

Research Report

Literature Review Related to Philanthropy in Six African Countries: Algeria, Cameroon, Democratic Republic of Congo (DRC), Morocco, Senegal, and Tunisia

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GLOBAL CONTEXT OF PHILANTHROPY IN THE COUNTRIES UNDER STUDY: CATEGORISATION

Investment in the philanthropic sector in contemporary Africa calls for transformative changes. The level of ambition and the complexity of the donors or givers: private or public, individual or collective, informal or formal (officially registered), national or international, especially with regard to the required amount of funding and technical resources, turn the noble aspirations of people into realities on the ground. Frequently, African populations have a rich culture in gifting, sharing, and mutual support (sharing and gifting goods, work, and money). However, the field of philanthropy in Africa is not sufficiently documented (Mohamadou and Hathie, 2009).

This literature review aims to present the African philanthropic landscape. This review of the literature related to philanthropy in the six countries: Algeria, Cameroon, Democratic Republic of Congo (DRC), Morocco, Senegal, and Tunisia, explicitly articulates how and why High Net Worth Individuals (HNWIs), for example, use their resources to achieve the country's mission and vision. These countries use French as one of the official languages. Their populations are Christians, Muslims, and Animists. Some of these countries are situated in the Arab region and others have Arabic culture (a large population of these countries that speaks an Arab language). Philanthropy in all these countries is embedded in the people's culture (Hartnell, 2018), which means that they know about generosity, charity, gifting, helping, sharing, altruism, and philanthropy.

In 2021, the following forms of philanthropy existed in the six countries studied: traditional philanthropy, private foundations, corporate philanthropy, community philanthropy, individual giving, and philanthropy infrastructure. Faith-based charity and giving to family and relatives (representing traditional philanthropy) is widespread throughout these countries. Historically, and since the Tunisian revolution, philanthropy has supported kindergartens, schools, scholarships, community health centres, and distribution of food. The incidence of foundations is very uneven across the six countries. In many countries there is no legal framework for setting up a foundation; this includes most Arab countries in North Africa. In Tunisia, for example, the 2011/2012 law governing civil society work does not allow the registration of foundations.

The upsurge in Arab philanthropy in recent years has seen both the formation of modern foundations and a revival of *waqf*¹. Modern foundations are subject to modern management principles and methods and not constrained by *Sharia*² principles, such as the Western inspired family, private, and community foundations that have emerged in

the last three decades. New forms of *waqf* have emerged such as crowdfunding. NGOs utilise crowdfunding to fund housing for the underprivileged. The role of *waqf* in Arab societies can best be understood in light of the social contract and the type of political system at any point in time.

The role played by international foundations varies from country to country. In Tunisia, where there are no local foundations, almost all philanthropic money currently comes from foreign sources. This fact could be used to delegitimise civil society efforts at social transformation. From traditional philanthropy to more sustainable and innovative approaches, enterprises are taking corporate social responsibility (CSR) seriously, trying to help society through their work. The private sector has become a recognisable force in the social domain contributing to solving both national and local level challenges. CSR and corporate philanthropy are involved in poverty alleviation, health, unemployment (microcredit), environmental issues, labour rights, research and development (R&D), youth development, sports, women's empowerment, community development, and civil society capacity building.

Corporate philanthropy and CSR are increasingly collaborating with CSOs and grass roots organisations. It is noted that giving (individual giving) is embedded in the culture of these six countries. People are giving in substantial amounts and fundraising in the region can be extraordinarily easy. Giving to one's home neighbourhood is very common among people from all six countries, known as diaspora philanthropy (Sikod and Tchouassi, 2006). This follows the concept of solidarity or sponsorship in which a person will sponsor a family, student, orphan, school, or clinic in their extended family, city neighbourhood, or village. Many people have left their native country, starting two centuries ago and more recently because of the economic crisis, so there is an enormous network of people sending remittances home. The main philanthropy infrastructure organisations in these countries are foundations.

