zimbabwe
Tererai Trent	Education, innovation and technology, health			Zimbabwe
Dr James Makamba	Education for the disadvantaged		Entrepreneurship	South Africa
Benjamin Mwaruwari	Education and literacy, youth and sport development, social and community development		Football	Zimbabwe
Nigel Chanakira			Entrepreneurship	Zimbabwe
Eve Gadzikwa	Poverty alleviation, women and girls			Zimbabwe
Shingai Mutasa			Commodity marketing	Zimbabwe
Shingi Munyeza	Charity			Zimbabwe
Jim Goddard			Construction	Zimbabwe
Sam Levy and Family	Women and children	700 million	Inheritance and property	Zimbabwe
Simon and Hamish Rudland	Sports (football)	98 million	Tobacco and transport	Zimbabwe
Billy Rautenbach		743 million	Mining and transport	Zimbabwe
John Bredenkamp		700 million	Tobacco, diamonds	Zimbabwe
Zed Koudounaris		1.1 billion	Investment (Innscor)	Zimbabwe
Michael Fowler		900 million	Investment (Innscor)	Zimbabwe
Nicholas Rudrick		420 million		Zimbabwe
Rob Davenport and Family		470 million	Investment	Zimbabwe
Charles Davy		367 million	Hunting Safaris	Zimbabwe
John Moxon		300 million	Mieles Group	Zimbabwe
Ken Sharpe		215 million	Augur Investments and West Food Distribution	Zimbabwe
Phillip Mataranyika	Charity	160 million	Nyaradzo Group	Zimbabwe
Moses Chingwena		105 million	Croco Motors and Orion Insurance	Zimbabwe
Ian Saunders	Charity	47 million	Mining	Zimbabwe
Emmanuel Makandiwa	Charity	42 million		Zimbabwe
Andre Zietsman	Charity	38 million	Contracting	Zimbabwe
Hilton Macklin		35 million	Electricals	Zimbabwe
Divine Ndhlukula	Women and girls	25 million	Security company, farming, accounting and transport	Zimbabwe

Source: Various internet articles.

Table 4: Timeline of Evolution of Higherlife

Year	Initiative	Purpose	Accomplishmnets
1996	Capernaum Trust Vision: To provide a platform for people to fulfil their God given purpose	To transform the lives of young, orphaned and vulnerable children in Zimbabwe through providing, school fees, ancillary support and leadership training program	The Trust has provided scholarships for more than 250 000 beneficiaries since 1996. Scholarship comprised of school fees, school uniforms for the orphans. The Trust also provided support to the beneficiary families by providing food and other necessary household items. The trust has also facilitated access to health care services by paying for paying for medical bills and purchase of medicines
2009	Capernaum Trust International Vision:To provide a platform for people to fulfil their God given purpose	To transform the lives of young, orphaned and vulnerable children in South Africa through providing financial support to meet their basic and spritual needs	About 10 schools and children's homes benefited. They provided food packs for children's homes on a weekly basis, life-skills training for school going age both in primary and secondary schools. Also ran girl child initiatives such as provision of sanitary ware and mentorship programs to address issues affecting the girl-child. Fundraised for a Book Distribution for youth. Also ran community-based spiritual programs
2008	Joshua Nkomo Scholarship Trust	To award scholarships to academically talented and gifted students from high school level to tertiary level	Approximately 12000 students have benefited from the fund. The scholarship included payment of fees, accommodation for those at tertiary institutions, books and stipends
2005	National Healthcare Trust	The Trust was established after a cholera outbreak in Zimbabwe had claimed many lives. To help with the disaster, the Trust donated money to hospitals and helped to refurbish clinics so that they could accommodate many patients	The trust also helped by providing training for medical personnel and paying doctors for health development. The trust awarded over 200 scholarships for medical students at university of Zimbabwe. The trust also helped to provide access to medicines, clean water and sanitation. They also helped in the Tokwe Mukosi disaster but providing blankets, food and clothing for flood victims worth US\$100 000. The trust also provided financial support during the Ebola outbreak
2006	Christian Community Partnership Trust	Established to provide financial support to pastors in the least developed areas in Zimbabwe and spiritual and moral support to the orphaned students under the Capernaum Trust Scholarship	The trust provided monthly allowances to meet the basic needs of pastors and hence enable them to help grow their ministries. The trust also paid school fees for pastors' children as a way of supporting pastoral work. The trust was also focused on changing, communities by equipping the communities to be self-sustaining. The trust provided guardianship through working with pastors, Christian counsellors to give support to the vulnerable children of the society

Source: Murisa (2018).