THE GENESIS, DEFINITION, AND REGULATION ISSUES OF PHILANTHROPY

The term philanthropy first appeared in the 17th century, and was used a century later by Adam Smith, the famous economist considered the 'father of capitalism', in his book *The Theory of Moral Sentiments* (1795). However, it was towards the end of the 19th century that this word was defined, during the era of industrial capitalism in the United States. The idea of philanthropy is redistribution of the profits generated by capitalism to contribute to the development of civil society and enable social progress (Holmes, 2012). Foundations seem to be an ideal tool to pursue this objective (Zunz, 2012). Although Gbedan (2018) argued that the practice of philanthropy does not necessarily depend on the richness of institutional structures, literature shows that the emergence of the first generation of large foundations (Carnegie, Rockefeller, Mellon, et cetera) at

¹Waqf means a voluntary charitable endowment donation.

²Sharia means a body of religious law that forms part of the Islamic tradition.

the beginning of the twentieth century coincides with a period of high wealth creation. These foundations belong to the people who led the great industrial empires of the time, such as Andrew Carnegie, John D. Rockefeller, and Henry Ford.

Philanthropy is the expression of human generosity (Grady, 2014). It is generally defined in three dimensions: a national dimension, an international dimension, and a transnational dimension. While in its national dimension, philanthropy is generally defined as the use of private resources for the common good. In its international dimension, it is presented, in principle, as a set of practices contributing to the mobilisation, provision, planning, and deployment of private resources (material and/or non-material) from one country for the development and common well-being of the population of another country in the form of projects or programs without compensation (Gbedan, 2018). In its transnational dimension, according to David and Tournès (2014), it consists of connecting initiatives implemented on different national grounds by one or more organisations.

Several authors have tried to distinguish philanthropy from other social practices such as charity. Charity is a very specific term, referring to acts of generosity towards the poor. On the other hand, benevolence is more global. According to Lambelet (2017), benevolence is an action on the world while charity is a testimony of God's love. Similarly, in charity, the reward is inherent in intention while the reward of benevolence is in social utility. Charity thus refers to the relief of suffering at an individual level and has its roots in the Catholic religion (Holmes, 2012). The innovation that philanthropy brings is not in the act of generosity itself, but rather in the scale of achievement. Thus, the act of charity would be aimed at the poor, while the act of philanthropy would be for all humanity (Gbedan, 2018).

The context of the six countries under review necessitates numerous definitions of the word philanthropy. Most of these definitions are from five types of sources: traditions, religions, individuals, corporate, and abroad with the Diaspora.

Traditional philanthropy, based on natural generosity, concerns community philanthropy (social base communities) observed in the six countries under review and most of these traditional organisations move from informal to formal and legalised associations or local NGOs. The main role of these community philanthropies is to help the poor, to share goods and services (health care, education, potable water), to give money, goods, and work to eradicate poverty, and to sustain the environment.

Religious philanthropy is present in all six countries, founded by Christians to help Christians with philanthropic goods and services: health care centres, primary schools, water pumps, money, and goods. This kind of philanthropy is based on religious associations or foundations. Foundations in these countries engage with Sustainable

Development Goals (SDGs), which reveals what they see as their roles and priorities. The *zakat*³ and the *wakaf* (or *waqf* or *wakf*) are concepts most utilised in Muslim countries (Algeria, Morocco, Tunisia and Senegal) and are related to acts of charity or donation acts.

Individual philanthropy in these six countries is mostly from footballers, musicians, politicians (head of states, ministers, first ladies) and businesspersons. Most of their foundations are declared for public utility with main goals in education, health, environment, and poverty reduction. Funds are from leaders and governments' state budgets.

Corporate philanthropy or CSR is from the big main companies installed in these six countries: MTN Foundation, Orange Foundation, SOS Children's villages among others. The key missions of these corporate foundations are social responsibility in the education and health care of the population, and preservation of the environment, with the planting and regeneration of vegetation. These are located nationally but are in relationship with international NGOs or foundations from abroad.

Diaspora philanthropy plays an important role in transferring goods, services, and money from where the immigrants are located to their home communities for specific actions.

The lack of a clear regulatory framework in many of the countries under study creates a sense of uncertainty about what is acceptable, as well as when and how the state will regulate, control, or restrict activities. In addition, the move to criminalise civic engagement and funding thereof is ambiguous. The laws and regulations around the different categories of philanthropy in these countries remain too strict and cumbersome. Community philanthropy in Arab countries is inhibited by restrictive laws that are implemented by bureaucratic government employees who do not distinguish between the purpose of the cause and the reality of the action. In these countries there are no income taxes for civil society organisations; therefore, no non-profit or tax exempt status, which makes it hard to raise funds from abroad, or to collaborate with western philanthropic organisations.

MOTIVATION FOR PHILANTHROPIC ACTION: MOVING MONEY?

If philanthropists do benevolent work, seek to alleviate poverty, advance education, religion or other causes that benefit the community, one question is why do they do so? Some authors show that two opposing theories (altruistic and selfish motivations) explain the reasons for the emergence of philanthropy. Brouard and Larivet (2010) group them under the personal, social, and financial dimensions.

The personal dimension might seem, at first, the most obvious. This dimension emphasises altruism. Altruism is at least in theory the main motivation or orientation of the

³Zakat is the act of giving money to the poor in Islamic religions.

philanthropist. The term ‘altruism’ recalls the old definition of philanthropy, when it was only virtue and not yet action. It evokes the disinterestedness of the donor. According to Brouard and Larivet (2010), altruism is the quality of selfless love of others, which, when put into action, leads to philanthropy. Philanthropists act out of empathy, compassion, sympathy, conviction of the importance of the cause served, religious obligation or belief, a sense of community accountability, and a search for a calming of conscience following a significant financial success (Lasby and McIver, 2004). Similarly, it is enduring psychological states that might encourage donation. For example, being personally affected by a cause, seeks a higher level of satisfaction of needs in Maslow’s sense (belonging, self-esteem, personal achievement, etc.). When Andrew Carnegie founded his foundation in 1905, he explained that he felt a duty to reward society for some of its wealth (Zunz, 2012). For him, the question was not “*how to make a profit?* [but,] *what to do with profit?*” Thus, according to him, the best way for a rich individual to use his wealth is to manage it as a public fund during his lifetime and not to leave it to heirs or charities (Acs & Phillips, 2002).

The social dimension corresponds to a less passionate but more reasoned motivation (Abelès and Kohler, 2009). The act of philanthropy is then motivated by a rational approach by which the philanthropist relies on a societal assessment, chooses a cause, and conducts research on organisations in the sector that can support him or her (Brouard and Larivet, 2010). This approach could be described as political.

Many contributors mention the increasing difficulties of receiving foreign grants or moving money around these countries, in particular in Arab regions (Hartnell, 2018). Arab foundations are set up with headquarters in the US or Europe – this provides better regulation and tax incentives and more freedom to operate – with branch offices based in the region. However, with growing restrictions being placed by regional, as well as global, banks it is becoming more and more difficult to receive grant funding and to make grants – in some cases, even within the country itself.

Regarding financial motivations, Brouard and Larivet (2010) cite tax reduction through the granting of tax credits, the protection of family assets, and the obtaining of contracts. Indeed, tax credits reduce the after-tax cost of a donation. Thus, this dimension justifies the selfish motivations of philanthropy. For example, the reasons that led Henry Ford to create his foundation in 1936 were far from altruistic. Indeed, a few weeks before the birth of the Ford Foundation, a law imposing a spectacular inheritance tax (up to 70 per cent tax on inheritances of more than \$50 million) had just come into force. The creation of the Ford Foundation, often accused of being the result of enormous tax evasion, was primarily aimed at protecting the interests of the Ford family and not at any altruistic objective. The Ford Foundation’s main objective was to avoid the new inheritance tax while retaining control of the company within the family upon the founder’s death (Zunz, 2012).