AIDs-related illnesses as well as the collapse of the economy due to the economic structural adjustment programme that had been introduced in 1991. Soon after being granted a license to run a mobile network the Masiyiwa's launched the Joshua Nkomo Scholarship Fund⁴⁰. The Joshua Nkomo Scholarship fund was established to support the academically gifted by providing them with fully funded scholarships after

⁴⁰Joshua Nkomo was one of the founding fathers of the Zimbabwe's liberation struggle and had supported Masiyiwa's appeal to be granted a license.

a rigorous selection process. The scholarship fund's selection criterion ensured that 10 students are selected from each of the 10 provinces of the country.

One of the defining characteristics of the Masiyiwa's approach to philanthropy is the capacity to keep on adding new causes in direct response to the challenges on the ground. In a context of a collapsing health delivery system, they established the National Healthcare Trust⁴¹. They also provided scholarships to medical students and

⁴¹https://www.pindula.co.zw/Strive_Masiyiwa

donated financial resources worth \$500,000 to the College of Health Sciences at the University of Zimbabwe. More than 300 medical students are benefitted annually from the scholarship and they have 6500 alumni medical students under this trust. The extent of their reach is significant; there are at least two or three doctors at each provincial hospital, who have been funded by the Masiyiwas. In 2019, through their Higherlife Foundation, they set up a \$100 million fund which would see up to 2000 junior and senior doctors employed by government getting \$5000 each on top of what they are earning from their employer⁴². The couple also established the Christian Community Trust to support rural-based churches and teachers. The Trust's focus was on helping rebuild rural communities (Table 4).

In 2016, they launched and rolled out Ruzivo (Shona for knowledge), a technology-learning platform that provides education material too close to 350,000 learners. According to the Executive Director of Higherlife, "Ruzivo responds to two issues; the challenge of quality learning material in the form of content and also is an attempt at bridging the high teacher to student ratio, currently pegged at 1:50 whilst the ideal is 1:18." The content on the platform was developed in collaboration with the Ministry of Education's Curriculum Development Unit. The platform was developed to ensure that it allows for self-learning either as part of the school's official programme or as after classroom ongoing learning. Indeed, one of the challenges that African learners face, especially those living in low-income areas, has been access to textbooks and relevant study materials.

In these current times of COVID-19, Strive and Tsitsi have taken the lead in helping Zimbabwe prepare for a wider outbreak of the coronavirus. Most doctors in the country only returned to work after the establishment of a fund to cover their subsistence and transport costs. They helped end a 4-month long strike by doctors over poor pay by offering them a \$300 monthly subsistence allowance⁴³. Through Higherlife Foundation, Mr Masiyiwa secured 45 ventilators to equip Zimbabwe's public hospitals⁴⁴. In 2019, Strive through Econet and subsidiaries donated RTGS\$5 million assistance for victims of the deadly Cyclone Idai in Manicaland. They mobilized resources in the form of rescue efforts, medical emergency aid, food, water and blankets for the victims and also volunteers⁴⁵.

Prior to Cyclone Idai and the COVID-19 outbreak Strive and Tsitsi Masiyiwa had donated US\$60 million towards the cholera response in Zimbabwe. Their company, Econet Wireless, had initially donated \$10 million in September 2018 as part of an effort to help

government's efforts in responding to the Cholera outbreak. Almost half of this had been spent by February 2019, and the Masiyiwas committed to expand these funds by \$60 million of their own funds, to be spent over the next 5 years. Since the 2018 outbreak, the Government of Zimbabwe led a massive effort to contain the spread of cholera. The swift action in releasing fund was critical for success. The US\$60 million commitment supports a wider cholera initiative, also referred to as the 'End Cholera Now: The 10-year promise' campaign⁴⁶. It has grown into a collaboration with the CDC office in Zimbabwe, Ministry of Health and a national taskforce on cholera elimination, with support from Higherlife Foundation, has been established.

Besides being a major funder of the response to COVID-19 in Zimbabwe, Strive became a coordinator of a Pan-African initiative working alongside the AU Chair and the Commission⁴⁷. He approached the World Bank's International Finance Cooperation to consider a Marshal Plan approach response to resuscitating a COVID-19-ravaged private sector. As AU envoys, they raised the need for a job stimulus programme of \$100 billion for Africa through special drawing rights at the IMF. Their advocacy reached to the Global Fund and GAVI and the Vaccine Alliance to make special concessions for African countries. Strive also campaigned for a special facility for Sudan and Zimbabwe. These two countries are under a variety of sanctions and there was a concern that they could be left out of the support facilities developed by Western countries.