In this case, philanthropy was a means of preventing movements or actions that could attack capitalism. It is therefore a means for the rich to maintain their dominance (Holmes, 2012; Zizek, 2008). However, the fact that philanthropists act in their own interest is not a deliberate mistake, but rather a consequence of the subjective nature of philanthropic activities (Dehalleux, 2018).

Abélès (2012) on the other hand, grouped these motivations according to two approaches, namely a passionate approach and a reasoned approach. In the passionate approach, the philanthropic action is triggered by an event, a meeting with an individual or an organisation. The development of the action will take place around the individual or organisation concerned (the cause supported is generally humanitarian). In the reasoned approach, the philanthropist focuses on a societal diagnosis or a cause (help for street children, professional integration, support for artists, etc.), before conducting research on the organisations in the sector likely to support it. However, some philanthropists mix the two practices. Indeed, the philanthropic action, in its early stages, focuses on supporting a unique project with a passionate approach. Then, as philanthropists become more familiar with their subjects, their actions approach the behaviour of a reasoned philanthropist.

According to Bishop and Green (2008), the main motivation behind philanthropy is irrelevant, whether for tax reasons or for pride. What matters is the result; if there were no selfish ulterior motives in the act of distributing wealth, there would be fewer philanthropists and less money dedicated to social progress and civil society.

Moving money from abroad to needy communities is problematic in the countries under study, and it is very difficult to make any sort of online payment in most of the countries. In Tunisia for example, online payments cannot be made for anything outside of Tunis, and crowdfunding is almost impossible unless it is local.

AFRICAN PHILANTHROPY

The conventional definition largely inspired and shaped by others can be misleading in an African context (Mohamadou and Hathie, 2009). Therefore, it is necessary to present philanthropy as Africans practice it daily in Africa. According to Mohamadou and Hathie, (2009), three key elements can be used to characterise philanthropy in Africa. First, philanthropy in Africa is the individual or collective effort or inclination to improve the well-being of an individual, a group of people, or humanity. Second, it is the sense of solidarity and sharing with people in need. Third, it is an activity or institution designed to promote human well-being.

Community and social values shape philanthropy in Africa; like the vast majority of donors, Africans give for various, and sometimes complex reasons. In general, they give to others for worthy causes, because they think their gift is useful or can make a difference. The main institutional

form of African philanthropy is essentially non-formal; it is difficult to capture all the donations made because they are often made in secret. African philanthropy is also not linked to periods of prosperity, as is the case in other parts of the world. Indeed, in difficult times, people will probably give less in other societies. However, in Africa, difficult times are also times of sharing and conviviality. Mohamadou and Hathie (2009) have therefore grouped philanthropy in Africa into four forms:

- *Individual philanthropy (HNWI)*: Although it is not very developed in Africa, it is noted that many people are donors, rich and poor. This type of philanthropy targets individuals more than groups or organisations. Philanthropists in this case give more to family members, friends, and neighbours than to unknown organisations, for example, the Samuel Etoo Fils Foundation, the Albert Roger Milla Foundation in Cameroon, and the Koffi Olomidé Foundation in the DRC. Their support focuses on education, health, local development, socio-professional integration, and culture. This support is through donations (to orphanages), scholarships, grants, programs, among others. These philanthropists implement several strategies, including assistance to orphaned children, legal and social assistance to minors, health assistance, HIV/AIDS awareness, disease prevention and treatment, peace building and conflict prevention, and improvement of community infrastructure. Even if the interests from one philanthropist to another are not identical, it should be noted that all are working to improve the quality of life of vulnerable groups.
- *Community philanthropy*: Several associations, popular organisations, or community organisations act as private entities engaged in activities to relieve suffering, protect the environment, provide basic social services, and ensure community development. These organisations are value-based and not-for-profit. They are organisations whose members are composed of groups of people who have come together to defend their own interests. These associations also develop philanthropic activities and rely on their own resources to carry out such activities. In general, they serve a specific population in a given region; this type of philanthropy is dominant in sub-Saharan Africa. In almost all cities, numerous solidarity associations have been created to help members in need; this format extends to inhabitants of villages. For example, in Cameroon, DRC, and Senegal community associations are funding the rehabilitation or building of schools, water points, and health centres.
- *Religious philanthropy*: As in many countries, philanthropy for religious purposes is highly developed in Africa, especially in North Africa. Religion is traditionally a powerful engine of generosity. For example, for religious purposes, Islamic believers are encouraged to make donations called zakat, used to buy food and clothing for the poor, or to build hospitals and orphanages. Even if zakat contributions do not strengthen

autonomy and fight poverty, they remain a valid solidarity mechanism. Christian generosity is another expression of philanthropic concern, particularly in the areas of education, health, and access to clean water.

- *Corporate philanthropy*: The emergence of African corporate foundations is relatively new. This type of philanthropy is therefore rare in Africa. In Senegal, the SONATEL foundation is a good example of a flourishing company that invests in social issues for the common good.

FROM INDIVIDUAL PHILANTHROPY (HNWI) TO COLLECTIVE PHILANTHROPY

Engaging in philanthropic action is rarely a collective project from the outset. Whether it is through the creation of a foundation by individuals, or the case of corporate patronage, the starting point is most of the time a single, autonomous actor, with its own resources, vision, issues, and objectives (Bordiec, 2018). In the case of individual philanthropy (HNWIs), the emotional or intimate dimension often plays an important, even essential role in the design of the project and its development. On the corporate side, corporate or brand strategy is often a strong determinant. Thus, the collective dimension does not seem to be a central axis of private philanthropy. However, the emergence of collective approaches within the philanthropic sector: networks, circles, partnerships, alliances, and cooperation of various kinds, is evident. Foundations are seeking, on an ad hoc or permanent basis, to build strategies that involve the collective. Although some actors are reluctant to collaborate, none is in a situation of complete isolation or total imperviousness to the collective dimension.

According to Brouard and Larivet (2010), no prerequisites, specific training, or degrees qualify individual philanthropists. The designation of individual philanthropist was generally granted to those who made a large cash donation. According to these authors, individual philanthropists are no longer necessarily immensely wealthy, neither old, nor from good Anglo-Saxon society, nor male, nor passive. Indeed, there are the great individual philanthropists whose donations are spectacular in their amount; but many citizens are also philanthropists, but are not treated as such. Perhaps the individual impact of the latter may not be as important, but the overall impact is certainly, if not more so (Lasby and McIver, 2004).

Some individual philanthropists are referred to as new philanthropists. They also put their energy, financial resources, entrepreneurial skills, and reputation to work for others. In contrast to the old ones who practice passive philanthropy, the newer ones practice active philanthropy through their direct involvement. They are true entrepreneurs of philanthropy, who are part of the social entrepreneurship movement of thought. They contribute to the professionalisation of philanthropy. Vaccaro, Olivier, and Bruder (2009) showed that philanthropy is moving from a classic logic to an expert logic: new

philanthropists want more efficiency in their practice, want to do it themselves, want to consult, innovate, and demand a social return on their investment. However, these new individual philanthropists are also being criticised for wanting to over-quantify their approaches and for ignoring the time needed for social change.

GAP IN LITERATURE

The work that exists on philanthropy in Africa is not well publicised. For example, there is no mention of philanthropy in sub-Saharan Africa in the book co-edited by Wiepking and Handy (2015). The same is true of the book by Jung, Phillips, and Harrow (2016), which mentions a study on South Africa. Moreover, in the work of Benamouzig Bergeron, and Segret (2015), aimed at bridging the great gap between Anglo-Saxon and Francophone literature on the theme of philanthropy, only one mention is found on Africa. However, in recent years, several other studies have been carried out to fill this gap. These are mainly the works of Gbedan (2018), Mohamadou and Hathie (2009) and Bracking (2015). It was observed that, apart from Gbedan (2018), who tried to allude to the case of Egypt, other works have almost ignored the French-speaking countries of Africa. This study aims to fill this gap by studying the philanthropic landscape in the French-speaking countries of Africa, particularly Algeria, Cameroon, DRC, Morocco, Senegal, and Tunisia; therefore, the following research questions can be asked:

- What is philanthropy in an African context?
- How does philanthropy work in Africa?
- How and why does one become an individual philanthropist in this context?
- Who are the African philanthropists: young or old, men or women?
- What is the efficiency of individual giving on the economic development?