CONCLUSION: EMERGING LESSONS FROM HNWPS

There are reasons to avoid premature celebration of the emergence of African philanthropy organization. First, the discussion on growth of high-net worth-based philanthropy tells only half the story. Africa's recent economic performance has not generated enough economic diversification, job growth or social development to create wealth and lift millions of Africans out of poverty, but instead only a few extremely rich have emerged either at the back of shadowy arrangements with the state or at times through sheer entrepreneurial resilience. The growth of a savings accumulating middle class has also been uneven – maybe because of the limited integration between downstream and upstream industries that can add value to the primary goods and increase incomes. Instead Africa's economic growth has yielded highly unequal societies, characterized by a minority of elites at the top of the pyramid and a growing bottom of the pyramid. This has led some

⁴²<https://www.newsday.co.zw/2019/11/strive-masiyiwa-unveils-100-million-fund-to-support-doctors/>

⁴³<https://mbaretimes.com/2020/01/doctors-end-strike-after/>

⁴⁴<https://allafrica.com/stories/202006250235.html>

⁴⁵<https://www.newzimbabwe.com/strive-masiyiwas-econet-donates-rtgs5-million-towards-cyclone-victims/>

⁴⁶<https://www.higherlifefoundation.com/strive-and-tsitsi-masiyiwa-avail-60-million-towards-cholera-response-in-zimbabwe/>

⁴⁷<https://au.int/en/pressreleases/20201108/statement-au-vaccines-financing-strategy>

organizations (such as COSATU) to argue that the much-lauded economic development could lead to what they call 'jobless growth'. For instance, since the dawn of the 'Africa Rising' narrative youth unemployment has been on the rise across the continent. State-based provision of social goods has been decimated.

Second, the Africa Rising narrative – with its assumptions about the growth of the middle class, especially HNWI – may relate to an ephemeral moment rather than a process of sustained growth. The president of the Ford Foundation rightly observed that the roots of most US foundations are in a well-functioning market economy. Africa is going through various, and at times incoherent, forms of economic liberalization that have mostly not prioritized the development of a national business/entrepreneurial class. Instead, they have focused on opening their economies up for foreign direct investment, which is usually driven by multinationals whose contribution to philanthropy on the continent is muted. As a consequence, Africa has not seen the same emergence of a broader entrepreneurial class as Malaysia, South Korea and, to a certain extent, China. Despite its high levels of growth as a region, the continent has to be very frank only a sprinkling of dollar billionaires in a sea of poverty.

Third, although the importance of philanthropy is recognized, very few national governments have taken steps to create an enabling environment in which tax incentives are provided, registration requirements eased and a broader policy framework developed to support the emergence of the philanthropy sector. A study carried out by the SAT in seven Southern African countries found that, except for South Africa, there was no tax incentive for giving, nor legislation for the establishment of incentives (except in Mauritius), but there were legal restrictions on the board participation of non-nationals. Kagoro (2016) discuss the various challenges that philanthropy-focused organizations face beginning with the dilemma on how to register. They argue that in certain instances a single organization has to register under five different laws or administrative structures for purposes of compliance with the law (e.g. NPO Registrar, Revenue Authority, Local Authority and line ministry for the intended area of work). There is an urgent need for African governments to consider formulating national philanthropy policies and strategies.

Fourth, there continue to be limited platforms for creating a community of practice among foundations established by HNWI. Conversations on how to give, where to give and who to work with either do not take place or are very limited. Giving by Africa's HNWI remains largely untracked and at times deliberately so because of the lack of incentives from the governments. Key informant interviews revealed that, unlike their US-based counterparts, the African foundations do not have an incentive to publicize their giving especially when it may attract attention from revenue authorities and lead to increased demands for taxes.

Finally, whilst the development and growth of the African philanthropy sector is long overdue, we remain cautious about its role in nurturing an alternative form or philosophy of development. The emergence of these foundations has not been associated with a core set of ideas on how to achieve development or change for that matter. There is no compelling comprehensive cohering framework driving these actors except maybe different religious-based influences. There is no evidence that these founders have grappled with and produced a set of ideas that they are actively pursuing to achieve. The African Philanthropy sector will need to work in combination with others in developing a vision for the continent they want. Africa's academia especially the Social Sciences has over the years generated a very respectable body of knowledge focused on what is wrong and how it can be fixed.

Despite the need for caution raised earlier, there is still a reason to make a big bet on philanthropy as a force for good. Philanthropy should position itself to play a more catalytic role by investing in solutions that seek to disrupt the status quo. The continent urgently needs a new compact of inclusive democratic development driven by values of equity and sustainability. It is too early to talk about African philanthropy displacing global philanthropy, there is still a lot of work to be done in Africa. Instead, African philanthropy as a sector should be playing a leading role in continuously finding and nurturing collaborative innovations which will ensure that both the African based and global players can coexist and create synergies where these are needed. It cannot be business as usual based on the old models but instead there is need to develop an appetite for doing things differently. We are in a period of systemic uncertainty and the reconfiguring of the global economic architecture, and it provides an opportunity for philanthropy to support game-changing solutions and create opportunities for a new approach that could deliver the aspiration for an inclusive and democratic continent.

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