RELATIONSHIP BETWEEN GOVERNMENT AND PHILANTHROPY

It is common knowledge that philanthropy and governments have to work together. What should the relationship look like? How can grant makers collaborate formally or informally with partners in government to advance the common good? Does everyone think this is a good idea?

The state plays a major role in regulating, stimulating, and instrumenting philanthropic activity (Lefèvre, 2015). First, in terms of supervision, the state defines the scope of philanthropic action; at this level, it is necessary to establish a link between taxes and philanthropy. Indeed, at first glance, donation and tax seem to be in opposition; on one hand, are state and public sphere obligations, on the other hand, generosity, personal initiative, and the private sphere. Yet these two ways of giving and receiving money are less opposed than they seem, constituting two sides of the same process.

In Western countries, their genesis has several similarities. The First World War was one of the most important times for the introduction of both income tax and tax exemptions for donations to charities. Second, the government can stimulate financial philanthropy. This starts with the creation of legal mechanisms to institutionalise foundations or tax mechanisms to encourage donations, through tax exemptions or forms of matching and enhancing donations.

Finally, public authorities can use financial philanthropy as an instrument. The state has promoted large popular collections on several occasions, and occasionally individuals, ideas, and programs circulate between foundations and governments. Another example is the subcontracting processes, where governments more or less explicitly delegate to the philanthropic sector areas of action that they previously had a monopoly on, such as culture, education, social affairs, and the environment (Smith and Lipsky, 1993).

PHILANTHROPY AND DEVELOPMENT

A change of mindset is needed to start seeing philanthropy as a powerful tool for development and innovation. Philanthropy could play a much bigger role if foundations, individual philanthropists, and corporate donors were strategic about their giving. If they were willing to increase collaboration, and take risks, and lead, and drive change rather than merely support the usual issues.

If philanthropy is to achieve this role in the countries in this study, a sense of trust and confidence in the partnership between state institutions, society, and philanthropy is needed. This should involve a willingness on one side to respond to criticism with corrective measures and the skill on the other side to criticise constructively yet candidly, along with professionals who can transform field experience and lessons into macroeconomic development policy-relevant messages. Local philanthropy institutions, individual philanthropists, and the business sector need to take more risks in supporting local development.

Several OECD studies focused on the contribution of philanthropic institutions to development. Indeed, according to the OECD (2013), the contributions made to development by foundations are as numerous and varied as those of non-governmental organisations or government agencies. They can range from individual scholarships and grants to safeguard the natural and human heritage, to development projects in almost all economic and social fields, or even the definition of a general economic strategy. Despite this diversity, foundations, and in particular the largest of them, have specific characteristics that make them stand out in the development field. They are sufficiently equipped to engage in long-term, innovative, risk-taking and sometimes counter-intuitive activities. The green revolution and population programs were essentially initiatives of foundations that gradually attracted official funding as the shift from research to implementation progressed. This process

has been repeated in the case of infectious disease control and sustainable development. According to the OECD (2013), philanthropic foundations also play an important role in sustainable development, not only by mobilising financial resources, but also as development actors in their own right. It is increasingly recognised that including foundations more strategically in policy discussions at the global and local levels would help to optimise development results. This should require a paradigm shift in the way governments approach foundations, viewing them now as catalytic partners rather than mere financial operators.

MACROECONOMIC POTENTIAL FOR INDIVIDUAL GIVING

There are few places where the gap between the potential for giving by individuals to social causes and the reality is greater than in the six countries. When considering the macroeconomic potential funds for giving to social causes, two per cent of country GDP seems to be plausible. What is the potential of channelling traditional giving to social causes? While giving is obligatory in Islam for those who are capable, not many people put a lot of thought into the effectiveness of their giving.

There seems to be general agreement that little online giving (for example crowdfunding) is happening currently. Despite this, there is optimism about the prospects for giving in these countries. There is a lot of money out there but people are only doing impulse giving. There is potential for people to give money in months when they are not giving. \$260 billion is given annually in the US, and younger people are the main target for this kind of fundraising.

METHODOLOGY

The methodology used for this study is qualitative and quantitative with a mix of primary and secondary data. Indeed, the data were obtained on one hand through interviews conducted with philanthropic organisations, and on the other hand using documents and databases available on the internet.

In the next section of the study, the focus is on the case of Cameroon. The efficiency of individual giving and orphan foundations (orphanages) on economic development of Cameroon was analysed empirically. The instrument used for data collection was a survey administered to the philanthropists in the sample. This study used an econometric method (Data Envelopment Analysis, (DEA)) to obtain robust results with recommendations.

In the literature, several models have been used to measure the level of efficiency of individuals, companies, or even public administrations. Among these models, the DEA model is the most prominent. Indeed, the term DEA was coined by Charnes et al (1978) and since then many authors have started to adopt this methodology. Charnes et al (1978) proposed an input-oriented model that assumed constant returns to scale (CRS). Later authors such as Banker,

Charnes and Cooper (1984) proposed a variable returns to scale (VRS) model. The VRS model considers m input and s output data for each of the n orphanages. For the i^{th} orphanage, the input and output data are represented by the pair respectively. Given x_i and y_i , X the matrix of input $m \times n$ quantities and Y the matrix $s \times n$ of output quantities for all n orphanages in the sample, the output-oriented model used for the calculation of technical efficiency is:

$$\begin{aligned} & \text{Maximize } \theta \\ & \text{Subject to: } -\theta y_i + Y\lambda \geq 0 \\ & x_i - X\lambda \geq 0 \\ & \lambda \geq 0 \end{aligned}$$

Where θ is a scalar and is a λ constant vector $n \times 1$ called multiplier. The value of obtained is the θ technical efficiency score for the orphanage i^{th} .

As primary and secondary information related to philanthropy are scarce, data on philanthropic funds are also very limited and not accessible. In order to carry out an econometric application, questionnaires were sent to 64 orphanages in the cities of Douala and Yaoundé in Cameroon. The results follow.

PRESENTATION AND ANALYSIS OF EMPIRICAL RESULTS

As mentioned above, the use of the DEA model requires setting one or more output variables and one or more input variables. Based on the results of the questionnaire, the output variable was “the average number of children that each orphanage hosts each year”, and as the input variable, “the value of donations in kind and/or cash received on average each year by each orphanage”.

In our sample, while the best-known orphan foundation receives on average about 20 orphans per year, the least known one receives about one child per year. In addition, the average number of children received by all these orphan foundations each year is about four. The children who are accepted into the orphan foundations receive support in the field of human capital such as schooling, health, education, nutrition, human right (law), and even through socio-professional training, until they reach the age of majority. The most supported orphanage received donations in kind and/or in cash from individuals, public administrations, religious, or non-governmental organisations, of about FCFA 230 000 each year. The least supported orphan foundation receives donations valued at only about FCFA 96 000 per year. Similarly, the average annual support in kind and/or in cash for all the orphan foundations in our sample is estimated at FCFA 2 748 922.

Using Coelli and Perelman’s (1999) DEAP 2.1 software, the efficiency scores were obtained and are presented in Table1, which shows the CRS approach for all the orphan foundations in our sample (64 orphan foundations), the average efficiency score is 53.85 per cent, which is above 50 per cent. This means that an efficient use of in-kind and/

or cash donations received by these orphan foundations could increase the number of children supported by up to 46.15 per cent. For example, an efficient use of the donations received by the most supported orphan foundation could allow it to modify its average capacity from 15 to 20 children each year.

Still under this assumption, the efficiency score is low at 17.36 per cent. This means that the least efficient orphan foundation could increase the number of children supported each year by 82.64 per cent and increase the same level of in-kind and/or cash donations received. Only 6.41 per cent of the orphan foundations in our sample had a 100 per cent efficiency score. This meant that only 6.41 per cent of orphanages in Cameroon received children and donations in optimal proportions. Furthermore, while only 4.23 per cent of the orphanages in our sample had an efficiency score of 20 per cent or less, more than half of the orphanages had an efficiency score of over 50 per cent. Thus, in general and following the CRS approach, Cameroonian orphan foundations use the donations they receive efficiently. Philanthropic funds in Cameroon are therefore efficient according to this approach.

The VRS assumption allows for the calculation of technical efficiency without taking into account the sub-optimal or optimal size of the orphan foundation. Under this assumption, 6.8 per cent of orphan foundations achieved full technical efficiency, i.e. they supported children in optimal proportions. In the same sense, results showed that the average technical efficiency score was 62.56 per cent. Thus, on average, an orphan foundation could increase its capacity to receive children by up to 37.44 per cent while maintaining the same level of in-kind and/or cash donations received. Even though some orphan foundations (7.24 per cent) had a technical efficiency score of 20 per cent or less, the majority of orphanages (about

75.47 per cent) had a technical efficiency score well above 50 per cent. Thus, philanthropic funds in Cameroon are efficient according to the VRS approach.

The Scale hypothesis allows for the assessment of efficiency gains through an increase or decrease in the size of the orphan foundation.

$$\text{Scale efficiency} = \frac{\text{CRS efficiency}}{\text{VRS efficiency}}$$

Referring to the results of this approach, the average efficiency score was 68.24 per cent. In the same sense, if 4.58 per cent of orphan foundations have a full efficiency score, about 62.4 per cent of orphan foundations have an efficiency score above 50 per cent. Thus, the scale efficiency is high in the orphan foundations in Cameroon according to this approach.

CONCLUSION

Orphan foundations, private foundations, official development aid organisations, and philanthropic organisations in general are committed to improving the living conditions of populations in difficulty. However, very few authors have focused on philanthropy-related issues. The aim of this study was therefore to contribute to filling this gap in the literature. More specifically, the objective of this work was to evaluate the levels of effectiveness of philanthropic funds in Cameroon. To achieve this objective, 64 orphan foundations were interviewed in the cities of Yaoundé and Douala, and using the DEA model, the following results were obtained: the average efficiency scores of philanthropic funds in Cameroon were 53.85 per cent, 62.56 per cent and 68.24 per cent respectively according to the CRS, VRS, and Scale models. Thus, on average, efficient use of the in-kind and/or cash donations received by these orphan

Table 1: Efficiency scores for philanthropic funds

Efficiency (percent)	Frequency			Cumulative frequency		
	CRS	VRS	Scale	CRS	VRS	Scale
At most 20	4.23	7.24	8.54	4.23	7.24	8.54
21–30	8.35	5.71	4.25	12.58	12.95	12.79
31–40	20.42	8.23	19.53	32.29	21.18	32.32
41–50	14.73	3.35	5.35	47.63	24.53	37.67
51–60	10.53	6.53	5.71	58.16	31.06	43.38
61–70	2.86	25.31	24.51	61.02	56.37	67.92
71–80	12.56	19.23	9.23	73.58	75.6	77.15
81–90	11.36	6.34	11.25	84.94	81.95	88.4
91–99	8.65	11.26	7.02	93.59	93.2	95.42
100	6.41	6.8	4.58	100	100	100
Total	100	100	100			
Average	53.85	62.56	68.24			
Minimum	17.36	19.78	18.43			
Maximum	100	100	100			

Source: Author's construction.

foundations could increase the number of children supported by up to 46.15 per cent (CRS hypothesis), 37.44 per cent (VRS hypothesis), and 31.76 per cent (Scale hypothesis). Thus, on average and in general, philanthropic funds are effective in Cameroon, and it can be recommended to all individuals, and public or private organisations of good will to increase support of orphan foundations thus enabling them to take in more vulnerable children.

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